

GENERAL PROVIDENT FUND

6.86 Maintenance of G.P.F. accounts of Class I, II and III officers/officials including All India Service Officers of Punjab State w.e.f. 1st April, 1989.

It is to address you on the subject noted above and to say that the Accountant General, Punjab has been absolved of the responsibility of maintaining the G.P.F. accounts of Punjab Government employees w.e.f. 1st April, 1989 as circulated,--vide Punjab Government letter No. 12/229/80-4FP.III/3968, dated 31st March, 1989. Instructions have been issued separately for the allotment of new G.P.F. account numbers and also for obtaining the held up schedules of G.P.F. from the D.D.Os for the month of March (paid in April 1989) onward. List containing the Heads of Departments/Heads of Offices who are to maintain the G.P.F. accounts after 1st April, 1989 although has also been supplied to you, but is attached for reference as Annexure.

2. A copy of the Scheme containing detailed instructions for the maintenance of G.P.F. accounts is sent herewith for information and necessary action. These should be studied thoroughly for their strict enforcement. Any doubt in their interpretation or application may be brought to the notice of this department directly.

3. For the purpose of the new Scheme, a new sub-head under the minor head "G.P.F. below the major/sub-major head 8005--State Provident Funds--01--Civil" indicating separate detailed head of each department may be opened as under :--

(i) "8005--State Provident Fund--01--Civil--101--General Provident Fund (Name of the department)".

(ii) "104--All India Services Provident Fund".

4. On taking over this work, a complete and consolidated list of Class I, II and III including All India Service Officers of the Punjab Government, working under your administrative control, showing the old and new G.P.F. account numbers, may be supplied to the Accountant General (A & E), Punjab to enable him to close their accounts and also for such action as may be deemed necessary by him.

5. After the introduction of new Scheme, you are required to shoulder the responsibility of the subscribers in all respects.

Accordingly all the subscribers working under your administrative control should be apprised of the new Scheme. The new G.P.F. account number alongwith old account number allotted by the Accountant General, Punjab, should be issued to each of the subscriber through the D.D.Os etc. Their receipt may be got confirmed.

6. Spare printed copies of New Scheme are available in the Finance Department (in Finance Personnel--III Branch) and these can be collected by deputing special messenger against written reference.

(No. 12/229/80-4FP.III/4688, dated 2nd May, 1989).

INSTRUCTIONS

FOR

Maintenance of General Provident Fund Accounts of Class I, II and III Officers/Officials including All India Service Officers of the Government of Punjab, by the Head of Departments/Head of Offices

Para 1—INTRODUCTORY

After taking over the General Provident Fund accounts from the Accountant General, Punjab, the detailed General Provident Fund Accounts shall be maintained by the Head of Department or Head of Office in the Ledger prescribed in Form P.F. 9 (enclosed). The accounts should be kept in machine-numbered bound ledgers. The particulars of the sanction for withdrawals etc. shall be noted in this ledger. The Head of Department/Head of Office or a Gazetted Officer nominated by him, should initial the Provident Fund accounts monthly in order to ensure that the amount of subscription deducted, refund of advance, and temporary or final withdrawals etc. are posted correctly.

List of Heads of Departments etc. who are to maintain detailed General Provident Fund account, is enclosed as Annexure.

Para 2—PREPARATION OF SCHEDULES

2(i) Each month, the Drawing Officer will prepare Schedule of General Provident Fund at the time of preparing Pay Bills (specimen of schedule is enclosed at proforma P.F. 4). The D.D.O. will sign the Schedules at the time of signing the pay bills, after comparing each item with the amount deducted and also the total in the Schedule with the total deduction shown in the Pay Bills. The Schedule of G.P.F. deductions will not be enclosed to the

Pay Bills but, instead, a simple certificate will be inserted on the Pay Bills, indicating total amount deducted as General Provident Fund subscription such as "Certified that the amount of Rs.....has been deducted as G.P.F. for the month of..... This should be duly stamped and signed.

2(ii) The D.D.O. will be responsible for sending one copy of the schedule to his Head of Department/Head of Office who maintains the G.P.F. accounts, on the next working day of the disbursement of the pay through Registered post. The other copy will remain as office copy.

2(iii) Maintenance of G.P.F. authority will ensure that the schedule reach him within a week. In case of failure, he should remind the D.D.O. concerned by name. The continuous defaulting should be reported to the Finance Department (concerned Branch).

Para 3—INDEX REGISTER

The Head of Department/Head of Office shall maintain the General Index Register of General Provident Fund account containing the details of account number allotted to the subscriber as well as the details of nomination in Form P.F.6. Bigger departments should maintain a separate alphabetical Index Register classwise.

Para 4--ELIGIBILITY FOR ADMISSION TO G.P.F. ALONGWITH NOMINATION FORM

4(i) The process of allotment of account number should start 2-3 months ahead of the actual date of effecting the deduction for G.P.F. of an employee. This will enable the Accepting Authority to scrutinise the nomination papers etc. before the actual number is allotted and deductions are made.

4(ii) All regular and temporary employees in continuous service for more than one year may alone be admitted to the Fund. The re-employed persons can also continue to subscribe to G.P.F. under their old G.P.F. number.

4(iii) On receipt of an application, in the prescribed Form P.F.-1 (in duplicate) for admission to the Fund, the Head of Department/Head of Office will scrutinize the eligibility of the new subscriber under the G.P.F. Rules and assign the account number in the Index Register to him with a prefix indicating distinctly the office and designation to which the subscriber belongs. The nomination Form P.F. 2 (in duplicate) received with the application Form, must be scrutinized carefully with reference

Accordingly all the subscribers working under your administrative control should be apprised of the new Scheme. The new G.P.F. account number alongwith old account number allotted by the Accountant General, Punjab, should be issued to each of the subscriber through the D.D.Os etc. Their receipt may be got confirmed.

6. Spare printed copies of New Scheme are available in the Finance Department (in Finance Personnel--III Branch) and these can be collected by deputing special messenger against written reference.

(No. 12/229/80-4FP.III/4688, dated 2nd May, 1989).

INSTRUCTIONS

FOR

Maintenance of General Provident Fund Accounts of Class I, II and III Officers/Officials including All India Service Officers of the Government of Punjab, by the Head of Departments/Head of Offices

Para 1--INTRODUCTORY

After taking over the General Provident Fund accounts from the Accountant General, Punjab, the detailed General Provident Fund Accounts shall be maintained by the Head of Department or Head of Office in the Ledger prescribed in Form P.F. 9 (enclosed). The accounts should be kept in machine-numbered bound ledgers. The particulars of the sanction for withdrawals etc. shall be noted in this ledger. The Head of Department/Head of Office or a Gazetted Officer nominated by him, should initial the Provident Fund accounts monthly in order to ensure that the amount of subscription deducted, refund of advance, and temporary or final withdrawals etc. are posted correctly.

List of Heads of Departments etc. who are to maintain detailed General Provident Fund account, is enclosed as Annexure.

Para 2--PREPARATION OF SCHEDULES

2(i) Each month, the Drawing Officer will prepare Schedule of General Provident Fund at the time of preparing Pay Bills (specimen of schedule is enclosed at proforma P.F. 4). The D.D.O. will sign the Schedules at the time of signing the pay bills, after comparing each item with the amount deducted and also the total in the Schedule with the total deduction shown in the Pay Bills. The Schedule of G.P.F. deductions will not be enclosed to the

4(ix) The nomination forms already lying in the Accountant General's Office will be transferred by him to the Head of Department/Officer nominated by him, while transferring the accounts. The officer entrusted with this work in the Department will be responsible for their proper maintenance in a separate cover with index number.

Para 5—TRANSFER OF A SUBSCRIBER

5(i) In the case of transfer of a subscriber from one station to another, the schedule of General Provident Fund deductions should contain the name of the transferee with indication of his next place of posting in the remarks column of the schedule in Red ink to enable the Head of Office to receive/trace his deduction from the next station/D.D.O. concerned. This will be one time action only.

5(ii) Till the permanent absorption in another Department/Foreign service of an employee, the G.P.F. account will continue to be maintained in the parent office.

5(iii) From the schedules received from the Drawing and Disbursing Officer, the Head of Department/Head of Office shall maintain a monthly account in Form P.F. 8 for totalling the figures in respect of each month.

Para 6—INTEREST ON G.P.F.

Interest for each year will be calculated, with the help of formula prescribed hereunder, by the maintenance G.P.F. Authority in respect of each employee and enter the same in the ledger account.

Method for calculation of interest on G.P.F.

Balance at the credit of the subscriber at the end of each month (Previous year balance as on the 1st April+subscription and recovery of advance, if any--withdrawal of refundable/non-refundable in that month) for 12 months i.e. from April to March in the particular year. These monthly balances for 12 months should be added and interest should be calculated as under :--

$$\text{Interest :} \quad \frac{\text{Sum of monthly balances}}{12} \times \frac{\text{Rate of interest}}{100}$$

Note.--The amount of interest so arrived will be rounded to the nearest whole rupee (paise fifty and above counted as the next higher rupee).

Para 7—PREPARATION/SUPPLY OF ANNUAL STATEMENT OF ACCOUNTS TO SUBSCRIBERS

At the end of each financial year, the officer nominated by the Head of Department/Head of Office, will prepare statements in Form P.F. 5 showing the balance at the credit of the subscriber and interest during the year, duly signed by the officer will forward the same to the individual subscriber through their D.D.O. for acceptance of their balances. This should be completed latest by the middle of June, positively. Observance of this time schedule will ensure the credibility of the Department with their employees.

It will be open to the subscriber that if he finds any discrepancy in his G.P.F. statement, he should write direct to the Maintenance Authority with facts and figures for rectification, through D.D.O. simultaneously.

Para 8—WITHDRAWALS--REFUNDABLE AND NON-REFUNDABLE

8(i) Interim arrangement for withdrawals during the first year of take-over.

Withdrawals from Fund will be allowed once in a financial year. The powers to allow withdrawal will now rest with the G.P.F. Maintenance Authority for a year whereafter it will be reviewed. Till then delegation already in existence will be kept in abeyance. This has been done keeping in view the interest of the subscribers and the maintenance authority.

8(ii) Refundable/non-refundable advance should be sanctioned by the Accounts Maintaining Authority only according to the instructions contained in Chapter 13 of C.S.R. Vol. II within a month positively. Existing delegations in this behalf shall be kept in abeyance and amendment of rules will be issued in due course of time. Registers should be maintained for all such withdrawals by the D.D.O. and the Department as well and these should be noted in the ledger also along with Treasury Voucher Number and date which will be indicated by the Treasury Officer concerned to the Department. In future Treasury Vouchers will not be sent by the Treasury Officer to the Accountant General. D.D.O. will send monthly statement about withdrawals to the Department after the end of the month to which it relates.

As far as possible, there should be a separate set of persons dealing with the maintenance of ledger and sanctioning of refundable/non-refundable advance. In big Departments such as

Secretariat, Director Public Institution, Health Department, Public Works Department etc. there should be separate sections dealing with maintenance of ledger and withdrawals.

8(iii) FINAL PAYMENT OF G.P.F.

Deduction of subscription should be stopped six months ahead of the actual month or retirement. D.D.O./subscriber will be responsible for taking steps in this behalf, i.e. an employee retiring on 30th June, must get his deduction of subscription stopped from the pay for January. This will be in the interest of subscriber and Department. The Head of Department is to keep an eye on the enforcement of this provision.

The Provident Fund money at the credit of the subscriber becomes payable on the fulfilment of the provisions of the Punjab G.P.F. Rules 13.28 of Punjab C.S.R. Vol. II, i.e., the amount will become payable, when a Government employee retires, or on his application when he proceeds on leave preparatory to retirement or when he dies. As soon as, such an event occurs, the Maintenance Authority should ask the subscriber/legal heir of the deceased employee to fill in the form in P.F. 10 (specimen enclosed). The account of the subscriber should be thoroughly and carefully checked with reference to any temporary advance and any other non-refundable advance taken during the last two years. The scrutiny should be done for the last two years only.

8(iv) After verification, the account should be brought up-to-date allowing interest up to the end of the month preceding that in which the payment has become payable. Where the subscriber is not alive and a valid nomination exists, the payment should be made to the nominee or nominees. In case no valid nomination exists, the payment should be made to the family members/other claimants who may be eligible to receive the payment under the Punjab G.P.F. Rules.

8(v) The authority for final payment should be issued by the Head of Department etc. with a copy to the subscriber, Treasury Officer concerned and will be drawn by the D.D.O. for payment to the subscriber or nominee. The subscriber must receive Bank Draft towards this payment on the eve of his retirement. The authority will remain valid for three months.

After final payment of the fund to the subscriber, entry to this effect should be made in the ledger in Red Ink and in the Index Register. The nomination form should be destroyed. The related file should be destroyed after a year.

8(vi) During the transit period from 1st April, 1989 to September, 1989 the final payment cases will be finalised by the Accountant General (A & E), Punjab.

Para 9—NEW G.P.F. NUMBER FOR CLASS IV WHEN PROMOTED

When a Class IV employee is promoted to a post in Class III, his previous G.P.F. account number should continue as heretofore for one year and the new account number in Class III should be allotted after he has completed one year service in Class III post and the new number should be allotted and deductions posted as Class III from the next financial year whichever is later. The process of allotment of new account number should be started 1-2 months before the actual allotment of number to enable the authority to see the details of nomination and transferring the accounts etc.

Para 10—PROCEDURE FOR OBTAINING G.P.F. DEDUCTIONS OF EMPLOYEES ON FOREIGN SERVICE/DEPUTATION

The following procedure shall be followed in the matter of recovery and adjustment of G.P. Fund subscription deduction from the pay of All India Services Officers and Punjab Class I, II and III employees on deputation to the State run corporations/ Central Government/other State Governments etc.

10(i) STATE-RUN BOARDS AND CORPORATIONS

The Borrowing Authority shall effect the recovery of the subscription and deduction(s) out of the advance(s) granted to the subscriber and the amount(s) so recovered shall be remitted by the Borrowing Authority through a Treasury Challan to the nominated authority in the parent office of the employee concerned. This shall be done within 7 days of the disbursement of the pay of which the subscription/recovery is a part or by the 5th of the succeeding month to which the salary relates.

10(ii) DEPUTATION TO CENTRAL GOVERNMENT/OTHER STATE GOVERNMENTS

The Bank draft(s) on the above account will be prepared by the Drawing and Disbursing Officer of the borrowing authority in favour of the officer designated by the Head of Department or nominated authority of the lending Department (for which specific orders will be issued by the concerned authority, under intimation to the Department of Finance, Punjab, in F.P. III Branch).

Immediately thereafter the amount received through Bank Draft(s) shall be deposited into the Treasury through credit challans under the relevant Head of Account by the Head of Department or the nominated authority. Proper account of deposits so made will be maintained by the said authority.

10(iii) On the basis of the entries in the statement referred to at (i) and (ii) above credits will be afforded on the basis of the deductions shown in the schedules (P.F. 4) received from the borrowing department to the account of the subscriber(s) and entry relating thereto shall be authenticated by the officer concerned.

10(iv) The Departments should include in their letter while sending persons on deputation to other Departments, Boards and Corporations or to the Central Government/State Government that the Treasury Challan/Bank Draft containing G.P.F. deductions of the deputationist should be sent in the specific name of the officer nominated for Maintenance of G.P.F. in that Department. This would avoid unnecessary location of papers at the receiving end. As we intimate change of our D.D.O. to the concerned departments, Bank/Treasury Officer, likewise, this change should also be intimated to all concerned.

10(v) DEPUTATIONIST FROM OTHER STATE GOVERNMENTS TO THE PUNJAB STATE GOVERNMENT.

The G.P. Fund Schedules of deputationists from other State Governments to the Punjab State would be prepared category-wise and Department-wise. The Bank Draft/Cheque for the total amount mentioned in the Schedule would be sent to the concerned G.P. Fund maintenance authority in that State/Department in the name of the specific officer. Thus the Schedules and the Bank Draft would be sent by the Head of Department in the Punjab State to the concerned officer of the Lending State Government by name to avoid the dislocation of the Schedules and Bank Draft etc. The receipt of these documents should be ensured meticulously.

Para 11.—These instructions are guidelines for the maintenance authority and they should make themselves familiar with the G.P.F. Rules for the correct maintenance of the accounts. However, detailed instructions containing all rules etc. on the subject will be compiled/supplied in due course of time.

Para 12.—The Provident Fund Accounts maintained by the Head of Office/Head of Department will be checked cent per cent by the Finance Department, Punjab. The Accountant General (Audit), Punjab, will also carry out test checking of these accounts annually.

Para 13.—If some clarification or relaxation is required in respect of any point or any difficulty may arise in the course of maintenance of accounts by the Head of Office/Head of Department, he should write to the Finance Department directly in the Finance Personnel-III Branch and specify the problem.

Para 14.—Till further arrangements, Finance Department (F.P. III) will receive consolidated monthly figures of G.P.F. receipts etc. from the Departments as maintained by them in P.F. 8 by the end of that month to which these figures relate. Likewise, total figures of receipt and interest should be sent by the Department annually to Finance Department by the end of June for onward transmission to Accountant General, Punjab separately for compilation purpose.