

FAQs on GENERAL PROVIDENT FUND

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The General Provident Fund of the State Government employees is governed by the General Provident Fund (Kerala) Rules 1964

1. Who is eligible to join the Fund?

All full members and part-time contingent employees of any pensionable service.

[Rule 6 (1) (a)] of GPF(K) and GO(P)No.127/2005/Fin dated 17.03.2005

2. Is a re-employed pensioner eligible to join the Fund?

No. A re-employed pensioner is not admitted to the Fund.

[Rule 6 (1) (c)]

3. Is it necessary that one should complete one year service for joining the Fund?

No. Temporary, acting and officiating members who have not completed one year's continuous service may also be admitted to the Fund.

[Note 1 below Rule 6 (1) (d)]

4. What is the minimum amount of subscription?

Minimum subscription shall not be less than six per cent of the Basic Pay in the case of full-time employees and 3% of the emoluments in the case of part-time contingent employees.

[Rule 11 (1) (b)]

5. What is the maximum amount of subscription?

Maximum amount of subscription shall not exceed the Basic Pay.

[Rule 11 (1) (b)]

6. Can the subscriber alter the rate of subscription?

Yes. A subscriber can enhance the rate of subscription twice, and can reduce the subscription once in a year.

[Rule 11 (4) (a) & (b)]

7. How many GPF Accounts can a subscriber have?

Only one.

8. How is subscription to GPF recovered?

- a) Deduction from the pay bills.
- b) Cash remittance at treasury through chalans (while on foreign service or on leave or on deputation).
- c) Through Demand Draft (while on foreign service or on leave or on deputation).

9. When can a subscriber stop subscription to the Fund?

1. Compulsory

- a) During the period of suspension.
- b) During last three months of service.

2. Optional

- a) During leave without allowances or leave on half-pay.
- b) At any time during the last one-year of service immediately preceding the date of retirement.

[Rule 10]

10. Why should a subscriber make a nomination?

By filing a nomination in the form set forth in the First Schedule to the GPF (K) Rules the subscriber can confer on one or more persons the right to receive the amount that may stand to his credit in the Fund in the event of his/her death before that amount has become payable or having become payable has not been paid.

[Rule 8]

11. What constitutes 'family' for the purpose of GPF Rules?

Family means:

- (a) Wife—in the case of a male subscriber

- (b) Husband—in the case of a female subscriber
- (c) Minor Sons
- (d) Unmarried/widowed/divorced daughters
- (e) Major Sons (Sons who have attained legal majority)
- (f) Married daughters
- (g) Father
- (h) Mother
- (i) Minor brothers
- (j) Unmarried sisters
- (k) Children of a pre-deceased son or daughter
- (l) The paternal grand parents

[Rule 2 (c) amended in G.O. (P)384/2006/Fin. Dated 26.9.2006]

12. Is an adopted child a member of the family?

Yes. Adopted children, step children and posthumous children are also members of the family.

[Note under Rule 2 (c) amended in G.O. (P)384/2006/Fin. Dated 26.9.2006]

13. Can a subscriber nominate more than one person?

Yes. But the subscriber should specify the share payable to each nominee in such a manner as to cover the whole of the amount that stand to his credit in the Fund.

[Rule 8 (1)]

14. Can a subscriber revise the nomination once filed?

Yes. A subscriber may at any time cancel a nomination by sending a notice in writing provided that the subscriber shall along with such notice send a fresh nomination made in accordance with the provisions of the Rules.

[Rule 8 (1) (4)]

15. Can a subscriber nominate any person other than a family member?

If at the time of filing the nomination the subscriber has a family the nomination shall not be in favour of any other person(s) other than the members of his family.

[Proviso to Rule 8 (1) (i)]

16. What are the contingencies in which a nomination becomes invalid?

- a) A nomination filed by a subscriber who is not married shall become invalid on his getting married.
- b) On happening of the contingencies specified in Column (5) of the Nomination.

17. What are the main purposes for which Temporary Advance from General Provident Fund can be sanctioned?

- c) To meet expenses in connection with prolonged illness of the subscriber/members of his family/any person actually dependent on him or to repay a loan taken for this purpose.
- d) To pay for the overseas passage for reasons of health or education of the subscriber/members of his family/any person actually dependent on him.
- e) To meet the cost of education of the subscriber or of any person actually dependent on him outside India for academic, technical, professional or vocational courses or in India for medical, engineering or other technical or specialized courses beyond the High School stage, provided that the course of study is for not less than three years.
- f) To pay obligatory expenses in connection with marriages, funerals or ceremonies which by the religious or social customs of the applicant it is incumbent on him to perform or to repay any loan taken for this purpose.
- g) To meet expenses in connection with the marriage and other ceremonies of the subscriber himself.
- h) To meet the cost of General Education of subscriber or of any child of his in India beyond the High School stage for University Degrees like BA, B Sc., LLB, MA, M Sc. Etc.
- i) To purchase consumer durables such as Television, Video Cassette Player/Recorder, Washing Machine, Cooking Range, Geysers, Computers etc.

[Rule 16 (1) (a)]

18. Can a Temporary Advance be granted to one who is under suspension?

Yes. A Temporary Advance may be granted to a subscriber who is under suspension provided he agrees in writing to the recovery of the advance being made in monthly installments from the Subsistence Allowance sanctioned to him.

[Note 2 under Rule 16 (1) (a) (vii)]

19. Can a Temporary Advance be granted to one who is on LWA for employment abroad or on LWA for other purpose?

Yes. A Temporary Advance may be granted to one who is on LWA for employment abroad or on LWA for other purpose provided he is making subscriptions to the Fund during such periods and will refund the advance.

[G.O. No. (P) 79/05/Fin. Dated 11.02.2005]

20. How is an advance recovered?

In equal monthly installments of not less than 12 (unless the subscriber so elects) but not more than 36. A subscriber may at his option repay two or more installments in a month.

[Rule 17 (1)]

21. What is the maximum amount of Temporary Advance admissible?

Seventy-five per cent of the credit balance subject to $(3a-b)/4$ formula, where a = the credit balance; b = outstanding balance of the previous advance(s).

[Rule 16 (1) (d) (i)]

22. How many Temporary Advances one can avail of during a year?

Two. There shall be a time gap of six months between the date of drawal of the previous advance and the sanction of the next advance.

[Rule 16 (2) (ii)]

23. When can a Non Refundable Advance be allowed?

It may be sanctioned at any time after completion of 15 years of service (including broken periods of service, leave without allowances, suspension, military and war service which are reckoned for the purpose of pension, pensionable service under Government of India/other State Governments/aided educational institutions if

the PF deposits and interest thereon during the service have been transferred and credited to the Fund) or within 10 years of the date of retirement.

It may not be sanctioned (i) during the last three months of service (ii) while on leave preparatory to retirement (iii) after exercising option under Rule 30 (c) which permits the subscriber to close the account before retirement (iv) after submitting the closure application.

The advance can be drawn during the period of suspension also.

[Rule 28 (A) (1)]

24. What are the purposes for which Non-Refundable Advance is allowed?

- a) To meet the cost of higher education including travelling expenses, if any, of any child of the subscriber, and if he has no child, of any other relative actually dependent on him (i) for education outside India for academic, technical, professional or vocational courses beyond the High School stage and (ii) for any Medical, Engineering or other Technical or specialized course in India beyond the High School stage, provided that the course of study is for not less than three years.
- b) To meet the expenditure in connection with the marriage of a son or daughter and if he has no daughter of any other female relative dependent on him or to repay a loan taken for this purpose.
- c) To meet the expenditure in connection with the illness including travelling expense of the subscriber/members of his family/any person actually dependent on him or to repay any loan taken for this purpose.
- d) To purchase land in the name of the subscriber and/or his wife or to repay any loan taken for this purpose.
- e) To acquire house-site in the name of the subscriber and/or his wife or to repay any loan taken for this purpose.
- f) To construct a house or to repay any loan taken for this purpose.
- g) To acquire a suitable house or to repay any loan taken for this purpose.
- h) To acquire a ready-built flat or to repay any loan taken for this purpose.
- i) To make additions, alterations or reconstruction of a house owned by the subscriber and/or his wife or to repay any loan taken for this purpose.

- j) To maintain and repair or upkeep of house owned by the subscriber and/or his wife or to repay any loan taken for this purpose.
- k) To purchase a car, scooter, motor cycle or cycle or to repay any loan taken for this purpose.
- l) To purchase consumer durables such as Television, VCD, VCR, Washing Machine, Cooking Range, Geysers, Computers etc.

[Rule 28 (A) (1) and G.O. (P) No.82/2005/Fin. Dated 16.02.2005]

25. What is the maximum amount of Non-Refundable Advance admissible?

It shall not exceed seventy-five per cent of the credit balance.

[Rule 28 (B) (i)]

26. How many Non-Refundable Advances one can avail of during his service?

Any number. Only one withdrawal can be allowed for the same purpose. In this context, marriage/education of different sons/daughters/relatives actually dependent on the subscriber and illness of the subscriber or dependent on different occasions will not be treated as the same purpose. Regarding educational expenses a withdrawal will be permitted for meeting the expenses for each year of education.

[Government Decision (2) (a) under Rule 28 A (1)]

27. Can Temporary Advances be converted into Non-Refundable Advances?

Yes. Temporary Advances can be converted into Non-Refundable Advances.

[Rule 28 (C)]

28. When does GPF amount become finally payable?

On retirement on superannuation, voluntary retirement, resignation, compulsory retirement, death, dismissal and removal from service.

29. What is the procedure for final withdrawal (closure) of accumulation in the Fund?

The application (in Form E) duly filled in and signed by the subscriber/claimant(s) is to be submitted to the department. The Head of Office will fill up the relevant columns and certificates and forward the same to the Accountant General along with requisite documents. If the Head of Office is not a Gazetted Officer, the application shall be countersigned by the Gazetted superior.

The Accountant General will close the account and will issue authorization for payment. In case of Non-Gazetted subscribers and in death cases, the authorizations will be issued in favour of their Heads of Office, whereas in the case of Gazetted subscribers the authorizations will be issued in their names.

Documents to be attached to the Closure Application

- a) A statement of deposits and withdrawals (ABCD Statement) after the issue of the latest credit card. The statement shall be certified by the Drawing and Disbursing Officer in the case of Non-Gazetted subscribers and by the Treasury Officer in the case of Gazetted subscribers.
- b) Declaration as prescribed in Government Circular No.89/85/Fin. Dated 16.10.1985.
- c) Option under Rule 30 (c) applicable to those who apply for the closure and desire to accept the fund balance before retirement.
- d) A fresh nomination.
- e) In death cases, the original nomination shall invariably be attached.
- f) A copy of the latest credit card, if available.
- g) Pass Book, if any.

30. Can any amount other than subscription and refund be credited to the GPF?

Arrears of dearness allowance and pay revision arrears are credited to the GPF under specific orders of the Government. Lumpsum refund of outstanding Temporary Advance is also permissible.

31. What are the Heads of Account under which GPF transactions are accounted for?

GPF (K)	AISPF	HIGH COURT JUDGES (CENTRAL)
8009 - STATE PROVIDENT FUNDS	8009 - STATE PROVIDENT FUNDS	8658 - SUSPENSE ACCOUNTS
01 - CIVIL	01 - CIVIL	00 -
101 - GENERAL PROVIDENT FUND	104 - ALL INDIA SERVICES PROVIDENT FUND	101 – PAY AND ACCOUNTS OFFICE SUSPENSE
99 - STATE GOVERNMENT EMPLOYEES		99 – PAO SUSPENSE 043 – PAO LEGAL AFFAIRS, NEW DELHI.
		HIGH COURT JUDGES (STATE) 8009 – 01- 101 – 99 - SGE