



# **Punjab General Provident Fund Rules 1978**

GOVERNMENT OF THE PUNJAB  
FINANCE DEPARTMENT

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**CHAPTER-I****THE PUNJAB GENERAL PROVIDENT FUND RULES**

In exercise of the powers conferred by Section 23 of the Punjab Civil Servants Act, 1974 and in supersession of the rules contained in Chapter-XIII of C.S.R. (Punjab), Volume-II, the Governor of the Punjab is pleased to make the following rules namely:

**THE PUNJAB GENERAL PROVIDENT FUND RULES****Part-I -- General**

- 1.1. (a) These rules may be called the Punjab General Provident Fund Rules, 1978.
- (b) They shall come into force at once.
- 1.2. (1) In these rules:
- (a) "Accounts Officer" means such officer as may be appointed in this behalf by the Auditor General of Pakistan;
- (b) Except where otherwise expressly provided emoluments means pay, leave salary or subsistence grant as defined in the Civil Service Rules (Punjab), Volume-I;
- (c) "Family" means:
- (i) in the case of a male subscriber, the wife or wives and children of a subscriber, and the widow, or widows, and children of a deceased son of the subscriber; provided that if a subscriber proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which she belongs to be entitled to maintenance she shall

henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently indicates by express notification in writing to the Accounts Officer that she shall continue to be so regarded;

- (ii) in the case of a female subscriber, the husband and children of a subscriber, and the widow or widows and children of a deceased son of a subscriber:

Provided that if a subscriber by notification in writing to the Accounts Officer expresses her desire to exclude her husband from her family, the husband shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently cancels formally in writing her notification excluding him.

**Explanation 1**--"Children" means legitimate children.

**Explanation 2**--An adopted child shall be considered to be a child only when the Accounts Officer, or if any doubt arises in the mind of the Accounts Officer, the Solicitor to Government, Punjab, is satisfied that under the law applicable to the subscriber adoption is legally recognized as conferring the status of a natural child.

**Explanation 3**-- In a case in which a person has given his child in adoption to another person and if, under the law applicable to the adaptor, adoption is legally recognized as conferring the status of a natural child, such a child shall for the purposes of these rules be considered as excluded from the family of the natural father.

- (d) "Fund" means the General Provident Fund;
  - (e) "leave" means any variety of leave recognized by the Civil Services Rules (Punjab);
  - (f) "Year" means a financial year;
  - (g) "Continuous Service" means service which includes all kinds of leave with or without pay and Foreign Service.
- (2) Any other expression used in these rules which is defined either in the Provident Fund Act, XIX of 1925 (reproduced in Appendix 1) or in the Civil Services Rules (Punjab), Volume-1, Part-1 is used in the sense therein defined.
- (3) Nothing in these rules shall be deemed to have the effect of terminating the existence of the General Provident Fund as heretofore existing or of constituting any new Fund.

## **Part II -- Constitution of the Fund**

1.3. The Fund shall be maintained in Pakistan in rupees.

1.4. All Government servants in permanent, temporary or officiating service (including probationary service) shall be eligible to joining the fund:

Provided that a Government servant subscribing to a Contributory Provident Fund shall not be eligible to join this Fund.

- 1.5. (1) (a) A Government servant who has completed 2 years' continuous service shall subscribe to the Fund compulsorily.
- (b) Deleted vide Notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989. Previous version is available at Sr. No.1 of page 106.

- (c) Government servant who has been re-employed for more than 2 years shall subscribe to the Fund compulsorily and those re-employed for 2 years or less shall be allowed to join the Fund as optional subscriber.
  - (d) In the case of re-employed personnel whose pension on re-employment is wholly or partly held in abeyance, the rate of subscription shall be determined on the basis of pay actually receivable from Government ignoring the amount of pension drawn separately.
  - (e) A Government servant appointed on contract whose contract does not provide for subscription to the Fund may be given the option to join the Fund as compulsory subscriber.
- (2) Any other Government servant may at his option join the Fund.
- 1.6. (1) Government servant who exercises the option allowed by rule 1.5 (2) may discontinue subscription to the Fund at any time, but his right to the renewal of subscription shall lapse if he discontinues subscribing, more than three times.

**\*Explanation:** Deleted.

- (2) If a Government servant discontinues subscribing to the Fund, his right to resume subscription lapses under sub-rule (1). He shall be subject to the rights and liabilities of a subscriber to the Fund; and he shall not be allowed to finally withdraw his deposits except on the happening of one of the contingencies provided for in rule 1.33, 1.34 and 1.35.
- (3) Once a subscriber has applied for the payment of the amount in the Fund under sub-rule (c) of rule 1.33, he shall not have the option to withdraw his application

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\* Deleted vide notification No. FD/SRI.2-3/83(Prov) dated 2-04-1983.

even if he is retained in service beyond the age of his superannuation.

### Part III -- Nominations

- 1.7. (1) A subscriber shall, as soon as may be after joining the Fund, send to the Accounts Officer, a nomination conferring 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 death before that amount has become payable, or having become payable has not been paid:

Provided that if, at the time of making the nomination, the subscriber has a family the nomination shall not be in favour of any person other than members of his family.

**Explanation** --A declaration made by a Muslim subscriber in favour of his adopted child should not be accepted, as adoption is not recognized by Islamic Law.

- (2) If a subscriber nominates more than one person under sub-rule (1), he shall specify in the nomination the amount or share payable to each of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the Fund at any time.
- (3) Every nomination shall be in such one of the Forms P.F.1, 1-A, 1-B, or 1-C, as is appropriate in the circumstances.
- (4) A subscriber may at any time cancel a nomination by sending a notice in writing to the Accounts Officer:

Provided that the subscriber shall, along with such notice, send a fresh nomination made in accordance with the provisions of sub-rule (1) to (3).



- (5) Without prejudice to the provisions of sub-rule (4), a subscriber shall along with every nomination made by him under this rule send to the Accounts Officer a contingent notice of cancellation which shall be in such one of the Forms P.F. 2 or 2-A, as is appropriate in the circumstances.
- (6) Immediately on the occurrence of any event by reason of which the contingent notice of cancellation referred to in sub-rule (5) becomes operative and the nomination to which that notice relates consequently stands cancelled, the subscriber shall send to the Accounts Officer a fresh nomination made in accordance with the provisions of sub-rule (1) to (3).
- (7) Every nomination made, and every notice of cancellation given by a subscriber, shall, to the extent it is valid, take effect on the date on which it is received by the Accounts Officer.
- (8) Nothing in sub-rule (1) to (3) shall be deemed to invalidate, or to require the replacement by a nomination thereunder of, a nomination duly made before, and subsisting on the date of \*promulgation of these rules:

Provided that in respect of every such nomination, the subscriber shall as soon as may be after the said date send to the Accounts Officer a contingent notice of cancellation in such one of the Forms P.F. 2 or 2-A as is appropriate in the circumstances.

#### **Part IV -- Subscribers' Accounts**

1.8. An account shall be prepared in the name of each subscriber and shall show the amount of his subscriptions with interest thereon calculated as prescribed in sub-rule (2) of Rule 1.13.

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\*Substituted for the words "this notification" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

### Part V -- Conditions and rates of subscriptions

- 1.9. (1) Except as provided in rule 1.6 a subscriber shall subscribe monthly to the Fund except during a period of suspension:

\*1<sup>st</sup> proviso deleted.

\*\* Provided that a subscriber on re-instatement after a period passed under suspension shall pay the arrears of subscription for the period of suspension in one sum or, at his option, in monthly installments equal to the amount of his monthly subscription.

- (2) Deleted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989. Previous version is available at Sr. No. 5 of page 106.
- (3) No deduction of the monthly subscription shall be made from the pay bill of a subscriber for the month in which his application under sub-rule (c) of rule 1.33 is made.

**Explanation** --A civilian Government servant when called to army service, including employment in the Army in Pakistan Reserve of Officers, will continue to subscribe to the Fund in accordance with these rules. Subscription to the Fund will be optional in the case of those who may be employed in Military service out of Pakistan. \*\*\*While in Military employ subscription to the Fund will be calculated according to the basic pay scale to which he would have been entitled had he continued in civil employ.

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\*First proviso deleted vide notification No.FD/SRI.2-3/83(Prov) dated 2-04-1989.

\*\*2<sup>nd</sup> proviso was substituted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

\*1.10. (1) The subscription shall be at a fixed rate for every Government servant as given in the following table:

**STATEMENT SHOWING UNIFORM RATE OF  
SUBSCRIPTION  
TOWARDS GENERAL PROVIDENT FUND EFFECTIVE  
FROM  
1<sup>ST</sup> SEPTEMBER 2005 VIDE CIRCULAR LETTER  
NO. FD.SR.I-2-1/95 DATED 8<sup>TH</sup> SEPTEMBER, 2005**

BS	Min.	Max.	Mean	Rate of monthly subscription	Remarks
1	2	3	4	6	7
BS	Rs.	Rs.	Rs.	Rs.	Minimum rates of subscription (on mean) will be as under:  <b>BPS Subscription</b> 1            3.00% 2-11        5.00% 12-22      8.00%
1	2150	4100	3125	100	
2	2200	4450	3325	170	
3	2275	4825	3550	180	
4	2345	5345	3845	190	
5	2415	5865	4140	210	
6	2485	6235	4360	220	
7	2555	6755	4655	230	
8	2655	7155	4905	250	
9	2770	7720	5245	260	
10	2865	8415	5640	280	
11	2980	8980	5980	300	
12	3155	9905	6530	520	
13	3365	10715	7040	560	
14	3565	11815	7690	620	
15	3780	12930	8355	670	
16	4375	14575	9475	760	
17	7140	17840	12490	1000	
18	9355	22855	16105	1290	
19	14260	28360	21310	1700	
20	16915	32245	24580	1970	
21	18750	35970	27360	2190	
22	20055	40215	30135	2410	

\*Substituted vide notification No. FD/SR-I-2-1/95 (Prov) dated 8<sup>TH</sup> September, 2005.

- (2) For the purposes of sub-rule (1), the basic pay scale of a subscriber shall be the scale to which he was entitled on the first day of June of the preceding year.
- (3) If the subscriber was on deputation in Pakistan or abroad on the first June of the preceding year, his basic pay scale shall, for the purpose of sub-rule (1), be the scale to which he would have been entitled had he not been on deputation.
- (4) In the case of a subscriber who was not in Government service on the 1st June of the preceding year, the basic pay scale, for the purposes of sub-rule (1), shall be the scale to which he was entitled on the first day of his service or, if he joined the Fund for the first time under the operation of rule 1.5 on a date subsequent to the first day of his service, the scale to which he was entitled on such subsequent date.
- (5) The amount of subscription shall remain unchanged throughout the year.
- (6) The amount of subscription of a subscriber is not to be varied during the course of the year on account of any change in his basic pay scale which may be found to be due retrospectively from the first June of the preceding year.

1.11. When a subscriber is transferred to Foreign Service or sent on deputation out of Pakistan he shall remain subject to the rules of the Fund in the same manner as if he were not so transferred or sent on deputation.

### **Part VI -- Realization of Subscriptions**

- 1.12 (1) When pay is drawn \* (from a Government treasury in Pakistan or through a Pakistan embassy abroad), recovery of subscriptions and of the principal and

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\*Substituted for the words "in Pakistan or abroad" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

interest of advances shall be made from the emoluments themselves.

- (2) When emoluments are drawn from any other source, the subscriber shall forward his dues monthly to the Accounts Officer.
- (3) If a Government servant fails to subscribe with effect from the date on which he is required to join the Fund under rule 1.5 the total amount due to the Fund on account of arrears of subscription shall, with interest thereon at the rate provided in rule 1.13, forthwith be paid by the subscriber to the Fund, or in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber by installments or otherwise, as may be directed by the authority competent to grant an advance under sub-rule(1) of rule 1.14.

#### **Part VII -- Interest**

- 1.13           \*(1)(a)   Subject to the provisions of sub-rule (5) below, Government shall pay to the credit of the amount of a subscriber interest at such rate as may be determined for each year according to the method of calculation prescribed from time to time by the competent authority;

Provided that, if the rate of interest determined for a year is less than 4%, all existing subscribers to the Fund in the year preceding that for which the rate has for the first time been fixed at less than 4 per cent, shall be allowed interest at 4 per cent;

Provided further that Government servants who are re-employed after retirement shall be entitled to a rate of interest as admissible to other Government servants from time to time. Those entitled to the rate of interest at 4% before

retirement will not be entitled to the same rate on re-employment.

- \* (b) In addition to the interest mentioned in clause (a) of this sub-rule, an amount equal to 30% the amount of interest calculated according to the prescribed method shall also be credited to the account of the subscriber for each year.
- (2) Interest shall be credited with effect from the last day in each year in the following manner:
- i) on the amount at the credit of a subscriber on the last day of the preceding year, less any sums withdrawn during the current year - interest for twelve months;
  - ii) on sums withdrawn during the current year - interest from the beginning of the current year up to the last day of the month preceding the month of withdrawal;
  - iii) on all sums credited to the subscribers' account after the last day of the preceding year - interest from the date of deposit up to the end of the current year;
  - iv) the total amount of interest shall be rounded to the nearest whole rupee (fifty paise counting as the next higher rupee):

Provided that when the amount standing at the credit of a subscriber has become payable, interest shall thereupon be credited under this clause in respect only of the period from the beginning of the current year or from the date of deposit, as the case may be up to the date on which the amount standing at the credit of the subscriber became payable.

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\*Sub-rule (1) of rule 1.13 was renumbered as 1(a) and Clause (b) was added vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

- (3) In this rule, the date of deposit shall, in the case of a recovery from emoluments, be deemed to be the first day of the month in which it is recovered; and in the case of an amount forwarded by the subscriber shall be deemed to be the first day of the month of receipt, if it is received by the Accounts Officer before the fifth day of that month, but if it is received on or after the fifth day of that month the first day of the next succeeding month.
- (4) In addition to any amount to be paid under rule 1.32, 1.33 or 1.34, interest thereon up to the end of the month preceding that in which the payment is made, shall be payable to the person to whom such amount is to be paid:

Provided that where the Accounts Officer has intimated to that person (or his agent) a date on which he is prepared to make payment in cash, or has posted a cheque, in payment to that person, interest shall be payable only up to the end of the month preceding the date so intimated, or the date of posting the cheque as the case may be:

Provided further that if the person entitled to the payment does not send an application in that behalf within six months of the date on which the amount standing to the credit of the subscriber has become payable, interest shall not be payable beyond the end of the sixth month after the month in which the amount became payable.

- (5) Interest shall not be credited to the account of a Muslim subscriber if he informs the Accounts Officer that he does not wish to receive it; but if he subsequently asks for interest, it shall be credited with effect from the first day of the year in which he asks for it.

**Explanation-**When a subscriber intimates in writing his intention to forego interest already accrued on his deposits in the Provident Fund, the interest should be withheld and credited to Government revenues.

The interest already credited to the subscriber's account in such cases should be readjusted by debit to his Provident Fund Account by contra-credit to the object "61000-Interest" or head "1130000-Interest") according as the amount of interest was originally credited to the subscriber's account during the current year or previous years.

- (6) The interest on amounts which under sub-rule (3) of rule 1.12, sub-rule (5) of rule 1.19, sub-rule (3) of rule 1.22, sub-rule (4) of rule 1.24, sub-rule (1) of rule 1.26, sub-rule 1 and 2 of rule 1.27, rule 1.23 or rule 1.33 are replaced at the credit of the subscriber in the Fund shall be calculated at such rates as may be successively prescribed under sub-rule (1) of this rule and so far as may be in the manner described in this rule.

**Explanation 1--** when a subscriber is \*(dismissed, removed or compulsorily retired) from the service of Government but has appealed against his \*\*(dismissal, removal or compulsory retirement), the balance at his credit shall not be paid over to him until final orders confirming the decision are passed on his appeal. Interest shall however, be paid on the balance up to the end of the month preceding that in which such orders are passed.

**Explanation 2--** No interest shall be allowed on the amount recovered on account of the General Provident Fund subscription in excess of the actual amount due.

**\*Explanation 3--** The adjustment of overpayment shall be made from the balance outstanding in the General Provident Fund of the subscriber to the extent of interest in that amount and not from the contribution made by the official from his salary.

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\*Substituted for the word "dismissed" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

\*\*Substituted for the word "removal" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.



When the excess payment of subscription is adjusted by short payments in subsequent months, interest should be allowed for the latter months on the full amount due, the balance having been already received in the former months.

### **Part VIII -- Advances from the Fund**

- 1.14. (1) A temporary advance may be granted to the subscriber from the amount standing to his credit in the Fund at the discretion of the competent authority subject to the following conditions:
- (a) No advance shall be granted unless sanctioning authority is satisfied that the applicant's pecuniary circumstances justify it, and that it will be expended on the following object or objects and not otherwise:
    - i) to pay expenses incurred in connection with the prolonged illness of the applicant or applicant's spouse or any person actually dependent upon the applicant;
    - ii) to pay for the overseas passage for reasons of health or education of the applicant or any person actually dependent on him;
    - iii) to pay obligatory expenses on a scale appropriate to the applicant's status in connection with the marriages, funerals or ceremonies which by his religion it is incumbent on him to perform;
    - iv) to purchase a plot of land for the construction of a house or to purchase a house or to construct one for the occupation of the subscriber himself or his family on a piece of land owned by the subscriber or to make additions to or alterations in an existing house owned by the subscriber, whether or not constructed

or purchased with a house building advance;

- v) to purchase a conveyance (car, scooter, motor cycle or bicycle);
- (vi) to meet other expenditure which is considered by the sanctioning authority to be essential and unavoidable.

**Explanation--** A temporary advance may be granted to the subscriber for the performance of Haj.

Note: In case falling under item (i) above, advances may be granted by the sanctioning authority to pay debts incurred; provided an application is made within a reasonable time after the event to which it relates. What is a reasonable time will be determined on the merits of each case. Advances to pay debts incurred in cases falling under item (ii) and (iii) require the sanction of Government.

- (b) The sanctioning authority shall record in writing its reasons for granting the advances:

Provided that if the reason is of a confidential nature, it may be communicated to the Accounts Officer personally and/or confidentially.

- (c) An advance other than that covered by clause (a) (iv) and (v) shall not except for special reasons to be recorded in writing by the sanctioning authority:-
  - (i) exceed three months pay or half the amount at the credit of the subscriber in the Fund whichever is less; or
  - (ii) unless the amount already advanced does not exceed two thirds of the amount admissible under clause (c) (i), be granted until at least twelve months after the final repayment of all

previous advances together with interest thereon:

Provided that the above conditions shall not be relaxed in the case of an advance falling under clause (a) (vi) above:

\*Provided further that in no case the second advance shall be granted before the final repayment of the previous advances together with interest thereon;

Provided further that a second non-refundable advance shall not be granted until a period of one year has elapsed since the drawl of the previous advance.

- (d) an advance under clause (a) (iv) shall be subject to the following special conditions:
- i) Advance shall in no case exceed twenty four months pay of the subscriber or eighty per cent of the amount at the credit of the subscriber in the Fund, whichever is less;
  - ii) Advance granted for construction of a house shall be paid in two equated installments;
  - iii) If the first installment is not utilized for the purpose of construction of the house within eight months of its drawl, it shall be refunded unless the sanctioning authority extends this period;
  - iv) For the purpose of drawl of the second installment the subscriber shall be required to give under his hand a certificate to the effect that he has actually utilized the first installment on the construction of the house;
  - v) The subscriber shall not dispose of the house purchased or constructed with an advance from the Fund until the advance has been repaid or the subscriber retires from Government service;

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\*Added vide notification No. FD/SRI2-3/83 (Prov) dated 02.04.1989.

- vi) Recovery shall be made at the rate of seven per cent of the subscriber's pay commencing from the fourth issue of pay after the first installment of the advance is drawn;
  - vii) In case a subscriber also draws or has drawn a house building advance from Government, the recovery on account of the advance from the Fund shall commence immediately after the advance obtained from Government has been fully repaid with interest thereon.
- (e) i) An advance for the purchase of car, scooter/ motor cycle or a bicycle shall not exceed:
- In the case of car-12 months' pay of the subscriber or half the balance at his credit in the Fund whichever is less;
- In case of scooter/motor cycle -- six months pay of the subscriber or half the balance at credit in the Fund, whichever is less;
- In the case of a bicycle -- four months pay of the subscriber or half the balance at his credit in the Fund, whichever is less.
- ii) The subscriber shall give under his hand a certificate to the effect that he has actually utilized the advance for the purchase of the conveyance for which the advance was applied for.
  - iii) The subscriber shall not dispose of the conveyance so purchased unless the advance has been repaid or the subscriber retires from Government service.
  - iv) In all cases in which the conveyance is sold before the advance has been fully repaid with interest, the sale proceeds must be applied, so

far as may be necessary, towards the repayment of any outstanding balance.

- v) The recovery shall be made at the rate of seven per cent of the subscriber's pay commencing from the fourth issue of pay after the drawl of the advance.
  - \*vi) Advance drawn for conveyance (i.e. balance thereof) shall become non-refundable on the subscriber attaining the age of 50 years.
- (2) In fixing the amount of an advance the sanctioning authority shall pay due regard to the amount at the credit of the subscriber in the Fund.

**Explanation I**--In sanctioning advances the instructions given in Appendix-II and III \*\*should be carefully observed by the authority competent to sanction the advances.

**Explanation II**-- The authorities competent to grant advances under this rule are give in Appendix-IV \*\*\*(~~to this Chapter~~)).

1.15. After a subscriber has attained the age of fifty years, the competent authority may, in its discretion, grant him an advance for any of the purposes specified below subject to the conditions mentioned against each purpose:

- a) For construction of a house on a piece of land owned by the subscriber or to make additions to or alternation in an existing house owned by him. (1) The advance shall mutatis mutandis be governed by the same terms and conditions as applicable to an advance under clause (a) (iv) of sub rule (1) of rule 1.14. Provided that, subject to condition (3) no recovery of the advance shall be made from

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\*Added vide F.D. notification No. FD-SRIV-2-15/79 dated 4<sup>th</sup> August 1980.

\*\*Deleted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

\*\*\*Deleted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

the subscriber and the amount advanced shall be treated as part of the final payment of the amount standing at the credit of the subscriber when the final payment becomes due.

(2) The first installment of the advance shall be drawn only after an agreement is executed between the subscriber and the Governor in Form P.F.9.

(3) In case the house is sold or otherwise alienated by the subscriber without repayment of the advance and before his retirement from service, the subscriber shall forthwith repay into the Fund the entire amount of the advance together with the interest accrued thereon, in a lump sum.

(b) For purchase of a house for his residence.

(1) The amount of the advance shall not exceed eighty per cent of the amount standing to his credit in the fund.

(2) Subject to conditions (1), (3) and (4) the advance shall, mutatis mutandis, be governed by the same terms and conditions as applicable to an advance under sub rule(a).

(3) In case the house is not purchased within three months of the drawl of the advance the subscriber shall forth with repay into the Fund the entire amount of the advance together with the interest accrued thereon, in a lump sum.

(4) The Advance may be drawn in full at once but satisfactory evidence shall be produced before the Audit Officer to show that the Advance for the purchase of the house has been spent within three months of its drawl. This can be done by showing to the Audit Officer a duly executed receipt for the amount paid.

(5) The advance shall be drawn only after an agreement is executed between the subscriber and the Governor in Form P.F.10.

(c) For purchase of agricultural

(1) The amount of the advance

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land from Government.

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shall not exceed eighty percent of the amount standing at his credit in the Fund.

(2) Subject to condition (1) the advance shall mutatis mutandis, be governed by the same terms and conditions as applicable to an advance under sub rule(a).

Provided that the advance may be drawn in lump sum if so desired by the subscriber.

(3) The advance shall be drawn only after an agreement is executed by the subscriber and the Governor in form P.F.11.

(d) For any of the following purposes, namely:

(i) to defray expense in connection with the prolonged illness of the subscriber or a member of his family actually dependent upon him.

(ii) To pay for the overseas passage of the subscriber for reason of health or for the performance of Haj.

(iii) To pay for the overseas passage for reasons of education of any member of the subscriber's family actually dependent on him and such other lump sum expenditure as admission or advance tuition fees of any such members.

@(1) The amount of the advance shall not exceed 12 months pay of the subscriber or 80 per cent of the amount standing to his credit in the Fund whichever is more).

(2) No recovery of an advance under this clause shall be made from the subscriber and the amount shall be treated as part of the final payment of the amount standing at the credit of the subscriber when the final payment becomes due.



(iv) To pay obligatory expenses on a scale appropriate to the subscriber's status in connection with funerals or ceremonies which by his religion it is incumbent upon him to perform on in connection with the marriage of any member of his family actually dependent on him.

**@1.16.** A subscriber who has attained the age of 50 years may draw non-refundable advance to the extent of 100% balance in the account on the date of application for the grant of advance, without assigning any reason.

**@@1.17.** A subscriber shall be entitled to draw a second advance, at any time, on non-refundable basis.

**1.18. (1)** The competent authority may in its discretion, grant an advance for the construction of a house on non-refundable basis to a subscriber\* who has attained the age of 45 years. The rule shall also be applicable to such of the subscribers who have already incurred a liability to discharge to a financial institution in connection with the construction of their house.

(2) The advance shall mutatis mutandis be governed by the terms and conditions applicable to an advance under sub-rules (a) and (b) of Rule 1.15.

**1.19. (1)** An advance shall be recovered from the subscriber in such number of equal monthly installments as the sanctioning authority may direct, but such number shall not be less than twelve unless the subscriber so elects, or in any case more than thirty six. A

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@Rule 1.16 substituted vide Notification No. FD.SR.I-2-1/2000 dated 12<sup>th</sup> December 2002

@@Rule 1.17 substituted vide Notification No. FD.SR.I-2-1/2000 dated 29<sup>th</sup> May 2003

\*Deleted vide notification No. FD.SR-1-2-1/76 dated 20<sup>th</sup> September 1982.

subscriber may at his option, repay more than one installment in a month. Such installment shall be a number of whole rupees, the amount of the advance being raised or reduced, if necessary, to admit of the fixation of such installments.

- (2) Recovery shall be made in the manner prescribed in rule 1.12 for the realization of subscriptions, and shall commence on the first occasion after the advance is made on which the subscriber draws pay, or remuneration on Foreign Service, for a full month. Recovery shall not be made except with the subscriber's consent, while he is ~~on leave or~~ in receipt of subsistence grant and may be postponed on the subscriber's written request, by the sanctioning authority during the recovery of an advance of pay granted to the subscriber.

**Explanation I** -- The expression "advance of Pay" includes any ordinary advance of pay granted under the relevant rules, such as the rule 10.25 (a) and (f) of the Punjab Financial Rules Volume-I, but does not include advances for the building or repair of house or for the purchase of a conveyance.

**Explanation II** -- Deleted

- (3) Deleted
- (4) (a) After the principal of the advance has been fully repaid, interest shall be paid thereon at the rate of one-fifth per cent of the principal for each month or broken portion of a month during the period between the drawl and complete repayment of the principal:

Provided that Muslim subscribers whose deposits in the Fund carry no interest shall not be required to pay into the

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\*Deleted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

Fund any additional installments on account of interest on advance granted to them from the Fund.

- (b) Interest shall ordinarily be recovered in one installment in the month after complete repayment of the principal; but, if the period referred to in sub-rule 4 (a) exceeds twenty months, interest may, if the subscriber so desires, be recovered in two equal monthly installments. The method of recovery shall be that prescribed in sub-rule (2).

Payments shall be rounded to the nearest rupee in the manner prescribed in clause (iv) of sub-rule (2) of rule 1.13.

- (5) If an advance has been granted to a subscriber and drawn by him and the advance is subsequently disallowed before repayment is completed, the whole or balance of the amount withdrawn, shall, with interest at the rate provided in rule 1.13 forthwith be re-paid by the subscriber to the Fund, or in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber by installments or otherwise as may be directed by the sanctioning authority:

Provided that Muslim subscribers whose deposits in the Fund carry no interest shall not be required to pay any interest.

- (6) Recoveries made under this rule shall be credited as they are made to the subscriber's account in the Fund.

### **Part IX -- Payments towards insurance policies and family pensions funds**

1.20. Subject to the conditions hereinafter contained in rule 1.21 to 1.36:

- (a) (i) subscriptions to a family pension fund approved in this behalf by the competent authority; or
- (ii) payments towards a policy of life insurance; may, at the option of a subscriber, be substituted in whole or part for subscription due to the Fund;
- (b) the amount of subscription with interest thereon standing to the credit of a subscriber in the Fund may be withdrawn to meet:-
  - i) a payment towards a policy of life insurance;
  - ii) the purchase of a single payment insurance policy;
  - iii) the payment of a single premium or subscription to a family pension fund approved in this behalf by the competent authority:

Provided that no amount shall be withdrawn (1) before the details of the proposed policy have been submitted to the Accounts Officer and accepted by him as suitable, or (2) to meet any payment or purchase made or effected more than twelve months before the withdrawal; or (3) in excess of the amount required to meet a premium or subscription actually due for payment within six months of the date of withdrawal:

Provided further that payment towards an educational endowment policy may not be substituted for subscription to the Fund and that no amount may be withdrawn to meet any payment or purchase in respect of such a policy if that policy is due for payment in whole or part before the subscriber's age of normal superannuation:

Provided further that amounts withdrawn shall be rounded to the whole rupee.

Note 1: See also Explanation No. 4 below rule 1.24 (3).

1.21. (1) If the total amount of any subscriptions or payments substituted under sub-rule (a) of rule 1.20 is less than

the amount of the \* subscription payable to the Fund under rule 1.10 (1) the difference shall be rounded to the nearest rupee in the manner provided in clause (iv) of sub rule (2) of rule 1.13 and paid by the subscriber as a subscription to the Fund.

Note: The period, for which the difference referred to in this rule should be calculated for the purpose of affecting the recovery, should be one financial year. Any amount of subscription to a family pension fund or of payments towards a policy of life insurance in excess of the., \*(~~minimum~~) amount of subscription payable into the General Provident Fund in any financial year should not be set off against any difference payable under this rule in respect of any other financial year.

- (2) If the subscriber withdraws any amount standing to his credit in the Fund for any of the purpose specified in sub-rule (b) of rule 1.20 he shall, subject to his option under sub-rule (a) of that rule, continue to pay to the Fund, the subscription payable under rule 1.10:

Provided that no subscription shall be payable by a Government servant who in exercise of the option allowed by rule 1.6 (1) has ceased to subscribe to the Fund.

- 1.22. (1) Subscriber who desires to substitute a subscription or payment under sub-rule (a) of rule 1.20 may reduce his subscription to the Fund accordingly:

Provided that the subscriber shall:

- (a) intimate to the Accounts Officer on his pay bill or by letter the fact of, and reason for, the reduction;
- (b) send to the Accounts Officer, within such period, as the Accounts Officer may require receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount by which the

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\*Deleted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

subscription has been reduced was duly applied for the purposes specified in sub-rule (a) of rule 1.20.

- (2) A subscriber who desires to withdraw any amount under sub-rule (b) of rule 1.20 shall:
  - (a) intimate the reason for the withdrawal to the Accounts Officer by letter;
  - (b) make arrangements with the Accounts Officer for the withdrawal; and
  - (c) send to the Accounts Officer, within such period as the Accounts Officer may require, receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount withdrawn was duly applied for the purposes specified in sub-rule (b) of that rule.
- (3) The Accounts Officer shall order the recovery of any amount by which subscriptions have been reduced or of any amount withdrawn, in respect of which he has not been satisfied in the manner required by clause (b) of sub-rule (1) and sub-clause (c) of sub-rule (2) with interest thereon at the rate provided in rule 1.13 from the emoluments of the subscriber, and place it to the credit of the subscriber in the Fund.

- 1.23 (1) The Government shall not make any payment on behalf of subscribers to Insurance Companies nor take steps to keep a policy alive.
- (2) A policy to be acceptable under these rules shall be one effected by the subscriber himself on his own life and shall (unless it is a policy effected by a male subscriber which is expressed on the face of it to be for the benefit of his wife, or of his wives and children, or any of them) be such as may be legally assigned by the subscriber to the Governor of the Punjab.

**[Explanation-1-** A policy on the joint lives of the subscriber and the subscriber's wife or wives or husband shall be deemed to be a policy on the life of the subscriber for the purposes of this clause.]

**[Explanation-2-** A policy which has been assigned to the subscriber's wife or wives shall not be accepted unless either the policy is first re-assigned to the subscriber or the subscriber and his wife both join in an appropriate assignment.]

(3) The policy may not be affected for the benefit of any beneficiary other than the wife or wives or husband of the subscriber or the wife or wives or husband, and children of the subscriber or any of them.

1.24. (1) The policy, within three months after the first withholding of a subscription or withdrawal from the Fund in respect of the policy; or in the case of an insurance company whose headquarters are outside Pakistan, within such further period as the Accounts Officer, if he is satisfied by the production of the completion certificate (interim receipt), may fix, shall:

- (a) unless it is a policy effected by a male subscriber which is expressed on the face of it to be for the benefit of the wife or wives of the subscriber, or if his wife or wives and children, or any of them, except an Endowment Policy of the usual type, be assigned to the Governor of the Punjab as security for the payment of any sum which may become payable to the Fund under rule 1.29 and delivered to the Accounts Officer, the assignment being made by endorsement on the policy in Form P.F. 3 or Form P.F. 4 or Form P.F. 5 according as the policy is on the life of the subscriber or on the joint lives of the subscriber and the subscriber's wife or wives or husband or the policy has previously been assigned to the subscriber's wife or wives;
- (b) if it is a policy effected by a male subscriber which is expressed on the face of it to be for the

benefit of the wife or wives of the subscriber, or of his wife or wives and children or any of them, be delivered to the Accounts Officer.

- (2) The Accounts Officer shall satisfy himself by reference to the Insurance Company, where possible, that no <sup>\*</sup>(prior) assignment of the policy exists.

**[Explanation --** A policy on the life of a subscriber which is not expressed on the face of it to be for the benefit of his wife or wives, or his wife or wives and children or any of them and which has been assigned to his wife or wives may be accepted under sub-rule (1) (a) provided the wife or wives joins in the assignment in favour of the Governor. The assignment in such a case shall be made out in Form P.F. 4 the words "the joint assured" in that form being omitted. The question of re-assignment of such a policy in a case in which the assured dies before the date of maturity of the policy and before his retirement should be referred for the orders of Government together with the policy.]

- (3) Once a policy has been accepted by an Accounts Officer for the purpose of being financed from the Fund, the terms of the policy shall not be altered, nor shall the policy be exchanged for an other policy without the prior consent of the Accounts Officer to whom details of the alterations or of the new policy shall be furnished.

**[Explanation 1: i)--**When a subscriber proposes to convert a policy which has been assigned to the Governor of the Punjab into a paid up policy it should first be ascertained whether the Insurance Company intends to issue a new document. If it does, the policy should be re-assigned to the subscriber in the following form namely:]

"I \_\_\_\_\_ Accountant-General, acting on behalf of the Governor of the Punjab, hereby reassign unto

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\*The Word priorvide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.



\_\_\_\_\_ the within policy of  
assurance".

The new policy should be assigned to the Governor of the Punjab and handed over to the Accounts Officer.

If the company proposes to convert the policy into a paid-up to by means of an endorsement thereon to that effect, the policy should either be handed to the subscriber for transmission to the Insurance Company or be sent direct by the Accounts Officer, but in either case with a request that the policy when so endorsed by the Company be returned direct to the Accounts Officer. If there is thereby a radical change in the benefits derivable under the policy a memorandum may be required to be endorsed and signed by the Accounts Officer as well as the subscriber acknowledging the altered position.

- ii) In the case of paid-up policies it is necessary to see that the paid up value of the policy is not less than the amount of the premia diverted from the Fund. The amount of interest which should have accrued on such premia had they been left in the Fund should not be taken into account in the calculation. If the paid up value is less than the total of the sums withdrawn from the Fund for premium payments, not including interest, the subscriber should forthwith be required to pay the difference into the Fund. Any profits stated by the Company to have accrued on the policy up to the date of its conversion, should however, be taken into account in calculating the difference, only if the company is prepared to guarantee the profits by making an entry on the policy.
- iii) In the case of a policy assigned to the Governor of the Punjab which a subscriber wants to surrender the policy may be re-assigned to the subscriber for the purpose of the surrender, on the condition that he pays the surrender value of the policy in to his Fund Account, and if the surrender value be less than the total of the sums diverted form the Fund for premium payments and interest thereon, that he also repays the difference into the Fund. In other words such

cases should be treated like those of lapsed policies, and the Fund Account has to be restored to what it would have been had the premia not been paid out of it.

- iv) In cases both of paid up and surrendered policies in which it is considered that the recovery in a single installment of the difference to be paid into the Fund Account will cause hardship to the individual concerned, recovery should be effected in such number of installments, not exceeding 36 as the Head of the Department, may, with the concurrence of the Accounts Officer, decide. If recovery is made in installments interest will not be charged in the case of paid up policies even for the period of actual recovery but interest at the usual rate will be charged for this period in the case of surrendered policies.

**[Explanation 2--** The provisions of Explanation-1 above cover cases for final surrender of policies and not of exchange of policies. Accordingly, a holder of a policy assigned to Government who desires to improve his position by replacing one policy by a better one should be permitted to do so subject to the following conditions being observed, namely:

- i) The new policy should carry the same or a larger amount of insurance.
- ii) The premium in respect of the new policy should not be more than the premium paid in respect of the old policy.
- iii) The new policy should mature within the same year as the old policy.
- iv) The new policy should be in force on the date on which original policy is surrendered.)

**[Explanation 3--** A policy of Life Insurance may be converted into an extended term policy if a Government servant who has taken out a policy of life insurance may

find after payment of premium for a certain number of years that he is unable to continue further payments. In such an event, certain insurance companies allow an option to the assured to convert the policy into an extended term policy on terms and conditions which are generally laid down at the back of the policy. The features peculiar to such an extended term policy are viz:

- i) that the assured is covered for a specified period beyond the date from which he ceases to pay premia;
- ii) that the company foregoes all future premia on the policy;
- iii) that the company undertakes to pay the assured the full amount of the policy only in the event of his death within the extended period; and
- iv) that, if the assured survives that period, he is entitled to receive nothing from the company; in certain circumstances only a very nominal amount.

**[Explanation 4--**Certain Insurance Companies issue policies on the "term assurance" scheme, some of the features peculiar to which are given below:

- i) If the assured dies within the specified period, assurance money becomes payable but if he outlives that period no payment is made;
- ii) No surrender value is allowed at any time; and
- iii) The policyholder is given the option during the currency of the policy of taking out a fresh policy under any other plan issued by the company concerned. This is restricted to endowment/Assurance policies in certain companies-- without being required to pass a medical examination. The premium payable and other conditions attaching to the new policies,

however, are the same as for a fresh entrant at his age at the time of exercising the option, the only tangible benefit obtained being that the company is bound to issue him a policy irrespective of the state of his health.

As these policies partake, in essential of the features of the extended term policies referred to in Explanation 3 above, it is undesirable that they should be allowed to be financed from Provident Funds. Such policies should not, therefor, be accepted under these Rules.

**[Explanation 5--** The provisions of Explanation 2 above contemplate the surrender of a policy or the substitution of a better policy in another office. In many cases in which it is to the advantage of a policyholder to replace his policy by a policy in another and better office the policy which is to be replaced may not be entirely surrendered. Insurance companies allow as an alternative to the surrender of the existing policy a fully paid up policy for a reduced sum insured as a quid pro quo for premiums paid prior to discontinuance of further premiums. The existing policy remains in force as paid up policy and constitutes part insurance cover of addition to the sum insured under the new policy. Thus as a result of the replacement transaction, the policyholder holds insurance in two offices partly in the old and partly in the new office. If the total amount of insurance cover given by the two policies be the same or larger than the amount of insurance given by the old policy prior to the discontinuance of premiums thereunder the first of the conditions set out in the Explanation referred to above should be regarded as satisfied.

- (4) If the policy is not assigned and delivered, or delivered, within the said period of three months or such further period as the Accounts Officer, may, under sub-rule (1), have fixed, any amount withheld or withdrawn from the Fund in respect of the policy shall, with interest thereon at the rate provided in rule 1.13, forthwith be paid or repaid as the case may be, by the subscriber to the Fund or, in default be ordered by the Accounts Officer to be recovered by deduction

from the emoluments of the subscriber by installments or otherwise, as may be directed by the authority competent to sanction the G.P. Fund Advance.

- (5) Notice of assignment of the policy shall be given by the subscriber to the Insurance Company, and the acknowledgment of the notice by the Insurance Company shall be sent to the Accounts Officer within three months of the date of assignment.

**[Explanation 1--** Subscribers should send notices of the assignment to the Insurance Company in duplicate accompanied in cases in which the notice has to be sent to a Company in U.K. or Ireland, by a remittance of five shillings, which is the fee for the acknowledgment authorized by the policies of Assurance Act, 1867.

**[Explanation 2--** Subscribers who proceed to U.K. or Ireland on quitting the service should note that under the English Stamp Law assignment or reassignment are required to be stamped within 30 days of their first arrival in those countries, otherwise penalty will be incurred under Stamp Act, and difficulties may arise when the policy matures for payment.

1.25. The subscriber shall not during the currency of the policy draw any bonus, the drawl of which during such currency is optional under the terms of the policy or deposit the cash value of the accrued bonus with the company to accumulate at interest. The amount of any bonus which under the terms of the policy the subscriber has no option to refrain from drawing during its currency shall be paid forthwith into the Fund by the subscriber or in default recovered by deduction from his emoluments by installments or otherwise as may be directed by the authority competent to grant an advance under sub-rule (1) of rule 1.14.

- 1.26. (1) Save as provided by rule 1.30 when the subscriber:
- (a) quits the service; or

- (b) has proceeded on leave preparatory to retirement and applies to the Accounts Officer for reassignment or return of the policy; or
- (c) while on leave has been permitted to retire or declared by a competent medical authority to be unfit for further service and applies to the Accounts Officer for reassignment or return of the policy; or
- (d) pays or repays to the Fund the whole of any amount withheld or withdrawn from the Fund for any of the purposes mentioned in clause (ii) of sub-rule (a) of rule 1.20 and clauses (i) and (ii) of sub-rule (b) of that rule with interest thereon at the rate provided in rule 1.13;

the account Officer shall--

- (i) if the policy has been assigned to the Governor of the Punjab under rule 1.24, reassign the policy in Part-1 of Form P.F. 7 to the subscriber or to the subscriber and the joint assured as the case may be and make it over to the subscriber together with a signed notice of the reassignment addressed to the Insurance Company;
- (ii) if the policy has been delivered to him under clause (b) of sub-rule (1) of rule 1.24 make over the policy to the subscriber:

Provided that if the subscriber after proceeding on leave preparatory to retirement or after being while on leave permitted to retire or declared by a competent medical authority to be unfit for further service returns to duty any policy so reassigned or made over shall if it has not matured or been assigned or charged or encumbered in any way be again assigned to the Governor of the Punjab and delivered to the Accounts Officer or again be delivered to the Accounts Officer as the case may be in the manner provided in rule 1.24 and thereupon the provisions of these rules shall, so far as may be, again apply in respect of the policy:

Provided further that if the policy has matured or been assigned or charged or encumbered in any way the provisions of sub-rule (4) of rule 1.24 applicable to a failure to assign and deliver a policy shall apply.

- (2) Save as provided by rule 1.30 when the subscriber dies before quitting the service, the Accounts Officer shall--
    - (i) if the policy has been assigned to the Governor of the Punjab under rule 1.24 re-assign the policy in part-II of Form P.F.7 to such person or persons as may be legally entitled to receive it, and shall make over the policy to such person or persons together with a signed notice of the reassignment addressed to the Insurance Company;
    - (ii) if the policy has been delivered to him under clause (b) of sub-rule (1) of rule 1.24 make over the policy to the beneficiary, if any, or, if there is no beneficiary to such person or persons as may be legally entitled to receive it.
- 1.27. (1) If a policy assigned to the Governor of the Punjab under rule 1.24 matures before the subscriber quits the service, or if a policy on the joint lives of a subscriber and the subscriber's wife or wives or husband, assigned under the said rule falls due for payment by reason of the death of the subscriber's wife or wives or husband, the Accounts Officer, shall, save as provided by rule 1.30 proceed as follows:
- (i) if the amount assured together with the amount of any accrued bonuses is greater than the whole of the amount withheld or withdrawn from the fund, in respect of the policy with interest thereon at the rate provided in rule 1.13, the Accounts Officer shall re-assign the policy in the Form P.F. 8 to the subscriber or to the subscriber and the joint assured as the case

may be, and make it over to the subscriber who shall immediately on receipt of the policy moneys from the Insurance Company pay or repay to the Fund the whole of any amount withheld or withdrawn with interest, and in default, the provisions of sub-rule (4) or rule 1.24 applicable to a failure to assign and deliver a policy shall apply; and

- (ii) if the amount assured together with the amount of any accrued bonuses is less than the whole of the amount withheld or withdrawn with interest, the Accounts Officer shall realize the amount assured together with any accrued bonuses and shall place the amount so realized to the credit of the subscriber in the Fund.
- (2) Save as provided by rule 1.30 if a policy delivered to the Accounts Officer under clause (b) of sub-rule (1) of rule 1.24 matures before the subscriber quits the service the Accounts Officer shall make over the policy to the subscriber:

Provided that if the interest in the policy of the wife or wives of the subscriber, or of his wife or wives and children or any of them, as expressed on the face of the policy, expires when the policy matures, the subscriber, if the policy moneys are paid to him by the Insurance Company, shall immediately on receipt thereof pay or repay to the Fund either:

- (i) the whole of any amount withheld or withdrawn from the Fund in respect of the policy with interest thereon at the rate provided in rule 1.13; or
- (ii) an amount equal to the amount assured together with any accrued bonuses; whichever is less, and, in default the provisions of sub-rule (4) of rule 1.24 applicable to a failure to assign and deliver a policy shall apply.



1.28. If the interest of the subscriber in the family pension fund ceases, in whole or part, from any cause whatsoever, the provident fund account of the subscriber shall forthwith be reimbursed by the amount of the refund secured by the subscriber from the family pension fund, which amount shall, in default of reimbursement, be deducted from the subscriber's emoluments by installments or otherwise, as may be directed by the authority competent to grant an advance under sub-rule (1) of rule 1.14.

1.29. If the policy lapses, or is assigned, otherwise than to the Governor of the Punjab under rule 1.24, charged or encumbered the provisions of sub-rule (4) of rule 1.24 applicable to a failure to assign and deliver a policy shall apply.

1.30. If the Accounts Officer receives notice of:

- (a) an assignment (otherwise than an assignment to the Governor of the Punjab under rule 1.24); or
- (b) a charge or encumbrance on; or
- (c) an order of Court restraining dealings with the policy or any amount realized thereon.

The Accounts Officer shall not:

- (i) reassign or make over the policy as provided in rule 1.26; or
- (ii) realize the amount assured by the policy or reassign or make over the policy as provided in rule 1.27, but shall forthwith refer the matter to Government.

1.31. Notwithstanding anything contained in these rules if the sanctioning authority is satisfied that money drawn as an advance from the fund under sub-rule (1) of rule 1.14 or withheld or withdrawn from the Fund under sub-rule (a) or (b) of rule 1.20 has been utilized for a purpose other than that for which sanction was given to the drawl, withholding or withdrawal of the money, the amount in question shall with interest at the rate provided in rule 1.13, forthwith be repaid or paid as the case may be, by the subscriber to the Fund, or in default be ordered to be recovered

by deduction in one sum from the emoluments of the subscriber, even if he be on leave. If the total amount to be repaid, or paid as the case may be, be more than half the subscriber's emoluments recoveries shall be made in monthly installments of moieties of his emoluments till the entire amount recoverable be repaid or paid as the case may be, by him.

Note -- The term 'emoluments' as used in this rule does not include subsistence grant.

### **Part X -- Final withdrawal of accumulations in the fund**

1.32. When a subscriber quits the service, the amount standing to his credit in the Fund shall become payable to him:

Provided that a subscriber, who has been dismissed \*(removed or compulsorily retired) from the service and is subsequently reinstated in the service, shall if required to do so by Government, repay any amount paid to him from the Fund in pursuance of this rule, with interest thereon at the rate provided in rule 1.13 in the manner provided in the proviso to rule 1.33. The amount so repaid shall be credited to his account in the Fund:

Provided further that a subscriber shall on application made by him be permitted to withdraw finally the amount standing to his credit in the Fund twelve months before his retirement.

1.33. When a subscriber --

- (a) has proceeded on leave preparatory to retirement, or, if he is employed in a vacation department, on leave preparatory to retirement combined with vacation; or

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\*Added through notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

- (b) while on leave, has been permitted to retire or been declared by a competent medical authority to be unfit for further service; or
- (c) desires payment within six months before his retirement;

the amount standing to his credit in the Fund shall, upon application made by him in that behalf to the Accounts Officer, become payable to the subscriber:

Provided that the subscriber, if he returns to duty, shall if required to do so by Government, repay to the Fund, for credit to his account the whole or part of any amount paid to him from the Fund in pursuance of this rule with interest thereon at the rate provided in rule 1.13 in cash or securities, or partly in cash and partly in securities by installments or otherwise, by recovery from his emoluments or otherwise, as may be directed by the authority competent to grant an advance under sub-rule (1) of rule 1.14.

1.34. On the death of a subscriber before the amount standing to his credit has become payable (see Appendix-V) or where the amount has become payable, before payment has been made:

(i) When the subscriber leaves a family:

- (a) If a nomination made by the subscriber in accordance with the provisions of rule 1.7 in favour of a member or members of his family subsists, the amount standing to this credit in the Fund or the part thereof to which the nomination relates shall become payable to his nominee or nominees in the proportion specified in the nomination;
- (b) If no such nomination in favour of a member or members of the family of the subscriber subsists, or if such nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which the nomination does not relate, as the

case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become payable to the members of his family in equal shares.

Note: A posthumous child of the deceased or the posthumous child of a son of the deceased who, had he been alive would have been entitled to a share of the sum at the subscriber's credit shall be treated as a member of the family provided the existence (*en ventre desamere*) of the posthumous child is brought to the notice of the disbursing officer.

Provided that no share shall be payable to:

- (1) sons who have attained legal majority;
- (2) sons of a deceased son, who have attained legal majority;
- (3) married daughters whose husbands are alive;
- (4) married daughters of a deceased son whose husbands are alive;

If there is any member of the family other than those specified in clauses (1), (2), (3) and (4):

Provided further that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would have received if he had survived the subscriber and had been exempted from the provisions of clause (1) of the first proviso;

- (ii) When the subscriber leaves no family if a nomination made by him in accordance with the provisions of rule 1.7 in favour of any person or persons subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.

1.35. (1) When the amount standing to the credit of a subscriber in the fund becomes payable it shall be the

duty of the Accounts Officer to make payment, as provided in section 4 of the Provident Funds Act 1925 (see Appendix-1).

- (2) If the person to whom, under these rules any amount or policy is to be paid, assigned, or re-assigned, delivered is a lunatic, for whose estate a manager has been appointed in this behalf under the Lunacy Act, 1912, the payment or reassignment or delivery will be made to such manager and not to the lunatic.
- (3) (a) If the person to whom, under these rules, any amount is to be paid is a minor of whose property a guardian has been regularly appointed, the payment of such amount shall be made to such guardian. If no such guardian has been appointed, the Accounts Officer empowered under sub-rule (1) to make the payment, may pay such amount to the mother of the minor.

Where the mother of the minor:

- (i) is not alive;
- (ii) was, in the life-time of the subscriber, judicially separated from him;
- (iii) has remarried; or
- (iv) is or has become disqualified or otherwise unsuitable;

the Accounts Officer may pay such amount to any suitable person nominated by the Head of Office of deceased subscriber in consultation with the Deputy Commissioner.

- (b) Where the subscriber was a female, the Accounts Officer, in applying the above provisions, mutatis mutandis, may make payment to the father of the minor or to such other person as may be appointed a guardian.
- (c) where the guardian is any person other than the mother, father, paternal grandfather, uncle,

brother or sister of the minor, the guardian shall be required to execute an indemnity bond, with two sureties, indemnifying Government against any claim which may subsequently be made.

- (4) Any person who desires to claim payment under this rule shall send a written application in that behalf to the Accounts Officer. Payment of amounts withdrawn shall be made in Pakistan only. The persons to whom the amounts are payable shall make their own arrangements to receive payment in Pakistan.

**[Explanation** --When the amount, standing to the credit of a subscriber, has become payable under rule 1.32, 1.33 and 1.34 the Accounts Officer shall authorize prompt payment of that portion of the amount standing to the credit of a subscriber in regard to which there is no dispute or doubt, the balance being adjusted as soon after as may be.

- 1.36. (a) If a Government servant, who is a subscriber to any other Government Provident Fund, which is a non-contributory Provident fund, is permanently transferred to pensionable service under the Punjab Government, the amount of the subscriptions, together with interest thereon, standing to his credit in such other fund at the date of transfer shall with the consent of the other Government concerned, if any, be transferred to his credit in the Fund.
- (b) If a Government servant, who is a subscriber to the State Railway Provident Fund or the Contributory Provident Fund (Pakistan) or a Provincial Contributory Provident Fund, is permanently transferred to pensionable service under the Punjab Government and elects or is required to earn pension in respect of such pensionable service:
- i) the amount of subscriptions, with interest thereon standing to his credit in such Contributory Provident Fund at the date of transfer shall, with the consent of the other Government, if any, be transferred to his credit in the Fund;

- ii) the amount of Government contributions with interest thereon standing to his credit in such Contributory Provident Fund shall, with the consent of the other Government, if any, be repaid to Government and credited to provincial revenues; and
- iii) he shall in exchange be entitled to count towards pension such part of the period during which he subscribed to such Contributory Provident Fund as the competent authority may determine.

1.37. If a subscriber to the Fund is subsequently admitted to the benefits of the Punjab Contributory Fund Rules the amount of his subscription, together with interest thereon shall be transferred to the credit of his account in the Punjab Contributory Provident Fund.

#### **Part XI -- Procedure Rules**

1.38. All sums paid into the Fund under these rules shall be credited in the books of Government to an account named "The General Provident Fund". Sums of which payment has not been taken within six months after they become payable under these rules shall be transferred to "Deposits" at the end of the year and treated under the ordinary rules relating to deposits.

1.39. When paying a subscription in Pakistan either by deduction from emoluments or in cash; a subscriber shall quote the number of his account in the Fund, which shall be communicated to him by the Accounts Officer. Any change in the number shall similarly be communicated to the subscriber by the Accounts Officer.

1.40. (1) Before the expiry of the third month of every financial year, the Accounts Officer shall send to each subscriber a statement of his account in the fund showing the opening balance as on the \*1<sup>st</sup> July of

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\*Substituted for the words "1<sup>st</sup> July of the year" vide notification No. FD/SRI-2-3/83 dated 02.04.1989.

the preceding year), the total amount credited or debited during the year, the total amount of interest credited as on the 30<sup>th</sup> June of the year and the closing balance on that date. The Accounts Officer shall attach to the statement of account an enquiry whether the subscriber;

- (a) desires to make any alternation in any nomination made under rule 1.7;
  - (b) has acquired a family in cases where the subscriber has made no nomination in favour of a member of his family under the proviso to sub-rule (1) of rule 1.7.
- (2) Subscribers should satisfy themselves as to the correctness of the annual statement, and errors, if any, should be brought to the notice of the Accounts Officer within six months from the date of receipt of the statement.
- (3) Where any subscription made by a subscriber to his provident fund has not been shown or credited in the account by the Accounts Officer, such subscription shall be credited to the account of the subscriber on the basis of:-
- (i) certificate of fund deduction by the Audit Officer/Treasury Officer/District Accounts Officer in the case of .@ (Government servants in Basic Pay Scales 16 & above);
  - (ii) certificate of fund deduction by the Drawing & Disbursing Officer in the case of @@ (Government servants in Basic Pay Scales 1 to 15).

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@Substituted for the words "Officers (National Pay Scales No. 16 and above)", vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

@@Substituted for the word "Officials" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.



- (4) The Accounts Officer shall, if required by a subscriber, inform the subscriber once, but not more than once, in a year of the total amount standing to his credit in the Fund at the end of the last month for which his account has been written up.

**CHAPTER II**

In exercise of the powers conferred by Section 23 of the Punjab Civil Servants Act, 1974 and in supersession of the rules contained in Chapter XIV of Civil Services Rules (Punjab) Vol-II the Governor of the Punjab is pleased to make the following rules, namely:

**THE PUNJAB CONTRIBUTORY PROVIDENT FUND RULES  
1978****Part I -- General**

- 2.1. (a) These rules may be called the Punjab Contributory Provident Fund Rules, 1978.
- (b) These shall come into force at once.
- 2.2. (1) In these rules, unless there is anything repugnant in the subject or context:
- (i) "Accounts Officer" means the Accountant-General, Punjab;
  - (ii) "Emoluments" means pay, leave salary, or subsistence grant, as defined in the Civil Services Rules (Punjab), Volume-I and includes any wage so paid by Government to employees not remunerated by fixed monthly pay; and
  - (iii) "Family" means:
    - (a) in the case of a male subscriber, the wife or wives and children of a subscriber, and the widow, or widows and children of a deceased son of the subscriber:

Provided that if a subscriber proves that his wife or wives has or have been judicially separated from him or has ceased under the customary law of the community to which he belongs to be entitled to maintenance she shall henceforth be deemed to be no longer a member of the subscriber's family in

matters to which these rules relate unless the subscriber subsequently indicates by express notification in writing to the Accounts Officer that she shall continue to be so regarded;

- (b) in the case of female subscriber, the husband and children of the subscriber, and the widow or widows and children of a deceased son of the subscriber:

Provided that if a subscriber by notification in writing to the Accounts Officer expresses her desire to exclude her husband from her family, the husband shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently cancels formally in writing her notification excluding him.

[**Explanation 1**--"Children" means legitimate children.

[**Explanation 2**-- An adopted child shall be considered to be a child only when the Accounts Officer, or if any doubt arises in the mind of the Accounts Officer, Solicitor to Punjab Government is satisfied that under the law applicable to the subscriber, adoption is legally recognized as conferring the status of a natural child.

- (iv) "Leave" means any variety of leave recognized by the Civil Services Rules (Punjab);
  - (v) "Fund" means the Punjab Contributory Provident Fund; and
  - (vi) "Year" means a financial year.
- (2) Any other expression employed in these rules which is defined either in the Provident Funds Act, 1925 (XIX of 1925) (See Appendix No.1), or in the Civil services Rules (Punjab) is used in the sense therein defined.

**Part II -- Constitution and Management of the Fund**

2.3. The Fund shall be administered by Government and shall be maintained in rupees in Pakistan.

2.4. (1) These rules apply to every non-pensionable Government servant under the control of the Punjab Government who:-

- (a) had been admitted, before these rules came into force, to the benefits of a special or contributory provident fund maintained by Government; or
- (b) may be, or may have been, admitted by the competent authority to the Fund after these rules came into force:

Provided that these rules shall not apply to any such servant between whom and the Government an agreement subsists in respect of a provident Fund, other than an agreement providing for the application to him of these rules, and, in the case of an agreement so providing, these rules shall apply subject to the terms of such agreement;

Provided further that these rules shall not apply to temporary Government servants engaged for specific work or for a definite period.

**[Explanation 1--** A Government servant counting service for pension in any post shall not be allowed to be governed by these rules.

**[Explanation 2--** A permanent Government servant whose conditions of service provide that he shall subscribe to the Punjab Contributory Provident Fund shall be held to have been admitted to the Fund.

- (2) Every servant of Government to whom these rules apply shall be a subscriber to the Fund.
- (3) The balance at the credit of any servant of Government in any such Fund as is referred to in

- clause (a) of sub-rule (1) should, with effect from the date on which these rules came into force, be transferred to his credit in the Fund.
- (4) If a Government servant admitted to the benefit of the Fund was previously a subscriber to any Government non-Contributory Provident Fund, the amount of his subscriptions in the non-Contributory Provident Fund, together with interest thereon, shall be transferred to his credit in the Fund.
  - (5) The amount standing at the credit of an employee of a local body in the Provident Fund established and maintained by the local body concerned shall on the provincialisation of his service be transferred to his credit in the Punjab Contributory Provident Fund, in the event of his being admitted to the benefits of the Fund. The balances so carried forward shall carry interest as for new subscribers.
  - (6) A Contract Officer appointed after 23<sup>rd</sup> December 1957 who is eligible to the benefit of the Contributory Provident Fund shall be made to subscribe to the Fund compulsorily.

### **Part III -- Nominations**

- 2.5. (1) A subscriber shall, as soon as may be after joining the Fund, send to the Accounts Officer a nomination conferring 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 death before that amount has become payable, or having become payable, has not been paid:

Provided that if at the time of making the nomination, the subscriber has a family, the nomination shall not be in favour of any person other than one or more members of his family.

- (2) If a subscriber nominates more than one person under sub-rule (1), he shall specify in the nomination the amount or share payable to each of the nominees in

such manner as to cover the whole of the amount that may stand to his credit in the Fund at any time.

- (3) Every nomination shall be in such one of the Forms P.F.1, 1-A, 1-B, or 1-C as is appropriate in the circumstances.
- (4) A subscriber may at any time cancel a nomination by sending a notice in writing to the Accounts Officer:

Provided that the subscriber shall, along with such notice send a fresh nomination made in accordance with the provisions of sub-rule (1) to (3).

- (5) Without prejudice to the provisions of sub-rule (4), a subscriber shall, along with every nomination made by him under this rule, send to the Accounts Officer a contingent notice of cancellation which shall be in such one of the Forms P.F.2 or 2-A as is appropriate in the circumstances of his case.
- (6) Immediately on the occurrence of any event by reason of which the contingent notice of cancellation referred to in sub-rule (5) becomes operative and the nomination to which that notice relates consequently stands cancelled, the subscriber shall send to the Accounts Officer a fresh nomination made in accordance with the provisions of sub-rule (1) to (3).
- (7) Every nomination made, and every notice of cancellation given by a subscriber shall, to the extent that it is valid, take effect on the date on which it is received by the Accounts Officer.
- (8) Nothing in sub-rules (1) to (3) shall be deemed to invalidate or to require the replacement by a nomination made thereunder, of a nomination duly made before and subsisting on the date of  
\*(promulgation of these rules):

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\*Substituted for the words "this notification" vide notification No. FD/SRI2-3/83 (Prov) dated 02.04.1989.

Provided that in respect of every such nomination, the subscriber shall as soon as may be after the said date send to the Accounts Officer a contingent notice of cancellation in such one of the Form P.F.2 or 2-A as is appropriate in the circumstances:

Provided that a nomination made under this sub-rule shall be deemed to have been duly made in accordance with these rules only for so long as the subscriber has no family.

- (9) If a subscriber at any time acquires a family, he shall send to the Accounts Officer a nomination as provided in sub-rule (2) and, if he has under sub-rule (3) nominated any person other than a member of his family, he shall formally cancel the previous nomination.
- (10) A subscriber may be in his nomination distribute the amount that may stand to his credit in the Fund amongst his nominees at his own discretion.
- (11) A nomination may be cancelled by a subscriber provided that it is replaced at the same time by any other nomination which is permitted to be made under this Rule.
- (12) A nomination shall take effect to the extent that it is valid on the date on which it is received by the Accounts Officer.
- (13) On the death of a nominee a subscriber shall make a fresh nomination.

**PART IV -- Subscriber's Account**

2.6. An Account shall be opened in the name of each subscriber, in which shall be credited:

- i) the subscriber's subscription;
- ii) contribution made under rule 2.11 by Government to his account;
- iii) interest as provided by rule 2.12 on subscriptions; and
- iv) interest, as provided by rule 2.12 on contributions.

**PART V -- Conditions and rates of subscriptions**

- 2.7. (1) Every subscriber shall subscribe monthly to the Fund when on duty or on Foreign Service.
- (2) A subscriber may, at his option, not subscribe during leave.
- (3) the subscriber shall intimate his election not to subscribe during leave in the following manner:
- a) if he is a Government servant who draws his own pay bills, by making no deduction on account of subscription in his first pay bill drawn after proceeding on leave;
  - b) if he is not a Government servant who draws his own pay bill, by written communication to the head of his office before he proceeds on leave.

Failure to make due and timely intimation shall be deemed to constitute an election to subscribe.

The option of a subscriber intimated under this sub-rule shall be final.

Note: See also explanation below rule 1.9 of Punjab General Provident Fund Rules.

- 2.8. (1) The amount of subscription shall be fixed by the subscriber himself, subject to the following conditions:



- (a) It shall be expressed in whole rupees;
  - (b) It may be any sum, so expressed, not less than  $8\frac{1}{3}$  percent of his emoluments.
- (2) For purpose of sub-rule (1) the emoluments of a subscriber shall be--
- (a) In the case of a subscriber who was in Government service on the 30<sup>th</sup> June of the preceding year, the emoluments to which he was entitled on that date; provided as follows:
    - i) if the subscriber was on leave on the said date and elected not to subscribe during such leave or was under suspension on the said date, his emoluments shall be the emoluments to which he was entitled on the first day after his return to duty;
    - ii) if the subscriber was on deputation out of Pakistan on the said date or was on leave on the said date and continues to be on leave, his emoluments shall be the emoluments to which he would have been entitled had he been on duty in Pakistan;
    - iii) if the subscriber joined the Fund for the first time on a day subsequent to the said date, his emoluments shall be the emoluments to which he was entitled on such subsequent date.
  - (b) In the case of a subscriber who was not in Government service on the 30<sup>th</sup> June of the preceding year, the emoluments to which he was entitled on the first day of his service or, if he joined the Fund for the first time on a date subsequent to the first day of his service the emoluments to which he was entitled on such subsequent date:

Provided that if the emoluments of the subscriber are of fluctuating nature, they shall be calculated in such manner as the competent authority may direct.

- (3) The subscriber shall intimate the fixation of the amount of his monthly subscription in each year in the following manner:
  - (a) if he was on duty on the 30<sup>th</sup> June of the preceding year by the deduction which he makes in this behalf from his pay bill for that month;
  - (b) if he was on leave on the 30<sup>th</sup> June of the preceding year and elected not to subscribe during such leave; or was under suspension on that date, by the deduction which he makes in this behalf from his first pay bill after his return to duty;
  - (c) if he entered Government service for the first time during the year, or joins the Fund for the first time by the deduction which he makes in this behalf, from his pay bill for the month during which he joins the Fund;
  - (d) if he was on leave on the 30<sup>th</sup> June of the preceding year, and continues to be on leave and has elected to subscribe during such leave, by the deduction which he causes to be made in this behalf from his salary bill for that month;
  - (e) if he was on foreign service on the 30<sup>th</sup> June of the preceding year, by the amount credited by him into the treasury on account of subscription for the month of July in the current year;
  - (f) if his emoluments are of the nature referred to in the proviso to sub-rule (2), in such manner as the competent authority may direct.

- (4) The amount of subscription so fixed shall remain unchanged throughout the year:

Provided that if a subscriber is on duty for a part of a month and on leave for the remainder of that month, and if he has elected not to subscribe during leave, the amount of the subscription payable shall be proportionate to the number of days spent on duty in the month.

Note - \* deleted

\*\* (5) The amount of subscription originally fixed by a subscriber is not to be varied during the course of the year on account of any increase or decrease in his rate of pay which may ultimately be found to be due in respect of the 30<sup>th</sup> June preceding.

2.9. When a subscriber is transferred to Foreign Service or sent on deputation out of Pakistan he shall remain subject to the rules of the Fund in the same manner as if he were not so transferred or sent on deputation.

#### **Part VI -- Realization of subscriptions**

2.10. (1) When emoluments are drawn @ (from a Government treasury in Pakistan or through a Pakistan Embassy abroad), recovery of subscriptions and of the principal and interest of advances shall be made from the emoluments themselves.

(2) When emoluments are drawn from any other source, the subscriber shall forward his dues monthly to the Accounts Officer.

#### **Part VII -- Contribution by Government**

2.11. (1) Government shall, with effect from the 30<sup>th</sup> June of each year, make a contribution to the account of each subscriber:

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\*Deleted vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

\*\* Added vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

@ Substituted for the words "in Pakistan or abroad" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

Provided that if a subscriber quits the service or dies during a year, contribution shall be credited to his account for the period between the close of the preceding year and the date of the casualty.

- (2) The contribution shall be such percentage of the subscribers emoluments drawn on duty during the year or the period, as the case may be, as has been or may be prescribed by the competent authority by general or special order.

**Explanation 1**-The contribution to be paid by Government to the account of a subscriber admitted to the Fund, shall, be fixed at 8-1/3 percent ( $1/12^{\text{th}}$ ) of the subscriber's emoluments.

**Explanation 2**-In the case of an officer transferred from service under a private body to service under Government or from one Government department to another, the Government contribution should where there is no provision to the contrary in the Contributory Provident Fund Rules of the officer concerned, be based on the pay which he would have drawn but for his transfer and not on the pay drawn by him from time to time after transfer.

- (3) If a subscriber is on deputation out of Pakistan, the emoluments which he would have drawn had he been on duty in Pakistan shall, for the purpose of this rule, be deemed to be emoluments drawn on duty.
- (4) Should a subscriber elect to subscribe during leave, his leave salary shall, for the purposes of this rule, be deemed to be emoluments drawn on duty unless otherwise directed by the competent authority.
- (5) The amount of any contribution payable in respect of a period of Foreign Service shall, unless it is recovered from the foreign employer, be recovered by Government from the subscriber.

- (6) The amount of contribution payable shall be rounded to the nearest whole rupee (50 paise counting as the next higher rupee).

### **Part VIII - Interest**

- 2.12. (1) Government shall pay to the credit of the account of a subscriber interest, at such rate as the competent authority may from time to time prescribe for the payment of interest on subscriptions to the General Provident Fund, on the amount at his credit in the fund.
- (2) Interest shall be credited with effect from the 30<sup>th</sup> June of each year in the following manner:
- (i) on the amount at the credit of the subscriber on the 30<sup>th</sup> June of the preceding year, less any sums withdrawn during the current year - interest for twelve months;
  - (ii) on sums withdrawn during the current year - interest from the 1<sup>st</sup> July of the current year up to the last day of the month preceding the month of withdrawal;
  - (iii) on all sums credited to the subscriber's account after the 30<sup>th</sup> June of the preceding year - interest from the date of deposit up to the 30<sup>th</sup> June of the current year;
  - (iv) the total amount of interest shall be rounded to the nearest rupee in the manner provided in sub-rule (2) of rule 2.11.

Provided that when the amount standing at the credit of a subscriber becomes payable, interest shall thereupon be credited under this sub-rule in respect only of the period from the beginning of the current year or from the date of deposit as the case may be up to the date on which the amount standing at the credit of the subscriber became payable.

- (3) For the purpose of this rule the date of deposit shall, in the case of recoveries from emoluments, be deemed to be the first day of the month in which they are recovered and in the case of amounts forwarded by the subscriber shall be deemed to be the first day of the month of receipt, if they are received by the Accounts Officer before the fifth day of that month, or if they are received on or after the fifth day of that month, the first day of the next succeeding month.
- (4) In addition to any amount to be paid under rule 2.29 interest thereon up to the end of the month preceding that in which payment is made or up to the end of the six months after the month in which such amount became payable whichever of these periods be less, shall be payable to the person to whom such amount is to be paid:

Provided that no interest shall be paid in respect of any period after the date which the Accounts Officer has intimated to that person or his agent as the date on which he is prepared to make payment in cash or if he pays by cheque after the date on which the cheque in that person's favour is put in the post.

- (5) Interest shall not be credited to the account of a Muslim subscriber if he informs the Accounts Officer that he does not wish to receive it; but if he subsequently asks for interest it shall be credited with effect from the 1st July of the year in which he asks for it.

**Explanation** -- When a subscriber intimates in writing his intention to forego interest already accrued on his deposits in the Provident Fund, the interest should be withheld and credited to Government revenues.

The interest already credited to the subscriber's account in such cases should be re-adjusted by debit to his Account by

contra-credit to the head \*("60000--Transfer Payments--61000--Interest--61600--Other Payments" or "1100000--Income from Property and Enterprises--1130000--Interest --1139800--Others") according as the amount of interest was originally credited to the subscriber's account during the current year or previous years.

- (6) The interest on amount which under sub-rule (3) of rule 2.18 or sub-rule (4) of rule 2.20 or sub-rule (1) of rule 2.21 or sub-rule (1) or sub-rule (2) of rule 2.22 or rule 2.25 or rule 2.26 are replaced at the credit of the subscriber in the Fund, shall be calculated at such rates as may be successively prescribed under sub-rule (1) of this rule and so far as may be in the manner described in this rule.

**Explanation** -- The provisions of Explanations 1 and 2 below rule 1.13 of Punjab General Provident Fund Rules apply mutatis mutandis in respect of subscriptions to the Punjab Contributory Provident Fund.

### **Part IX -- Advances from the Fund**

- 2.13. (1) A temporary advance may be granted to a subscriber from the amount standing to his credit in the Fund at the discretion of the authority, specified in sub-rule (2), subject to the following conditions:
- (a) No advance shall be granted unless the sanctioning authority is satisfied that the applicant's pecuniary circumstances justify it, and that it will be expended on the following object or objects and not otherwise:
- i) To pay expenses incurred in connection with prolonged illness of the applicant or applicant's spouse or any person actually dependent upon the applicant;

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\*Substituted for the words "22-Interest" or "XX-Interest" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

- ii) to pay for the overseas passage for reasons of health or education of the applicant or any person actually dependent on him;
- iii) to pay obligatory expenses on a scale appropriate to the applicant's status in connection with the marriages, funerals or ceremonies which by his religion it is incumbent on him to perform;
- iv) to purchase a house or to construct one, for the occupation of the subscriber himself or his family, on a piece of land owned by the subscriber, or to make additions to or alterations in an existing house owned by the subscriber, whether or not constructed or purchased with a house building advance; and
- v) to meet other expenditure which is considered by the sanctioning authority to be essential and unavoidable.

**Explanation I--** A temporary advance may be granted to the subscriber for the performance of Haj.

**Explanation II--** In cases falling under item (i) above, advances may be granted by the sanctioning authority to pay debts incurred, provided an application is made within a reasonable time after the event to which it relates. What is a reasonable time will be determined on the merits of case. Advances to pay the debts incurred in cases falling under item (ii) and (iii) require the sanction of Government.

- (b) An advance other than that covered by clause (a) (iv) shall not, except for special reasons to be recorded in writing by the sanctioning authority, exceed three months pay and shall in no case exceed the amount of subscriptions and interest thereon standing to the credit of the subscriber in the Fund.



- (c) An advance shall not, except for special reasons to be recorded in writing by the sanctioning authority, be granted until at least twelve months after the final repayment of all previous advances together with interest thereon, unless the amount already advanced does not exceed two thirds of the amount admissible under clause (b):

Provided that the above conditions shall not be relaxed in the case of advances falling under clause (a) (v) above.

- (d) The sanctioning authority shall record in writing its reasons for granting the advance:

Provided that if the reason is of a confidential nature, it may be communicated to the Accounts Officer personally and/or confidentially.

- (e) An advance under sub-clause (iv) of clause (a) shall be subject to the following special conditions:

- i) The advance shall in no case exceed twenty four month's pay of the subscriber or eighty per cent of the amount at the credit of the subscriber in the Fund, whichever is less;

- \*i-a) Advance for the purchase of a house shall be drawn only after an agreement is executed between the subscriber and the Governor in Form P.F. 12.

- ii) Advance granted for construction of a house shall be paid in two equated instalments;

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\*Added vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

- \*\*ii-a) First instalment of the advance for construction of a house shall be drawn only after an agreement is executed between the subscriber and the Governor in Form P.F.13.
- iii) If the first instalment is not utilized for the purpose of construction of the house within eight months of its drawl, it shall be refunded, unless the sanctioning authority extends this period;
- iv) For the purpose of drawl of the second instalment, the subscriber shall be required to give under his hand a certificate to the effect that he has actually utilized the first instalment on the construction of the house;
- v) The subscriber shall not dispose of the house purchased or constructed with an advance from the Fund until the advance has been repaid or the subscriber retires from Government service; and
- vi) Recovery shall be made at the rate of seven per cent of the subscriber's pay commencing from the fourth issue of pay after the first installment of the advance is drawn.

Note -- In case a subscriber also draws or has drawn a house building advance from the employer, the recovery on account of the advance from the Fund shall commence immediately after the advance from the employer for building a house has been fully repaid with interest accrued thereon.

- (2) The authority competent to grant an advance:
  - (a) (i) exceeding three month's pay; or

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\*\* Added vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

- (ii) within twelve months of the final repayment of all previous advances together with interest thereon,

shall be the authority competent to dismiss the subscriber; or in the case of a subscriber appointed by the Federal Government, the Punjab Government;

- (b) In any case not specified in clause (a) shall be the authority competent to grant an advance of pay on transfer under rule 10.25 (a) of the Punjab Financial Rules, Volume-1.

**Explanation** -- An authority competent to sanction an advance of pay for himself on transfer cannot sanction an advance for himself under sub-rule 2(b). The authority competent to sanction an advance in such case will be the next higher administrative authority.

- 2.14. (1) An advance shall be recovered from the subscriber in such number of equal monthly instalments as the sanctioning authority may direct; but such number shall not be less than twelve unless the subscriber so elects, or in any case more than <sup>\*</sup>(thirty six). A subscriber may, at his option, make re- payment in a smaller number of installments than that prescribed. Each installment shall be a number of whole rupees, the amount of the advance being raised or reduced, if necessary, to admit of the fixation of such instalments.
- (2) Recovery shall be made in the manner provided in rule 2.10 for the realization of subscriptions and shall commence on the first occasion after the advance is made on which the subscriber draws emoluments other than leave salary or subsistence grant, for a full month. Recovery shall not be made, except with the subscriber's consent while he is on leave or in receipt of subsistence grant, and may be postponed by the

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\*Substituted for the words "twenty four" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

sanctioning authority during the recovery of an advance of pay granted to the subscriber.

**Explanation** --For the purpose of recovery of an advance under this rule vacation combined with leave shall be treated as leave.

- (3) If more than one advance has been made to a subscriber, each advance shall be treated separately for the purpose of recovery.
- (4) (a) After the principal of the advance has been fully repaid, interest shall be paid thereon at the rate of one-fifth per cent of the principal for each month or broken portion of a month during the period between the drawl and complete re-payment of the principal:

Provided that Muslim subscribers whose deposits in the Fund carry no interest shall not be required to pay into the Fund any additional instalments on account of interest on advances granted to them from the Fund.

- (b) Interest shall ordinarily be recovered in one instalment in the month after complete re-payment of the principal; but if the period referred to in sub-rule 4(a) exceeds twenty months, interest may, if the subscriber so desires, be recovered in two equal monthly installments. The method of recovery shall be that provided in sub-rule(2). Payments shall be rounded to the nearest rupee in the manner provided in sub-rule (6) of rule 2.11.
- (5) If an advance has been granted to a subscriber and drawn by him and the advance is subsequently disallowed before repayment is completed, the whole or balance of the amount withdrawn, shall, with interest at the rate provided in rule 2.12 forthwith be repaid by the subscriber to the Fund, or in default, be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber by

instalments or otherwise, as may be directed by the authority laid down in clause (a) of sub-rule (2) of rule 2.13:

Provided that Muslim subscribers whose deposits in the Fund carry no interest shall not be required to pay any interest.

- (6) Recoveries made under this rule shall be credited, as they are made, to the account of the subscriber in the Fund.

### **Part X -- Payments towards insurance policies and family pension funds**

2.15. Subject to the conditions contained in rule 2.16 to 2.22--

- (1)
  - (i) subscriptions to a family Pension fund approved in this behalf by the competent authority;
  - (ii) payments towards an insurance policy, may, at the option of a subscriber, be substituted for the whole or part of subscriptions to the Fund.
- (2) the amount of subscriptions with interest thereon standing to the credit of a subscriber in the Fund may be withdrawn to meet-
  - i) payments towards an insurance policy;
  - ii) purchase of a single payment insurance policy;
  - iii) payment of a single premium or subscriptions to a family fund approved in this behalf by the competent authority:

Provided that no amount shall be withdrawn (i) before the details of the proposed policy have been submitted to the Accounts Officer and accepted by him as suitable, or (ii) to meet any payment or purchase made or effected more than twelve

months before the withdrawal; or (iii) in excess of the amount required to meet a premium or subscription actually due for payment within six months of the date of withdrawal:

Provided further that payments towards an educational endowment policy may not be substituted for subscriptions to the Fund and that no amounts may be withdrawn to meet any payment or purchase in respect of such a policy if that policy is due for payment in whole or part before the subscriber's age of normal superannuation.

- (3) Any amount withdrawn under sub-rule (2) (b) shall be paid in whole rupees only rounded to the nearest rupee in the manner provided in the last proviso to rule 1.20.

2.16. (1) If the total amount of any subscriptions or payments substituted under sub-rule (1) of rule 2.15 is less than the amount of the minimum subscription payable to the Fund under rule 2.8, the difference shall be rounded off to the nearest rupee in the manner provided in sub-rule (6) of rule 2.11 and paid by the subscriber as a subscription to the Fund.

- (2) If the subscriber withdraws any amount standing to his credit in the Fund for any of the purposes specified in sub-rule (2) of rule 2.15, he shall, subject to his option under sub-rule (1) of that rule, continue to pay to the Fund the subscription payable under rule 2.8.

2.17. (1) A subscriber who desires to substitute a subscription or payment under sub-rule(1) of rule 2.15 may reduce his subscription to the Fund accordingly:

Provided that the subscriber shall-

- (a) intimate to the Accounts Officer on his pay bill or by letter the fact of, and reason for the reduction;
- (b) send to the Accounts Officer, within such period as the Accounts Officer may require receipts or certified copies of receipts in order to satisfy the

Account Officer, that the amount by which the subscription has been reduced was duly applied for the purposes specified in sub-rule (1) of rule 2.15.

- (2) A subscriber who desires to withdraw any amount under sub-rule (2) of rule 2.15 shall--
  - (a) intimate the reason for the withdrawal to the Accounts Officer by letter;
  - (b) make arrangements with the Accounts Officer for the withdrawal; and
  - (c) send to the Accounts Officer, within such period as the Accounts Officer may require receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount withdrawn was duly applied for the purposes specified in sub-rule (2) of rule 2.15.
- (3) The Accounts Officer shall order the recovery of any amount by which subscriptions have been reduced, or any amount withdrawn, in respect of which he has not been satisfied in the manner required by clause (b) of sub-rule (1) and clause (c) of sub-rule(2), with interest thereon at the rate provided in rule 2.12, from the emoluments of the subscriber and place it to the credit of the subscriber in the Fund.

2.18. (1) Government will not make any payments on behalf of subscribers to insurance companies, nor take steps to keep a policy alive.

- (2) It is immaterial what form the policy takes, provided that it shall be one effected by the subscriber himself on his own life, and shall (unless it is a policy expressed on the face of it to be for the benefit of his wife or wives, or of his wife or wives and children, or any or them) be such as may be legally assigned by the subscriber himself to the Governor of the Punjab.

**Explanation 1**--A policy on the joint lives of the subscriber and his wife or wives shall be deemed to be a policy on the life of the subscriber himself for the purpose of this sub-rule.

**Explanation 2**--A policy which has been assigned to the subscriber's wife or wives shall not be accepted unless either the policy is first re-assigned to the subscriber or the subscriber and his wife or wives join in an appropriate assignment.

- (3) The policy may not be affected for the benefit of any beneficiary other than the wife or wives of the subscriber or his wife or wives and children or any of them.
- 2.19 (1) The policy, within three months after the first withholding of a subscription or withdrawal from the Fund in respect of the policy, or in the case of an insurance company whose headquarters are outside Pakistan within such further period as the Accounts Officer, if he is satisfied by the production of the completion certificate (interim receipt) may fix, shall--
- (a) unless it is a policy expressed on the face of it to be for the benefit of the wife or wives of the subscriber or of his wife or wives and children or any of them, be assigned to the Governor of the Punjab, as security for the payment of any sum which may become payable to the Fund under rule 2.21 and 2.22 and delivered to the Accounts Officer, the assignment being made by endorsement on the policy in Form P.F. 3 or Form P.F. 4 or Form P.F. 5 or Form P.F. 6 according as the policy is on the life of the subscriber or on the joint lives of the subscriber and his wife or wives, or the policy has been assigned to the subscriber's wife or wives or where a subscriber to the General Provident Fund who has effected an insurance policy under the rules of that Fund is admitted to the Punjab Contributory Provident Fund;



- (b) if it is a policy expressed on the face of it to be for the benefit of the wife or wives of the subscriber, or of his wife or wives and children, or any of them, be delivered to the Accounts Officer.
- (2) The Accounts Officer shall satisfy himself by reference to the insurance company where possible, that no prior assignment of the policy exists.
- (3) Once a policy has been accepted by an Accounts Officer for the purpose of being financed from the Fund, the terms of the policy shall not be altered nor shall the policy be exchanged for another policy without the prior consent of the Accounts Officer to whom details of the alteration or of the new policy shall be furnished.

Note: The provisions of Explanation 1 to 5 under rule 1.24 (3) of the Punjab General Provident Fund Rules apply mutatis mutandis here also.

- (4) If the policy is not assigned and delivered, or delivered, within the said period of three months or such further period as the Accounts Officer may under sub-rule (1) have fixed, any amount withheld or withdrawn from the Fund in respect of the policy shall, with interest thereon at the rate provided in rule 2.12, forthwith be paid or repaid, as the case may be, by the subscriber to the Fund or in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber, by installments, or otherwise, as may be directed by one of the authorities laid down in clause (a) of sub-rule (2) of rule 2.13.
- (5) Notice of assignment of the policy shall be given by the subscriber to the insurance company, and the acknowledgment of the notice by the insurance company shall be sent to the Accounts Officer within three months of the date of assignment.

**Explanation 1--** A subscriber who is required to assign his policy to the Governor of the Punjab in accordance with clause (a) of sub-rule (1) may execute the prescribed form of assignment on the policy itself either in his own handwriting or in type or alternatively paste on the blank space provided for the purpose on the policy a typed or printed slip containing the endorsement. A typed or printed endorsement must be duly signed and if pasted on the policy initialed across all four margins.

**Explanation 2--** Subscribers' are advised to send notice of the assignment to the insurance company in duplicate. The policy itself, bearing the assignment endorsed thereon, need not be sent to the company, as insurance companies do not ordinarily require the production of the original instruments affecting a policy holder's title until the policy becomes a claim.

**Explanation 3--** See also explanation No. 2 under rule 1.24 (5), of the Punjab General Provident Fund Rules.

2.20. The subscriber shall not during the currency of the policy draw any bonus the drawl of which during such currency is optional under the terms of the policy, and the amount of any bonus which under the terms of the policy the subscriber has no option to refrain from drawing during its currency shall be paid forthwith into the Fund by the subscriber or in default recovered by deduction from his emoluments by instalments or otherwise as the Governor may direct.

2.21. (1) Save as provided by sub-rule (3) of rule 2.23 when the subscriber-

- (a) quits the service; or
- (b) has proceeded on leave preparatory to retirement and applies to the Accounts Officer for re-assignment or return of the policy; or
- (c) while on leave, has been permitted to retire or declared by competent medical authority to be unfit for further service and applies to the

Accounts Officer for re-assignment or return of the policy; or

- (d) pays or repays to the Fund the whole of any amount withheld or withdrawn from the Fund for any of the purpose mentioned in clause (ii) of sub-rule (1) of rule 2.15 and clauses (i) and (ii) of sub-rule (2) of rule 2.15 with interest thereon at the rate provided in rule 2.12.

the Accounts Officer shall--

- (i) if the policy has been assigned to the Governor of the Punjab under rule 2.19, re-assign the policy in Part I of Form P.F. 7 to the subscriber or the subscriber and the joint assured as the case may be within one month from the date of application of the subscriber and make it over to the subscriber, together with the signed notice of the re-assignment addressed to the insurance company;
- (ii) if the policy has been delivered to him under clause (b) of sub-rule (1) of rule 2.19 make over the policy to the subscriber:

Provided that, if the subscriber, after proceeding on leave preparatory to retirement or after being, while on leave, permitted to retire or declared by competent medical authority to be unfit for further service, returns to duty, any policy so re-assigned or made over shall, if it has not matured or been assigned or charged or encumbered in any way, be again assigned to the Governor of the Punjab and delivered to the Accounts Officer, or again be delivered to the Accounts Officer, as the case may be, in the manner provided in rule 2.19, and thereupon the provisions of these rules shall so far as may be, again apply in respect of the policy:

Provided further that, if the policy has matured or been assigned or charged or encumbered in any way, the provisions of sub-rule (4) of rule 2.19 applicable to a failure to assign and deliver a policy shall apply.

(2) Save as provided in sub-rule (3) of rule 2.23 when the subscriber dies before quitting the service, the Accounts Officer shall:

- (i) If the policy has been assigned to the Governor of the Punjab under rule 2.19 re-assign the policy in Part-II of Form P.F. 7 to such person or persons as may be legally entitled to receive it, and shall make over the policy to such person or persons together with a signed notice of the re-assignment addressed to the insurance company;
- (ii) if the policy has been delivered to him under clause (b) of sub-rule (1) of rule 2.19 make over the policy to the beneficiary, if any, or, if there is no beneficiary, to such person or persons as may be legally entitled to receive it.

2.22. (1) If a policy assigned to the Governor of the Punjab under rule 2.19 matures before the subscriber quits service, or if a policy on the joint lives of a subscriber and his wife or wives' assigned under the said rule, falls due for payment by reason of the wife's/wives' death, the Accounts Officer shall, save as provided in sub-rule (3) of rule 2.23 proceed as follows:

- (i) if the amount assured together with the amount of any accrued bonuses is greater than the whole of the amount withheld or withdrawn from the fund in respect of the policy with interest thereon at the rate provided in rule 2.12, the Accounts Officer shall re-assign the policy in Form P.F. 8 to the subscriber or to the subscriber and the joint assured as the case may be, and make it over to the subscriber, who shall pay or repay to the fund the whole of any amount withheld or withdrawn with interest, and in default the provisions of sub-rule, (4) of rule 2.19 applicable to a failure to assign and deliver a policy shall apply;

- (ii) if the amount assured together with the amount of any accrued bonuses is less than the whole of the amount withheld or withdrawn with interest, the Accounts Officer shall realize the amount assured together with any accrued bonuses and shall place the amount so realized to the credit of the subscriber in the Fund.
- (2) Save as provided in sub-rule (3) of rule 2.23 if a policy delivered to the Accounts Officer under clause (b) of sub-rule (1) of rule 2.19 matures before the subscriber quits the service, the Accounts Officer shall make over the policy to the subscriber:

Provided that if the interest in the policy of the wife or wives of the subscriber, or of his wife or wives and children or any or them, as expressed on the face of the policy, expires when the policy matures, the subscriber if the policy moneys are paid to him by the insurance company, shall immediately on receipt thereof, pay or repay to the Fund either:

- (i) the whole of any amount withheld or withdrawn from the Fund in respect of the policy with interest at the rate provided in rule 2.12; or
  - (ii) an amount equal to the amount assured together with any accrued bonuses, whichever is less, and, in default, the provisions of sub-rule (4) of rule 2.19 applicable to a failure to assign and deliver a policy shall apply.
- 2.23. (1) If the interest of the subscriber in the family pension fund ceases in whole or in part from any cause whatsoever, the provident fund account of the subscriber shall forthwith be reimbursed by the amount of the refund, if any, secured by the subscriber from the family pension fund, which amount shall, in default of reimbursement be deducted from the subscriber's emoluments by installments or otherwise as Government may direct.

- (2) If the policy lapses or becomes assigned otherwise than to the Governor of the Punjab under rule 2.19, charged or encumbered, the provisions of sub-rule (4) of rule 2.19 applicable to a failure to assign and deliver a policy shall apply.
- (3) If the Accounts Officer receives notice of --
  - (a) an assignment (other than an assignment to the Governor of the Punjab under rule 2.19); or
  - (b) a charge or encumbrance on ; or
  - (c) an order of a Court restraining dealings with the policy or any amount realized thereon;

the Accounts Officer shall not --

- (i) re-assign or make over the policy as provided in rule 2.21; or
- (ii) realize the amount assured by the policy or re-assign or make over the policy as provided in rule 2.22 but shall forthwith refer the matter to the Government.

2.24. Notwithstanding anything contained in these rules, if the sanctioning authority is satisfied that money drawn as an advance from the Fund under sub-rule (1) of rule 2.13 or withheld or withdrawn from the Fund under sub-rule (1) or (2) of rule 2.15 has been utilized for a purpose other than that for which sanction was given to the drawl, withholding or withdrawal of the money, the amount in question shall, with interest at the rate provided in rule 2.12, forthwith be repaid or paid, as the case may be, by the subscriber to the Fund, or in default be ordered to be recovered by deduction in one sum from the emoluments of the subscriber, even if he be on leave. If the total amount to be repaid or paid, as the case may be, be more than half the subscriber's emoluments recoveries shall be made in monthly installments of moieties of his emoluments, till the entire amount recoverable be repaid or paid, as the case may be, by him.

Note: The term 'emoluments' as used in this rule does not include subsistence grant.

### **Part XI -- circumstances in which accumulations are payable**

2.25. When a subscriber quits the service, the amount standing to his credit in the Fund shall, subject to any deduction under rule 2.28 become payable to him:

Provided that a subscriber who has been dismissed \* (removed or compulsorily retired) from the service and is subsequently reinstated in the service, shall, if required to do so by Government, repay any amount paid to him from the Fund in pursuance of this rule, with interest thereon at the rate provided in rule 2.12 in the manner provided in the proviso to rule 2.27. The amount so repaid shall be credited to his account in the Fund, the part of which represents his subscriptions and interest thereon, and the part which represents the Government contribution with interest thereon, being accounted for in the manner provided in rule 2.6:

Provided further that a subscriber shall on application made by him be permitted to withdraw finally the amount standing to his credit in the fund six months before his retirement.

2.26. When a subscriber-

- (a) has proceeded on leave preparatory to retirement or if he is employed in a vacation department, on leave preparatory to retirement combined with the vacation; or
- (b) While on leave, has been permitted to retire or, declared by a competent medical authority to be unfit for further service; or
- (c) desires payment within six months before his retirement,

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\*Added vide notification No. FD/SRI-2-3-/83 (Prov) dated 02.04.1989.

the amount of subscriptions and interest thereon standing to his credit in the Fund shall, upon application made by him in that behalf to the Accounts Officer, become payable to the subscriber:

Provided that the subscriber, if he returns to duty, shall if required to do so by Government, repay to the Fund, for credit to his account the whole or part of any amount paid to him from the Fund in pursuance of this rule, with interest thereon at the rate provided in rule 2.12 in cash or securities, or partly in cash and partly in securities, by installments or otherwise, by recovery from his emoluments or otherwise, as Government may direct.

2.27. Subject to any deduction under rule 2.28, on the death of a subscriber before the amount standing to his credit has become payable, or when the amount has become payable, before payment has been made-

- (1) When the subscriber leaves a family-
  - (a) if a nomination made by the subscriber in accordance with the provisions of rule 2.5 in favour of a member or members of his family subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination;
  - (b) if no such nomination in favour of a member or members of the family of the subscriber subsists, or if nomination relates, only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which the nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become payable to the members of his family in equal shares:

Provided that no share shall be payable to-



- i) sons who have attained legal majority;
- ii) sons of a deceased son who have attained legal majority;
- iii) married daughters whose husbands are alive;
- iv) married daughters of a deceased son whose husbands are alive;

if there is any member of the family other than those specified in clauses (i), (ii), (iii) & (iv) .

Provided also that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would have received if he had survived the subscriber and had been exempted from the provisions of clause (i) of the first proviso.

**Explanation** --Any sum payable under these rules to a member of the family of a subscriber vests in such member under subsection (2) of section 3 of the Provident Funds Act, 1925 (See Appendix-1).

- (2) When the subscriber leaves no family, if a nomination made by him in accordance with the provisions of rule 2.5 in favour of any person or persons subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.

**Explanation 1**-- When a nominee is a dependent of the subscriber as defined in clause (c) of section 2 of the Provident Funds Act, 1925, the amount vests in such nominee under sub-section (2) of section 3 of the Act.

**Explanation 2**-- When the subscriber leaves no family and no nomination made by him in accordance with the provisions of rule 2.5 subsists, or if such nomination relates only to part of the amount standing to his credit in the Fund , the relevant provisions of clause (b) and of sub-clause (ii) of clause (e) of sub-section (1) of section 4 of the Provident

Funds Act, 1925, are applicable to the whole amount or the part thereof to which the nomination does not relate.

## **PART XII -- Deductions**

2.28. Subject to the condition that no deduction may be made which reduces the credit by more than the amount of any contribution by Government with interest thereon credited under rules 2.11 and 2.12, before the amount standing to the credit of a subscriber in the Fund is paid out of the Fund, the Government may direct the deduction therefrom and payment to itself of--

- (a) any amount, if a subscriber has been dismissed from the service for grave misconduct:

Provided that, if the order of dismissal is subsequently cancelled, the amount so deducted shall, on his reinstatement in the service, be replaced at his credit in the Fund;

- (b) any amount, if a subscriber resigns his employment under Government within five years of the commencement thereof , otherwise than by reason of superannuation or a declaration by a competent medical authority that he is unfit for further service;
- (c) any amount due under a liability incurred by the subscriber to Government.

## **Part XIII -- Payment**

2.29. (1) When the amount standing to the credit of a subscriber in the Fund, or the balance thereof after any deduction under rule 2.28, becomes payable, it shall be the duty of the Accounts Officer, after satisfying himself, when no such deduction has been directed under that rule, that no deduction is to be made, to make payment as provided in section 4 of the Provident Funds Act, 1925.

- (2) If the person to whom, under these rules, any amount or policy is to be paid , assigned, re-assigned or delivered is a lunatic for whose estate a manager has

been appointed in this behalf under the Lunacy Act, 1912 the payment or re-assignment or delivery will be made to such manager, and not to the lunatic.

- (3) If the person to whom under these rules any amount is to be paid is a minor, of whose property a guardian has been regularly appointed, the payment of such amount shall be made to such guardian. If no such guardian has been appointed, the Accounts Officer empowered under sub-rule (1) to make the payment, may pay such amount to the mother of the minor. Where the mother of the minor-
  - (i) is not alive;
  - (ii) was in the life-time of the subscriber, judicially separated from him;
  - (iii) has remarried; or
  - (iv) is or has become disqualified or otherwise unsuitable, the Accounts Officer may pay such amount to any suitable person nominated by the Head of Office of the deceased subscriber in consultation with the district authorities.
- (b) Where the subscriber was a female, the Accounts Officer, in applying the above provisions mutatis mutandis, may make payment to the father of the minor, or to such other person as may be appointed a guardian.
- (c) Where the guardian is any person other than the mother, father, paternal grand-father, uncle, brother or sister of the minor, the guardian shall be required to execute an indemnity bond, with two sureties, indemnifying Government against any claim which may subsequently be made.
- (4) Any person who desires to claim payment under this rule shall send a written application in that behalf to the Accounts Officer. Payment of amounts withdrawn

shall be made in Pakistan only. The persons to whom the amounts are payable shall make their own arrangements to receive payment in Pakistan.

Note: When the amount standing to the credit of a subscriber has become payable under rules 2.26, 2.27 or 2.28, the Accounts Officer shall authorize prompt payment of that portion of the amount standing to the credit of a subscriber in regard to which there is no dispute or doubt, the balance being adjusted as soon after as may be.

#### **Part XIV -- Pensionable service**

- 2.30. (1) If a subscriber is permanently transferred to pensionable service he shall, at his option, be entitled:
- (a) to continue to subscribe to the Fund, in which case he shall not be entitled to any pension; or
  - (b) to earn pension in respect of such pensionable service, in which case, with effect from the date of his permanent transfer:
    - i) he shall cease to subscribe to the Fund;
    - ii) the amount of contribution by Government with interest thereon, standing to his credit in the Fund shall be repaid to Government;
    - iii) the amount of subscription together with interest thereon standing to his credit in the Fund shall be transferred to his credit in the General Provident Fund, to which thereafter he shall subscribe in accordance with the rules of that Fund.
- (2) A subscriber shall communicate his option under sub-rule (1) by letter to the Accounts Officer within

three months of the date of the order transferring him permanently to pensionable service; and if the communication is not received in the office of the Accounts Officer within that period, the subscriber shall be deemed to have exercised his option in the manner referred to in clause (a) of the said sub-rule.

### **Part XV -- Procedure**

2.31. All sums paid into the Fund under these rules shall be credited in the books of Government to an account named "The Punjab Contributory Provident Fund Account". Sums of which payment is not taken within six months after they become payable under these rules shall be transferred to "Deposits" after the 30<sup>th</sup> June of the year and treated under the ordinary rules relating to deposits.

2.32. When paying a subscription in Pakistan either by deduction from emoluments or in cash, a subscriber shall quote the number of his account in the Fund which shall be communicated to him by the Accounts Officer. Any change in the number shall similarly be communicated to the subscriber by the Accounts Officer.

2.33. (1) Before the expiry of the third month of every financial year, the Accounts Officer shall send to each subscriber a statement of his account in the Fund, showing the opening balance as on the \* (1<sup>st</sup> July of the preceding year), the total amount credited or debited during the year, the total amount of interest credited as on the 30<sup>th</sup> June of the year and the closing balance on that date. The Accounts Officer shall attach to the statement of account an enquiry whether the subscriber:

- (i) desires to make any alteration in any nomination made under rule 2.5;

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\* Substituted for the words "1<sup>st</sup> July of the year" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

- (ii) has acquired a family (in cases where the subscriber has made no nomination in favour of a member of his family under proviso to sub-rule (1) of rule 2.5).
- (2) Subscribers should satisfy themselves as to the correctness of the annual statement, and errors should be brought to the notice of the Accounts Officer within six months from the date of receipt of the statement.
- (3) Where any subscription made by a subscriber to Contributory Provident Fund has not been shown or credited in the account by the Accounts Officer, such subscription shall be credited to the account of the subscriber on the basis of --
  - (i) certificate of fund deduction by the Audit Officer/Treasury Officer/District Accounts Officer in the case of \*(Government servants in Basic Pay Scale 16 and above); and
  - (ii) certificate of fund deduction by the Drawing and Disbursing officer in the case of @(Government servants in Basic Pay Scale 1 to 15.)
- (4) The Accounts Officer shall, if required by a subscriber inform the subscriber once, but not more than once, in a year of the total amount standing to his credit in the Fund at the end of the last month for which his account has been written up.

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\*Substituted for the words "officers in National Pay Scale No. 16" vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

@ Substituted for the words "Officials in National Pay Scales 1 to 15" notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

**APPENDIX-I**

**(See Rule 1. 2(2) AND 2.2 (2))**  
**THE PROVIDENT FUNDS ACT, 1925**  
**ACT No. XIX of 1925**  
**(27<sup>th</sup> August 1925)**

**AN ACT TO AMEND AND CONSOLIDATE THE LAW  
RELATING TO GOVERNMENT AND OTHER PROVIDENT  
FUNDS**

Whereas it is expedient to amend and consolidate the law relating to Government and other Provident Funds; it is hereby enacted as follows:

1. Short title, extent and commencement-
  - (1) This Act may be called provident Funds Act, 1925.
  - (2) It extends to the whole of Pakistan.
  - (3) It shall come into force on such date as the (Central Government) may, by notification in the (official gazette), appoint.
2. Definitions -- In this Act, unless there is anything repugnant in the subject or context:
  - (a) "Compulsory Deposit" means a subscription to, or deposit in, a Provident Fund which, under the rules of the Fund is not, until the happening of some specified contingency, repayable on demand otherwise than for the purpose of the payment of premia in respect of a policy of life insurance, or the payment of subscriptions or premia in respect of a family pension fund and includes any contribution \*\*\*\* and any interest or increment which has accrued under the rules of the fund on any such subscription, deposits, or contribution, and also any such subscription, deposits, contribution, interest or increment remaining to the credit of the subscriber or depositor after the happening of any such contingency;

- (b) "Contribution" means any amount credited in a Provident Fund, by any authority administering the Fund by way of addition to, a subscription to, or deposit or balance at the credit of an individual account in, the Fund; and "contributory Provident Fund" means a Provident Fund the rules of which provide for the crediting of contributions;
- (c) "dependent" means any of the following relatives of a deceased subscriber to, or a depositor in, a Provident Fund, namely, a wife or wives, husband, parent, child, minor brother, unmarried sister and a deceased son's widow and child, and, where no parent of the subscriber or depositor is alive, a paternal grand-parent;
- (d) "Government Provident Fund" means a Provident Fund, other than a Railway Provident Fund, constituted by the authority of (the Secretary of State, the Central Government, the Crown Representative or any Provincial Government) for any class or classes of (persons in the service of the state) or (of persons employed in educational institutions or employed by bodies existing solely for educational purposes), (and references in this Act to the Government shall be construed accordingly);
- (e) "Provident Fund" means a fund in which subscriptions or deposits of any class or classes of employees are received and held on their individual accounts, and includes any contributions \*\*\*\* and any interest or increment accruing on such subscriptions, deposits or contributions under the rules of the Fund;
- (f) "Railway administration" means:
  - (i) any company administering a railway or tramway in (Pakistan)(under Pakistan Law), or under contract with the Government; or



- (ii) the Manager of any railway or tramway administered by the (Provincial Government) and includes, in any case referred to in sub-clause (ii) the (Provincial Government).
  - (g) "Railway Provident Fund" means a Provident Fund constituted by the authority of a railway administration for any class or classes of its employees.
3. (1) Protection of compulsory deposits -- A compulsory deposit in any Government or Railway Provident Fund shall not in any way be capable of being assigned or charged and shall not be liable to attachment under any decree or order of any Civil, Revenue or Criminal Court in respect of any debt or liability incurred by the subscriber or depositor, and neither the Official Assignee nor any Receiver appointed under the Provincial Insolvency Act, 1920, shall be entitled to, or have any claim on, any such compulsory deposit.
- (2) Any sum standing to the credit of any subscriber to, or depositor, in, any such Fund at the time of his decease and payable under the rules of the Fund to any dependant of the subscriber or depositor, or to such person as may be authorized by law to receive payment on his behalf, shall subject to any deduction authorized by this Act and, save where the dependant is the widow or child of the subscriber or depositor, subject also to the right of an assignee under an assignment made before the commencement of this Act, vest in the dependant, and shall, subject as aforesaid, be free from any debt or other liability incurred by the deceased or incurred by the dependant before the death of the subscriber or depositor.
4. Provisions regarding repayments -(1) When under the rules of any Government or Railway Provident Fund the sum standing to the credit of any subscriber or depositor, or the balance thereof after the making of any deduction authorized by this Act, has become payable, the officer whose duty it is to make the payment shall pay the sum or balance as the case may be, to the subscriber or depositor, or if he is, dead, shall:

- (a) If the sum or balance, or any part thereof, vests in a dependant under the provisions of section 3, pay the same to the dependant or to such person as may be authorized by law to receive payment on his behalf; or
- (b) If the whole sum or balance, as the case may be, does not exceed five thousand rupees, pay the same, or any part thereof which is not payable under clause (a) to any person nominated to receive it under the rules of the Fund, or, if no person is so nominated, to any person appearing to him to be otherwise entitled to receive it; or
- (c) in the case of any sum or balance or any part thereof, which is not payable to any person under clause (a) or clause (b) pay the same-
  - (i) to any person nominated to receive it under the rules of the Fund, on production by such person of probate or letters of administration evidencing the grant to him of administration to the estate of the deceased or a certificate granted under the Succession Certificate Act, 1889, or under the Bombay Regulation VIII of 1827, entitling the holder thereof to receive payment of such sum, balance or part; or
  - (ii) where no person is so nominated, to any person who produces such probate, letters or certificate,

Provided that, where the whole or any part of any sum standing to the credit of the subscriber or depositor has been assigned to any other person before the commencement of this Act, and notice in writing of the assignment has been received by the officer from the assignee, the officer shall, after making any deduction authorized by this Act and any payment due under clause (a) to or on behalf of the widow or widows or children of the subscriber or depositor:

- (i) if the subscriber or depositor or, if he is dead, the person to whom in the absence of any valid assignment the sum or balance would be

- payable under this sub-section gives his consent in writing, pay the sum or part or the balance thereof, as the case may be, to the assignee; or
- (ii) if such consent is not forthcoming, withhold payment of the sum, part or balance, as the case may be, pending a decision of a competent Civil Court as to the person entitled to receive it.
- (2) The making of any payment authorized by sub-section (1) shall be a full discharge to the Government or the Railway administration, as the case may be, from all liability in respect of so much of the sum standing to the credit of the subscriber or depositor as is equivalent to the amount so paid.

5. Rights of nominees. (i) Notwithstanding anything contained in any law for the time being in force or in any disposition, whether testamentary or otherwise, by a subscriber to, or depositor, in, a Government or Railway Provident Fund of the sum standing to his credit in the Fund, or of any part thereof, any nomination, duly made in accordance with the rules of the Fund which purports to confer upon any person the right to receive the whole or any part of such sum on the death of the subscriber or depositor occurring before the sum has become payable or before the sum, having become payable, has been paid, the said person shall, on the death as aforesaid of the subscriber depositor, become entitled, to the exclusion of all other persons, to receive such, sum or part thereof, as the case may be unless:

- (a) such nomination is at any time varied by another nomination made in like manner or expressly cancelled by notice given in the manner and to the authority prescribed by those rules; or
- (b) such nomination at any time becomes invalid by reason of the happening of some contingency specified therein, and if the said person predeceases the subscriber or depositor, the nomination shall, so far as it relates to the right conferred upon the said person, become void and of no effect:

Provided that where provisions has been duly made in the nomination in accordance with the rules of the Fund, conferring upon some other person such right instead of the person deceased, such right shall, upon the decease as aforesaid of the said person, pass to such other person.

- ii) Notwithstanding anything contained in the Succession Certificate Act, 1889, or the Bombay Regulation, VII of 1827, any (person who becomes entitled as aforesaid, may be granted) a certificate under that Act or that Regulation, as the case may be, entitling him to receive payment of such sum or part, and such certificate shall not be deemed to be invalidated or superseded by any grant to any other person of probate or letters of administration to the estate of the deceased.
- iii) The provisions of this section as amended by subsection (1) of section 2 of the Provident Funds (Amendment) Act, 1946, shall apply also to all such nomination made before the date of the commencement of that Act.

Provided that the provisions of this section as so amended shall not operate to affect any case, in which before the said date any sum has been paid, or has under rules of the Fund become payable in pursuance of any nomination dully made in accordance with those rules.

6. Power to make deductions -- When the sum standing to the credit of any subscriber or depositor in any Government or Railway Provident Fund which is a contributory Provident Fund becomes payable, there may, if the authority (specified in this behalf in the rules of the Fund) so directs, be deducted therefrom and paid to (Government or the Railway Administration, as the case may be).

- (a) any amount due under a liability incurred by the subscriber or depositor to (Government or the Railway Administration), but not exceeding in any case the total amount of any contributions credited to the

account of the subscriber or depositor and of any interest or increment which has accrued on such contribution.

- (b) Where the subscriber or depositor has been dismissed from (his employment) for any reasons specified in this behalf in the rules of the Fund, or where he has resigned such employment within five years of the commencement thereof, the whole or any part of the amount of any such contributions, interest and increment.

7. Protection for acts done in good faith. -- No suit or other legal proceeding shall lie against any person in respect of anything which is in good faith done or intended to be done under this Act.

8. Power to apply the Act to other Provident Funds --

- (1) The appropriate Government may, by notification in the official Gazette, direct that the provisions of this Act shall apply to any Provident Fund established for the benefit of its employees by any local authority within the meaning of the Local Authorities Loans Act, 1914, and, on the making of such declaration, this Act shall apply accordingly, as if such Provident Fund were a Government Provident Fund and such local authority were the Government.
- (2) The appropriate Government, may, by notification in the official Gazette, direct that the provisions of this Act shall apply to any Provident Fund established for the benefit of the employees of any of the institutions specified in the Schedule, or of any groups of such institutions, and, on the making of such declaration, this Act shall apply accordingly, as if such Provident Fund were a Government Provident Fund and the authority having custody of the Fund were the Government.

Provided that section 6 shall apply as if the authority making the contributions referred to in that section were the Government.

- (3) The appropriate Government may, by notification in the official Gazette and to the Schedule the name of any public institution (it) may deem fit, and any such addition shall take effect as if it had been made by this Act.
- (4) In this section "the appropriate Government" means:
  - (a) In relation to a cantonment authority, a port authority for a major port, and any institution which, or the objects of which, appear to the Central Government to fall within (the third schedule to the Constitution), the Central Government; and
  - (b) In other cases, the Provincial Government.

**Explanation** --"The Provincial Government" in relation to an institution registered under the Societies Registration Act, 1860, means the Provincial Government of the Province in which the Society is registered.

9. Savings as to estates of soldiers -- Nothing in section 4 or section 5 shall apply to money belonging to any estate for the purpose of the administration of which the Regimental Debts Act, 1893 applies.

10. (Repeals) Rep. by the Repealing Act 1927 (XII of 1927), S. 2. and Schedule.

**APPENDIX-II****(See Explanation 1 to rule 1.14)**

1. The fund is designed solely for the protection of a subscriber's family against his sudden death, or if he survives until retirement, to provide both him and them with additional resources in his old age. Anything which interferes with a subscriber's normal accumulations detracts from these purposes and tends to defeat the true object of the fund. Rule 1.14 merely permits a temporary and wholly exceptional departure from the real purposes of the scheme, and unless it is strictly interpreted, there is danger that subscribers will come to regard the fund as an ordinary banking account, the existence of which absolves them from the necessity of providing for the normal incidents of life with the prudence which a private individual would exercise. The inevitable result, if this tendency is countenanced, will be to discourage thrift, and to leave the subscriber with a depleted account at the time when it ought to be most helpful to him or his family. Sanctioning authorities ought, therefore, to have no hesitation in resisting any attempt to use the fund as a cheap loan account, and in enforcing the altogether exceptional character of rule 1.14 as a provision to meet urgent needs which could not ordinarily have been anticipated. Every prudent married man for example, should be prepared to meet a certain demand upon his resources on account of doctor's bills, and it is only when the burden is exceptionally prolonged, or the necessity unusually grave and sudden, that he ought to think of making use of the provident fund for this object.

2. For the same reasons, a careful scrutiny should be applied to request for withdrawals on account of marriage or funeral expenses. Even where ceremonial expenditure, is by religious custom obligatory, its extent should nevertheless be limited by the resources of the family, and no subscriber should be enabled to enhance such expenditure on the strength of deposits in the fund. An advance from the fund can legitimately be made for obligatory ceremonial expenditure where no other resources exist but not in order to raise such expenditure to a more pretentious scale.

3. The intention of these instructions is not to limit the powers of the authorities competent to sanction withdrawals from the fund in case of absolute necessity, but the observance of the principles enunciated above is in the real interest of the body of subscribers to the fund.



**APPENDIX-III****(See Explanation 1 to rule 1.14)**

The expression "amount already advanced" appearing in sub-clause (ii) of clause (c) of rule 1.14 (1) should be taken as referring to the first advance that may be granted not exceeding two-thirds of the amount admissible under sub-clause (i) of clause (c) *ibid.* Thus under sub-clause (ii) of clause (c) if a subscriber who has already been granted an advance not exceeding two-thirds of the amount admissible under sub-clause (i) of clause (c) applies for a second advance (not exceeding the limit specified in that clause) within twelve months of the final repayment of the 1<sup>st</sup> advance or while it is still current, the authority who sanctioned the first advance will be competent to sanction the 2<sup>nd</sup> advance without a reference to higher authority. It is possible that the sum of the two advances may not exceed two-thirds of the amount admissible under sub-clause (i) of clause (c) and that the individual subscriber may apply for a third advance within twelve months of the final repayment of the two previous advances or while one or both of them is still current. In such a case it would be necessary for the original sanctioning authority to seek the sanction of the next higher administrative authority to the grant of the 3<sup>rd</sup> advance.

**\* APPENDIX-IV**

(See Explanation II to rule 1.14)

**GOVERNMENT OF THE PUNJAB****FINANCE DEPARTMENT****NOTIFICATION**

No.FDSR-I-2-5/82

The 31<sup>st</sup> May 1983

"The power to grant advances under rule 1.14 to 1.18 shall vest in the authorities and to the extent indicated below:

Sr. No.	Name of Authority	For and in respect of whom the powers are to be exercised	Extent of power
1.	District/Divisional Heads/Regional Heads of Departments/Head of attached Deptts. with the	For the staff in and up to NPS 18 working under them	Full powers in accordance  Provident Fund Rules
2.	Administrative Department	For Officers in NPS-19 & 20 working directly under the Administrative Department	Ditto
**3.	(i) Registrar, Lahore High Court	For the staff in and up to BS-18 working in the High Court except the staff at (ii) below.	Ditto
	(ii) Additional Registrars Ditto	For the staff in BS-1	

\*Substituted vide F.D. Notification No. SRI-2-5/82 dated 31<sup>st</sup> May 1983.

\*\* Substituted vide Notification No. FDSR.I-2-2/93 dated 19<sup>th</sup> February 2000.

Compendium 2008	G.P.Fund Rules
at the Benches	to 15 working at the Benches.
4. Chief Justice or the Sr. Judge/Judges of the High Court empowered by the Chief Justice in this behalf.	For judicial officers upto and including District and Sessions Judges.
	Ditto

Sr. No.	Name of Authority	For and in respect of whom the powers are to be exercised	Extent of power
5.	Executive Head/Managing Director of the Statutory Bodies accordance	For all the civil servants working on deputation with the respective Statutory Bodies	Full powers in with the Provident Fund Rules
6.	Dy. Secretary In charge of Administration	For staff in NPS 1 to 4 working in the Secretariat.	Ditto
7.	Additional Secretary	For staff in NPS 5 to 18 working in the Secretariat.	Ditto
8.	Administrative Secretary	For staff in NPS-19 working in the Secretariat.	Ditto
9.	Chief Secretary	For staff in NPS-20 and above working in the Secretariat.	Ditto

Note: Cases involving relaxation of G.P. Fund Rules, shall, however continue to be referred to the Finance Department through the Administrative Department concerned.

**APPENDIX-V****(See Rule 1.34)**

1. Any sum payable under rule 1.34 to a member of the family of a subscriber vests in such member under sub-section (2) of section 3 of the Provident Funds Act, 1925.
2. When a nominee is a dependant of the subscriber as defined in clause (c) of section 2 of the Provident Funds, Act, 1925 the amount vests in such nominee under sub-section (2) of section 3 of the Act.
3. When the subscriber leaves no family and no nomination made by him in accordance with the provisions of rule 1.7 subsists, or if such nomination relates only to part of the amount standing to his credit in the Fund, the relevant provisions of clause (b) and of sub-clause (ii) of clause (c) of sub-section (1) of section 4 of the Provident Funds Act, 1925, are applicable to the whole amount or the part thereof to which the nomination does not relate.

**FORMS**  
**TABLE OF FORMS**

Number Forms	Rule in which referred	Description of
<u>P.F.</u>		
1.	1.7 (3) & 2.5 (3)	Form of Nomination when the subscriber has family.
2.	1.7 (5) and 8 and 2.5 (5) and (8)	Form of Nomination when the subscriber has no family.
3.	1.24 (1) (a) & 2.19 (1) (a)	Form of Assignment
4.	-do-	-do-
5.	-do-	-do-
6.	2.19 (1) (a)	Form of Assignment to be used in cases where a subscriber to the General Provident Fund who has effected an insurance policy under the rules of that fund is admitted to the Punjab Contributory Provident Fund.
7.	1.26 (1) (d) (i) and 2.21 (1) (d) (i)	Form of Reassignment by the Governor of the Punjab.
8.	1.27 (1) (i) and 2.22 (1) (i)	-do-

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9.	1.15 (a)	Form of Agreement.
10.	1.15 (b)	-do-
11.	1.15 (c)	-do-
12.	2.13 (1) (c) (ia)	-do-
13.	2.13 (1) (c) (iia)	-do-

**FORMS OF NOMINATION  
Form P. F. 1**

**(Referred to in Rules 1.7 (3) and 2.5 (3))**

**WHEN THE SUBSCRIBER HAS A FAMILY AND WISHES TO  
NOMINATE  
ONE MEMBER THEREOF**

I hereby nominate the person mentioned below, who is a member of my family as defined in rule 1.2/2.2 of the Punjab General/Contributory Provident Fund Rules, to receive the amount that may stand to my credit in the Punjab General/Contributory Provident Fund, in the event of my death occurring before that amount has become payable, or having become payable has not been paid.

<b>Name and address of nominee</b>	<b>Relationship with subscriber</b>	<b>Age</b>

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

Signature of subscriber-----

Two witnesses to signature

(1) \_\_\_\_\_

(2) \_\_\_\_\_

**Form P.F. 1-A**

**(Referred to in Rules 1.7 (3) and 2.5 (3))  
 WHEN THE SUBSCRIBER HAS A FAMILY AND WISHES TO  
 NOMINATE  
 MORE THAN ONE MEMBER THEREOF**

I hereby nominate the persons mentioned below, who are members of my family as defined in rule 1.2/2.2 of the Punjab General/Contributory Provident fund Rules to receive the amount that may stand to my credit in the Punjab General/ Contributory Provident Fund in the event of my death occurring before that amount has become payable, or having become payable has not been paid, and direct that the said amount shall be distributed among the said persons in the manner shown below against their names--

<b>Name and address of nominee</b>	<b>Relationship with subscriber</b>	<b>Age</b>	<b>*Amount or share of accumulation to be paid to each</b>

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_

at \_\_\_\_\_

Signature of subscriber-----

Two witness to signature

(1) \_\_\_\_\_

(2) \_\_\_\_\_

**\*Note:** This column should be filled in so as to cover the whole amount that may stand to the credit of the subscriber in the fund at any time.



**Form P.F.1-B**  
**(Referred to in Rules 1.7 (3) and 2.5 (3))**  
**WHEN THE SUBSCRIBER HAS NO FAMILY AND WISHES**  
**TO NOMINATE ONE PERSON**

I, having no family as defined in rule 1.2/2.2 of the Punjab General/ Contributory Provident Fund Rules, hereby nominate the person mentioned below to receive the amount that may stand to my credit in the Punjab General/Contributory Provident Fund in the event of my death, occurring before that amount has become payable or having become payable has not been paid.

Name and address of nominee	Relationship with subscriber	Age

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

at \_\_\_\_\_

Signature of subscriber-----

Two witnesses to signature

(1) \_\_\_\_\_

(2) \_\_\_\_\_

**Form P.F.1-C**  
**(Referred to in Rules 1.7 (3) and 2.5 (3))**  
**WHEN THE SUBSCRIBER HAS NO FAMILY AND WISHES TO**  
**NOMINATE MORE THAN ONE PERSON**

I, having no family as defined in rule 1.2/2.2 of the Punjab General/ Contributory Provident Fund Rules, hereby nominate the persons mentioned below to receive the amount that may stand to my credit in the Punjab General/Contributory Provident Fund in the event of my death occurring before that amount has become payable, or having become payable, has not been paid, and direct that the said amount shall be distributed among the said persons in the manners shown below against their names:

Name and address of nominee	Relationship with subscriber	Age	*Amount or share of accumulation to be paid to each

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
 at \_\_\_\_\_

Signature of subscriber-----  
 Two witnesses to signature

(1) \_\_\_\_\_

(2) \_\_\_\_\_

**\*Note:** This column should be filled in so as to cover the whole amount that may stand to the credit of the subscriber in the fund at any time.

**Form of Contingent Notice of Cancellation  
Form P.F. 2**

**(Referred to the Rule 1.7 (5) and (8) 2.5 (5) and (8)  
WHERE NOMINATION IS IN FAVOUR OF ONE OR MORE  
MEMBERS  
OF THE SUBSCRIBER'S FAMILY**

Without prejudice to my right under clause (4) of rule 1.7/2.5 of the Punjab General/Contributory Provident Fund Rules, to cancel the nomination made by me on \_\_\_\_\_, whenever I think fit, I hereby give notice that in the event of the person/any of the persons nominated thereunder predeceasing me, or of my contracting a fresh marriage or of my marriage with my wife/any of my wives/my husband being dissolved by divorce or otherwise the said nomination shall forthwith stand cancelled.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

at \_\_\_\_\_

Signature of subscriber-----

Two witnesses to signature

(1) \_\_\_\_\_

(2) \_\_\_\_\_

**Form P.F.2-A****(Referred to in rule 1.7 (5) and (8) and 2.5 (5) and (8))****WHERE NOMINATION IS IN FAVOUR OF ONE OR MORE  
PERSONS NOT  
BEING MEMBERS OF THE SUBSCRIBER'S FAMILY**

Without prejudice to my right under clause (4) of rule 1.7/2.5 of the Punjab General/Contributory Provident Fund Rules, to cancel the nomination made by me on \_\_\_\_\_, whenever I think fit, I hereby give notice that in the event of the person/any of the persons nominated thereunder predeceasing me, or in the event of my hereafter acquiring a family as defined in rule 1.2/2.2 of the said rules, the said nomination shall forthwith stand cancelled.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_

at \_\_\_\_\_

Signature of subscriber

Two witnesses of Signature

(1) \_\_\_\_\_

(2) \_\_\_\_\_

**FORM P.F.3**

**[Referred to in Rules 1.24(1)(a) and 2.19(1)(a)]**

**Form of Assignments\***

I, A.B., of \_\_\_\_\_ hereby assign unto the Governor of the Punjab the within policy of assurance as security for payment of all sums which under the rules 1.29/2.23 (2) of the Punjab General/Contributory Provident Fund Rules I may hereafter become liable to pay to that Fund.

I hereby certify that no prior assignment of the within policy exists.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_

Signature of Subscriber-----

Station \_\_\_\_\_

One witness to signature \_\_\_\_\_

---

\*Note: The assignment may be executed on the policy itself either in the subscriber's handwriting or in type, or alternatively a typed or printed slip containing the assignment may be pasted on the blank space provided for the purpose on the policy. A typed or printed endorsement must be duly signed and if pasted on the policy it must be initially across all four margins.

**FORM P.F.4****[Referred to in Rule 1.24(1)(a) and 2.19(1)(a)]****Form of Assignment\***

We, \_\_\_\_\_ A.B.(the \_\_\_\_\_ subscriber)  
of \_\_\_\_\_ and C.D.(the joint assured)  
of \_\_\_\_\_ in consideration of the  
Governor of the Punjab agreeing at our request to accept  
payments towards the within policy of assurance in substitution  
for the subscriptions payable by me the said A.B. to the Punjab  
General/Contributory Provident Fund or, as the case may be, to  
accept the withdrawal of the sum of Rs. \_\_\_\_\_ from the  
sum to the credit of the said A.B. in the Punjab  
General/Contributory Provident Fund for payment of the premium  
of the within policy of assurance, hereby jointly assign unto the  
said Governor of the Punjab the within policy of assurance as  
security for payment of all sums which under rule 1.29/2.23(2) of  
the Punjab General/Contributory Provident Fund Rules the said  
A.B. may hereafter become liable to pay to that Fund.

We hereby certify that no prior assignment of the within  
policy exists.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

Station \_\_\_\_\_

Signature of Subscriber and the joint assured

One witness to signature \_\_\_\_\_

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\*Note: The assignment may be executed on the policy itself either in the  
subscriber's handwriting or in type, or alternatively a typed or printed  
slip containing the assignment may be pasted on the blank space  
provided for the purpose on the policy. A typed or printed endorsement  
must be duly signed and if pasted on the policy it must be initialed  
across all four margins.

**FORM P.F.5**  
**(Referred to in Rules 1.24 (1) (a) and 2.19 (1) (a))**  
**Form of Assignment\***

I.C.D., wife of A.B., and the assignee of the within policy, having at the request of A.B. the assure, agree to release my interest in the policy in favour of A.B., in order that A. B. may assign the policy to the Governor of the Punjab, who has agreed to accept payments towards the within policy of Assurance in substitution for the subscriptions payable by A.B., to the Punjab General /Contributory Provident Fund hereby at the request and by the direction of A.B. assign and I, the said A.B., assign and confirm unto the Governor of the Punjab the within policy of Assurance as security for payment of all sums which under rules 1.29/2.23 (2) of the rules of the said fund the said A.B. may hereafter become liable to pay to the Fund.

We hereby certify that no prior assignment of the within policy exists.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_

Station \_\_\_\_\_

Signature of Assignee and of the subscriber

One witness to signature \_\_\_\_\_

---

\*Note: The assignment may be executed on the policy itself either in the subscriber's handwriting or in type, or alternatively a typed or printed slip containing the assignment may be pasted on the blank space provided for the purpose on the policy. A typed or printed endorsement must be duly signed and if pasted on the policy it must be initialed across all four margins.

**FORM P.F.6**  
**(Referred to in Rule 2.19 (1) (a))**

**Form of Assignment\***

(To be used in cases where a subscriber to the General Provident Fund who has affected an insurance policy under the rules of that Fund is admitted to the Punjab Contributory Provident Fund)

I.A.B. of \_\_\_\_\_ hereby further assign unto the Governor of the Punjab the within policy of assurance as security for payment of all sums which under sub-rule (2) of rule 2.23 of the Punjab Contributory Provident Fund Rules-I may hereafter become liable to pay to the Punjab Contributory Fund.

I hereby certify that except an assignment to the Governor of the Punjab as security for payment of all sums which I have become liable to pay under rule 1.21 of the Punjab General Provident Fund Rules, no prior assignment of the within policy exists.

Signature of Subscriber \_\_\_\_\_

One witness to signature \_\_\_\_\_

---

\*Note: The assignment may be executed on the policy itself either in the subscriber's handwriting or in type, or alternatively a typed or printed slip containing the assignment may be pasted on the blank space provided for the purpose on the policy A typed or printed endorsement must be duly signed and if pasted on the policy it must be initialed across all four margins.



**FORM P.F. 7**

**Form of Reassignments by the Governor of the Punjab**

**PART-I**

**(Referred to in Rules 1.26 (1) (d) (i) and 2.21 (1) (d) (i))**

All sums which have become payable by the above named A.B./A.B. and C.D. under rule 1.29/2.23 (2) of the Punjab General/Contributory Provident Fund Rules having been paid and all liability for payment by him of any such sums in the future having ceased the Governor of the Punjab doth hereby re-assign the within policy of assurance to the said A.B./A.B. and C.D.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

Executed by \_\_\_\_\_Accounts Officer \_\_\_\_\_  
 (Signature of the Fund for and on behalf of the Governor of the Punjab the Accounts in the presence of \_\_\_\_\_Officer)

---

Y Z

(One witness who should add his designation and address)

**Part II**

**(Referred to in Rules 1.26 (2) (i) and 2.21 (2) (i))**

The above named A.B. having died on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_, the Governor of the Punjab doth hereby re-assign the within policy of assurance to C.D.\_\_\_\_\*

Dated this \_\_\_\_\_  
 day of \_\_\_\_\_ 19 \_\_\_\_\_

Executed by \_\_\_\_\_Accounts Officer \_\_\_\_\_  
 \_\_\_\_\_(Signature of the Fund for and on behalf of the Governor of the Punjab the Accounts in the presence of \_\_\_\_\_  
 \_\_\_\_\_Officer)

---

Y Z

(One witness who should add his designation and address)

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\*Fill in particulars of person or persons legally entitled to receive the policy.

**FORM P.F.8**

**(Referred to in Rule 1.27 (1) (i) and 2.22 (1) (i))**

**Form of Reassignment by the Governor of the Punjab**

The Governor of the Punjab doth hereby re-assign the  
within policy to the said\_\_\_\_\_

A.B. A.B. and C.

Dated this\_\_\_\_\_day  
of\_\_\_\_\_20\_\_\_\_\_

Executed by\_\_\_\_\_Accounts Officer\_\_\_\_\_  
\_\_\_\_\_(Signature of the Fund for and on behalf of the Governor of  
the Punjab the Accounts in the presence of\_\_\_\_\_  
\_\_\_\_Officer)

---

Y Z

(One witness who should add his designation and address)

**FORM P.F.9.**  
**(REFERRED TO IN RULE 1.15 (a))**  
**FORM OF AGREEMENT**

This indenture made the \_\_\_\_\_ day of \_\_\_\_\_ one thousand, nine hundred and \_\_\_\_\_ between \_\_\_\_\_ (hereinafter called the subscriber, which expression shall include his heirs, executors administrators, legal representatives, and assigns) of the one part and the Governor of the Punjab (hereinafter called the Governor, which expression shall include his successors in office and assigns) of the other part.

WHEREAS the subscriber has applied to the Governor to grant him an advance of Rs. \_\_\_\_\_ out of the sum standing to the credit of the subscriber in the General Provident Fund (hereinafter referred to as Fund) under clause (a) of rule 1.15 of the Punjab General Provident Fund Rules (hereinafter referred to as the Rules) to enable him to defray the expenses of building a house on the piece of land bearing \_\_\_\_\_ situated in \_\_\_\_\_ district of \_\_\_\_\_ sub-registration district of \_\_\_\_\_ containing \_\_\_\_\_ more or less owned by, and now in the possession of \_\_\_\_\_ the subscriber/wife/husband/son(s) daughter(s) of the subscriber;

AND WHEREAS the Governor has agreed to advance to the subscriber the said sum of Rs. \_\_\_\_\_ on the terms and conditions and in the manner laid down in the Rules and as hereinafter contained.

NOW IT IS HEREBY AGREED between the parties to this agreement that in consideration of the said sum of Rs. \_\_\_\_\_ advanced by the Governor to the subscriber by installments as entered and received from time to time in the schedule hereto annexed the subscriber shall expend the full amount of the said advance towards the building of a house on the said piece of land at the earliest possible opportunity and if the actual amount so expended is less than the sum advanced the subscriber shall repay the difference into the Fund forthwith.

AND IT IS HEREBY FURTHER AGREED AND DECLARED that if the said piece of land or the house built

thereon is sold or otherwise alienated by the owner without repaying the amount of the advance and before retirement of the subscriber from service, the subscriber shall forthwith repay into Fund the entire amount of the advance together with the interest accrued thereon in a lump sum.

In witness whereof the subscriber has hereunto set his hand the Day and year first above written.

Signed by the Subscriber \_\_\_\_\_ in the presence of

1<sup>st</sup> witness \_\_\_\_\_

Address \_\_\_\_\_

Occupation \_\_\_\_\_

2<sup>nd</sup> witness \_\_\_\_\_

Address \_\_\_\_\_

Occupation \_\_\_\_\_

**FORM P.F.9  
SCHEDULE**

Sr. No.	Date	Amount of installment

Signature of the subscriber

**FORM P.F. 10**  
**(REFERRED TO IN RULE 1.15(b))**  
**FORM OF AGREEMENT**

This Indenture made of \_\_\_\_\_ day of \_\_\_\_\_ one thousand nine hundred and \_\_\_\_\_ between \_\_\_\_\_ (herein called the \_\_\_\_\_ subscriber which expression shall include his heirs, executors, administrators, legal representatives and assigns) of the one part and the Governor of Punjab (hereinafter called the Governor, which expression shall include his successors in office and assigns) of the other part.

Whereas the subscriber has applied to the Governor to grant him an advance of Rs. \_\_\_\_\_ out of the sum standing to the credit of the subscriber in the General Provident Fund (hereinafter referred to as the Fund) under clause (b) of rule 1.15 of the Punjab General Provident Fund Rules (hereinafter referred to as the Rules) to enable him to purchase a house on a piece of a land bearing \_\_\_\_\_ situated in \_\_\_\_\_ district of \_\_\_\_\_ sub-registration district of \_\_\_\_\_;

And, whereas the Governor has agreed to advance to the subscriber the said sum of Rs. \_\_\_\_\_ on the terms and conditions and in the manner laid down in the Rules and as hereinafter contained;

Now it is hereby agreed between the parties to this agreement that in consideration of the said sum of Rs. \_\_\_\_\_ advanced by the Governor to the subscriber the subscriber shall expend the full amount of the said advance towards the purchase of the said house within three months from the drawl of the advance, and, if the actual amount so expended is less than the sum advanced, he shall repay the difference into the Fund forthwith.

And it is hereby further agreed and declared that if the said house is sold or otherwise alienated by the subscriber without repayment of the advance and before his retirement from service the subscriber shall forthwith repay into the Fund the entire amount of the advance together with the interest accrued thereon in a lump sum.

Signature of the subscriber\_\_\_\_\_

In the presence of:-----

1<sup>st</sup> witness\_\_\_\_\_

Address\_\_\_\_\_

Occupation\_\_\_\_\_

2<sup>nd</sup> witness\_\_\_\_\_

Address\_\_\_\_\_

Occupation\_\_\_\_\_

**FORM P.F.11**  
**(REFERRED TO IN RULE 1.15 (c))**  
**FORM OF AGREEMENT**

This indenture made the \_\_\_\_\_ day \_\_\_\_\_ one thousand, nine hundred and \_\_\_\_\_ between \_\_\_\_\_ (hereinafter called the subscriber, which expression shall include his heirs, executors, administrators, legal representatives and assigns of the one part and the Governor of the Punjab (hereinafter called the Governor which expression shall include his successor-in office and assigns) of the other part.

Whereas the subscriber has applied to the Governor to grant him an advance of Rs. \_\_\_\_\_ out of the sum standing to the credit of the subscriber in the General Provident Fund (hereinafter referred to as the Fund) under clause(c) of rule 1.15 of the Punjab General Provident Fund Rules (hereinafter referred to as the Rules) to enable him to purchase a piece of agricultural land bearing \_\_\_\_\_ situated in \_\_\_\_\_ district of \_\_\_\_\_ sub-registration district of \_\_\_\_\_.

And, whereas the Governor has agreed to advance to the subscriber the said sum of Rs. \_\_\_\_\_ on the terms and conditions and in the manner laid down in the Rule and as hereinafter contained.

Now, it is hereby agreed between the parties to this agreement that in consideration of the said sum of Rs. \_\_\_\_\_ advanced by the Governor to the subscriber by in/in a lump sum as entered and received from time to time in the schedule hereto annexed the subscriber shall expend the full amount of the said advance towards the purchase of the said piece of land at the earliest possible opportunity and if the actual amount so expended is less than the sum advanced, the subscriber shall repay the difference into the Fund forthwith.

And it is hereby further agreed and declared that if the said piece of land is sold or otherwise alienated by the subscriber without repayment of the advance and before his retirement from service, the subscriber shall forthwith repay into the Fund the entire amount of the advance together with the interest accrued thereon in a lump sum.

In witness whereof the subscriber has hereunto set his hand the day and year first above written.

Signature by the subscriber\_\_\_\_\_

In the presence of\_\_\_\_\_

1<sup>st</sup> witness\_\_\_\_\_

Address\_\_\_\_\_

Occupation\_\_\_\_\_

2<sup>nd</sup> witness\_\_\_\_\_

Address\_\_\_\_\_

Occupation\_\_\_\_\_

**SCHEDULE**

Sr. No.	Date	Amount of installment

Signature of the subscriber



**\*FORM P.F.12**  
**[REFERRED TO IN RULE 2.13 (1)]**  
**FORM OF AGREEMENT**

This indenture made on \_\_\_\_\_ day of \_\_\_\_\_ one thousand, \_\_\_\_\_ nine \_\_\_\_\_ hundred and \_\_\_\_\_ between \_\_\_\_\_ (hereinafter called the subscriber which expression shall include his heirs, executors, administrators, legal representatives and assigns) of the one part and the Governor of the Punjab (hereinafter called the Governor, which expression shall include his successors in Office and assigns) of the other part.

Whereas the subscriber has applied to the Governor to grant him an advance of Rs. \_\_\_\_\_ out of the sum standing to the credit of the subscriber in the Contributory Provident Fund (hereinafter referred to as the Fund) under clause (iv) of rule 2.13 (1) (a) of the Punjab Contributory Provident Fund Rules (hereinafter referred to as the Rules) to enable him to purchase a house on a piece of land bearing \_\_\_\_\_ situated in \_\_\_\_\_ district of \_\_\_\_\_ sub-registration district of \_\_\_\_\_;

And, whereas the Governor has agreed to advance to the subscriber the said sum of Rs. \_\_\_\_\_ on the terms and conditions and in the manner laid down in the Rules and as hereinafter contained;

Now it is hereby agreed between the parties to this agreement that in consideration of the said sum of Rs. \_\_\_\_\_ advanced by the Governor to the subscriber, the subscriber shall expend the full amount of the said advance towards the purchase of the said house within three months from the drawl of the advance, and, if the actual amount so expended is less than the sum advanced, he shall repay the difference into the Fund forthwith.

And it is hereby further agreed and declared that if the said house is sold or otherwise alienated by the subscriber without repayment of the advance and before his retirement from service

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\*Added vide notification No. FD/SRI-2-3/83 (Prov) dated 02.04.1989.

the subscriber shall forthwith repay into the Fund the entire amount of the advance together with the interest accrued thereon in a lump sum.

Signature by the subscriber:

In the presence of:

1<sup>st</sup> witness \_\_\_\_\_

Address \_\_\_\_\_

Occupation \_\_\_\_\_

2<sup>nd</sup> witness \_\_\_\_\_

Address \_\_\_\_\_

Occupation \_\_\_\_\_

**\*FORM P.F. 13**  
**[REFERRED TO IN THE RULE 2.13 (1)]**  
**FORM OF AGREEMENT**

This indenture made the \_\_\_\_\_ day of \_\_\_\_\_ one thousand, \_\_\_\_\_ nine \_\_\_\_\_ hundred and \_\_\_\_\_ between \_\_\_\_\_ (hereinafter called the subscriber, which expression shall include his heirs, executors, administrators, legal representatives, and assigns) of the one part and the Governor of the Punjab (hereinafter called the Governor, which expression shall include his successors in office and assigns) of the other part.

WHEREAS the subscriber has applied to the Governor to grant him an advance of Rs. \_\_\_\_\_ out of the sum standing to the credit of the subscriber in the Contributory Provident Fund (hereinafter referred to as Fund) under clause (iv) of rule 2.13 (1) (a) of the Punjab Contributory Provident Fund Rules (hereinafter referred to as the Rules) to enable him to defray the expenses of building a house on the piece of land bearing \_\_\_\_\_ situated in \_\_\_\_\_ district of \_\_\_\_\_ sub-registration district of \_\_\_\_\_ containing \_\_\_\_\_ more or less owned by, and now in the possession of \_\_\_\_\_ the subscriber/wife/husband/son(s)/daughter(s) of the subscriber;

AND WHEREAS the Governor has agreed to advance to the subscriber the said sum of Rs. \_\_\_\_\_ on the terms and conditions and in the manner laid down in the Rules and as hereinafter contained.

NOW IT IS HEREBY AGREED between the parties to this agreement that in consideration of the said sum of Rs. \_\_\_\_\_ advanced by the Governor to the subscriber by installments as entered and receipted from time to time in the schedule hereto annexed, the subscriber shall expend the full amount of the said advance towards the building of a house on the said piece of land at the earliest possible opportunity and if the actual amount so expended is less than the sum advanced, the subscriber shall repay the difference into the Fund forthwith.

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\*Added vide notification FD/SRI-2-3/83 (Prov) dated 02.04.1989.

AND IT IS HEREBY FURTHER AGREED AND DECLARED that if the said piece of land or the house built thereon is sold or otherwise alienated by owner without repaying the amount of the advance and before retirement of the subscriber from service, the subscriber shall forthwith repay into Fund the entire amount of the advance together with the interest accrued thereon in a lump sum.

In witness whereof the subscriber has hereunto set his hand the day and year first above written.

Signed by the subscriber:

In the presence of:

1<sup>st</sup> witness \_\_\_\_\_

2<sup>nd</sup> witness \_\_\_\_\_

Address \_\_\_\_\_

Address \_\_\_\_\_

Occupation \_\_\_\_\_

Occupation \_\_\_\_\_

**SCHEDULE**

Sr. No.	Date	Amount of installment

Signature of the subscriber

# **ANCILLARY INSTRUCTIONS**

**(General Provident Fund Rules)**

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OFFICE OF THE ACCOUNTANT-GENERAL PUNJAB, LAHORE  
O.O.NO.Fd-I/AS-1-35/A.G.Conf-1985/479 dated 07.09.1985

1. Subject: DISPENSING WITH PAYMENT AUTHORITY AND  
TIME LIMIT FOR PAYMENT OF G.P.FUND  
BALANCES

Final payments of G.P.Fund should be made to subscribers on the basis of available balance in the Ledger Cards within seven days of the receipt of application. Issue of a payment authority by the Audit Office may be dispensed with if payment is to be made on the same station.

2. Payment authorities will, however need to be issued by one audit circle to another and one District Accounts Officer to another where so required.

3. Departments' Drawing and Disbursing Officers and Officers may henceforth be asked to submit bills for final withdrawal of G.P.Fund at the pre-audit counter of the Audit Office concerned together with G.P.Fund Form 10 and application. The bill will be completed by the Department/Drawing and Disbursing Officers/Officer with the help of the G.P.Fund balance shown in the latest Accounts Statement available with them. Necessary correction, if required in the amount of claim will however, be made by the respective Audit Office/District Accounts Office and the claim passed for payment. An intimation of the balance/interest paid or still to be paid will also be issued by the Audit Office concerned to the Drawing and Disbursing Officers/Gazetted Officers for their information.

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GOVERNMENT OF THE PAKISTAN  
Finance Division

2. Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENTFUND BOND SYSTEM

The undersigned is directed to refer to this Division's O.M.No.F.1(4)-Reg(7)/86 dated the 19<sup>th</sup> June 1986, on the subject noted above, and to state that as full implementation of the P.F.Bond Scheme is likely to take some time, it has been decided that payment of the amount being deducted towards P.F.Bond Scheme from the salaries of the employees who shall retire during the current financial year (i.e. from 01.07.1986 to 30.06.1987) will be made to them along with the final payment of their G.P. Fund balances.

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GOVERNMENT OF THE PAKISTAN  
Finance Division  
No.F.1(4)-Reg(7)/86  
Dated 24<sup>th</sup> July 1986

3.Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENT FUND BOND SYSTEM

The undersigned is directed to refer to this Division's O.M.of even number dated the 10<sup>th</sup> July 1986 on the subject noted above, and to state that the G.P.Fund advances and their recoveries may continue to be granted up to 30<sup>th</sup> June 1987 under the existing rules and orders. The financing of Insurance Policies out of the fund will also be admissible up to 30.06.1987 whereafter payment on account of Policies premium from G.P.Fund will cease and such Policies would taken be financed through subscribes' own resources.

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`No.FD/SRI-2-3/83(Prov)  
Dated the 21<sup>st</sup> September 1986



4. Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENT FUND BOND SYSTEM

I am directed to refer to the subject noted above and to state that there has been a general complaint that the existing General Provident Fund Scheme has not been working satisfactorily for some time in the past. The major problem has been that of missing credits and in spite of best efforts no satisfactory solution could be found for this problem. It has, therefore, been decided by the Government to change the existing General Provident Fund into a Provident Fund Bond System.

2. One of the important features of the new system will be a uniform fixed rate of subscription for every employee as given in Annexure. The new rates have been linked with the basic pay scales. The deduction from the pays of the employees on the basis of the new rates would be compulsory from the salary of June paid in July, 1986 and onwards. There will be no option to postpone subscription to this Fund either during leave of any kind or during the training period. In cases of suspension, recovery of arrears of subscription will be affected if re-instatement takes place.

3. Under the new scheme it would not be possible for an employee to subscribe at a higher rate. However, he can obtain bonds of an equivalent amount in excess of his normal annual subscription from the Bank through his own resources if he so desires.

4. The other details of the scheme would be circulated separately.

## ANNEXURE

**STATEMENT SHOWING UNIFORM RATE OF SUBSCRIPTION  
FOR PROVIDENT FUND BOND SYSTEM**

Basic Scale No.	Minimum	Maximum	Mean	Minimum deduction at rate of existing rate (on mean)	Proposed monthly deduction
1	2	3	4	5	6
1	440	640	540	16	20
2	460	700	580	17	20
3	480	760	620	19	25
4	500	820	660	20	25
5	520	880	700	21	30
6	540	940	740	22	30
7	560	1020	790	40	50
8	590	1110	850	43	50
9	620	1200	910	46	60
10	660	1300	980	49	60
11	700	1400	1050	53	70
12	750	1550	1150	58	70
13	800	1700	1250	63	80
14	850	1850	1350	68	80
15	900	2000	1450	73	100
16	1050	2250	1650	132	150
17	1600	3040	2320	186	200
18	2100	3600	2850	228	250
19	3200	4480	3840	307	350
20	3800	5240	4520	362	400
21	4200	6000	5100	408	450
22	4500	6500	5500	440	500

No.FD/SRI-2-3/83(Prov)  
Dated the 14th October 1986

5. Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENT FUND BOND SYSTEM

I am directed to refer to this Department's circular letter of even number dated 21<sup>st</sup> September, 1986 on the subject noted above and to enclose copies of Ministry of Finance, Government of Pakistan, office Memo.No.F(4)-Reg(7)/86, dated 10<sup>th</sup> July, 1986 and 24<sup>th</sup> July, 1986 for information and necessary action.

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OFFICE OF THE ACCOUNTANT-GENERAL  
PUNJAB, LAHORE.  
O.O.NO.Fd-I/AS-1-35/168 dated 19.02.1987

6. Subject: DISPENSING WITH PAYMENT AUTHORITY AND  
TIME LIMIT FOR PAYMENT OF G.P.FUND  
BALANCES

Attention is invited to the O.O.No.Fd.I/AS-1-35/AG-Conf/1985/479 dated 07.09.1985 (copy enclosed) on the above subject. Complaints are being received from various subscribers that the instructions contained in the said office order are not being observed strictly under which the Auditor-General of Pakistan has ordered offices to pay the available G.P.Fund balance within 7 days of the receipt of application from the subscriber, even without the issue of payment authority. The Accountant General, Punjab has taken very serious view of the delays caused and has ordered, that the instructions on the

subject should be strictly observed by all District Accounts Officers and Fund Sections.

2. In order to avoid loss to Government in the shape of heavy interest which has to be paid to the subscribers in case of delay/time taken by various District Accounts Officers in transferring and consolidating the balance at one place, it is ordered that final payment of G.P.Fund accumulations should be paid within 7 days of the date of receipt of application for final payment at the station from where he retired.

3. A certificate to the effect that final payment of G.P.Fund balance is being made within 7 days from the date of receipt of application should be furnished by all to Fd-I Coordination section on 1<sup>st</sup> of each month and a note to this effect kept in the calendar of returns. Any departure from these orders if noticed, will be dealt with severely.

4. The receipt of this letter may please be acknowledged.

=====

No.FD/SRI-2-1/87  
Dated the 20<sup>th</sup> May 1987

7.Subject: DISPENSING WITH PAYMENT AUTHORITY AND  
TIME LIMIT FOR PAYMENT OF G.P.FUND  
BALANCES

I am directed to enclose Accountant General, Punjab, Memo.No.FD/I/ AS-1-35/168 dated 19.02.1987, and his office orders No.Fd-I/AS-1-35/AG-Conf/1985/479 dated 07.09.1985 on the above subject for your information and necessary action.

=====

No.FD/SRI-2-3/83(Prov)  
Dated the 24<sup>th</sup> June 1987

8. Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENT FUND BOND SYSTEM

I am directed to refer to para 3 of this department circular letter of even number dated 21<sup>st</sup> September 1986 on the subject noted above wherein it has been stated that under the new scheme it would not be possible for an employee to subscribe at a higher rate. However, he can obtain Bonds of an equivalent amount in excess of his normal annual subscription from the Bank through his own resources if he so desires.

2. With regards the procedure to be followed for obtaining additional bonds it is clarified that matching subscription equal to the amount of annual subscription or less, but only in multiples of monthly subscription, not exceeding the amount of annual subscription, can be made by making payment by the subscriber himself to the State Bank of Pakistan or the National Bank of Pakistan in the month of May, only under the following Head of Account:

1000-Unfunded Debt.  
15000-State Provident Fund.  
1526-Provident Fund Bonds.  
1557-Provident Fund Bonds.

Additional matching subscription.

Two copies of the treasury challan will remain in the custody of the D.D.O. until the issue of the bonds to the subscriber concerned.

3. Bonds to be issued against the matching subscription would be in different colours and bear a series different from the regular subscription bonds.

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No.FD/SRI-2-3/83(Prov)  
Dated the 15<sup>th</sup> July 1987

9.Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENT FUND BOND SYSTEM

I am directed to refer to this department's circular letter of even number dated 14.10.1986 on the subject noted above and to state that as complete implementation of P.F.Bond Scheme is likely to take some more time, it has now been decided as follows:

- (i) Payment of the amount being deducted towards P.F.Bond Scheme from the employees who shall retire during the period from 01.07.1986 to 30.06.1988 (if the said scheme is not fully enforced by that time) will be made to them along with the final payment of their G.P.Fund Balance.
- (ii) Grant of advance, recoveries thereof and the financing of insurance policies out of the G.P. Fund allowed up to 30.06.1987 now stands extended up to 31<sup>st</sup> May 1988.

---

No.FD/SRI-2-3/83(Prov)  
Dated the 15<sup>th</sup> September 1987

10.Subject: REPLACEMENT OF EXISTING G.P.FUND SYSTEM  
BY PROVIDENT FUND BOND SYSTEM

I am directed to refer to this Department's letter of even number dated 21.09.1986 on the subject noted above and to state that consequent upon the revision of the basic pay scales with effect from 01.07.1987 it has been decided to revise the rates of subscription towards the Provident Fund Bonds as shown in the \* Annexure. The deductions from the pays of the employees on the basis of the new rates shall be made in July, 1987 to be paid on 1<sup>st</sup> August 1987 and onwards.

2. There will be no option to postpone subscription to the above Fund either during leave of any kind or during the training period. In cases of suspension, recovery of arrears of subscription will be affected if reinstatement takes place.

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GOVERNMENT OF THE PAKISTAN  
FINANCE DIVISION  
No.F.1(5)-Reg(7)87-1507  
Dated the 20<sup>th</sup> December 1987

11. Subject: IMPROVEMENT IN THE GENERAL PROVIDENT  
FUND SCHEME

I am directed to refer to your letter No. 1046Reg.II/ 16/C/87, dated the 9<sup>th</sup> December 1987 (copy enclosed), on the above subject, and to state that the points made therein have been considered and the following decisions taken:

- i) The latest G.P.Fund advance sanctioned on or before the date of issue of this letter may be treated as the single outstanding advance and others be treated as non-refundable advances.
- ii) The subscriptions towards the G.P.Fund will remain restricted only to the fixed monthly rates for the respective pay scales. Matching contribution in cash towards the fund will NOT be admissible now.

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\*See at page 93.

- iii) The financing of insurance policies out of the G.P.Fund was made admissible up to 31<sup>st</sup> May 1988. Henceforth, the payment on account of Insurance Premium from the fund will cease and such policies would be financed through subscribers' own resources.
- iv) a) The annual rate of profit on the G.P.Fund may vary from year to year. Additional benefit of 30% over and above the normal rate of profit means 30% of the profit announced by the Government year to year. For example, normal profit declared by the Government for a certain year is 14%, the subscribers will get 14% plus 30% of 14%.  
b) Additional benefit of 30% clarified above has been allowed w.e.f. 1<sup>st</sup> July, 1986. Normal rate of profit declared by the Government for the year 1985-86 will, therefore, apply on closing balances as on 30<sup>th</sup> June 1986. Total G.P.Fund balance (G.P.Fund balance including profit brought forward plus subscriptions towards P.F. Bonds during 1986-87) thus arrived at on 30<sup>th</sup> June 1987 will be eligible for additional benefit. This will be the method for the subsequent years.

2. Necessary instructions may kindly be issued to all concerned in the matter under intimation to this Division. It may also please be ensured that budgetary impact of the change is reflected in the Revised Estimate of 1987-88.

---

No.FD/SRI-2-3/83 (Prov)  
Dated the 1<sup>st</sup> February 1988

12. Subject: IMPROVEMENT IN THE G.P.FUND SCHEME



I am directed to state that the General Provident Scheme was replaced by the Provident Fund Bond Scheme and fixed rate of subscription towards the Provident Fund Bond Scheme by each employee were notified vide this department's letter No. FD-SRI-2-3/83(Prov) dated 21.09.1886. These rates were further revised as a result of revision of basic pay scales with effect from 01.07.1987 vide this department's letter of even number dated 15.09.1987.

2. The Federal Government have intimated that while working out the details of the new system it was felt that in addition to the question of cost effectiveness, operation of the Provident Fund Bond Scheme was likely to entail practical difficulties in its implementation. Therefore, after thorough review it has been decided that instead of introducing the Provident Fund Bond Scheme, its features may be introduced in the existing General Provident Fund Scheme which should be continued. Since the main idea behind the new G.P. Fund Scheme was to provide extra financial benefit to the Government servants, it has been decided to allow from the date of inception of the Scheme (01.07.1986) the additional benefit at 30% over and above the normal rate of profit payable to the Government servants under the existing G.P. Fund Scheme. Fixed rates of contribution will be retained and the subscribers will be allowed advance in a manner that only one advance will remain outstanding at one time.

---

13. Subject: IMPROVEMENT IN THE G.P. FUND SCHEME

I am directed to refer to this department's circular letter of even number dated 01.02.1988 and to enclose a copy of Federal Government's O.M.No.F. 1(5)-Reg(7)/87-1507 dated 20.12.1987 with enclosures on the subject noted above and to state that the clarifications made therein have been adopted by the Punjab Government.

2. I am directed to state that there may have been instances where Government servants at the end of last financial year deposited additional matching subscriptions permissible under the defunct Provident Fund Bond Scheme. It has been decided that such Government servants be given the option to either get a refund of the amount deposited or have the amount credited to their G.P.Fund accounts. Such amounts along with other G.P.Fund balance will be entitled to all the benefit allowed on the closing balance of G.P.Fund as on 30<sup>th</sup> June 1987.

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No. FD/SRI-2-3/83 (Prov)  
Dated the 5<sup>th</sup> June 1988

14. Subject: IMPROVEMENT IN THE GENERAL PROVIDENT  
FUND SCHEME

Reference your letter No. FD-I/AS/Provl.GPF/22, dated 29.03.1988 on the subject noted above.

2. It is clarified that a second non-refundable advance is admissible but it will not be allowed until at least a period of one year has elapsed since the previous advance had been drawn.

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GOVERNMENT OF THE PUNJAB

Finance Department

No.FD/SRI-2-1/95 dated 5<sup>th</sup> July 1995

**STATEMENT SHOWING UNIFORM RATE OF  
SUBSCRIPTION  
TOWARDS GENERAL PROVIDENT FUND FROM 1<sup>ST</sup> JULY  
1995**

Scale	Minimum	Maximum	Mean	Minimum subscription (on mean) at the rate shown in column	Rate of monthly subscription	Remarks
1	2	3	4	5	6	7
B 1	Rs. 1245	Rs. 1770	Rs.1507.50	Rs. 45.23	Rs. 50	Minimum rates of subscription (on mean) will be as under:  <u>Pay Rate Range</u> Up to Rs.1600 3%  Up to Rs.1601-5% 3000/-  Above 8% Rs.3000
B 2	Rs. 1275	Rs. 1935	Rs.1605.00	Rs. 80.25	Rs. 85	
B 3	Rs. 1320	Rs. 2070	Rs.1695.00	Rs. 84.75	Rs. 85	
B 4	Rs. 1360	Rs. 2230	Rs.1795.00	Rs. 89.75	Rs. 90	
B 5	Rs. 1400	Rs. 2390	Rs.1895.00	Rs. 94.75	Rs. 95	
B 6	Rs. 1440	Rs. 2535	Rs.1987.50	Rs. 99.38	Rs.100	
B 7	Rs. 1480	Rs. 2695	Rs.2087.50	Rs. 100.00	Rs. 100	
B 8	Rs. 1540	Rs. 2860	Rs.2200.00	Rs. 110.00	Rs. 110	
B 9	Rs. 1605	Rs. 3060	Rs.2332.50	Rs. 116.63	Rs. 120	
B 10	Rs. 1660	Rs. 3265	Rs.2462.50	Rs. 123.13	Rs. 125	
B 11	Rs. 1725	Rs. 3465	Rs.2595.00	Rs. 129.75	Rs. 130	
B 12	Rs. 1830	Rs. 3780	Rs.2805.00	Rs. 140.25	Rs. 145	
B 13	Rs. 1950	Rs. 4110	Rs.3030.00	Rs. 242.40	Rs. 250	
B 14	Rs. 2065	Rs. 4480	Rs.3272.50	Rs. 261.80	Rs. 265	
B 15	Rs. 2190	Rs. 4845	Rs.3517.50	Rs. 281.40	Rs. 285	
B 16	Rs. 2535	Rs. 5490	Rs.4012.50	Rs. 321	Rs. 325	
B 17	Rs. 3880	Rs. 7360	Rs.5620.00	Rs. 449.60	Rs. 450	
B 18	Rs. 5085	Rs. 8745	Rs.6915.00	Rs. 553.20	Rs. 560	
B 19	Rs. 7750	Rs.	Rs.9675.00	Rs. 774.00	Rs. 780	
B 20	Rs. 9195	11600	Rs.11395	Rs. 911.60	Rs. 920	
B 21	Rs. 10190	Rs.	Rs.12915	Rs.1033.2	Rs.	
B 22	Rs. 10900	13595	Rs.13950	0	1040	
		Rs.		Rs.1116.0	Rs.	
		15640		0	1120	
		Rs.				
		17000				

15.Subject: UNIFORM RATES OF SUBSCRIPTION TOWARDS  
GENERAL PROVIDENT FUND

I am directed to refer to this Department's circular letter No. FDSR-I-2-1/95 dated 5<sup>th</sup> July 1995 regarding uniform rates of subscription and to state that consequent upon the revision of the basic pay scales for the civil employees of the provincial Government vide Finance Department's circular letter No. FD.PC-2-1/2001, dated 22<sup>nd</sup> October, 2001, it has been decided to review the rates of subscriptions towards General Provident Fund as shown in column 6 of the Annex to this circular letter. The deduction from the pay of employees on the basis of new rates shall be made in December to be paid on 1<sup>st</sup> January 2002 till further orders.

2. There shall be no option to postpone subscription to the above Fund either during leave (except Extraordinary Leave without Pay) or during the training period.

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**STATEMENT SHOWING UNIFORM RATE OF SUBSCRIPTION  
TOWARDS GENERAL PROVIDENT FUND EFFECTIVE  
FROM  
1<sup>ST</sup> DECEMBER 2001 VIDE CIRCULAR LETTER  
NO. FD.SR.I.2.1/95 DATED 19<sup>TH</sup> NOVEMBER, 2001**

Scale	Min.	Max.	Mean	Minimum subscription (on mean) at the rate shown in column 7	Rate of monthly subscription	Remarks
1	2	3	4	5	6	7
BS	Rs.	Rs.	Rs.	Rs.	Rs.	Minimum rates of subscription (on mean) will be as under:
1	1870	3520	2695	80.85	85	<p><u>Pay range</u>                      <u>Rates</u></p> <p>1) Upto Rs. 2700 03%</p> <p>2) Upto Rs 2701 to Rs 5600 05%</p> <p>3) Above Rs. 5600 08%</p>
2	1915	3865	2890	144.50	145	
3	1980	4230	3105	155.25	160	
4	2040	4590	3315	165.75	170	
5	2100	5100	3600	18.000	180	
6	2160	5460	3810	190.50	195	
7	2220	5820	4020	201.00	205	
8	2310	6210	4260	213.00	215	
9	2410	6760	4585	229.25	230	
10	2490	7290	4890	244.50	245	
11	2590	7840	5215	260.75	265	
12	2745	8595	5670	453.60	455	
13	2925	9375	6150	492.00	495	
14	3100	10300	6700	536.00	540	
15	3285	11235	7260	580.80	585	
16	3805	12655	8230	658.40	660	

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G.P.Fund Rules

17	6210	1551 0	1086 0	868.80	870
18	8135	1983 5	1398 5	1118.80	1120
19	1240 0	2470 0	1855 0	1484.00	1485
20	1471 0	2801 0	2136 0	1708.80	1710
21	1630 5	3128 5	2379 5	1903.60	1905
22	1744 0	3494 0	2619 0	2095.20	2100

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No.FD/SRI-2-1/95

Dated the 8<sup>th</sup> September 2005

16. Subject: UNIFORM RATES OF SUBSCRIPTION TOWARDS  
GENERAL PROVIDENT FUND

I am directed to refer to this Department's circular of even number dated 19.11.2001 regarding uniform rates of subscription and to state that consequent upon the revision of the basic pay scales for the civil employees of the provincial Government vide Finance Department's circular letter No. FD.PC-2-1/2005 dated 16.07.2005, it has been decided to review the rates of subscriptions towards General Provident Fund as shown in column 5 of the Annex to this circular letter. The deductions from the pay of employees on the basis of new rates shall be made in September to be paid on 1<sup>st</sup> October 2005 untill further orders.

2. There shall be no option to postpone subscription to the above fund either during leave (except extraordinary leave without pay) or during the training period.

---

**STATEMENT SHOWING UNIFORM RATE OF SUBSCRIPTION  
TOWARDS GENERAL PROVIDENT FUND EFFECTIVE  
FROM  
1<sup>ST</sup> SEPTEMBER 2005 VIDE CIRCULAR LETTER  
NO. FD.SR.I-2-1/95 DATED 8<sup>TH</sup> SEPTEMBER, 2005**

BS	Min.	Max.	Mean	Rate of monthly subscription	Remarks
1	2	3	4	6	7
BS	Rs.	Rs.	Rs.	Rs.	Minimum rates of subscription (on mean) will be as under:  <b>BPS Subscription</b> 1            3.00% 2-11        5.00% 12-22      8.00%
1	2150	4100	3125	100	
2	2200	4450	3325	170	
3	2275	4825	3550	180	
4	2345	5345	3845	190	
5	2415	5865	4140	210	
6	2485	6235	4360	220	
7	2555	6755	4655	230	
8	2655	7155	4905	250	
9	2770	7720	5245	260	
10	2865	8415	5640	280	
11	2980	8980	5980	300	
12	3155	9905	6530	520	
13	3365	10715	7040	560	
14	3565	11815	7690	620	
15	3780	12930	8355	670	
16	4375	14575	9475	760	
17	7140	17840	12490	1000	
18	9355	22855	16105	1290	
19	14260	28360	21310	1700	
20	16915	32245	24580	1970	



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