

Kerala Gazette No. 21 dated 1st June 1965
PART 1

GOVERNMENT OF KERALA

Abstract

PROVIDENT FUND-DELAY IN THE FINAL SETTLEMENT OF
PROVIDENT FUND CLAIMES-ELIMINATION OF
ORDERS PASSED

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FINANCE DEPARTMEN

G.O. (P) 182/65/Fin (PF)

**Dated, Trivandrum, 13th May 1965/
23rd Vaisakha, 1887**

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- Read:-
1. G.P.No.RC3-27466/57dated the 11th November 1957.
 2. Circular No.33328/58/Fin. (RC) 4dated the 11th February 1959.
 3. Circular No.22089/59/Fin. (RC) 4 dated the 19th June 1959.
 4. G.O. (PF) No.505/59/Fin.dated the 24th September 1959.
 5. Circular No.59008/59/Fin. (RC) 4dated the 30th April 1960.
 6. Circular No. 34828/PF/62-2/Fin.dated the 3 rd August 1962.
 7. Letter No. PF1/Ex.9-67/64-65-66/263 dated 30-4-1965 from the Accountant General.

ORDER

In the G.OS and Circulars read above, several instructions were issued for expenditure settlement of Provident Fund claims of the subscribers quitting Government service. It has come to the notice of Government that, in spite of the instructions issued from, there is still in ordinate delay in the matter and consequent hardship to the subscribers.

2. The Government have considered the various factors which cause or are likely to cause delay in the matter of settlement of Provident Fund claims and have decided that delay at all levels which put the subscribers to inconvenience and trouble be eliminated. Obviously, delay could be minimized considerably if the Department Officers would take prompt action in accordance with the instructions contained in the G.Os and Circulars cited. It is also felt that some modifications to the existing rules and procedures will eliminate delay to a considerable extent. Accordingly, the Government in consultation with the Accountant General are pleased to issue the following orders:-

G.1573

1 DATE OF SUBMISSION OF THE APPLICATION FOR CLOSURE OF PROVIDENT FUND ACCOUNT

Under the Rule 43 of the General Provident Fund (Kerala) Rules, a gazetted officer who proceeds on leave preparatory to retirement or who is due to retire from service shall send his application for closure of Provident Fund Account in Form E-1 to the Head of Department so as to enable him to forward it to the Accountant General within a fortnight of the event necessitating the closure of the Fund account in the name of the subscriber. In respect of a non-gazetted subscriber, the Head office shall get in his application in Form E-11 as and when the subscriber retires or proceeds on leave preparatory to retirement, and then forward in to the Accountant General (through the immediate gazetted superior officer, if the Head of office is non-gazetted) so that the application may reach the Accountant General within a fortnight of the subscriber's retirement or proceedings on leave preparatory to retirement. In the case of a deceased subscriber, the application for closure of the account in his name in Form-E-111 shall be forwarded to the Accountant General by the Head of the Department or office according as the subscriber is gazetted or non-Gazetted, within a fortnight of the death of the subscriber. But in case where the Head of Office is non-gazetted, the application shall be routed through the immediate gazetted superior officer.

As the above procedure involves delay, the Government are pleased to order that a gazetted officer who is about to retire or to proceed on leave preparatory to retirement should forward his application for closure of Provident Fund Account in the prescribed form to the Head of the Department as soon as his salary for the month. Immediately preceding the month in which he retires or proceeds on leave preparatory to retirement is received by him from the treasury. In the case of a non-gazetted officer, he should submit his application in the prescribed form to the Head of office as soon his salary for the month immediately preceding the month in which he retires or proceeds on leave preparatory to retirement is disbursed to him. In both cases, the both Head of the Department or office, as the case may, be should forward the application to the Accountant General (if the Head of the office is non-gazetted, through the immediate gazetted superior officer) within a fortnight of the date of submission of the application by the subscriber).

The revised procedure will be followed hereafter. In view of this new procedure, no subscriber will be permitted in future to take any advance either temporary or non-refundable from the Fund during the month in which he retires or proceeds on leave preparatory to retirement from service.

Suitable amendments procedure to rule 16 (2), 28(A) and 43 of the General Provident Fund (Kerala) Rules will be issued in due course.

11. SUBMISSION OF DEFECTIVE APPLICATIONS BY THE SUBSCRIBERS

One of the causes for delay in the settlement of Provident Fund claims of the subscribers quitting the service is the submission of defective applications. This can be avoided if the subscribers are careful in filling up the prescribed form of application.

At present three different forms of application for closure of Provident Fund Account are in vogue as stated under item 1 above. Government are of the view that if the existing form E-1, E-11 and E-111 are replaced by a single form incorporating all the relevant details, it will minimise delay to some extent.

Accordingly, the Government are pleased to order that a single form will be prescribed for the purpose. The existing forms will, however, be continued to be used till they are prescribed for the purpose. The existing forms will, however, be continued to be used till the present stock is exhausted.

Rules 43 and 44 of the General Provident Fund (Kerala) Rules will be amended suitably.

111. LACK OF SCRUTINY OF THE APPLICATIONS FOR CLOSURE OF PROVIDENT FUND ACCOUNTS BY THE DEPARTMENTAL OFFICERS AND NON-FURNISHING OF THE DOCUMENTS NECESSARY FOR THE CLOSURE OF ACCOUNTS, ALONG WITH THE APPLICATION TO THE ACCOUNTANT GENERAL

Delay in the closure of a large number of cases is due to failure on the part of the Departmental Officers to check whether the applications are in the appropriate form, to verify whether the particulars furnished in the applications, viz., Provident Fund Accountant Number, date of quitting service, last deduction made, etc., are correct, and to furnish the documents necessary for the closure of Provident Fund Accounts along with the applications to the Accountant General. If an application furnished by a subscriber is found to be defective, the Departmental Officer should see that the defects are cured then and there. Before forwarding an application to the Accountant General, the Departmental Officer should satisfy himself that it is in order and that the documents necessary for the closure of the account are attached to it.

IV. ABSENCE OF VALID NOMINATIONS

Absence of valid nominations in a good number of cases also causes delay in settling Provident Fund claims. If each subscriber ensures that a valid nomination subsists in respect of his Provident Fund Account, no delay of the above type will occur. The Heads of Departments and offices should strictly follow the instructions contained in item (v) under para 3 of Circular No. 34828/PF/62-2/Fin dated 3-8-1962. Whenever there is a change in the address of the nominee indicated in the nomination, the subscriber should, in his own interest, revise the nomination, so that no delay might occur in the matter of disbursement of the Provident Fund amount in the event of his death.

V. DELAY IN THE ISSUE OF HEIRSHIP CERTIFICATES, GUARDIANSHIP, CERTIFICATES, ETC

Quite a large number of cases is pending for want of heirship certificates, guardianship certificates, succession certificates. Etc. If the officers competent to issue these certificates take urgent steps to dispose of all the pending applications, this type of delay could be avoided to a certain extent. It is expected that the Officers concerned will not give room for any complaint regarding delay in the issue of the certificates. They should give priority to all applications for the issue of the certificates and should strictly follow the instructions contained in item (vi) under Para 3 of the Circular referred to in the previous paragraph.

V1 DELAY IN SETTLING LIABILITIES PRIOR TO 1-4-1951

The unduly long time taken for issuing non-liability certificates by the Departmental authorities mainly accounts for the delay in a large number of cases. According to the orders in G.P.No.Fin (b1) 14889/54 dated 27-9-1954, the liabilities incurred prior to 1-4-1951 by an officer governed either by the State Provident Fund (Travancore) Rules or by the General Provident Fund (Cochin) Rules are recoverable from his Provident Fund balance. The position holds good even in the case of those who opted to the General Provident Fund (Kerala) Rules. But in respect of those who were governed by the General Provident Fund (Madras) Rules prior to the commencement of the General Provident Fund (Kerala) Rules, the liabilities incurred by them are not recoverable from their Provident Fund balances. Government do not find any reason why one category of the subscribers should be discriminated against when both are governed by the same Rules. At present, in cases where an officer forwarding an application for closure of Provident Fund Account does not indicate any amount as recoverable from the subscriber it is assumed, based on the orders contained in the G.O.read as first paper above, that there are no liabilities outstanding against the subscriber any payment made without insisting on the production of a non-liability certificate. Further more than 14 years have elapsed since 1-4-1951. It , is ,there fore, not appropriate at this late stage to insist upon the production of non-liability certificates for the period prior to 1-4-1951 by the subscriber to the State Provident Fund (Travancore)and the General Provident Fund(Cochin) as well as by such of the above subscribers as have opted to the General Provident Fund (Kerala) Rules at the time of closure of their Provident Fund Accounts. Accordingly the Government are pleased to order that the production of non-liability certificates for the period prior to 1-4-1951 along with the applications for closure of Provident Fund Accounts of the subscribers who were governed by the S.P.F (Travancore) Rules and the G.P.F. (Cochin) Rules, prior to 1-4-1964, the date from which the G.P.F. (Kerala) Rules came into force, will be dispensed with, with immediate effect.

Suitable amendments to rule 43 of the G.P.F.(Kerala) Rules will be issued.

V11. Missing credits and debits in the accounts of the Provident Fund subscribers due to the incorrect noting of Provident Fund Accountant numbers, the initials and the names of the subscribers, etc., in the Provident Fund schedules by the Departmental Officers also account for the delay in the settlement of Provident Claims. The non-furnishing of Provident Fund schedule along with the pay bills is one of the reasons for the missing credits and debits and consequent delay in finally settling the accounts of the subscribers. To avoid this type of delay, the Departmental

officers should scrupulously follow the instructions contained in item (i) under para 3 of the Circular dated 3-8-1962. In preparing the Provident Fund schedules, Form No TR.104 prescribed in G.O.(P) No. 313/64/Fin. dated 30-5-1964 should be used by all drawing officers instead of the form prescribed in G.O.(P) No. 286/61/Fin. dated 10-7-1961.

V111. DELAY IN REPLYING TO THE COMMUNICATIONS REGARDING THE
PROVIDENT FUND CLOSURE CASES RECEIVING FROM THE
ACCOUNTANT GENERAL

It has been brought to the notice of Government that some of the Departmental Officers are not still furnishing replies to the Accountant General promptly when communications regarding Provident Fund closure cases are received from him. This is quite unsatisfactory. The Departmental Officers should strictly adhere to the instructions contained in item (iv) under para 3 of the circular dated 3-8-1962 referred above.

3. The Heads of Departments and offices will bring the contents of this G.O. to the specific notice of their subordinates and impress upon them. The necessity for avoiding delay in the settlement of Provident Fund claims. They are also requested to bring to the notice of Government cases of inordinate delay due to the non-observance of the rules and orders by the Departmental Officers under them.

4. Copy of the Circular dated 3-8-1962 is enclosed for ready reference.

By order of the Governor,
C.THOMAS,
Finance Secretary.

To

The Accountant General, Kerala, Trivandrum
The Registrar High Court of Kerala, Ernakulam (with C.L)
The Registrar, Kerala, University (with C.L)
The Secretary, Kerala Public Service Commission (with C.L.)
The Secretary, Kerala State Electricity Board (with C.L.).
The Director of Public Relations.
All Heads of Departments and Offices
All Departments and Sections of the Secretariat.
The Secretary to the Governor.
The Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries
and Assistant Secretaries to Government.
The Private Secretaries to the Advisers
The Personal Clerk to the Chief Secretary.
