

Public Provident Fund Scheme, 2019

UNION OF INDIA

India

Public Provident Fund Scheme, 2019

Rule PUBLIC-PROVIDENT-FUND-SCHEME-2019 of 2019

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Public Provident Fund Scheme, 2019 Published vide Notification No. G.S.R. 915(E), dated 12.12.2019 Last Updated 14th December, 2019 G.S.R. 915(E). - In exercise of the powers conferred by section 3A of the Government Savings Promotion Act, 1873 (5 of 1873), the Central Government hereby makes the following Scheme, namely:-

1. Short title and commencement.

(1) This Scheme may be called the Public Provident Fund Scheme, 2019. (2) It shall come into force on the date of its publication in the Official Gazette.

2. Definitions.

(1) In this Scheme, unless the context otherwise requires, - (a) "account" means an account under this scheme; (b) "account holder" means an individual in whose name the account is held; (c) "Act" means the Government Savings Promotion Act, 1873 (5 of 1873); (d) "Form" means forms appended to this Scheme; (e) "General Rules" means the Government Savings Promotion General Rules, 2018; (f) "year" means the financial year. (2) Words and expressions used herein but not defined shall have the meanings respectively assigned to them in the Act and in the General Rules.

3. Limits of number of accounts.

(1) An individual may open an account by making an application in Form-1. (2) An individual may also open one account on behalf of each minor or a person of unsound mind of whom he is the guardian: Provided that only one account shall be opened in the name of a minor or a person of unsound mind by any of the guardian. (3) Joint account shall not be opened under this Scheme.

4. Limits of subscription.

(1) A deposit which shall not be less than five hundred rupees and not more than one lakh fifty thousand rupees in multiple of fifty rupees may be made in an account in a year. (2) Maximum limit of one lakh fifty thousand rupees as specified in sub-paragraph (1) by an individual shall be inclusive of the deposits made in his own account and in the account opened on behalf of the minor.

5. Manner of making deposit.

(1) The account shall be opened with a minimum initial deposit of five hundred rupees and thereafter deposit of any sum in multiples of fifty rupees shall be made. (2) The deposit in the account subject to the limits mentioned in paragraph 4 may be made in the account in one lump sum or in instalments.

6. Discontinuation of account.

(1) Any account in which the account holder, having deposited five hundred rupees in the initial year, fails to deposit the minimum amount in the following years, shall be treated as discontinued. (2) An account treated as discontinued under sub-paragraph (1), may be revived during its maturity period on payment of a fee of fifty rupees along with arrears of minimum deposit of five hundred rupees for each year of default: Provided that the balance in a discontinued account not revived by the account holder before its maturity shall continue to earn interest at the rate applicable to the Scheme from time to time. (3) The account holder of a discontinued account shall not be eligible to open a new account before closure of such discontinued account after maturity: Provided that the facility of loan and partial withdrawal shall not be allowed in such an account and the account holder shall be prohibited from opening another account in his name under this Scheme till final closure of such account. (4) Facility of loan and partial withdrawal shall be allowed to regular accounts only as per the provisions of this Scheme. (5) The total deposit in a year as specified in paragraph 4, shall be inclusive of deposits made in respect of years of default of the preceding years but excluding the default fee.

7. Interest.

(1) Interest at 7.9 per cent. per annum shall be eligible for a calendar month on the lowest balance at the credit of an account between the close of the fifth day and the end of the month. (2) Interest shall be credited to the account at the end of each year. (3) Interest shall be credited at the end of the year irrespective of the change of the account office due to transfer of the account during the year.

8. Loans.

(1) At any time after the expiry of one year from the end of the year in which the initial subscription was made but before expiry of five years from the end of the year in which the initial subscription was made, the account holder may, apply in Form-2, to the accounts office for obtaining a loan consisting of a sum of whole rupees not exceeding twenty-five per cent. of the amount that stood to

his credit at the end of the second year immediately preceding the year in which the loan is applied for.(2)In case of an account opened on behalf of a minor or a person of unsound mind, the guardian may apply for the loan for the benefit of the minor or the person of unsound mind by submitting the following certificate to the accounts office, namely:-"Certified that the amount sought to be withdrawn is required for the use and welfare ofShri/Smt./Master/ Kumari..... who is a minor/ a person of unsound mind/ a person incapable of operating his account due to physical infirmity and is alive on this.....the day of.....(month),(year)".(3)An account holder shall not be entitled to get a fresh loan so long as earlier loan has not been repaid in full together with interest thereon.(4)An account holder shall be entitled for only one loan in a year.

9. Repayment of loan and interest.

(1)The principal amount of a loan shall be repaid by the account holder before the expiry of thirty-six months from the first day of the month following the month in which the loan is sanctioned:Provided that the repayment may be made either in one lump sum or in instalments.(2)After the principal amount of the loan is fully repaid, the account holder shall pay interest thereon in not more than two monthly instalments at the rate of one per cent. per annum of the principal for the period commencing from the first day of the month following the month in which the loan is drawn upto the last day of the month in which the last instalment of the loan is repaid:Provided that where the loan is not repaid, or is repaid only in part, within a period of thirty-six months, interest on the amount of loan outstanding shall be charged at six per cent. per annum instead of at one per cent. per annum with effect from the first day of the month following the month in which the loan was obtained, to the last day of the month in which the loan is finally repaid.(3)The interest on the amount of loan outstanding under the proviso to sub-paragraph (2) and any portion of interest payable, but not paid, on any loan, the principal amount of which has already been repaid within the period of thirty-six months, may, on becoming due, be debited to the holder's account.(4)The interest recoverable shall accrue to the Central Government.(5)The interest on outstanding loans which are not paid before the expiry of thirty-six months or paid partly shall be debited to the holder's account at the end of each year.(6)In case of death of the account holder, the nominee or legal heir shall be liable to pay interest on the loan availed by the account holder but not repaid before his death. Such amount of due interest shall be adjusted at the time of final closure of the account.

10. Withdrawal from account.

(1)Any time after the expiry of five years from the end of the year in which the account was opened, the account holder may, avail withdrawal by applying in Form-2, from the balance to his credit, an amount not exceeding fifty per cent. of the amount that stood to his credit at the end of the fourth year immediately preceding the year of withdrawal or at the end of the preceding year, whichever is lower:Provided that the amount of loan outstanding, if any, along with interest shall be paid by the account holder before availing the facility of withdrawal under this paragraph:Provided further that the facility of withdrawal may be availed only once in a year only from the accounts which have not become discontinued.(2)In case of an account opened on behalf of a minor, or a person of unsound mind, the guardian may apply for the withdrawal for the benefit of the minor or a person of unsound

mind by submitting the following certificate to the accounts office, namely:- "Certified that the amount sought to be withdrawn is required for the use and welfare of Shri/Smt./Master/Kumari..... who is a minor/ a person of unsound mind/ a person incapable of operating his account due to physical infirmity and is alive on this.....the day of.....(month),(year).".

11. Closure of account or continuation of account without deposits after maturity.

(1) Any time after the expiry of fifteen years from the end of the year in which the account was opened, the account holder may apply in Form-3 to the accounts office for the closure of his account. The accounts office shall allow the withdrawal of the entire balance along with due interest up to the last day of the month preceding the month in which the account is closed. (2) The account holder may retain his account after maturity without making any further deposits for any period and the balance in the account will continue to earn interest at the rate applicable to the Scheme: Provided that the account holder may make one withdrawal, in each year, of any amount within the balance. (3) Once the account is continued without deposits for more than a year, the account holder shall not have the option again to continue the account with deposits.

12. Extension of account with deposits after maturity.

(1) Subject to the provisions of paragraph 11, the account holder on the expiry of fifteen years from the end of the year in which the account was opened, may extend his account and continue to make deposit under paragraph 4 for a further block period of five years by applying to the accounts office in Form-4. (2) The option of extension of account under sub-paragraph (1) shall be made by the account holder before expiry of one year from the maturity of the account: Provided that an account opened on behalf of a minor or a person of unsound mind may be extended at the request of the guardian. (3) No deposits can be made in the account, if the account holder fails to give his option to continue the account within one year from the date of maturity. Any deposit made in such account shall be treated as irregular and refunded by the accounts office immediately without any interest: Provided that the balance in the account on the date of maturity shall continue to earn interest upto the end of the month preceding the month of closure. (4) Facility of partial withdrawal under paragraph 10 of the Scheme shall be available to the account extended under sub-paragraph (1), subject to the condition that the total withdrawal during the block period of five years shall not exceed sixty per cent. of the balance at credit at the commencement of the block period: Provided that the withdrawal, subject to the ceiling as specified above may be made either in a single or in yearly instalments. (5) Provisions of sub-paragraphs (1) to (4) shall also apply on accounts after maturity on expiry of the each extended block period of five years. (6) If the account is continued with deposits for one or more five block periods, the account holder may leave the account without deposits on completion of any block period and the account shall continue to earn interest till it is closed and the account holder may make one withdrawal every year from the account. (7) An account holder who has given his option for the extension of the account for a period of five years shall not have the option to withdraw his request at a later stage.

13. Premature closure of account.

(1)An account holder shall be allowed premature closure of his account or the account of a minor or person of unsound mind of whom is the guardian on an application to the accounts office in Form-5, on any of the following grounds, namely:-(a)treatment of life threatening disease of the account holder, his spouse or dependent children or parents, on production of supporting documents and medical reports confirming such disease from treating medical authority;(b)higher education of the account holder, or dependent children on production of documents and fee bills in confirmation of admission in a recognised institute of higher education in India or abroad;(c)on change in residency status of the account holder on production of copy of Passport and visa or Incometax return:Provided that an account under this Scheme shall not be closed before the expiry of five years from the end of the year in which the account was opened:Provided further that on such premature closure, interest in the account shall be allowed at a rate which shall be lower by one per cent. than the rate at which interest has been credited in the account from time to time since the date of opening of the account, or the date of extension of the account, as the case may be.

14. Closure of account on death of the account holder.

(1)In the event of the death of the account holder, the account shall be closed and the nominee or the legal heir shall not be allowed to continue the account.(2)The balance in the account of the deceased account holder shall earn interest till the end of the month preceeding the month in which the eligible balance is paid to the nominee or the legal heir, as the case may be.

15. Protection of credit balance from attachment.

- Amount standing to the credit of any account holder shall not be liable to attachment under any order or decree of any court in respect of any debt or liability incurred by the account holder.

16. Application of General Rules.

- Provisions of the General Rules shall, so far as may be, apply in relation to the matters for which no provisions have been made in this Scheme.

17. Power to relax.

- Where the Central Government is satisfied that the operation of any of the provisions of this Scheme causes undue hardship to an account holder, it may, by order for reasons to be recorded in writing, relax the requirements of that provision or provisions in a manner not inconsistent with the provisions of the Act.FORM - 1[See sub-paragraph (1) of paragraph 3](Application for opening an account)

To {
Paste photograph ofapplicant/s

|-| The

Postmaster/Manager.....|-| Sir,|}I
(account holder/guardian) hereby apply for opening of an account under Public
 Provident Fund Scheme.

I tender

herewith(Rs.....Rs.....)No...../-incash/Cheque/DD.
 date..... as initial deposit. My particulars are as under:-

1. Name of the account holder

Husband/Father /mother's name

Date of Birth

(DD /

(In words).....

OR

2. Name of minor account holder

Father /mother's name or the guardian

Date of Birth

(DD /

(In words).....

3. Aadhaar Number of account holder/guardian

.....

4. Permanent Account Number (PAN) of account
 holder/guardian

.....

5. Present Address

Permanent Address

6. Contact details

Telephone Number.....

Mobile Number.....

EmailID.....

7. Type of Account

Single or through Guardian for Minor or person of
 through authorized person.

8. (*) Details of Birth proof

.....

(d) Certificate No.....

(e) Date of Issue.....

(c) Issuing authority.....

9. (*) Name of Guardian (Natural/Legal)

(In case the account is opened on behalf of
 a Minor/person of unsound mind)

.....

10. Details of other KYC documents attached

1. Proof of identification

.....

2. Address proof

.....

11. (The following documents are accepted as valid documents for the purpose of identification and address proof: 1. Passport 2. Driving license 3. Voter's ID card 4. Job card issued by NREGA signed by the State Government officer 5. Letter issued by the National Population Register containing details of name and address);

(a) By the Guardian till the account holder attains majority,

1. The operation of the account will be:-

12. Specimen Signatures 1.....

2.....3.....(Name)

I hereby declare that I have not opened a Public Provident Fund Account in the name of the myself/minor mentioned at serial number 1 in any of the Post office/Bank in the country. I further declare that I will abide by the ceiling of maximum deposit in the accounts opened in my name and in the name of minors as per provision of paragraph 4 and any deposit in excess of the ceiling will be treated as in contravention to the Scheme. I further declare that I and the minor both are Resident citizen of India and undertake to inform the account office of any change in our residency/citizenship status in future. I hereby undertake to abide by the scheme provisions and Government Savings Promotion rules-2018 applicable on the Scheme and amendments issued thereto from time to time. Signature or thumb impression of account holder /guardian Date.....Nomination

13. I.....hereby nominate the person(s) mentioned below to whom to the exclusion of all other persons in the event of my death the amount standing to my credit at the time of my death would be payable.

S.No.	Name(s) of the nominee(s) and relationship	Full address (s)	Aadhaar number of nominee (optional)	Date of birth of nominee in case of minor	Share of entitlement	Nature of entitlement Trustee or owner
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1

2

3

4

As the nominee(s) at Serial No.(s).....specified above is/are minor(s), I appoint Shri/Smt/Kumari.....S/o,D/o,W/o..... receive the sum due under the said account in the event of my death during the minority of the nominee(s).

1. Signature of witness.....

Name & Address.....

2. Signature of witness.....

Name & Address.....

Place:Date: Signature or thumb impression of account holder or guardian

For use of Post Office/BankThe account has been opened in the name

of.....on.....with initial deposit of Rs.....

with Account

No. datedCustomer

identification Number.....Nomination has been registered vide

No.....dated.....Signature and seal

of competent authority.FORM - 2[See sub-paragraph (1) of paragraph 8 and paragraph

10](Application for Loan/Withdrawal)To,The

Postmaster/Manager.....Sir,I

.....(account holder /guardian) hereby apply for

loan/withdrawal from my account as per details below:-Account

Number:.....Amount of Loan/withdrawal

applied.....*Certified, that the amount sought to be withdrawn/loan

to be availed is required for the use of.....who is alive and still a Minor.

2. Please Credit the amount of loan/withdrawal to my SB Account

no......

standing at.....(Name of Account office).orPlease issue a Demand

Draft/account payee chequeorPlease pay in cash (applicable if the amount is below permissible limit of cash payment).

3. I certify that all the provisions applicable under scheme for grant of withdrawal/loan have been complied with.

Necessary documents as applicable are attached as under:-

1.

2.

Date..... Signature or thumb impression of account holder/guardian

Attested By _____ (Attestation is applicable in case of thumb impression) For
 office use only Payment detail Amount available in Account Rs
 . _____ Date of Initial Subscription
 _____ Date on which last withdrawal/loan
 was allowed _____ Total Amount granted for withdrawal/loan Rs
 . _____ (In figures) (In
 words) _____
 Date Stamp Signature of Postmaster/Manager
 Acquittance (to be filled by account holder) Received Rs . _____ (In
 figures) _____ (in words) By cash/cheque/DD bearing
 no. dated. /by transfer to Account No.
 Date Signature/thumb impression of account holder /guardian
 FORM - 3 [See sub-paragraph (1) of paragraph 11] (Application for closure of account)
 Name of Post
 Office/Bank _____ Account _____ Date _____
 Number _____

**1. I hereby submit pass book/deposit receipt and apply for closure of my
 above mentioned account matured on _____.**

**2. Please Credit the amount of eligible balance in my matured account to my
 SB Account no. _____ standing
 at _____ (Name of Account office).**

or Please issue a Demand Draft/account payee cheque or Please pay in cash (applicable if the amount
 is below permissible limit). *Certified, that the amount sought to be withdrawn/loan to be availed is
 required for the use of who is alive and still a Minor. Signature or thumb
 impression of account holder /guardian (Thumb impression should be attested by a person known to
 Accounts office) Payment Order (For office use only) Date Payment
 detail Principal amount Rs. _____ (+)
 Interest due Rs. _____ (-) Recovery of
 overpaid interest
 Rs. _____ Deduction if any
 Rs. _____ Total Amount due
 Rs. _____ Pay
 Rs. _____ (in
 figures) _____ (in words)

Date Signature of Postmaster/Manager
 Acquittance (to be filled by depositor) Received Rs . _____ (In
 figures) _____ (in words) By cash/cheque/DD bearing
 no. dated. /by transfer to Account No.
 Date Signature/thumb impression of account holder /guardian

FORM - 4[See sub-paragraph (1) of paragraph 12](Application for extension of account)To,The
Postmaster/Manager.....Sir,

1. My PPF account number_____ has matured on_____.

2. I request for extension of my PPF account number_____ for a further block period of five years.

3. I have understood the terms and conditions applicable to the account during the period of extension under the said scheme as amended from time to time and shall abide by them.

I hereby declare that I, and the minor(in case of minor account) continues to be Resident Citizen of India at the time of commencement of the block period of five years.

Date Signature of the account holder /guardian

Place (Name and address)

For the use of Accounts OfficeThe account no..... which was opened on with Rs.....(Rupees.....) and matured on, has been extended for a period of _____ years with effect from tounder rule.....of the.....scheme.Necessary entries have been made in the records and pass book/deposit receipt/ statement of account.

Date Signature of Postmaster/ManagerSeal

FORM - 5[See sub-paragraph (1) of paragraph 13](Application for premature closure of account)To,The

Postmaster/Manager.....Sir,

1. I wish to prematurely close my Account No_____ having balance of _____(Rupees_____ Only) and request you to pay the amount after deduction of applicable penalty, as per details given below:-

Please Credit the amount to my SB Account no._____ standing at _____(Name of Account office).orPlease issue a Demand Draft/account payee chequeorPlease pay in cash (applicable if the amount is below permissible limit)

2. I hereby declare that the provisions under which the account can be closed before maturity have been complied with.

Necessary documents as applicable are attached as under:-

1.

2.

*Certified, that the amount sought to be withdrawn/loan to be availed is required for the use ofwho is alive and still a Minor.

Date: - _____ Signature or thumb impression of account holder
/guardian

(Thumb impression of the depositor should be attested by a person known to the accounts office)For
office use onlyPayment detailEligible balance in Account L

_____ Less Penalty amount L
_____ Total Amount to be paid L
_____ (In figures)(In
words)_____

Date Stamp Signature of Postmaster/Manager

Acquittance(to be filled by account holder/ messenger)Received Rs ._____ (In
figures)_____ (in words) By cash/cheque/DD bearing
No.)_____ dated _____/by transfer to Account
No _____.

Date:Place: Signature/thumb impression of account holder /guardian