

Pl. reply,
23/11



भारत सरकार / GOVERNMENT OF INDIA

संचार मंत्रालय

MINISTRY OF COMMUNICATIONS (SANCHAR MANTRALAYA)

DEPARTMENT OF POSTS, (DAK VIBHAG)

मुख्य पोस्टमास्टर जनरल का कार्यालय, पश्चिम बंगाल सर्किल, कोलकाता-700012

OFFICE OF THE CHIEF POSTMASTER GENERAL: WEST BENGAL CIRCLE, KOLKATA-700012

ALL UNDER ENTRY

To

- 1- 5. The Postmasters General, Kolkata Regn, Kolkata-12/ South Bengal Regn, Kolkata-12/
North Bengal Regn, Siliguri-734001/Sikkim State, Gangtok/A & N Island-Port Blair
6. The Director, Kolkata G.P.O., Kolkata – 700 001
- 7 - 32 All SSPOs / SPOs, under West Bengal Circle
33. The Sr. Postmaster, Barabazar H.P.O., Kolkata – 700 007
34. The Sr. Postmaster, Alipore H.P.O., Kolkata – 700027
35. The A.D.P.S. (PG), Circle Office, Kolkata – 700 012
36. The A.D.P.S. (TO), Circle Office, Kolkata – 700 012
37. The Sr. Accounts Officer, ICO (SB), Kolkata Region, Kolkata – 700012.

No. SB/R-1681/SB Rlg/Ch-XI

Dated at Kolkata-700012, the 21-11-2016

**Subject: Modification in Public Provident Fund (PPF) Scheme Rules, 2016
regarding premature closure of PPF Account.**

A copy of the Directorate communication is having F. No. 32-01/2016-SB dated 04-11-2016 containing **SB ODER NO. 11/2016** dated **04-11-2016** received from Sri Babulal Barolia, Assistant Director (SB-II), Department of Posts, New Delhi addressed to All Heads of Circle, Addl. Director General, APS, New Delhi on the subject mentioned above is forwarded herewith for information, guidance and taking necessary action. It is requested to circulate this order to all CBS and non CBS Post Offices for ready reference.

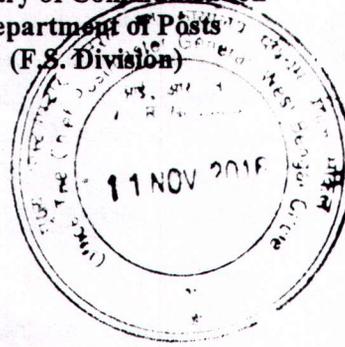
The receipt of the communication may kindly be acknowledged.

Encl: As stated above.

Asstt. Director of Postal Services (FS)
O/o the Chief Postmaster General
West Bengal Circle, Kolkata – 700012

**F. No. 32-01/2016-SB
Government of India
Ministry of Communication
Department of Posts
(F.S. Division)**

**Dak Bhawan, New Delhi
Dated: 04/11/2016**



To

All Heads of Circles
Addl. Director General, APS, New Delhi

Subject:-Modification in Public Provident Fund (PPF) Scheme Rules, 2016 regarding premature closure of PPF Account.

Sir/Madam,

The undersigned is directed to say that vide its O.M No.1/4/2016-NS-II dated 20th June,2016, Govt. of India, Ministry Of Finance, Department of economic Affairs (Budget Division) has notified the amendment to the Public Provident Fund Scheme, Rules 1968 as per the notification dated 18.06.2016 (Copy enclosed).

02. As a result of this amendment, a subscriber shall be allowed premature closure of his account or the account of a minor of whom he/she is the guardian, on a written application to the Account Office, on any one of the following grounds:-

- (i) the amount is required for the treatment of serious ailments or life threatening disease to the account holder, spouse or dependent children or parents, on production of supporting documents from competent authority;.
- (ii) the amount is required for higher education of the account holder or the minor account holder, on production of documents and fee bill in confirmation of admission in a recognized institute of higher education in India or abroad:

03. However, such premature closure shall be allowed only after the account has completed five financial years and such premature closure shall be subject to deduction of such amount which shall be equivalent to one percent less interest on the interest rates as applicable from time to time in the table payable on the deposits held in the account from the date of opening of the account till the date of such premature closure. This calculation has to be done in accordance with the sample calculation as shown in the table attached in the notification dated 18.06.2016. Post offices should follow the following procedure while handling such cases:-

(a) All requests for premature closure of PPF Account supported by Medical Certificate from SMO or CMO of a Government Hospital/Dispensary/Health Centre (in case of Para 02(i) above) and Admission Letter as well as Fee Bill from a recognized Education Institute in India or abroad (in case of Para 02(ii) above) along with Passbook, should be sent to Divisional Head by post offices after verification of PPF Account details with the CBS system on the application of premature closure. In case account stands at SO, SPM will also take Account Closure Form (in duplicate) from the subscriber and send one copy to Divisional Office along with other documents. Second copy of Account Closure Form should be retained.



(b) Divisional Head, after satisfying the genuineness of the documents, should issue signature closure of account and original documents along with Passbook should be sent to Head Postmaster of the HPO concerned.

(c) Head Postmaster should get the recalculation of interest done from SBCO (till software is amended) and close the account as Exceptional Closure in Finacle CBS Application and closure proceed should be credited into office account 0340. All such payments should be made only by crossed Cheque for the amount calculated by SBCO (not as shown by Finacle). Closure Amount calculated by SBCO (after recalculation of interest) should be accounted in HPO LOT and Consolidation after manual correction for which entry in HO Error Book should be made. Copy of error entry should be attached with closure voucher. Sanction of Divisional Head and supporting documents should also be attached to the account closure voucher.

(d) In case account stands at any SO, HPO should first transfer the account from SO to HPO, close the account as mentioned above. Particulars of payment for which cheque is issued as mentioned in Para(c) above, should be mentioned on the Account Closure Form (already received from SO through Divisional Office) by HPO. This amount should be accounted in HPO itself as it would appear in LOT and Consolidation of HPO.

(e) HPO should send cheque to SO duly entered in SO Slip and SO, on receipt of cheque, will handover the cheque to the depositor after taking receipt on the Account Closure Form retained by SO as mentioned in para 3(a) above. This Account Closure Form shall be sent to HPO for onward transfer to SBCO. SBCO will attach this Account Closure Form with the copy of Account Closure Form received from HPO.

04. This may kindly be circulated to all CBS and non-CBS Post Offices for information and necessary guidance for staff and customers. **Post Offices on Sanchaya Post will close the account by using the option Claim Closure and follow the rest of the procedure as mentioned for CBS Offices.**

05. This issues with approval of competent authority.

Stamp
4-11-16

(Babu Lal Barolia)
Assistant Director (SB-II)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB)/DDG(Estt.)/DDG(PG &Insp.)/ DDG (PCO)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. **Director CEPT Mysore for uploading the SB order on India Post Web Site.**
9. **Dy.Director (CEPT) Chennai O/O CPMG T.N.Circle, Chennai for taking up changes in Sanchaya Post with the vendor and issue necessary guidelines to Post offices working on Sanchaya Post for handling such cases.**
10. **ADG(CBS) for taking up the matter with the FSI Vendor for solution development in Finacle CBS Application immediately.**
11. **Dy.Manager FSI &RSI (CEPT)O/O CPMG T N Circle Chennai.**
12. AD /Inspection/PF/Vigilance
13. All Accounts Officers ICO(SB)
14. All recognized unions.
15. MOF(DEA), NS-II, North Block, New Delhi
16. Director, Postal Stores Depot, Kolkata
17. PS to Member (T) 18. PPS to Secretary Posts



Director
3770
27/6/16

AE
27.6.16
ADG (PSI)

F. No. 1/4/2016-NS.II
Ministry of Finance
Department of Economic Affairs
(Budget Division)

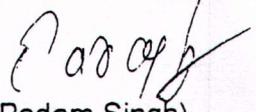
North Block, New Delhi
Dated: 30.6.2016

27/6/16
D(SB-I)

To
The Assistant Manager
Reserve Bank of India
Department of Government & Bank Accounts
Central Office, Byculla Office Building
4th Floor, Opp. Mumbai Central Railway Station
Byculla, Mumbai-400008

Subject: Public Provident Fund (Amendment) Scheme, 2016,-reg.

Sir,
I am directed to forward herewith copy of notification dated 18.6.2016 on the above mentioned subject for information and for further circulation to all concerned.

Yours faithfully

(Padam Singh)
Sr. Regional Director (NS)
Tele: 23095155

Copy to:

- ✓ The Director (FS), FS Division, Department of Posts M/o Communication & IT Dak Bhawan, Sansad Marg, New Delhi for circulating the aforesaid instructions to all Post Offices operating PPF Scheme. Copy of Notification is enclosed.
2. The Jt. Director & HoD, National Savings Institute, 1st Floor, ICCW Building, 4, Deendayal Upadhyay Marg, New Delhi- 110002 for information please. Copy of Notification is enclosed.



[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II,
SECTION 3, SUB-SECTION (i)]

MINISTRY OF FINANCE

(Department of Economic Affairs)

NOTIFICATION

New Delhi, the 18th June, 2016

G.S.R.....(E) In exercise of the powers conferred by sub-section of (4) of section 3 of the Public Provident Fund Act, 1968 (23 of 1968), the Central Government hereby makes the following scheme further to amend the **Public Provident Fund Scheme, 1968, namely:-**

1. (1) This Scheme may be called Public Provident Fund (Amendment) Scheme, 2016.

(2) It shall come into force on the date of its publication in the Official Gazette.

2. In the Public Provident Fund Scheme, 1968, in Paragraph 9, for sub-rule 3(C), the following sub-paragraph shall be substituted, namely:-

“(3C) A subscriber shall be allowed premature closure of his account or the account of a minor of whom he is the guardian, on a written application to the Accounts Office, on any of the following grounds namely:-

- (i) that the amount is required for the treatment of serious ailments or life threatening diseases of the account holder, spouse or dependent children or parents, on production of supporting documents from competent medical authority;
- (ii) that the amount is required for higher education of the account holder or the minor account holder, on production of documents and fee bills in confirmation of admission in a recognised institute of higher education in India or abroad:

Provided that such premature closure shall be allowed only after the account has completed five financial years:

Provided further that premature closure under this sub-paragraph shall be subject to deduction of such amount which shall be equivalent to one percent less interest on the interest rates as applicable from time to time in the table payable on the deposits held in the account from the date of opening of the account till the date of such premature closure, calculated in accordance with the sample calculation as shown in the table on next page:

Calculation showing the interest payable to depositor

Year (1)	Opening Balance (2)	Assumed Fresh Deposit (3)	Total Amount (4)	Rate of Interest (5)	1% less on the applicable rate of interest (6)	Interest accrued (7)	Outstanding Balance (8)
2006-07		1000.00	1000.00	8.0	7.0	70.00	1070.00
2007-08	1070.00	500.00	1570.00	8.0	7.0	109.90	1679.90
2008-09	1679.90	500.00	2179.90	8.0	7.7	167.85	2347.75
2009-10	2347.75	700.00	3047.75	8.0	7.0	213.34	3261.09
2010-11	3261.09	600.00	3861.09	8.0	7.0	270.28	4131.37
2011-12	4131.37	1000.00	5131.37	8.6	7.6	389.98	5521.36
2012-13	5521.36	1200.00	6721.36	8.8	7.8	524.27	7245.62
2013-14	7245.62	1500.00	8745.62	8.7	7.7	673.41	9419.03
2014-15	9419.03	1500.00	10919.03	8.7	7.7	840.77	11759.80
2015-16	11759.80	1000.00	12759.80	8.7	7.7	982.50	13742.30
Total		9500.00					13742.30

[F.No. 1/04/2016-NS.II]


Prashant Goyal
Joint Secretary

Note: The Principal Scheme was notified vide G.S.R. 1136(E), dated the 15th June, 1968 and subsequently amended vide G.S.R. 368(E), dated the 1st August, 1972, G.S.R. 217(E), dated the 9th March, 1979, G.S.R. 271(E), dated the 16th March, 1983, G.S.R. 54(E), dated the 7th February, 1984, G.S.R. 895(E), dated the 23rd June, 1986 G.S.R. 1013(E), dated the 20th August, 1986, G.S.R. 793(E), dated the 29th August, 1989 G.S.R. 477(E), dated the 25th May, 1994, G.S.R. 489(E), dated the 6th July, 1999, G.S.R. 908(E), dated the 6th December, 2000, G.S.R. 679(E), dated the 4th October, 2002, G.S.R. 768(E), dated the 15th November, 2002, G.S.R. 585(E), dated the 15th July, 2003, G.S.R. 690(E), dated the 27th August, 2003, G.S.R. 755(E), dated the 19th November, 2004, G.S.R. 291(E), dated the 13th May, 2005, G.S.R. 956(E), dated the 7th December, 2010, G.S.R. 844(E), dated the 25th November, 2011, G.S.R. 225(E), dated the 13th March, 2014, G.S.R. 496 (E), dated 11th July, 2014 and G.S.R. 588(E), dated the 13th August, 2014, G.S.R. 332 (E) dated 21st March, 2016, G.S.R. 350(E) dated 29th March, 2016.