



GOVERNMENT OF ANDHRA PRADESH
FINANCE & PLANNING (FW.PEN.II) DEPARTMENT

Circular Memo. No.23374/47/GPF/PEN.II/95

Dated : 11-8-1995

Sub : General Provident Fund - Subscription of excess amount in the General Provident Fund Account - Certain instructions - Issued.

Ref : From the Accountant - General, A.P. Hyderabad, Lr. No. FM/ Gl.II/25/95-96, Des. No. 12, Dt: 7-6-1995.

A P U S

According to sub-rule (1) of Rule 10 of the G.P.F. (A.P) Rules, the amount of subscription, shall be fixed by the subscriber himself subject to the condition that it shall be expressed, in whole rupees and it may any sum so expressed, not less than the percentages indicated in the schedule appended to the said rule and not more than his emoluments. Further, according to sub-rule (2) of Rule 10 of the above rules, the emoluments of a subscriber shall be the emoluments to which he was entitled to, on the 31st March of the preceding year.

2. The Accountant - General, Andhra Pradesh, in his letter cited, has informed the huge amount of G.P.f. deductions disproportionate to emoluments and frequent remittances of lump sum amounts through challans in addition to regular subscriptions, cannot be within the meaning of Subscriptions' as contemplated in Rule 10 of the G.P.F. (A.P.) Rules and such deposits are outside the purview of G.P.F. subscriptions and the spirit of Rule 13 of the said rules, for the purpose of accretion of interest. Hence, the A.G., A.P., Hyderabad, has suggested to issue instructions so that the D.D.O.s / Subscribers desist from depositing lump sum amounts to G.P.F. account disproportionate to their authorized subscriptions and to avoid misapprehension that interest is admissible on unauthorized subscriptions to G.P.F.

3. In view of the above, the subscribers / D.D.Os are requested to keep in view the following aspects while making / adjusting subscriptions to the G.P.F. accounts.

1. The amount of subscription shall into be less than the percentage indicated in the Scheduled appended to Rule 10 and not more than his emoluments.

2. The subscribers are required to fix G.P.F. Subscriptions at the beginning of the year in the manner prescribed and the subscriptions so fixed can be enhanced twice or reduced once during the course of the year.

3. The emoluments for the purpose of the G.P.F. subscriptions, have been defined in sub-rule (2) of Rule 10 of the G.P.F. (A.P.) Rules and in regard to the amount fixed as subscription, it has to be ensured that the rate fixed as on 31st March, is in accordance with the quantum prescribed.

4. The Subscribers / D.D.Os are not required to subscribe / adjust huge amounts towards G.P.F. in the last three or four months just for the purpose of avoiding income tax.

5. With regard to enhancement / reduction of the rate of subscription during the course of a year, clear indication thereof and date effect of such enhancement / reduction, has to be given in the remarks column of the G.P.F. Schedule.

R.P.AGARWAL,
Secretary to Government.