

GENERAL PROVIDENT FUND (GPF)

AAO EXAM PAPER -II

POSTALADDA.COM

GPF RULES 1960

These rules may be called the General Provident Fund (Central Services) Rules, 1960. Come into force on the 1st April, 1960.

Rule-2 Definition

- i. **"Family" means-** wife/husband except judiciary separated, parents, paternal grandparent when no parent is alive, **children (including adopted children)**, minor brothers, unmarried sisters and deceased son's widow and children.

A ward under the "Guardians and Wards Act 1890" who lives with the government servant will also be treated as member of family.

Note- Step children are not recognized as member of family.

- ii. **Emoluments** means basic pay + grade pay, leave salary and any remuneration of the nature of pay received in foreign service. Does not include D.A.

Rule-4: CONDITIONS OF ELIGIBILITY

Conditions of eligibility - All temporary Government servants after a continuous service of one year, all re-employed pensioners (other than those eligible for admission to the Contributory Provident Fund) and all permanent Government servants shall subscribe to the Fund compulsory.

Rule 5 : NOMINATIONS

5. Nominations - (1) A subscriber shall, at the time of joining the Fund, send to the Accounts Officer through the Head of Office 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 further that a subscriber who has a family at the time of making the nomination shall make such nomination only in favour of a member or 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) A subscriber may at any time cancel a nomination by sending a notice in writing to the Accounts Officer. The subscriber shall, along with such notice or separately, send a fresh nomination made in accordance with the provisions of this rule.

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

RULE 6 : SUBSCRIBER'S ACCOUNT

6 Subscriber's Account - An account shall be opened in the name of each subscriber in which shall be shown-

- (i) his **subscriptions**;
- (ii) **interest**, as provided by Rule 11, on subscriptions;
- (iii) **bonus**, as provided by Rule 11-A on subscriptions; and
- (iv) **advances and withdrawals** from the Fund.

RULE 7: CONDITIONS OF SUBSCRIPTION

7. Conditions of subscriptions

(1) A subscriber shall subscribe monthly to the Fund **except during the period when he is under suspension**

A Subscriber **may elect not to subscribe** to his GPF during **half pay leave, leave without pay, extraordinary leave and dies non.**

2) He should communicate this to the Head of office before proceeding the leave. Failure to make due and timely intimation shall be deemed to constitute an election to subscribe

In Brief- Subscription to the fund shall be stopped during suspension and last 3 month of service before retirement on superannuation and at the

EXAMPLE 01 GPF CALCULATION

Calculate interest for the year 2013-24 in respect of having following details						
Opening balance as on 01/04/2023						60000
Monthly Subscription						2500
Refundable Adv.drawn on 25th June(refundable @500/10)						5000
DA arrear(July-2023)						0
Rate of interest						7.1%
Month	Subscription	Refund	Arrears	Total Deposit	Withdrawal	Progressive
Apr-23	2500	0	0	2500	0	62500
May-23	2500	0	0	2500	0	65000
Jun-23	2500	0	0	2500	5000	62500
Jul-23	2500	0	0	2500	0	65000
Aug-23	2500	500	0	3000	0	68000
Sep-23	2500	500	0	3000	0	71000
Oct-23	2500	500	0	3000	0	74000
Nov-23	2500	500	0	3000	0	77000
Dec-23	2500	500	0	3000	0	80000
Jan-24	2500	500	0	3000	0	83000
Feb-24	2500	500	0	3000	0	86000
Mar-24	2500	500	0	3000	0	89000
	30000	4000	0	34000	5000	883000
Opening balance as on 01/04/2023						60000
Deposits						34000
Interest	$\frac{\text{Progressive X Rate of Interest}}{100 \times \text{Months}} = \frac{88300 \times 7.1}{100 \times 12}$				5224	5224
Total						99224
Withdrawal						5000
Closing balance as on 31.03.2024						94224

NOTE. Repayment towards the advance of 5,000 taken in June 2023, will be from the pay of July 2023, which has to be accounted for in August, 2023.