THE ANDHRA PRADESH GENERAL PROVIDENT FUND RULES, 1935

Rule 1. Short Title and commencement: (a) These rules are called General Provident Fund (Andhra Pradesh) Rules.

These rules are deemed to be continuing in force by virtue of Art.313 of Constitution of India subject to amendments made from time to time under the proviso to Art.309 of Constitution after 26th January1950

(b) These Rules come into force on the 1st of April 1935.
Rule 2: DEFINITIONS (1) In these rules unless there is anything repugnant in the subject or context

• (a) Accounts Officer: means the Branch Officer in-charge of Funds Section in the office of Accountant General or as the case may be.

• (b) Same as expressly provided ‘Emoluments’ means pay, leave salary or subsistence grant as defined in the Fundamental Rules including Dearness Pay appropriate to pay etc., if admissible and any remuneration of the nature of pay received in Foreign Service.

• (c) Family means (i) in the case of male subscriber, the wife or wives, parents, children, minor brothers, unmarried sisters, deceased son’s wife and children and where no parents of subscriber alive a paternal grand parents. (GOMs.No.297, Fin & Plg dt.18.09.1989.)
(ii) in the case of female subscriber, the husband, parents, children, minor brothers, unmarried sisters, deceased son’s widow and children and where no parents of subscriber alive a paternal grand parents.

• “Children” means legitimate children
• (d) Fund means the General Provident Fund
• (e) “Government, Governor and State mean respectively the Government, the Governor and the State of Andhra Pradesh.
• (f) Leave means any variety of leave recognised by the leave rules applicable to the Government servant.
• (g) Year means a Financial Year
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• Rule 3 : The Fund shall be maintained in India in Rupees.

• Rule 4 : Omitted

• Rule 5:  All Government servants including those appointed under Rule 10(a)(i) of State and Sub-ordinate Service rules shall subscribe to the fund.

• Rule 6: Omitted.

• Rule 7: A subscriber shall as soon as may be after joining the Fund, send to the Accounts Officer a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the event of his death before the amount become payable, or having become payable, has not been paid;
Provided that if, at the time of making the nomination, the subscriber has family, the nominations shall not be in favour of any persons other than the members of his family;
• Rule 8: Subscriber’s Account: An account shall be prepared in the name of the each subscriber and shall show the amount of his subscription with interest thereon calculated as provided in sub rule (2) of Rule 13.
• Rule 9: 1(a) Conditions and Rates of Subscription same as provided in the Schedule under Rule 10
• (b) A subscriber shall not subscribe during last 4 months of his service
• (added by GOMs.No.98, Fin & Plg., dt.19.06.1992.)
Rule 10: (1) The amount of subscription shall be fixed by the subscriber himself, subject to the following conditions:

• (a) It shall be expressed in whole Rupees.
• (b) It may be any sum, so expressed, not less than the percentages indicated in the schedule and not more than his emoluments
• 10% of pay/emoluments if not insured in APGLI/PLI/LIC
• 6% of pay/emoluments if insured in APGLI (both together 10%)

Rule 11: When a subscriber is transferred to Foreign Service or sent on deputation out of India, he shall remain subject to the rules of the Fund in the same manner as if he were not so transferred or sent on deputation.
Rule 12: When emoluments are drawn from a Government Treasury in India or from Home or Colonial Treasury, recovery of subscriptions on account of these emoluments, and of the principal and interest of advances shall be made from the emoluments themselves.

Rule 13: Interest: Subject to the provisions of sub rule (5), Government shall pay to the credit of the account of the subscriber interest at rates as may be determined for each year according to the method of calculation prescribed from time to time by the Government of India for payment of interest on subscriptions to the General Provident Fund in respect of Central Services. The interest shall be credited to the account of the subscriber on the last day of the financial year as prescribed in these rules.
ADVANCES FROM THE FUND

• Rule 14 (1) An advance consisting of whole rupees and not exceeding in amount three months pay or half the amount at the credit of the subscriber in the Fund, whichever is less, may be granted to him by the appropriate authority specified in the Fifth Schedule subject to the following conditions;

• (a) No advance shall be granted unless the sanctioning authority is satisfied that the applicant’s pecuniary circumstances justify it, and that it will be expended in the following cases only:

• (i) to pay expenses in connection with the prolonged illness of the applicant or any person actually dependant on him;
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• (ii) to pay for overseas passage for reasons of health or education of the applicant or any person actually dependant on him or to meet the cost of higher education of the subscriber or any person actually dependant on him, in the following cases namely;

• (a) For education outside India for academic, technical, professional or vocational course beyond the High School stage; and

• (b) For education in India, (1) in the case of Non-Gazetted Officers for all academic, medical, engineering or other technical or scientific course beyond the High School stage; and (2) in the case of Gazetted Officers For any medical, engineering or other technical or specialised course beyond the High School stage; and
Rule 15: Recovery in Instalments:

- An advance shall be recovered from the subscriber in such number of equal monthly instalments as the sanctioning authority may direct, but such number shall not be less than 12, unless the subscriber so elects, and more than 24, but in no case more than 36. A subscriber, may, at his option, repay more than one instalment in a month and each instalment shall be in whole rupees, the amount of the advance being raised or reduced, if necessary to admit of the fixation of such instalments.
PART FINAL WITHDRAWALS

• Rule 15-A: Part Final withdrawal from the fund: (1) Subject to the conditions specified herein, part-final withdrawals may be sanctioned by an authority competent to dismiss the subscriber at any time after completion of 20 years (including broken periods of service, if any) of a subscriber or within 10 years before the date of his retirement on superannuation, whichever is earlier, from the amount standing to his credit in the Fund, for one or more of the following purposes namely;

• 15-B: Part final for higher education purposes not exceeding three months pay or one half of the amount standing to the credit of the subscriber, whichever is less. The sanctioning authority may relax the above limit in special cases, but in no case should more than 10 months pay be sanctioned.
Rule 15-c: Conditions of Part Final withdrawals for meeting the expenses in connection with illness of the subscriber or any person dependant on him.

- Any sum withdrawn by a subscriber at any time, for meeting the expenses in connection with illness off the subscriber or any person actually dependant on him, shall not ordinarily exceed one half of such amount or six months’’ pay whichever is less. The sanctioning authority may, however, sanction the withdrawal of the amount in excess of this limit upto 3/4th of the balance at his credit in the Fund having due regard to (i) the object for which the withdrawal is being made, (ii) the status of the subscriber, and (iii) the amount to his credit in the Fund.
Rule 15-D: For marriage and betrothal ceremonies.

• Any sum withdrawn by a subscriber at any one time for one or more of the purposes specified in clause (b) of sub-rule (1) of Rule 15-A shall be as follows:

• (i) In the case of marriage and betrothal ceremony of the subscriber’s daughters and any other female relation actually dependant on him, the amount of part-final withdrawal in respect of each marriage will be normally limited to 6 months pay or one half of the amount standing to his credit, whichever is less. The relaxation of the limit to 10 months pay in special cases shall be subject to a further limitation of half the balance at the credit of the subscriber.
Part final withdrawals

• (ii) (i) In the case of marriage and betrothal ceremony of the subscriber’s sons, the amount of part-final withdrawal in respect of each marriage will be normally limited to 3 months pay or one half of the amount standing to his credit, whichever is less. The relaxation of the limit to 6 months pay in special cases shall be subject to a further limitation of half the balance at the credit of the subscriber.

• Note 1: A subscriber may be permitted to make a part-final withdrawal both on the occasion of the betrothal ceremony and the marriage ceremony. Each occasion shall be treated as separate purpose of sub-rule (1) of Rule 15-A.
Rule 15-E:

- Any sum withdrawn by a subscriber at any one time for House Building purposed from the amount from the amount standing to his credit in the Fund shall not exceed 3/4th of such amount or the actual cost of the House including the cost of the site or repayment of the loan in that behalf, whichever is less. The relaxation of the limit to 10 months pay in special cases shall be subject to a further limitation of half the balance at the credit of the subscriber.

- Note 1: In the case of husband and wife who are both subscribers to the Fund, the amount of withdrawal will be regulated with reference to the total sum at their credit in the Provident Fund to which they are subscribing.
Rule 15-F: For purchasing a house-site.

• (1) Any sum withdrawn by a subscriber at any one time for one or more purposes specified in clause (b) of Rule 15-A(2) from the amount standing to his credit in the Fund shall not exceed 1/4th of such amount or the actual cost of the Site, whichever is less. Part-final withdrawals from the Fund for repayment of any outstanding amount on account of a loan expressly taken for the purchase of a house-site before the receipt of the application for the withdrawal should be sanctioned only when the loan was not taken more than 12 months before the receipt of the said application.

• While sanctioning withdrawals under these rules the sanctioning authorities should satisfy themselves, that the size and the cost of the house-site are not disproportionate to (i) the status of the subscriber/officer concerned and (ii) the resources available in his Provident Fund account;

• Note 1: Withdrawals under this rule shall also be allowed where the house site or house is in the name of wife or husband provided she or he is the first nominee to receive Provident Fund money in the nomination made by the subscriber.
Rule 15-G: for construction of a house on a site purchased from the amount withdrawn for the purpose of site from the fund.

• (1) Any sum withdrawn by a subscriber at any one time for one or more purposes specified in clause (c) of Rule 15-A(2) from the amount standing to his credit in the Fund shall not exceed $\frac{1}{3}$ of the balance standing to his credit in the Fund, or the actual cost of construction of the house, whichever is less.

• Provided that in the case of subscriber who has availed himself of an advance under the rules for the grant of loans to Government Servant for House Building purposes issued by the Government of Andhra Pradesh or has been allowed any assistance in this regard from any other Government source, shall not exceed the maximum limit prescribed for that category of employees from time to time under HBA Rules.
Rule 15-H: Withdrawals for acquiring a farmland and/or business premises within six months of the date of the subscriber’s retirement.

• (1) Any sum withdrawn by a subscriber for acquiring a farm land and/or business premises within 6 months before the date of subscriber’s retirement from the amount standing to his credit in the Fund shall not ordinarily exceed one-half of such amount or six months’ pay, whichever is less. The sanctioning authority may, however, sanction the withdrawal of an amount in excess of this limit upto 3/4th of the balance at his credit in the Fund.

• Note: Only one part-final withdrawal can be allowed for acquiring a farm land and/or business premises within six months before the date of the subscriber’s retirement.

• (1) Part-final withdrawals may be sanctioned by the authorities competent to sanction an advance for special reasons under clause(c) of sub-rule(1) of Rule 14, at any time after completion of 28 years of service (including broken periods of service, if any), of a subscriber or within 3 years before the date of his retirement on superannuation, whichever is earlier, from the amount standing to his credit in the Fund for purchasing a motor car or for repaying a Government Loan already taken by him for the purpose, subject to the following conditions namely;

• (i) The amount to be withdrawn shall be limited to Rs.12000/- or 1/4\textsuperscript{th} of the amount standing to his credit in the Fund or the actual price of the motor car, whichever is least. (ii) that withdrawal shall be allowed only on one occasion.
Rule 15-J: Conversion of an advance into a Part-final withdrawal.

• A subscriber who has already drawn or may draw in future in advance under Rule 14 for any of the purposes specified in clauses (a), (b) or (c) of sub-rule(1) or sub-rule(2) of Rule 15-A and for the purposes specified in Rule 15-H or Rule 15-I, may convert, at his discretion by written request addressed to the Accounts Officer through the sanctioning authority the balance outstanding against it into a part-final withdrawal is satisfying the conditions laid down in Rules 15-A to 15-I.

• The authority competent to sanction conversion of advances into part-final withdrawals under this rule is the authority specified in the Fifty Schedule when all the terms and conditions for the part-final withdrawals are fulfilled.
DELEGATION OF FINANCIAL POWERS TO HODs (GOMs.No.161, Fin & Plg., dt.15.04.1977)

• ORDER: The Committee constituted by the Government have recommended for larger delegation of financial powers to the Heads of Departments in respect of sanction of both refundable as well as part-final withdrawals from the GPF.

• The Government after careful consideration hereby order that the powers of sanction of refundable as well as part-final withdrawals from the GPF be delegated to the HODs and below subject to the proviso that the cases of the HODs and their immediate Deputies will be sanctioned by the Government in the Administrative Department concerned. The general principle in regard to the sanctions should be that the sanctioning authority should be two levels above the persons to whom the advances or part-final withdrawals are sanctioned.
Rule 16: Payments towards Insurance Policies and Family Pension Funds.

• Subject to the conditions hereinafter contained in Rules 17 to 26

• (a)(i) subscriptions to a family pension fund approved, in this behalf by Government; or (ii) payments towards a policy of Life Insurance may, at the option of the subscriber, be substituted in whole or part for subscriptions due to the Fund;

• (b) the amount of subscriptions with interest thereon standing to the credit of the subscriber in the Fund may be withdrawn to meet

• (i) a payment towards a policy of Life Insurance; (ii) the purchase of a single payment Life Insurance policy; (iii) the payment of a single premium or subscriptions to a family pension fund approved in this behalf by Government;
Rule 28: FINAL WITHDRAWAL OF ACCUMULATIONS IN THE FUND

• When a subscriber quits the service, the amount standing to his credit in the Fund shall become payable to him;

• Provided that a subscriber who has been dismissed, removed or compulsorily retired from the service and is subsequently reinstated in the service, shall, if required to do so by Government, repay any amount paid to him from the fund in pursuance of this rule, with interest thereon at the rate provided in Rule 13, in the manner provided in the proviso to Rule 29. The impact so repaid shall be credited to his account in the Fund.

• A subscriber holding a post in an officiating or temporary capacity may either withdraw the amount on the termination of his post or leave it in the Fund to be withdrawn at the time he finally quits service.
Rule 29. When a subscriber

• (a) has proceeded on leave preparatory to retirement, or, if he is employed in a vacation department, on leave preparatory to retirement combined with vacation, or

• (b) while on leave, has been permitted to retire or has been declared by a competent medical authority to be unfit for further service, or

• (c) has attained the age of superannuation but has not been permitted to retire from service owing to some reason or other, the amount standing to his credit in the Fund shall, upon application made by him in that behalf to the Accounts Officer, become payable to the subscriber:
• Provided that the subscriber, if he returns to duty shall, if required to do so by the authority competent to sanction an advance for the grant of which special reasons are required under clause (c) of sub-rule (1) of Rule 14, repay to the Fund, for credit to his account, the whole or part of any amount paid to him from the Fund in pursuance of this rule with interest thereon at the rate provided in Rule 13, in cash or securities, or partly in cash and partly in securities, by instalments or otherwise, by recovery from his emoluments or otherwise, as may be directed by the said authority.
Rule 30: On the death of a subscriber before the amount standing to his credit has become payable, or where the amount has become payable before payment has been made;

• (i) when the subscriber leaves a family:

• (a) if a nomination made by the subscriber in accordance with the provisions of Rule 7 or of the corresponding rule heretofore in force in favour of a member or members of his family subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates shall become payable to his nominee or nominees in the proportion specified in the nomination:

• Provided that the amount shall be payable only to a person who fulfils the character of a member of the family on the date of the death of the subscriber;
• (b) if no such nomination in favour of a member of the family of the subscriber subsists, or if such nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become payable to the members of his family in equal shares:

• Provided that no shares shall be payable to; (1) sons who have attained legal majority; (2) sons of a deceased son who have attained legal majority; (3) married daughters whose husband are alive;

• (4) married daughters of a deceased son whose husbands are alive; if there is any member of a family other than those specified in clauses
Rule 30-A: Social Security-cum-Provident Fund Scheme.

• On the death of a subscriber in service, the person(s) eligible to receive Provident Fund balances, will be entitled for an additional amount equal to the average balance in the account the deceased subscriber in the fund during the three years immediately preceding the death subject to the condition that;

• (a) the balance in the account of the subscriber should not have fallen below the following limits at time during the three years preceding the date of death:

• (i) Rs.8000- in the case of Gazetted Officers,

• (ii) Rs.6000- in the case of Non-Gazetted Officers, and (iii) Rs.2000 in the case of Last Grade employees
(b) The additional amount payable under this rule shall not exceed Rs.20000/- (Twenty thousand only) (GOMs.No.42, Fin (Pen II) Dept., dt.29.01.2003).

(c) provided the subscriber has put in at least five years of service at the time of his death.

Note 1: The period of 3 years for calculation shall be computed backwards from the month preceding the months in which the death of the subscriber occurs. For this purpose, as also for checking the minimum balance prescribed above—

(b) The post which the subscriber was holding for the greater part of the aforesaid period of 3 years, immediately prior to death, shall be taken into account for purposes of reckoning the minimum balances limits.

The AG, AP, Hyderabad for Class III employees and above and DD, DTO of the district concerned will authorise the payment of the benefit to the person(s) entitled to receive the Provident Fund money at the time of making final payment of the Provident Fund balances, with any further sanction.