

Dated: 12/05/2021

Office Memorandum

Subject: Maintenance of General Provident Fund Accounts by the Ministries/Departments-reg.

A reference is invited to the provisions of General Provident Fund (Central Services) Rules, 1960 and Chapter 6 of the Civil Accounts Manual outlining the procedure for the maintenance of GPF Account of subscribers by the Ministries/Departments. In order to ensure proper maintenance of GPF Accounts and expeditious disposal of withdrawal/final payment cases provisions of Civil Accounts Manual and the instructions issued by the Government from time to time in this regards need to be strictly adhered to in order to prevent irregularities/ discrepancies in maintenance of GPF Accounts of subscribers and delay in disposal of final payment cases. These have also been reported during the course of Special Audit on GPF conducted by Audit Wing of the office of CGA.

2. Following checks are to be carried out by all PAOs: Check if there is any discrepancy in carry forwarding of closing balance to Opening Balance of the next financial year of the subscriber's GPF account.

- (i) Delay in final payment cases on retirement/death of a subscriber.
- (ii) Difference between GPF broadsheet and figures as per compilation sheet.
- (iii) Missing Debit/Credits of GPF subscription.
- (iv) Improper maintenance of GPF ledger
- (v) Check discrepancies in Transfer-in and Transfer-out cases
- (vi) Check discrepancies in GPF final payment cases

(3) Improper maintenance of GPF accounts is a serious matter and affects the balances in the GPF Accounts of the subscribers which could lead to less/ over payments to some subscribers.

(4) It is necessary that each transaction relating to GPF viz. subscriptions/ refunds, advance/withdrawal, credit of interest, transfer of GPF Accounts & settlement on final payment cases by the field offices are attended to in a timely and an efficient manner.

(5) All the Pr.CCAs/CCAs/CAs(IC) are requested to ensure strict compliance to procedural guidelines/instructions laid down in Civil Accounts Manual in this regard. A check-list of activities for proper maintenance of the GPF Accounts is enclosed with this OM as Annexure-A.

(6) It may also be ensured that Nominations as per Rule 5 of GPF (CS) Rules,1960 are obtained and accepted by the Head of Office concerned. A review in this regard be conducted and the matter taken up with the concerned Head of Office to obtain the same.


(Ashish Kumar Singh)

Dy. Controller General of Accounts

To

All Pr. CCAs/CCAs/CAs (IC) of the Ministries/ Deptts. concerned.

Check List for maintaining GPF Account:

1. Maintain all records pertaining to GPF viz. Broad Sheet, ledger, Classified/consolidated Abstract & PBR as per laid down procedure in prescribed form. HoOs/DDOs may be asked to ensure that GPF details are maintained in manual PBR.
2. Review of Individual ledgers and investigation of missing credit/debits and adjustment thereof.
3. Proper checking of accounting for the subscriptions received through challan, the head of account; Check for any duplicity of the credits to avoid any overpayments.
4. Verification of interest calculation
5. Figures of debit and credit in GPF Broad sheet should tally with the Accounts, any mismatch to be tracked out with reasons and necessary adjustments effected in case of misclassification as per procedure.
6. Timely settlement of final payment cases on retirement. It may be ensured that GPF Accounts are properly settled and closed.
7. Dormant Account to be investigated and closed after proper scrutiny within a reasonable period to avoid the chances of any ambiguity in the subscriber's GPF account
8. Verification of all the particulars mentioned in Annual statement with the GPF ledger before issue.
9. To ensure the overall total booking made under GPF Head should tally with credit side inclusive of credit received through salary or challan, transfer in amount and interest accrued on the same. Details of advance/withdrawal of GPF, amount of transfer out and amount of final payment made to this account.
10. Month-wise total credits of subscribers needs to be tallied with schedules attached to salary bills/challans and posted in the Broadsheet subscriber wise.
11. In case of any mismatch in the figures posting in the accounts to be checked to track the discrepancies for rectification.
12. No entry is to be posted in account without the supporting instrument (Challan/Debit voucher/Cr.schedules/salary bill)
13. Any transfer entry needs to be prepared with reasons and correct corresponding contra entry effected after verification of the related instruments.
14. Review of Transfer-in & Transfer-out cases. Every account should be thoroughly checked before making transfer out and in of GPF balance.
15. Details of GPF accounts without having nominations to be track out and the matter may take up with Head of Office to obtain the nomination by GPF subscribers as per Para 6.2 of the CAM.
16. Reconciliation of closing balance of GPF ledger for the previous financial year with the opening balance of current financial year
17. The work relating to GPF should be processed through the GPF module of PFMS by PAO, where PFMS is implemented, and check each entry properly.
18. The year-end total booking under head of GPF account should be tallied in credit side with total GPF credit received through salary or Challan, transfer in amount and amount credited as interest and debit should tally with total advance/withdrawal of GPF, amount of final GPF payment and amount of transfer out of GPF cases.