

**PRINCIPAL ACCOUNTS OFFICE
GOVT. OF NCT OF DELHI
A-BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI**

No. Pr.AO/GPF/16/T-1/2005/PF/

Date :

To,

All the Pr. Secretaries/Secretaries,
Heads of the Departments,
Govt. of NCT of Delhi, Delhi/ New Delhi

Sub: Admissibility of interest on GPF subscriptions in suspension cases.

Sir/Madam,

In the matter of admissibility of interest on the arrears of GPF subscriptions where suspension period is decided by the competent authority as period spent on duty and the employee become eligible for pay and allowances for that period, the Govt. of India, Ministry of Home Affairs has clarified that interest on such arrears would be admissible in the month in which the same are deposited in the GPF account of the employee.

A copy of the letter No. 14046/30/2016-UTS-II dated 12-06-2017 of Section Officer, Ministry of Home Affairs Govt. of India along with its enclosures is sent herewith with the request to advise the Head of Offices under your control to prepare the GPF schedules of the Pay and Allowances Arrear Bills in such cases according to the above said clarification of Ministry of Home Affairs, Govt. of India.

Yours faithfully,

Encl : As above.

(Parkash Chand)
Controller of Accounts
Tel. No. 011-23370762

No. Pr.AO/GPF/16/T-1/2005/PF/1824

Date : 30/06/2017

Copy to :

1. Copy with a copy of above referred clarification of Ministry of Home Affairs, Govt. of India to PAOs, Govt. of NCT of Delhi, Delhi/New Delhi for compliance.
2. The SIO, Delhi NIC, Delhi Secretariat, I.P. Estate, New Delhi for making necessary validation in the Integrated Pay Roll in this regard.
3. Copy to website of the Principal Accounts Office, A-Block, Vikas Bhawan, I.P. Estate, New Delhi.

✓ Sr. SA. (Pr. Accounts Office)
30/06/2017
Controller of Accounts

No. 14046/30/2016 -UTS-II

Ministry of Home Affairs

Government of India

North Block, New Delhi – 110 001

Dated the 17th June, 2017.

To

The Dy. Controller of Accounts (Tech.),
Principal Accounts Office,
GNCT of Delhi,
A-Block, Vikas Bhawan, I.P. Estate,
New Delhi.

PRINCIPAL ACCOUNTS
Govt. of NCT of Delhi
C.Diary No. 32634
Date 9-6-17

Sub:- Admissibility of the interest on the GPF subscription of Shri Sanjay Kumar Gupta - reg.

Sir,

I am directed to refer to your letter bearing No. Pr. AO/GPF/16/T-1/2005/P.F./910 dated 26.04.2017 on the subject cited above and to say that the matter regarding interest on the GPF subscription of Shri Sanjay Kumar Gupta has been examined in the Ministry and to **enclosed** herewith copies of the UO notes received from IFD, MHA & DoP&PW wherein they have provided clarification as sought by the Ministry in the same matter of Shri V.C. Pandey, IAS (Retd.).

Encl: As above

Yours faithfully

Beena Tanwar

(Beena Tanwar)

Section Officer (UTS-II)

Tel. No. 2309 4301

9/6/17
A2 UT I

MHA/Fin-II Branch

Reference at pre-page.

2. The issue relates to clarification as to payment of interest on the retrospective subscription to GPF.
3. It has been stated that Shri V. C. Pandey a DANICS officer was inducted in IAS and granted JAG-1 w.e.f 01.07.1997 vide order dated 17.04.2012. At the time of payment of arrears of pay in April 2012 Shri Pandey enhanced his GPF subscription (at the upper limit) for the period from July 1997 to April 2012. He claimed for interest from the first day of the month to which the enhanced rate of subscription pertains.
4. It is submitted that GPF(CS) Rules provides for subscription @ minimum of 6% and maximum of total emoluments as on 31st March of the preceding year or on the date the employee joins the fund. Further enhancement of subscription with retrospective effect is not mentioned in the rule. However, in certain cases like amount of bonus, arrears received as a result of pay commission etc. are permitted for deposit in the GPF account by specific orders. Thus enhancing contribution w.e.f July 1997 to April 2012 retrospectively in the year 2012 seems not appropriate.
5. As interest is concerned, it is accrued on the actual fund balance on the first date of every month. Since in the instant case contribution to GPF w.e.f 01.07.1997 to April 2012 was deposited in the month of April 2012, therefore no question arise of making payment of retrospective interest on that amount w.e.f 01.07.1997.
6. It is proposed that the view of DoP&PW may also be obtained in the issue.

N. 3361093/Fin-II/16
05/08/16
08/08/16

1093/Dir(F/P)/1666
05-08-16

[Handwritten Signature]

Kumar Manoj Kashyap
AA (Fin-II)
04.08.2016

Dir(F/P) *[Handwritten Signature]*
05/08

AA *[Handwritten Signature]*
S. Nishant

DS (P&PW), D/o. P&PW

23314/PPW
8/8/16

[Handwritten Signature]
8/8
80/Coord.

- 2 -
Department of Pension and Pensioners Welfare
Desk-F.

Ref. MHA's notes on pre-page.

MHA has sought clarification on admissibility of interest on GPF where the subscriber has requested to enhance the subscription from a pre date for arrears of pay and allowance. The case is that Shr V.C.Pandey, a DANICS Officer was inducted to IAS and granted JAG-1 w.e.f.01.07.1997 vide order dated 17.042012. At the time of payment of arrears of pay in April 2012, Shri Pandey enhanced his GPF subscription at the upper limit for the period from July 1997 to April 2012 and claimed interest from the first day of the month to which the enhanced rate of subscription pertains.

2. MHA(Finance) examined the issue with reference to GPF rules and observed that enhancing contribution w.e.f. July 1997 to April 2012 retrospectively in the year 2012 seems not appropriate. In this, the contribution to GPF w.e.f. 01.07.1997 to April 2012 was deposited in the month of April 2012 and therefore, no question arises for making payment of interest retrospectively w.e.f. July 1997.

3. In this connection, it is stated that sub-rule (2) of rule 11 provide that interest shall be credited with effect from last day of each year on all sums credited to the subscribers account after the last day of the preceding year ie. interest from the date of deposit upto the end of the current year. As per sub-rule (3), the date of deposit shall in the case of recoveries from emoluments be deemed to be the first day of the month in which it is recovered, and in the case of amount forwarded by the subscriber, shall be deemed to be the first day of the month of receipt, if it is received by the Accounts Officer before the fifth day of that month, but if it is received on or after the fifth day of that month, the first day of the next succeeding month.

4. Therefore, interest will be calculated only after the amount is credited in the fund. Therefore, the observation given by MHA(Finance) at page 3/notes is as per rules and this Department agrees with the observation.

Udm
7/9/16
Section Officer(Desk-F)
07/09/2016

Dir(P)
Shandhney
8/9/16

JS(P)
Sharma
9/9

Jr(P)
P
12/9

SO/F
Ministry of Home Affairs | Fin-II | North Block, New Delhi
Deptt. of Pension, Pensioners welfare, 1 Dm 3/1/2016-PPW (P)
dt 15/9/2016

H.P.
16.11.16

Director (S)

Jr
16/09/16

336/1993/Fin-II/16
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