HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED
(A State Govt. Undertaking)

Registered Office	Vidyut Bhawan, HPSEBL, Shimla-171004(HP).
Number (CIN)	U40109HP2009SGC031255.
G.S.T No	HPSEBL 02 AACCH4894EHZB.
Telephone No.	0177-2809418
Website ddress	www.hpseb.com.

No. HPSEBL/F&A/GPF Income Tax/2022-23- 1729 – 1928 Dated: 28/12/2022

To

All the Drawing & Disbursing Officers (DDOs)
in HPSEBL.

Subject: - **Ceiling of Rs. 5 (Five) Lakhs on subscription of General Provident Fund (GPF) (Central Services) in a financial year – instructions regarding.**

Sirs,

Your kind attention is invited towards Government of India, Ministry of Personnel, PG & Pension, Department of Pension & Pensioners Welfare office Memorandum No. FN 3/6/2021-P&PW (F) dated 11.10.2022 (copy attached) and latest Office Memo No. FN 3/13/2022-P&PW (F)(8353) dated 02.11.2022 (Copy attached) on the above cited subject vide which the ceiling of Rs. 5 Lakhs on subscription to GPF in a financial year has been fixed and the detail instructions on the subject has been imparted therein.

According to the latest Office Memorandum issued dated 02.11.2022, the pointwise directions are as under:

"The sum of the monthly subscription by a subscriber under the GPF during a financial year together with the amount of arrear subscription deposited in that financial year shall not exceed the threshold limit (at present Rupees Five Lakh) referred to in sub clause (i) of clause (c) of the Explanation below sub rule (2) of the rule 9D of the Income Tax Rules, 1962 (as inserted vide Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) notification No. G.S.R. 604 (E) dated 31.08.2021 (copy attached). Along with that at point No. 4(a), it has been instructed that, " In the case of those Government Servants, whose GPF subscription during the current financial year (i.e 2022-23) has already exceeded the threshold limit of Rs. 5 lakhs, no further deduction of GPF subscription may be made from their salary in the current financial year. In those

cases, the provision regarding minimum monthly subscription of 6% of the emoluments shall be deemed to have been relaxed."

In view of above, all the DDOs are hereby requested to ensure the adherence/compliance of the Office Memorandums issued by the Ministry of Personnel, Govt. of India (referred to above) in letter and spirit. Any failure to comply the instruction by the DDOs, the responsibility rest on the concerned DDO.

DA: As above.

Yours faithfully,

28/12/22

(Arjun Singh Thakur)
Chief Accounts Officer,
F&A Wing, HPSEBL,
Shimla-4.

Copy of the above is forwarded to the following for information:

1. The MD, HPPTCL, Panjri, Shimla-5.
2. The MD, HPPCL, New Shimla-9.
3. The Secretary, HPERC, Khalini, Shmla.
4. The Director, Directorate of Energy, Shimla.
5. The General Manager, SJVNL, Shakti Sadan, Shimla.
6. The Secretary, BBMB, 19, B Madhya Marg, Chandigarh.
7. The Executive Director (Pers.), HPSEBL, Vidyut Bhawan, Shimla-4.
8. The Secretary, Consumer Grievances Redressal Forum (CGRF), HPSEBL, Kasumpti, Shimla-9.
9. All the Chief Engineers in HPSEBL (including MD BVPCL) Jogindernagar.
10. The Chief Electrical Inspector to the Govt. of HP Kasumpti, Shimla.
11. The Spl. PS/PS of Managing Director/Director (F&A/(OP)/Civil/Technical) for the information of concerned Directors.
12. All the Dy. Chief Engineers/Superintending Engineers in HPSEBL.
13. The Superintending Engineer (IT), Vidyut Bhawan, Shimla-4 for information with a request to upload the instruction of the Web of HPSEBL.
14. The Chief Auditor, HPSEBL, Shimla-4.
15. The Dy. CAO/Dy. CA in HPSEBL.
16. All the Sr. Executive Engineers (Except DDOs), in HPSEBL.
17. All the Sr. AOs/AOs in F&A Wing, HPSEBL, Shimla-4.
18. All the AAOs in (OP) Circle of HPSEBL.

28/12/22

Chief Accounts Officer,
F&A Wing, HPSEBL,
Shimla-4.

F.No. 3/6/2021-P&PW (F)
Government of India
Ministry of Personnel, PG & Pensions
Department of Pension & Pensioners' Welfare

3rd Floor, Lok Nayak Bhawan
Khan Market, New Delhi-110 003
dated: 11.10.2022

Office Memorandum

Subject:- Ceiling of Rs. 5 Lakh on subscription to General Provident Fund (GPF) in a financial year- regarding.

In accordance with General Provident Fund (Central Service) Rules, 1960, the amount of subscription to the GPF in respect of a subscriber, shall not be less than 6% of the emoluments and not more than total emoluments of the subscriber. However, there was no ceiling on the total amount of subscription of a subscriber into his GPF account in a financial year.

2. Rules 7, 8 & 10 of the General Provident Fund (Central Service) Rules, 1960 have been amended vide Notification No. G.S.R. 96 dated 15.06.2022. As per the said Notification dated 15.06.2022, the sum of the monthly subscription by a subscriber under the GPF during a financial years together with the amount of arrear subscriptions deposited in that financial year shall not exceed the threshold limit (at present Rupees Five Lakh) referred to in sub clause (i) of clause (c) of the Explanation below sub rule (2) of the rule 9D of the Income Tax Rules, 1962 [as inserted vide Notification No. G.S.R. 604 (E) dated 31.08.2021 of Ministry of Finance, Department of Revenue (Central Board of Direct Taxes)].

3. All Ministries/Departments are requested that the above amended provisions of the GPF Rules, 1960 regarding limit of subscription under GPF in a financial year by a subscriber may be given wide publicity to all Government servants and, more particularly, to the personnel dealing with the GPF matters in the Ministry/Department and attached/subordinate offices there-under, for strict implementation

(Vishal Kumar)
Under Secretary to the Govt of India

All Ministries/Departments/Organisations
(as per standard list)

F. No. 3/13/2022-P&PW(F) (8353)
Government of India
Ministry of Personnel, PG & Pensions
Department of Pension & Pensioners' Welfare
3rd Floor, Lok Nayak Bhawan
Khan Market, New Delhi-110 003
dated: 02.11.2022

Office Memorandum

Subject:- Ceiling of Rs. 5 Lakh on subscription to General Provident Fund (Central Services) in a financial year- instructions regarding.

The undersigned is directed to say that in accordance with the General Provident Fund (Central Services), Rules, 1960, the amount of subscription to the GPF in respect of a subscriber, shall not be less than 6% of the emoluments and not more than total emoluments of the subscriber. Rules 7, 8 & 10 of the General Provident Fund (Central Services) Rules, 1960 were amended vide Notification No. G.S.R. 96 dated 15.06.2022. As per the said Notification dated 15.06.2022, the sum of the monthly subscription by a subscriber under the GPF during a financial year together with the amount of arrear subscriptions deposited in that financial year shall not exceed the threshold limit (at present Rupees Five Lakh) referred to in sub clause (i) of clause (c) of the Explanation below sub rule (2) of the rule 9D of the Income Tax Rules, 1962 [as inserted vide Notification No. G.S.R. 604 (E) dated 31.08.2021 of Ministry of Finance, Department of Revenue (Central Board of Direct Taxes)].

2. Further, instructions have been issued vide this Department's OM No 3/6/2021-P&PW (F) dated 11.10.2022 for strict implementation of the above amended provisions of the General Provident Fund (Central Services), Rules, 1960.

3. References have been received in this Department seeking advice as to how the GPF subscription is to be regulated in the case of those Government servants in which cases the total subscription of GPF in the current financial year (i.e 2022-23) has already exceeded the limit of Rupees Five Lakh or is likely to exceed this limit even with the minimum subscription of 6% of emoluments prescribed under General Provident Fund (Central Services), Rules, 1960.

4. The amendment Notification limiting the maximum annual GPF subscription was issued on 15.06.2022. A situation of annual total subscription exceeding the limit of Rupees Five Lakh in the current financial year would not have arisen if appropriate steps were taken immediately after the issue of the above amendment notification. However, keeping in view the difficulties being faced by the Ministries/Departments, the matter has been examined and the following further instructions are issued in this regard:

(a) In the case of those Government servants, whose GPF subscription during the current financial year (i.e. 2022-23) has already exceeded the threshold limit of Rs. 5 lakhs, no further deduction of GPF subscription may be made from their salary in the current financial year. In those cases, the provision regarding minimum monthly subscription of 6% of the emoluments shall be deemed to have been relaxed.

(b) In the case of those Government servants, whose GPF subscription during the current financial year (i.e. 2022-23) has not yet reached/exceeded the threshold limit of Rs. 5 lakh, further deductions towards GPF subscriptions during the current financial year may be phased out in such a manner that the total subscription during the current financial year does not exceed Rs. 5 lakh. In cases where the total contribution is likely to exceed Rs. 5 lakh even with minimum monthly subscription of 6% of the emoluments, deduction of GPF subscription from the salary may be stopped as soon as the total contribution in the current financial year reaches Rs. 5 lakh. In such cases also, the provision regarding minimum monthly subscription of 6% of the emoluments shall be deemed to have been relaxed.

5. All Ministries/Departments are requested to bring the above instructions to the notice of the all concerned for strict compliance.

(Vishal Kumar)
Under Secretary to the Govt of India

All Ministries/Departments/Organisations
(as per standard list)

IT

MINISTRY OF FINANCE

(Department of Revenue)

(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 31st August, 2021

INCOME-TAX

G.S.R. 604(E).—In exercise of the powers conferred by the first proviso to clause (11) of section 10 and the first proviso to clause (12) of section 10 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. **Short title and commencement.**– (1) These rules may be called the Income-tax (25^{th} Amendment) Rules, 2021.

(2) They shall come into force on 1^{st} day of April, 2022.

2. In the Income-tax Rules, 1962, after the rule 9C, the following rule shall be inserted, namely: –

"9D. **Calculation of taxable interest relating to contribution in a provident fund or recognised provided fund, exceeding specified limit.-** (1)For the purposes of the first and second provisos to clauses (11) and (12) of section 10 , income by way of interest accrued during the previous year which is not exempt from inclusion in the total income of a person under the said clauses (hereinafter in this rule referred to as the taxable interest), shall be computed as the interest accrued during the previous year in the taxable contribution account.

(2) For the purpose of calculation of taxable interest under sub-rule (1), separate accounts within the provident fund account shall be maintained during the previous year 2021-2022 and all subsequent previous years for taxable contribution and non-taxable contribution made by a person.

Explanation: For the purposes of this rule,-

(a) Non-taxable contribution account shall be the aggregate of the following, namely:-

(i) closing balance in the account as on 31st day of March 2021;
(ii) any contribution made by the person in the account during the previous year 2021-2022 and subsequent previous years, which is not included in the taxable contribution account; and
(iii) interest accrued on sub- clause (i) and sub- clause (ii),

as reduced by the withdrawal, if any, from such account;

(b) Taxable contribution account shall be the aggregate of the following, namely:-

(i) contribution made by the person in a previous year in the account during the previous year 2021-2022 and subsequent previous years, which is in excess of the threshold limit; and

(ii) interest accrued on sub- clause (i),

as reduced by the withdrawal, if any, from such account; and

(c) The threshold limit shall mean:

(i) five lakh rupees, if the second proviso to clause (11) or clause (12) of section 10 is applicable; and

(ii) two lakh and fifty thousand rupees in other cases.".

[Notification No. 95/2021/ F. No. 370142/36/2021-TPL]

NEHA SAHAY, Under Secy. (Tax Policy and Legislation Division)

Note : The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii) *vide* number S.O. 969(E) dated 26th March, 1962 and were last amended *vide* notification number G.S.R. 578(E) dated 18th August, 2021.

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