

28-01/2022-2023 PA (PEA) 793-853  
Government of India  
Ministry of Communications  
Department of Posts  
P.A Wing Dak Bhawan,  
New Delhi-110001.

Dated 30.06.2023

OFFICE MEMORANDUM

Sub : Clarification regarding admissibility of interest over and above the threshold limit of Rupees Five Lakhs.

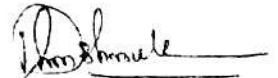
References were received from some of the PAOs of this Department as to how the GPF subscription is to be regulated in the case of those government servants in which cases the total subscription of GPF in the current financial year ( 2022-23) has already been exceeded the limit of Rs 5 lakhs even after relaxation of provision of minimum monthly subscription of 6% of emoluments and as to whether interest is payable on excess amount of subscription in the Financial Year 2022-23.

2. Accordingly, clarification was sought from the Department of Pension and Pensioners Welfare. In response, DOP&PW in para 4 of the UO ID Note No 3/6/2023-P&PW(F) dated 12.06.2023 has clarified as below:

*"Para 4: In respect of the question of payment of interest on the amount exceeding Rs. 5.00 lakhs, the above mentioned instructions of this Department do not intend to deny interest on the GPF subscription over and above the ceiling of Rs. five lakhs, in cases where the amount of total subscription in the year 2022-23 in respect of a Government servant exceeds Rs. Five lakh. The interest on the subscription in excess of Rs five lakh shall, however, be subject to income tax, as per the rules notified by the Department of Revenue. Department of Posts may take necessary administrative action accordingly."*

3. Thus, regarding payment of interest during FY 2022-2023 on the amount exceeding 5 lakhs, the decision conveyed by DOP&PW as cited above may be followed. However, the instructions contained in DOP&PW Gazette notification dated 15.06.2022 and OM dated 02.11.2022 should be strictly adhered by all DDOs/PAOs.

4. This issues with the approval of Competent Authority.



(Saurabh M. Deshmukh)  
Director (Accounts)  
011-23096180.

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