MAHARASHTRA STATE ELECTRICITY BOARD's CONTRIBUTORY PROVIDENT FUND

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AD/CPF/ADM/ Office Note: No 3 9 3 Date:- 5 AUG 2026

CIRCULAR No. - 247

Subject: Calculation of interest on final Provident Fund settlement claims in accordance with Paragraph 42 of the Employees' Provident Funds Scheme, 2026.

The Board of Trustees of the MSEB CPF Trust has approved implementation of the provisions relating to calculation of interest on final Provident Fund settlement claims with reference to Paragraph 42 of the Employees' Provident Funds Scheme, 2026, notified vide Gazette Notification G.S.R. 525(E) dated 29.06.2026, to the extent applicable to the Trust.

Accordingly, the following instructions shall be followed with immediate effect:

1. Interest on all final Provident Fund settlement claims shall be calculated in accordance with the provisions of Paragraph 42 of the Employees' Provident Funds Scheme, 2026, as adopted by the MSEB CPF Trust.
2. The software/system of the MSEB CPF Trust shall automatically compute interest on Provident Fund accumulations up to the period admissible under Paragraph 42 while processing final settlement claims.
3. The revised software logic shall be applicable to all final settlement claims sanctioned on or after the date of implementation of this circular.
4. All officers and staff dealing with Provident Fund claims shall ensure that final settlement claims are processed strictly in accordance with the revised software and the applicable provisions of the Trust Rules.
5. The Information Technology (IT) Section shall ensure timely implementation of the required software modifications and shall verify the correctness of interest calculations before the system is put into operation.
6. In case of any doubt regarding interpretation or implementation of this circular, the matter shall be referred to the Secretary, MSEB CPF Trust for clarification. The provisions of the Trust Rules and the applicable statutory provisions, as adopted by the Board of Trustees, shall prevail.

This circular shall come into force with immediate effect and shall apply to all eligible final Provident Fund settlement claims processed thereafter.

Secretary,
To the board of Trustees
MSEB's C.P.Fund, Mumbai

To,
As per Mailing list

रजिस्ट्रीसं. डी.एल.- 33004/99

REGD. No. D. L.-33004/99

भारत का राजपत्र
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असाधारण
EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)
PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित
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श्रम और रोजगार मंत्रालय

अधिसूचना

नई दिल्ली, 29 जून, 2026

सा.का.नि. 525(अ).— केन्द्रीय सरकार, सामाजिक सुरक्षा संहिता, 2020 (2020 का 36) की धारा 15 की उपधारा (1) के खंड (क) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए और कर्मचारी भविष्य निधि स्कीम, 1952 को उन बातों के सिवाय अधिक्रांत करते हुए जिन्हे ऐसे अधिक्रमण से पूर्व किया गया है या करने का लोप किया गया है, निम्नलिखित स्कीम बनाती है, अर्थात:-

(a) the total amount sanctioned in the budget is not exceeded;

(b) such re-appropriation shall be made only for meeting expenses of administration to be met from the Administration Account; and

(c) every re-appropriation so made shall be reported to the Central Board at its next meeting.

(5) The Central Provident Fund Commissioner shall place before the Central Board, a supplementary budget for a financial year, giving detailed estimates and reasons of inescapable expenditure likely to be incurred during the year, for which no provision has been made in the sanctioned budget and which cannot be covered under sub-paragraph (4).

(6) The supplementary budget, as approved by the Central Board, shall be submitted for the sanction of the Central Government within one month of its being placed before the Central Board.

(7) Any expenditure incurred by the Central Provident Fund Commissioner over and above the sanctioned budget in a financial year and not covered under sub-paragraphs (4) and (5) shall be reported to the Central Board without delay after the excess is established for its consideration and obtaining sanction of the Central Government.

41. Accounts of members. — (1) An account shall be opened in the Fund in the name of each member to which shall be credited, —

(i) the contributions made by the member;

(ii) the contributions made by the employer in respect of the member; and

(iii) the interest as specified in paragraph 42.

(2) All items of account shall be calculated to the nearest rupee, (fifty paise or more to be counted as the next higher rupee and fraction of a rupee less than fifty paise to be ignored).

42. Interest. — **(1)** The Commissioner shall credit to the account of each member interest at such rate as may be determined by the Central Government in consultation with the Central Board in the following manner namely:-

(a). interest shall be credited to the member's account on monthly running balance basis with effect from the last day in each year in the following manner: —

(i) on the amount at the credit of a member on the last day of the preceding year, less any sums withdrawn during the current year -- interest for twelve months;

(ii) on sums withdrawn during the current year— interest from the beginning of the current year up to the last day of the month preceding the month of withdrawal;

(iii) on all the sums credited to the member's account after the last day of the preceding year—interest from the 1st day of the month succeeding the month of credit to the end of the current year;

(iv) the total amount of interest shall be rounded to the nearest rupee (fifty paise or more to be counted as the next higher rupee).

(b) In the case of a claim for the withdrawal under paragraph 49 or paragraph 50 of the Scheme, interest shall be payable up to the date on which the final payment is authorised, irrespective of the date of receipt of the claim from the claimant concerned:

Provided that the rate of interest to be allowed on claims for withdrawal of the current year shall be the rate fixed for the financial year in which the withdrawal is authorised.

Provided further that the rate of interest to be allowed on claims for withdrawal for the current year shall be the last declared rate on the Employees' Provident Fund and if the rate declared for any current year happens to be less than the previous year's declared rate, then it shall accrue as bonus to the outgoing members and shall be incorporated into calculation for deriving the current year's rate of interest at the end of the year and the claims settled under this proviso shall be final.

Explanation. — (a) if an establishment is covered for the first time under the Code during the course of the current year, the interest shall be allowed on all the sums credited to the member's account on and from the first day of the month succeeding the month of credit to the end of the current year;

(b) in case of transfer of past accumulations consequent upon cancellation or surrender of exemption and the establishment is covered for the first time under the Scheme during the course of the current year, the interest shall be allowed on all the sums credited to the member's account on and from the first day of the month succeeding the month of credit to the end of the current year.

(2)The aggregate amount of interest credited to the accounts of the members shall be debited to "Interest Account".

(3) In determining the rate of interest, the Central Government shall satisfy itself that there is no overdrawal on the Interest Suspense Account as a result of the debit thereto of the interest credited to the accounts of members.

(4) Interest shall not be credited to the account of a member if he informs the Commissioner in writing that he does not wish to receive it. If, however, the member subsequently asks for interest, it shall be credited to his account with effect from the first day of the period of currency in which he makes a request therefor.

(5) Interest shall not be credited to the account of a member from the date on which it has become inoperative account under the provisions of paragraph 54.

Chapter-VIII

Transfers, Nominations, Payments and Withdrawals

43. Transfer of membership. — (1) Where a member of the Fund relinquishes employment in an establishment and secures employment in–

(i) another establishment to which this Scheme applies;