



# PENSION MANUAL

## PREFACE

The Employees' Pension Scheme (EPS), 1995 was established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, with the primary objective of providing retirement benefits to employees in the organized sector. Over the years, it has played a pivotal role in ensuring financial security and stability for millions of workers across various industries.

To operationalize the Scheme, the internal processes were to be designed to fill the gap between the legislation and the organizational setup. To meet this requirement, the Manual of Accounting Procedure (Part III) on Employees' Pension Scheme, 1995 was published in the year 1997. (14<sup>th</sup> CBT meeting held on 02.12.1997).

Subsequently, the organization has undergone a sea change owing to computerization. This necessitated going back to the drawing board and restructuring various processes related to implementation of the scheme. Also, the new member-centric initiatives and emerging technologies necessitated consolidation of the existing guidelines. With this intent, this revised manual is framed.

This manual serves as a comprehensive guide to understanding and navigating the intricacies of the EPS, 1995. This manual has been meticulously crafted to offer clear and concise explanations of the EPS provisions, procedures, and regulations. Whether you are an employer, employee, pensioner, or any other stakeholder involved in the EPS scheme, this manual is designed to provide you with the necessary insights and guidance to effectively manage pension-related matters.

Within this manual, you will find detailed explanations of eligibility criteria, contribution requirements, pension calculation methods, withdrawal processes, and other essential aspects of the EPS, 1995. Additionally, Illustrations of calculations have been provided to facilitate better understanding and application of the scheme's provisions.

It is important to recognize the significance of the EPS, 1995 in safeguarding the financial well-being of employees during their retirement years. As such, it is imperative for all stakeholders to have a comprehensive understanding of the Scheme to ensure its successful implementation and adherence to regulatory requirements.

Employees' Provident Fund Organization

Head Office, New Delhi

## **ACKNOWLEDGEMENT**

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The Pension Manual has been put together by all the RPFCs and ASOs in Pension Division who have meticulously compiled and catalogued the notifications and circulars.

The entire team is responsible for drafting the Manual and has worked under the guidance of Shri Chandramauli Chakraborty, Additional Central Provident Fund Commissioner (HQ) Pension and Smt. Aprajita Jaggi, Additional Central Provident Fund Commissioner (Pension).

Thanks are due to the ACCs committee of Shri Anil O.K, Additional Central Provident Fund Commissioner (HQ) (Chairman), Shri P Veerbhadra Swamy, Additional Central Provident Fund Commissioner and Shri C.S. Sanjay Misra, Additional Central Provident Fund Commissioner for providing valuable inputs and thorough review. Contribution of Shri Animesh Mishra, Additional Central Provident Fund Commissioner and officers of Legal Division is also acknowledged.

The manual has also been peer reviewed by officers of the field, circulated to all the members of CBT for comments and has been ratified /approved in the 236th meeting of CBT held on 30.11.2024.

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# CHAPTER 1:INTRODUCTION

# 1. Introduction

## 1.1 Overview

- 1.1.1 The Employees' Pension Scheme (EPS) of 1995 is a social security initiative established by the Government of India under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The scheme was introduced to provide pension benefits to employees in the organized sector, ensuring financial security during their retirement years. The scheme was introduced as an ordinance (13 of 1995), later to be replaced by an amendment in the EPF& MP Act (25th of 1996 dated 16.08.1996).

## 1.2 Merger of EFPS fund into EPS,95

- 1.2.1 On introduction of EPS,1995 the Employees' Family Pension Scheme, 1971 (EFPS) fund got merged with the EPS fund and ceased to operate. While, EFPS provided for a lump-sum survivorship benefit on a member's retirement or pension to widow and children on death of a member, the scope and quantum of benefits are increased in EPS. The pension payment orders (PPOs) issued under EFPS are deemed to have been issued under EPS.

Benefit	EFPS	EPS
On retirement	Lump sum Survivorship benefit	'Monthly Lifelong Pension' to member and widow and children pension benefits on death of 'Pensioner'
On death	On death of member: Pension to widow/widower and children	On death of member/ member pensioner: Pension to widow/widower and children; or to orphan or to nominee / Dependent parents.
Other benefit		Disablement pension, Withdrawal benefit

## 1.3 Membership

1.3.1 The membership under the Employees' Pension Scheme, 1995 are of two categories viz., **compulsory** and **optional**.

1.3.2 The following members of Employees Provident Fund Scheme 1952 (EPFS) / EPF exempted trust who have not attained the age of 58 years are **compulsorily required** to become members of the Employees' Pension Scheme, 1995:

1.3.2.1 Members of erstwhile EFPS who were in employment and had not attained the age of 60 years as on 16.11.1995.

1.3.2.2 First time members of the EPFS/ PF Exempted trust (less than 58 years of age) on or after 16.11.1995 and before 01.09.2014,

1.3.2.3 The employee, who becomes a member of the EPFS/ PF Exempted trust after 01.09.2014, provided his pay does not exceed Rs.15000/- at the time of joining.

**1.3.2.4 Explanation: An International Worker, who has joined the Provident Fund after 01.9.2014 and has a pay above Rs.15000 per month is not eligible to be a member of EPS.**

**1.3.2.5** The member of the ceased EFPS who died between 01.04.1993 to 16.11.1995 provided he/she has not attained the age of 60 years on 15.11.1995.

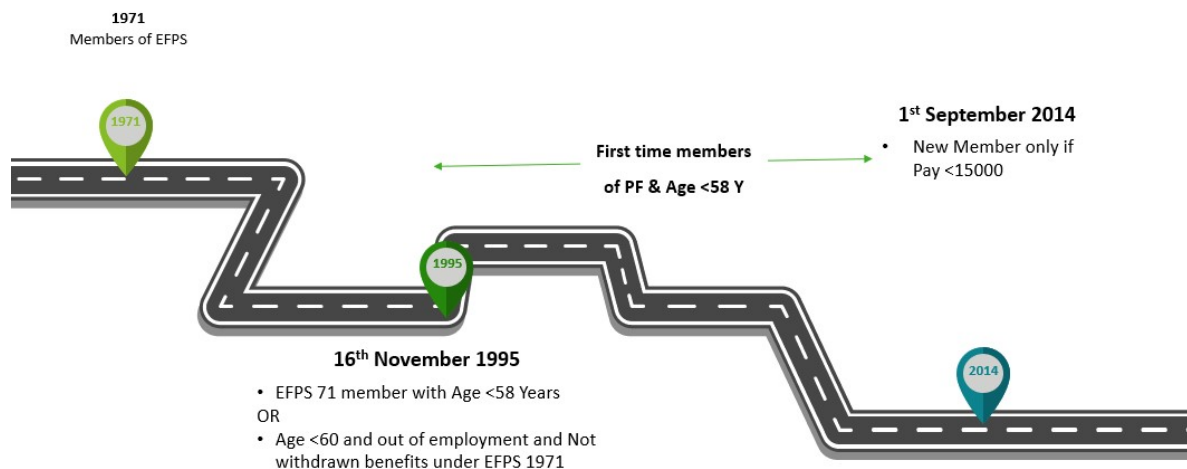


Figure 1 : Mandatory Membership

1.3.3 The EPS provides for **optional membership** to the following:

1.3.3.1 Members of EPFS as on 16.11.1995, not being a member of the EFPS can exercise their option to become a member of EFPS retrospectively and to qualify for membership in the EPS from 16.11.1995. Such a member should not have attained 60 years as on 15.11.1995. Such a member is entitled to draw pension only from 16.11.95 or thereafter.

1.3.3.2 The employee who ceased to be a member of the EFPS between 01.4.1993 to 15.11.1995 on account of his attaining the age of 60 years or cessation of employment, can exercise his option to become member of the EPS from the date of cessation/ exit from the employment; A member who ceased his membership on attaining the age of 60 years between 1.4.1993 - 15.11.1995 and continues in service thereafter, can exercise the option from the date of cessation of his membership on attaining the age of 60 years.

1.3.3.3 A member who was not in employment as on 01.4.1993 but retains his membership by virtue of proviso 6 of the ceased EFPS and also retains his P.F. membership as on that date, is eligible to exercise option to become a member of the EPS provided he has not attained the age of 60 years as on 31.3.1993.

1.3.3.4 The employee who ceased to be member of the EFPS between 01.4.1993 - 15.11.1995 and died during that period, shall be deemed to have exercised option to join the EPS on the date of his death.

1.3.4 A Provident Fund member, who has finally withdrawn his Provident Fund accumulations prior to 16.11.1995 is not eligible to exercise the option to join the EPS. However, if the part payment is made and the membership is retained as per provisions of Para 26A of the EPFS, he can exercise the option, subject to payment of dues as stated above. Any payment of supplementary / arrears of contribution due to the member on account of wage revision, settlement, etc., by the employer or otherwise and the same is required to be released to the member, as supplementary payment shall not be treated as part payment for the above purpose.

1.3.5 If the Provident Fund account of the member is fully and finally settled after 16.11.1995 but retained the EPS membership alone on account of his not withdrawing the benefit and he takes up employment in a covered establishment or not he is not required to exercise his option to join the

EPS. He shall become a compulsory member of the EPS from the date of his joining the covered establishment.

1.3.6 A member of EFPS, who left service between 1.4.1993 and 15.11.1995 and subsequently died during that period, shall also deemed to have exercised option.

1.3.7 A member of the EPS retains his membership till he attains the age of 58 years or he avails the withdrawal benefit or dies or the pension is vested in him.

1.3.8 A member of the EPS is entitled to carry over the period of membership from one establishment to the other by availing the facility of Scheme Certificate. In case the due benefit is availed, the membership will cease and hence cannot be carried over.

**1.3.9 Eligibility for Membership in respect of Belated Coverage's:**

1.3.9.1 In the case of belated implementation (retrospective coverage) of the establishment, the employer should be directed to pay the contribution towards EFPS / EPS from the date of coverage of the establishment and not from any prospective date. In other words, the EFPS/ EPS membership cannot be made from a later date and no waiver of the employer's contribution towards EFPS /EPS shall be allowed.

1.3.9.2 Wherever the employee's share of contribution for a pre-discovery period, is waived, both the shares of Family Pension Fund contributions due up to 15.11.1995 should be diverted from the employer's share of Provident Fund contributions to Employees' Pension Fund.

**\*\*\*\*CHAPTER END\*\*\*\***



# CHAPTER 2: BENEFITS UNDER EPS'95

## 2. Benefits under EPS'95

### 2.1 Introduction

2.1.1 The Scheme provides following benefits to the members at present:

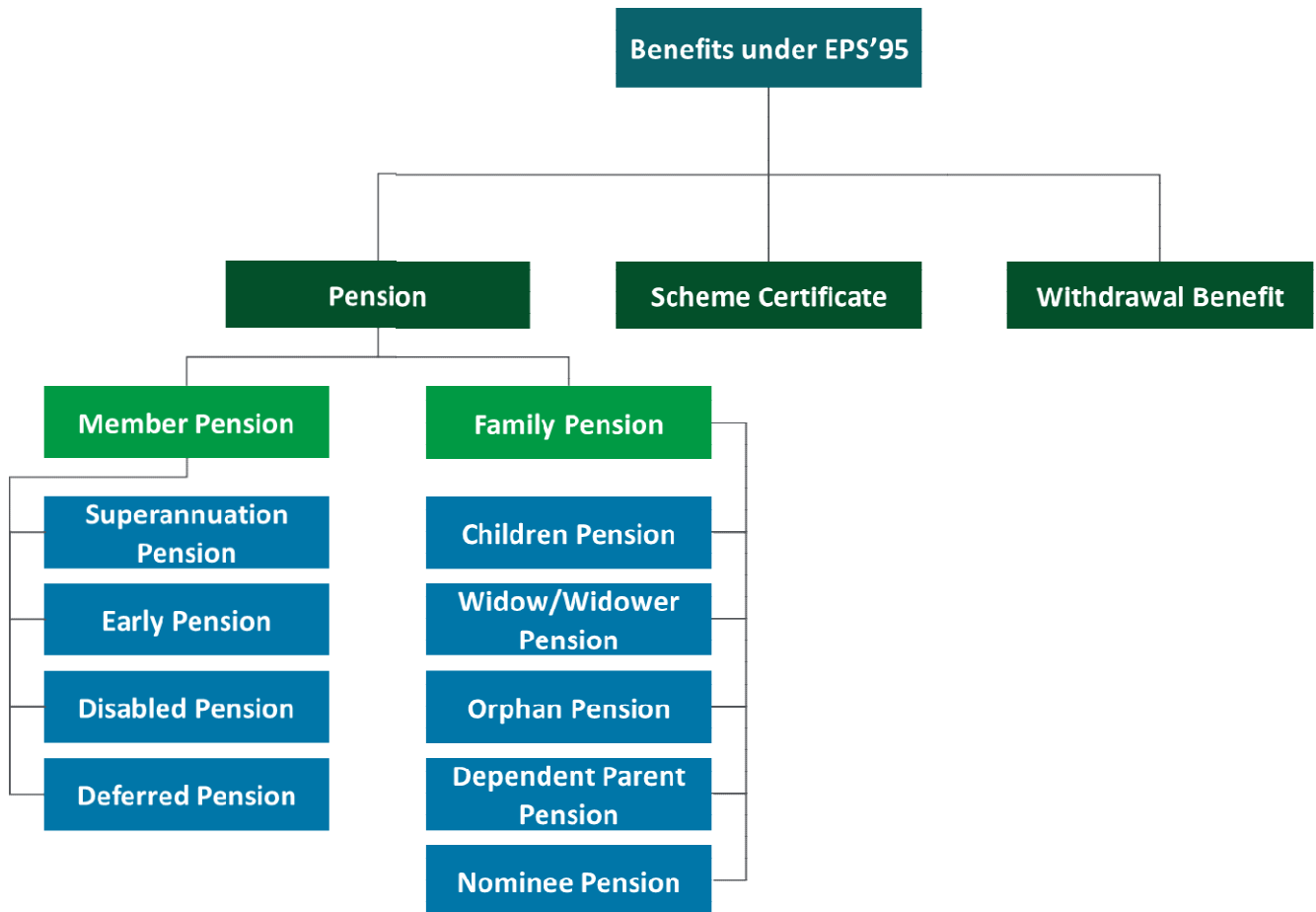


Figure 2 : Benefits under EPS'95

2.1.2 There are various tables mentioned in EPS 1995. These tables contain factors which are used for calculation of various benefits to pensioners/members: -

**TABLE A :**

For calculation of withdrawal cum retirement benefits for EFPS members

**TABLE B :**

For calculation of Past service benefits to employees who were member of EFPS 1971 and are continuing to be EPS members



**TABLE C:**

For calculation of widow pension, after death of pensioner

**TABLE D :**

For calculation of withdrawal benefit

**TABLE E :**

For calculation of transfer value payment in case of member being transferred from pension fund of one exempted establishment to pension fund of another exempted establishment or statutory pension fund or vice versa

## 2.2 Withdrawal Benefit

2.2.1 The withdrawal benefit is payable to a member on exit from employment rendering the eligible service for a period of less than 10 years on the date of exit or on attaining the age of 58 years of age, whichever is earlier. However, if the member has not attained the age of 58 years on the date of exit, he may opt for Scheme Certificate.

**Note: If the eligible service is 9 years 6 months or more, the eligible service is counted as 10 years and the member becomes entitled for pension.**

2.2.2 If an establishment defaults in remitting contributions to EPS for a certain period, such a period will not be counted for the purposes of calculating the withdrawal benefit.

2.2.3 However, the employer will remain fully responsible for the default. As and when the dues are recovered, the balance of benefit under para 14 of EPS shall be released.

## 2.3 Quantum of Withdrawal Benefits

2.3.1 The withdrawal benefit is to be calculated with reference to Tables A, B & D (i.e.,  $A \times B + D$ ) annexed to the EPS.

2.3.2 For the period of past service rendered prior to 16.11.1995, the benefit is to be calculated with reference to Table A & B. For the period of contributory service rendered from 16.11.1995 the benefit is to be calculated with reference to Table- D. The amount arrived at for the period of past service as well as for contributory service should be added to determine the amount payable.

- 2.3.3 For cases settled prior to 14.06.2024, the withdrawal benefit will be based on the number of years and for cases settled post 14.06.2024 the withdrawal benefit will be based on the number of completed months for contributory service in EPS 95. However, where the age of 58 years has been completed prior to 14.06.2024, the withdrawal benefit will be based on the number of years only.

## 2.4 Scheme Certificate

- 2.4.1 The Scheme Certificate will enable the members to carry over the accrued pensionable benefits as and when they change their employment.
- 2.4.2 The different spells of membership under different employers will enable the members to consolidate this service to get their pensionary benefits subject to fulfilling other eligibility conditions. However, the non-issue/non-claim of Scheme Certificate will not forfeit the membership.
- 2.4.3 The member who has put in eligible service for a period of less than 10 years is also eligible to get the Scheme Certificate or he/she may avail withdrawal benefit if he/she so desires.
- 2.4.4 A Scheme Certificate shall necessarily be provided to a member on his exit who has put in an eligible service of 10 years and not attained 58 years of age. In such cases, no withdrawal benefit should be allowed under any circumstance. However, if the member attains the age of 50 years and opts for early pension, he may be paid pension.
- 2.4.5 In case a member holding a Scheme Certificate (with eligible service of 10 years & more) dies before attaining the age of 58 years, the family would be eligible for pensionary benefits under the scheme and such service mentioned in the Scheme Certificate is taken into account while arriving at the benefits.
- 2.4.5.1 If a member holding a Scheme Certificate does not take up an employment coverable under this Scheme and has rendered less than ten years eligible service on the date of exit, but dies before attaining the age of fifty eight years and before a continuous period of thirty-six months has elapsed during which contributions have not been received in respect of the member in the Pension Fund, the amount of contributions received in his case shall be converted into a monthly widow pension or children pension. The widow/widower pension in such cases shall

be calculated at the scale laid down in Table C and the children pension at 25 per cent thereof for each child (up to two).

2.4.5.2 If there is no widow/widower, then the orphan pension shall be payable at the rate of 75 per cent of the amount which would have been payable as a widow pension subject to the provisions of the paragraph 16 of EPS.

2.4.6 If a member holding a Scheme Certificate does not take up an employment coverable under this Scheme and has rendered less than ten years eligible service on the date of exit but dies before attaining the age of fifty-eight years after a continuous period of thirty-six months has elapsed during which contributions have not been received in respect of the member in the Pension Fund, the family shall be entitled to withdrawal benefits under paragraph 14 of EPS 1995.

2.4.7 The Scheme Certificate received along with Form F-5 from the member on joining an establishment or with Form 10D should be verified and confirmed through respective Pension Modules so that the previous service is added to the current service. Any confirmation/verification should be done through the system only. In case, the Scheme Certificate issued by the other office, a confirmation should be obtained from such office through e-office and the service mentioned in the Scheme Certificate should be merged into the service history of the member.

## 2.5 Monthly Member Pension

2.5.1 Pension is defined as the Pension payable under the EPS and includes the Family Pension admissible and payable under the ceased EFPS.

2.5.2 Pension to the members is known as Member's Pension. The Monthly Member's Pension entitlement is as follows:

2.5.2.1 **Superannuation Pension:** If a member has rendered eligible service of 10 years or more and retires on attaining the age of 58 years.

2.5.2.2 **Early Pension:** Whenever a member leaves service before attaining the age of 58 years, he may avail the early pension on or after attaining the age of 50 year provided, he has completed eligible service. The date of option for receiving early pension should be taken from member.

The date of option shall be after date of leaving service and prior to attaining the age of 58 years.

**2.5.2.3 Permanent and total disablement Pension:** If a member is permanently and totally disabled during the employment making him /her unfit for the employment which he/she was doing at the time of such disablement. However, a disabled member, on leaving service, on account of his total and permanent incapacitation, is entitled for pension, from the date of invalidation while in service, irrespective of his age and years of service.

**2.5.2.4** A member applying for such benefits under para 15 of EPS 1995, shall be required to undergo such medical examination as may be prescribed by the Central Board to determine whether or not he or she is permanently and totally unfit for the employment which he or she was doing at the time of such disablement. Any disability certificate issued by the competent authority as per the Rights of Persons with Disability Act of 2016 shall be sufficient provided that it is certified that he/she is permanently and totally unfit for the employment which he/she was doing at the time of such disablement.



**Note :** Disablement pension in such cases shall be payable from the date of permanent total disablement and shall be tenable for the lifetime of the member, irrespective of his age and years of service.

**2.5.2.5 Deferred Pension:** A member who has attained the age of 58 years and is eligible for pension, may be allowed to defer the age of drawing pension later than 58 years but not beyond 60 years of age. This option can be given with or without contribution in EPS. The benefit of deferred pension shall be restricted to the wage ceiling.

**2.5.3 Pension depends upon three factors:**



Figure 3 : Factors affecting Pension

2.5.4 The Monthly Member's Pension is computed on pro-rata basis as under. It is calculated in two parts:

- i. **A:** For Pensionable Service rendered from 16.11.1995 onwards, and
- ii. **B:** Past Service Pension Benefit

The aggregate of (A) and (B) above will be the Monthly Member's Pension.

**(A) For pensionable service rendered from 16.11.1995, the pension is calculated as follows:**

**Monthly member's pension = (Pensionable salary X Pensionable service)/70**

*"Provided that the members' monthly pension shall be determined on a **pro-rata** basis for the pensionable service up to the 1st day of September 2014 at the maximum pensionable salary of six thousand and five hundred rupees per month and for the period thereafter at the maximum pensionable salary of fifteen thousand rupees per month."*

**(B) The past service benefit is calculated based on the number of years of past service and the salary as on 15.11.1995.**

- i. The year of past service is grouped into 4 categories i.e.
  - a. Up to 11 years
  - b. More than 11 years but up to 15 years
  - c. More than 15 years but less than 20 years
  - d. Beyond 20 years
- ii. The salary as on 15.11.95, was divided into two groups, i.e.
  - a. Salary up to Rs.2, 500/-per month,
  - b. Salary more than Rs.2,500/-per month
- iii. The quantum of past service benefit payable on completion of 58 years of age as on 15.11.95, in respect of past service and salary is as under:

Years of Past Service	Salary up to Rs.2,500/-p.m.	Salary more than Rs.2,500/-p.m.
(i) Up to 11 years	80	85
(ii) More than 11 years but up to 15 years	95	105

(iii) More than 15 years but less than 20 years	120	135
(iv) Beyond 20 years	150	170

2.5.5 Wherever the member completes the age of 58 years after 16.11.95, the quantum of Past service pension benefit, given in the Table above will be multiplied by the factor given in Table 'B' corresponding to the period between 16.11.95 and date of exit to arrive at the past service pension payable.

2.5.6 In the case of optees, who are eligible for Pension commencing from a date prior to 16.11.95, the past service benefit will be given as per Table above without the application of Table-B. In that case salary for the purpose of Table should be taken as the one drawn on the date of exit.

2.5.7 The minimum Pensions prescribed at different stages for members having past service areas under:

Date of Pension Commencement	Minimum for formula Pension (Rs.)	Minimum for 24 years eligible service (Rs.)	Minimum for eligible Service less than 24 years (Rs.)
(1)	(2)	(3)	(4)
On or after 16.11.2005	635	800	450
Between 16.11.2000 and 15.11.2005	438	600	325
Between 16.11.1995 and 15.11.2000	335	500	265

2.5.8 The wages as on 16.11.1995 is required to be duly kept in record. However, only the category needs to be known:



- i. A= Wages for November'95 are above Rs.2,500/-
- ii. B= Wages for November'95 is up to Rs.2,500/-

If the exact wages for November 95 be unavailable, the APFC shall be competent to decide the category based on available wage details.

**2.5.9 Two years weightage:** In the case of the member who superannuates on attaining the age of 58 years and who has rendered 20 years pensionable service or more, his pensionable service shall be increased by adding a weightage of 2 years. The weightage shall be added in the service period of prior to 01.09.2014 while applying pro-rata calculation.

*Prior to 24<sup>th</sup> July 2009, the wording was "age of 58 years and/ or who has rendered 20 years pensionable service or more". Pensionable service will include service rendered under EPS'1995 as well as erstwhile Family Pension Scheme'1971 to fulfil the condition of 20 years or more pensionable service for the purpose of giving 2-year weightage.*

## 2.6 Early Pension

**2.6.1** A member of EPS-95, with an eligible service of 10 years is entitled to draw full pension on attaining the age of 58 years. Paragraph 12(7) of the Scheme provides for drawl of an early pension by a member

**2.6.2 Eligibility:** A member is eligible to draw pension even before attaining the age of 58 years on the following conditions:

The member should not be in service and the date of leaving service may be at any date/age and for any reason

The member should have completed the Contributory service of 10 years

The member should have attained the age of 50 years

The member should give his option to draw early pension

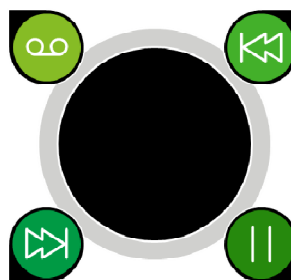


Figure 4 : Eligibility for drawing early pension

**2.6.3 Quantum of Pension:** As the pension is opted before the age of 58, a reduction factor is applied to arrive at early pension. The quantum of reduction in the case of early pension will be @ 4% for

every year the age falls short of 58 years. The reduction will be made on the reduced amount of the earlier stage and not at flat rate of 4% for each year (*w.e.f. 26.09.2008*). The pension is calculated just as it is calculated for superannuation pension and thereafter, the amount of pension is reduced at the rate of 4% for every year the age falls short of 58 years as per Para 12 (7)).**[ Prior to 26.09.2008, it was 3%]**



**Reduction factor: If a member desires for early pension from a date earlier than 58 years of age but not earlier than 50 years of age, in such cases the amount of pension shall be reduced at the rate of (four percent) for every year the age falls short of 58 years.**

E.g., An illustration of the early pension as a percentage of superannuation pension is shown below:

Age	Reduced Pension as a percentage of Superannuation Pension
58	100.0
57	96.0
56	92.2
55	88.5
54	84.9
53	81.5
52	78.3
51	75.1
50	72.1

*Figure 5 : Illustration of the early pension as a percentage of superannuation pension*



**Note : The 4% deduction is not flat. It is calculated considering preceding year as the base.**

- 2.6.4 The option for early pension should be given by the member in his application in Form 10 D (EPS). The option exercised by the member for early pension in the application is final and no change should be entertained after the issue of PPO.
- 2.6.5 The member may opt for early pension at any age between 50-57 yrs and it is not necessary to claim immediately on leaving service. A member who leaves service after rendering the requisite eligible service at the age below 50, may apply for early pension at any age between 50-57 yrs. If the member has not given an option, attempt shall be made to get the date of option immediately through email or any other mode.
- 2.6.6 A member holding a Scheme Certificate and eligible to draw early pension should surrender his Scheme Certificate along with the application.
- 2.6.7 Any members who have taken the benefits under early pension during the period 50-57 Years shall not be eligible to become EPS member again if he/she joins service of any establishments before 58 Years and after taking the early pension. The entire employer share shall remain in PF only. If erroneously, contribution is deposited in pension fund the same shall be diverted to the Provident Fund account of the member along with interest as declared under Employees' Provident Funds Scheme from time to time.

## **2.7 Disabled Member Pension**

### **2.7.1 Eligibility:**

- 2.7.1.1 The member should have contributed to the Fund at least for a month (i.e., one month's contribution including part of a month). He/she should have been permanently and totally incapacitated while in service.

### **2.7.2 Quantum of Pension:**

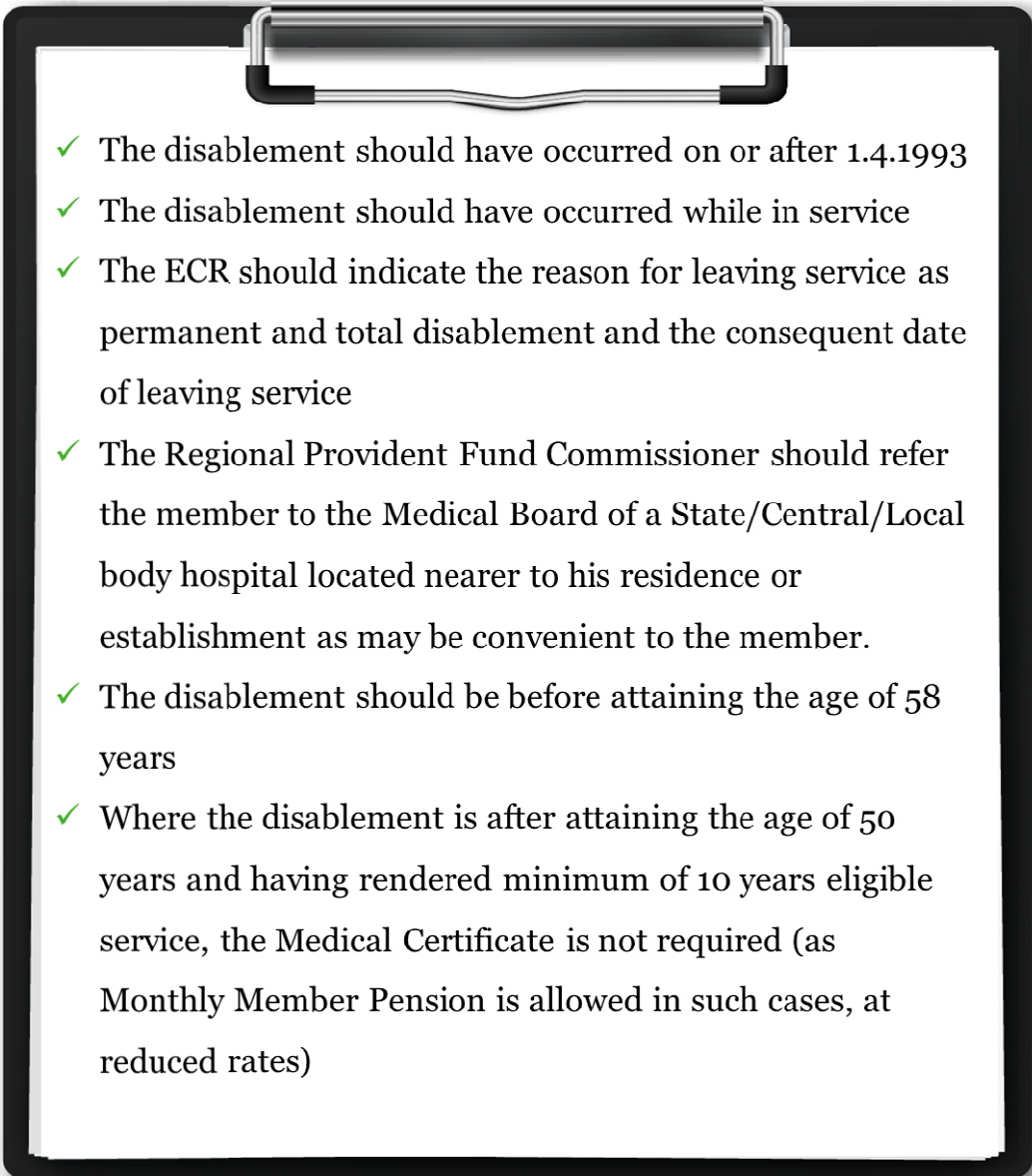
- 2.7.2.1 The quantum of disabled pension is to be determined with reference to the formula prescribed for Monthly Member's Pension.
- 2.7.2.2 The determination of pension payable shall be the same as applicable to a member who retires on the date of invalidation.

### **2.7.3 Contingency for Payment:**

- 2.7.3.1 If an employee retired from service on account of any bodily or mental infirmity, which permanently and totally incapacitated him for performing all work, which he was capable just before disablement, he is entitled for pension under Paragraph 15 of the Employees' Pension Scheme, 1995.
- 2.7.3.2 Permanent and total disablement means such disablement of permanent nature which incapacitates an employee for all work which he/she was capable of performing at the time of disablement, regardless of whether such disablement is sustained in the course of employment or otherwise.
- 2.7.3.3 In the case of member, who is permanently and totally disabled during the period of her employment, he/she should undergo a Medical Examination before the Medical Board of the area constituted either by the Central or State Government or the Employees' State Insurance Corporation or any other local authority competent to constitute such a medical Board.
- 2.7.3.4 For this purpose, if needed, any disability certificate issued by the competent authority as per the Rights of Persons with Disability Act of 2016 shall be sufficient provided that it is certified that he/she is permanently and totally unfit for the employment which he/she was doing at the time of such disablement. Regional Provident Fund Commissioner should request the competent authority of the hospital to constitute a Medical Board, to examine the employee and issue the medical certificate in the prescribed form. The employee may be requested to appear before the Medical Board and obtain the Medical Certificate. He should be asked to pay the charges for the issue Medical Certificate to the hospital. When a member desires to draw pension outside the jurisdiction of the RO, the medical certificate should be obtained and then the application should forward to the transferee RO.

### **2.7.4 Conditions:**

Before authorizing the disabled pension, the following guidelines should be followed:

- 
- ✓ The disablement should have occurred on or after 1.4.1993
  - ✓ The disablement should have occurred while in service
  - ✓ The ECR should indicate the reason for leaving service as permanent and total disablement and the consequent date of leaving service
  - ✓ The Regional Provident Fund Commissioner should refer the member to the Medical Board of a State/Central/Local body hospital located nearer to his residence or establishment as may be convenient to the member.
  - ✓ The disablement should be before attaining the age of 58 years
  - ✓ Where the disablement is after attaining the age of 50 years and having rendered minimum of 10 years eligible service, the Medical Certificate is not required (as Monthly Member Pension is allowed in such cases, at reduced rates)

*Figure 6 : Guidelines for Disabled Pension*

#### **2.7.5 Scrutiny for Sanction:**

- 2.7.5.1 The Medical Certificate should be thoroughly scrutinized and ensured that the requirements as per Para 15 of the EPS is fulfilled. In case of any doubt, the matter should be referred to Regional Provident Fund Commissioner for a decision. The RPFC in-charge shall be fully competent to decide the issue based on the facts placed before him.

#### **2.7.6 Commencement:**

2.7.6.1 The disabled pension is payable from the day following the date of disablement and consequent exit from the employment. The pension is payable for lifetime of the member followed by family pension to widow and children.

#### 2.7.7 Calculation of disabled pension:

2.7.7.1 The calculation of disabled pension shall be in the same manner as is done for early pension subject to minimum of Rs. 450. With effect from 01.09.2014, the monthly member pension (superannuation / early/ permanent and total disablement pension) including any relief payable shall not be less than Rs. 1000. However, this minimum shall be subject to deductions on account of benefits of commutation, Return of Capital and early pension.



The disabled pension is payable from the day following the date of disablement and consequent exit from the employment. The pension is payable for lifetime of the member followed by family pension to widow and children.

## 2.8 Return of Capital (ROC) (Deleted w.e.f. 26.09.2008)

2.8.1 The Return of Capital (where opted in date of commencement of pension prior to 26.09.2008) is payable either to the member or to his nominee. The nominee shall mean a person nominated by the member only. The nominee should be the one falling under the definition of “family” as defined in Para 2 (vii) of the Scheme i.e., spouse, sons & daughters only.

2.8.2 However, if the member has no family i.e., spouse, sons, and daughters (irrespective of their age) he can nominate any other person of his choice. The member/ pensioner can alter the nomination during his lifetime.

2.8.3 If there is no valid nomination on the day of death of the pensioner or spouse, as the case may be, the benefit shall be payable as per the Succession Certificate issued by the Court of Law.

2.8.4 **The ROC benefit does not affect grant of widow/ children/ orphan pension as this is an additional benefit for which the member had surrendered a part of his pension prior to 26.09.2008.**

2.8.5 The cases of releasing due benefit to earlier optees shall be regulated as follows:

Quantum of Pension	Return of Capital
90% of original pension	On member's death 100 times the original monthly pension to nominee.
90% of original pension to member. On his death 80% of pension to widow/widower.	On death or remarriage of widow/ widower whichever is earlier. 90 times of original pension to nominee
87.5 % of original pension for a fixed period of 20 years to member. On his death before 20 years, nominee will get pension for balance period	At the end of 20 years, 100 times of original pension to member, if he is alive, otherwise to nominee.



**Note : As on date, the provision related to ROC has been deleted.**

## 2.9 Widow/Widower Pension

2.9.1 The following benefits are payable to the family on the death of a member: -

2.9.1.1 On death of a member, who is survived by a spouse and children, the family is entitled to receive monthly widow pension and children pension.

2.9.1.2 The pension is payable from the date following the date of death of the member to the date of death or remarriage of the widow/widower, whichever is earlier.

2.9.2 The occurrence of death is divided into three categories and accordingly the quantum of pension payable to each category is specified.

Death in Service	One Month Contribution	Notional Monthly Member Pension or Rs.450/- or Amount in Table-C whichever is more
Death after the date of exit Before attaining the age of 58:	(1) With 10 years eligible service	Notional Monthly Member Pension or Rs.450/- or Amount in Table-C whichever is more

	(2) Less than 10 years eligible service provided death is before a continuous period of 36 months has elapsed during which contributions have not been received in respect of the member in the pension fund.	Notional Monthly Member Pension or Rs.450/- or Amount in Table-C whichever is more
After commencement of Pension	---	50 % of Monthly Member Pension subject to minimum of Rs.450/-

**2.9.3 Minimum Pension:** In all the cases, where the monthly widow pension including relief, if any is less than one thousand rupees per month, the amount of monthly widow pension, shall be enhanced to one thousand rupees per month w.e.f. 01.09.2014.

**2.9.4 Pension to more than 1 Widow:** In case, where there are 2 or more widows, Widow Pension shall be payable to the eldest surviving widow (i.e., seniority with reference to the date of marriage). On her death, it shall be payable to the next surviving widow. However, in case of children, Pension shall be payable to first two eligible in the order of their date of birth, irrespective of the fact whether they are children through the first or second wife or deceased wife followed by other children in the order of their date of Birth.

**2.9.5 Judicial Separation:**

**2.9.5.1** If a female or male member dies leaving behind a judicially separated widow or widower and no eligible child or children, widow/widower pension shall be paid to surviving judicially separated widow/widower. However, if the judicial separation is granted on the ground of adultery and the death of the member takes place during the period of such judicial separation, widow/widower pension shall not be payable to surviving widow/widower as the case may be, if such person surviving was held guilty of committing adultery, and it shall be paid to the nominee of the deceased member.

**2.9.5.2** Where a female or male member dies leaving behind a judicially separated widower or- widow with a child or children, the widower/ widow pension shall be payable to the widower or widow. The children pension shall be payable to eligible children. However, if the judicial



separation is granted on the ground of adultery and the death of the member takes place during the period of such judicial separation; widow/ widower pension shall not be payable to the widow/ widower if such person surviving was held guilty of committing adultery. However, the orphan pension shall be payable to the eligible children.

2.9.5.3 The female EPS members may if she so desires exclude her husband from the family for the purpose of EPS. A simple request in writing to RPFC shall be sufficient and she need not prove separation/ divorce.

2.9.6 In case of a widow gives birth to an illegitimate child, the pension should be allowed to continue. as there has been no remarriage.

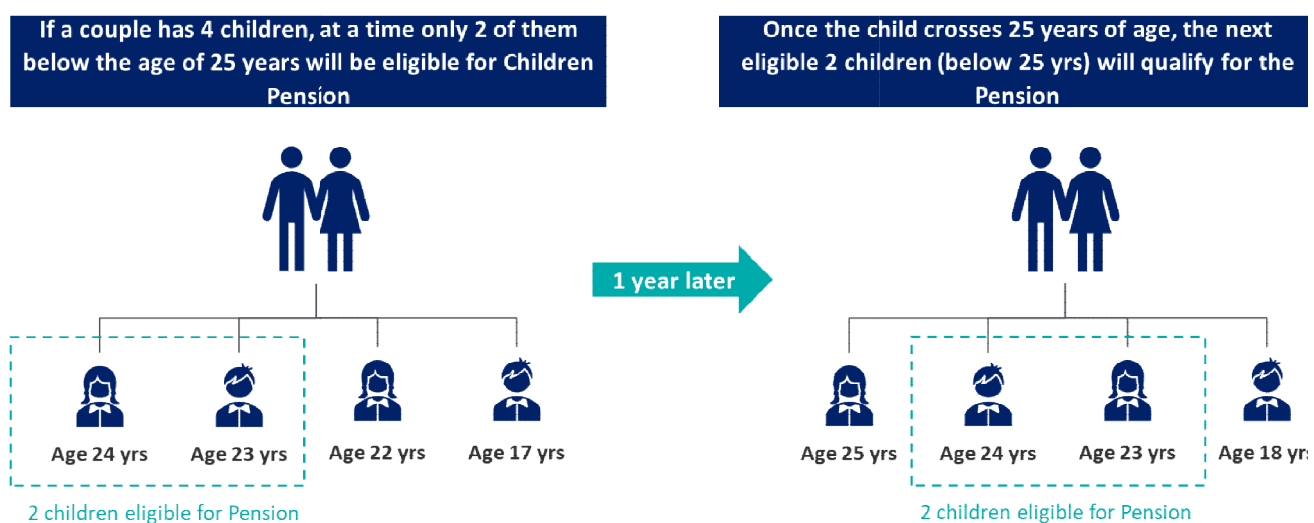
2.9.7 **Pension to Post Retiral Spouse:** The Post retiral spouse i.e. where marriage has taken place after date of commencement of pension is not eligible for widow/ widower pension.

## 2.10 Children Pension

### 2.10.1 Eligibility Criteria, Age limit:

2.10.1.1 On the date of death of the member, the children should not have attained the age of 25 years. Legally adopted children shall also be eligible for pension. The term 'child' includes a posthumous child of the member. However, a child adopted by the widow/widower after death of the member shall not be eligible. Similarly, a child conceived after date of commencement of pension shall not be eligible for children pension.

2.10.1.2 The entitlement of Children Pension will depend on reference to the age in the order of date of birth irrespective of whether the eligible child is through first or second wife and so on.



### 2.10.2 Quantum of Pension:

- 2.10.2.1 Monthly children pension shall be equal to 25% of the Pension admissible to the Widow to each child subject to a minimum of Rs.250/- per month w.e.f. 01.09.2014 for each child. (Note: - Prior to 1.09.2014, Minimum Monthly Children Pension was Rs.150/-)
- 2.10.2.2 W.e.f. 01.09.2014, where the monthly children pension including relief, if any is less than Two Hundred and Fifty rupees per month, the amount of monthly children pension in such cases shall be enhanced to Two Hundred and Fifty rupees per month.

2.10.3 **Contingency For Payment:** The children Pension is payable in addition to the widow/widower pension for up to two children at a time till they attain an age of 25 years.



**Note :** The term includes 'Posthumous Child' of the member as well.

2.10.4 **Commencement of Pension:** Two eligible children would be entitled to receive Pension simultaneously. If first two eligible children happen to be twins, the pension is payable to both, as no other child would be eligible. Where the first child being alive and eligible for pension and second and third child happens to be twins, the first child will get the entitled pension and 2nd and 3rd child will share between them the pension admission to the second child. The pension will pass on from oldest to the youngest.

2.10.5 **Cessation of Pension:** The payment of Pension will be terminated, on attaining the age of 25 years or on death of a child whichever is earlier. On the death or remarriage of the widow/widower, the children pension will be converted into Orphan pension, the entitlement of which is explained in following Paragraphs.

**NOTE:- Pension to minor children can be directly paid into their bank account.**

2.10.6 **Pension to Post Retiral Children:** A child adopted after withdrawal of pension is not eligible. Similarly, a child adopted after commencement of pension is also not eligible. However, a child conceived prior to retirement shall be eligible.

## 2.11 Nominee Pension

- 2.11.1 In the event of death of a member who is not survived by a family (as defined under EPS) and has done EPS nomination in their lifetime, such nominee is eligible for a monthly nominee pension. the nominee appointed by the member will be paid pension as follows-
- 2.11.2 Wherever the member, without having eligible members of family, draws Monthly member Pension and dies subsequently, his/her nominee is not entitled for pension. Thus, after commencement of monthly member pension, the nominee is ineligible for pension.
- 2.11.3 Where the deceased member had not rendered the requisite service for the eligibility of Monthly member's Pension as on the date of leaving service, the nominee, shall be entitled to withdrawal benefit as provided in Para 14, under Para 16(5)(b).
- 2.11.4 **When a member or the family foregoes his claim:** Pension is payable only to eligible person and his/ her family / nominee/ dependant parents. While the eligible person can opt to forgo his claim without any condition, in lieu thereof no amount can be released to such eligible person or any other person.
- 2.11.5 **Minimum Pension:** In all the cases, where the monthly nominee pension including relief, if any is less than one thousand rupees per month, the amount of monthly nominee pension, shall be enhanced to one thousand rupees per month w.e.f. 01.09.2014.

## 2.12 Dependent Parent Pension

- 2.12.1 In the event of death of a member who is not married, or who does not have any living spouse and / or an eligible child, or a nominee appointed by the member, the dependant parents will be paid pension. The quantum of dependant parent pension will be equivalent to the widow pension, as under:

In case of death while in service	Death after the date of exit with 10 years eligible service before 58 years of age
Notional Monthly Member Pension or Rs.450/- or Amount in Table-C whichever is more	Notional Monthly Member Pension or Rs.450/- or Amount in Table-C whichever is more

- 2.12.2 The dependant parent pension shall be first paid to father and upon his death to the mother.
- 2.12.3 Wherever the member, without having eligible members of family, draws monthly member pension and dies subsequently, there shall be no further beneficiary and pension payment shall stop once the member dies.
- 2.12.4 Where the deceased member had not rendered the requisite service for the eligibility of monthly member's Pension as on the date of leaving service, the dependant Parents shall be entitled to withdrawal benefit as provided in Para 14, under Para 16(5)(b).
- 2.12.5 **Minimum Pension:** In all the cases, where the monthly dependant parent pension including relief, if any is less than one thousand rupees per month, the amount of dependant parent pension, shall be enhanced to one thousand rupees per month.

## 2.13 Orphan Pension

2.13.1 'Orphan' is defined in the scheme as none of whose parent is alive.

2.13.2 Orphan pension is payable in the following contingencies:



Figure 7 : Contingencies for Orphan Pension

2.13.3 **Quantum:** The quantum of orphan pension for each such child will be 75% of the pension admissible to widow/widower, subject to a minimum of Rs.750/- per month w.e.f. 01.09.2014.

2.13.4 In all the cases, where the monthly Orphan pension including relief, if any is less than Seven Hundred and Fifty rupees per month, the amount of monthly Orphan pension in such cases shall be enhanced to Seven Hundred and Fifty rupees per month.

2.13.5 The orphan pension may or may not follow children pension.

2.13.6 Similar to children pension, orphan pension is also restricted to two orphans.

2.13.7 The orphan pension will commence from the date following the date of death of the member (without leaving a spouse) or widow/ widower, or remarriage of widow/ widower.

**2.13.8 The orphan pension will cease on attaining the age of 25 years or death whichever is earlier.**

2.13.9 The Orphan pension will commence only after exhausting widows, where pension is allowed for more than one widow.

***NOTE:-The pension claim for orphans can be obtained from the orphans themselves if at least one of them be above 10 years of age. This shall ensure that there is no delay in releasing pension benefits because of non-availability of a legal guardian.***

2.13.10 **Pension to Disabled Children/ Orphan:** If the deceased member is survived by disabled children/ Orphan within the definition of family and the disablement is such that it incapacitates the child with earning capacity for his lifetime, then on certification by competent medical authority as per the Rights of Persons with Disability Act of 2016, such children shall be entitled to a monthly children pension subject to following conditions that–

2.13.10.1 Such pension to disabled children shall be payable irrespective of their age for their lifetime; and

2.13.10.2 The pension shall be admissible to all such children irrespective of their number and restriction of pension to two children at a time.

Case	1st Child	2nd Child	3rd Child	4th Child	Pension paid to
1	Normal	Normal	Disabled	Disabled	First 2 normal children (up to 25 years age) along with 3 <sup>rd</sup> and 4 <sup>th</sup> children

Case	1st Child	2nd Child	3rd Child	4th Child	Pension paid to
2	Normal	Disabled	Normal	Disabled	1 <sup>st</sup> , 2 <sup>nd</sup> and 4 <sup>th</sup> children
3	Disabled	Disabled	Normal	Normal	1 <sup>st</sup> and 2 <sup>nd</sup>
4	Normal	Disabled	Normal	Normal	1 <sup>st</sup> and 2 <sup>nd</sup> children. On completion on 25 years of age of 1 <sup>st</sup> child, 3 <sup>rd</sup> will occupy the slot likewise 4 <sup>th</sup> child on completion of 25 year by 3 <sup>rd</sup> child
5	Disabled	Normal	Normal	Normal	The 1st and 2nd children get pensions until the 2nd child turns 25; then the 3rd child takes the slot, followed by the 4th child after the 3rd turns 25.
6	Disabled	Disabled	Disabled	Disabled	All 4 children will get pension



**Note :** The age limit of 25 years for Children Pension is not applicable in case of Disabled Children/Orphan.

## 2.14 Miscellaneous

**2.14.1 Payment of Pension to the Guardian (On Behalf of Minor or a person suffering from mental disorder) :-** If the person to whom the pension is to be paid is a minor, the payment shall be made to the guardian of the minor, if any, appointed by the member during his lifetime as indicated in the Form-2 (Revise) or Form 10-D (EPS).

**2.14.2** Where no such guardian has been appointed, it shall be paid to the natural guardian of the minor. In the absence of natural guardian, it shall be paid to the guardian appointed under the Guardian & wards Act, 1980.

**NOTE:-**The pension claim for orphans can be obtained from the orphans themselves if at least one of them be above 10 years of age. This shall ensure that there is no delay in releasing pension benefits because of non-availability of a legal guardian.

**2.14.3 Payment of Pension to the Guardian on Behalf of person suffering from mental disorder:** If the person to whom the pension is to be paid is a person suffering from mental disorder, the payment shall be made to the natural guardian/guardian appointed by the member during his lifetime as indicated in Form 2 (Revised) / Form 10-D (EPS). Where no such guardian has been appointed, it shall be paid to the natural guardian/managers appointed under The Mental Healthcare Act, 2017.

#### **2.14.4 Payment of Pension in The Case of The Member's Whereabouts Are Not Known:**

2.14.4.1 In the normal course, unless a period of 7 years has elapsed since the date of disappearance of the employee, he cannot be deemed to be dead, and the pensionary benefits cannot be paid to the family. The matter has been under consideration of the Government for some time, as with holding of the benefits under CCS Pension Rules due to the family has been causing a great deal of hardship, it has been decided by the Government that when an employee disappear leaving his family, family pension may be granted to the family after a lapse of one year, subject to the fulfilment of the following conditions:

- a. The family must lodge a complaint with the concerned Police station and obtain a report that the employee has not be traced after all efforts has been made by the Police.
- b. An undertaking should be taken from the family members / nominee of the employee that all payments will be adjusted against the payment due to the employee in case he appears on the scene and makes any claim.
- c. The family can apply to the concerned authority for grant of family pension after one year from the date of lodging the FIR with the Police.
- d. The date of disappearance of the employee/ pensioner shall be reckoned from the date of FIR is lodged with the police and the period of one year after which the benefits of family pension is to be sanctioned will also be reckoned from that date However, the benefits of family pension will accrue from the date of lodging the FIR or on expiry of the leave granted to employee, if any, whichever is later. While sanctioning the payment of pension to family it will be ensured by the concerned authorities that family pension is not authorised for any period for which payment pay and allowance in respect of disappeared employee has been made.
- e. The benefits to be sanctioned to the family of the missing employee shall be based on and regulated by the emoluments drawn by him and the rules/orders applicable to him a on the late date he/she was on duty including authorized period of leave.

2.14.4.2 In the case of missing persons, the family pension at the rates indicated in the PPO shall be payable.

2.14.4.3 The payment of pension to widow/widower, children (including disabled), orphan, nominee, as the case may be under the Employees' Pension Scheme, 1995 may be regulated on the above lines. If the member / pensioner is missing and the spouse is not alive / remarried, orphan pension may be paid to eligible children. The indemnity bond to be obtained forth is purpose from the family members.

**2.14.5 Debarring a Pensioner from Receiving Benefits:**

2.14.5.1 If a person, who will be the beneficiary under Employees' Pension Scheme, 1995, in the event of the death of the member/pensioner, is charged with the offence of murdering the member / pensioner or for a betting in the commission of such an offence, his claim for pensionary and other benefits shall remain suspended till the conclusion of the Criminal proceeding but the benefits to the eligible persons shall not be suspended and they shall not be paid to them. If on the conclusion of criminal proceedings, the person is convicted for the offences charged above, the benefits otherwise normally payable to him under the Employees' Pension scheme, 1995 shall not be paid to him, but the benefits should be equally divided among other persons eligible to receive the benefits for the relevant period and paid to them. If the person is acquitted of the above offence, the benefits under Employees' Pension Scheme, 1995 should be paid to him.

2.14.5.2 If a husband is charged with the offence of murdering his wife, who was a member of Employees' Pension scheme, 1995 or for abetting in the commission of such office, his claim for pensionary benefit under Employees' Pension Scheme, 1995 shall remain suspended till the conclusion of the proceeding initiated against him.

2.14.5.3 However, children pension payable to eligible children shall not be suspended and they shall be paid to them. In the conclusion of the criminal proceedings, if he is convicted, his share of pension will not be paid to him but will be paid equally to the children eligible to receive the pension for the relevant period along with the pension they are normally eligible.

2.14.5.4 If a son is charged with the offence of murdering his father/mother, who was member of Employees' Pension Scheme, 1995 or person drawing pension under Employees' Pension Scheme, 1995 on the date of his death or for abetting in the commission of such offence, his



share of children pensions for the period for which he is eligible shall remain suspended till conclusion of the criminal proceedings. Other eligible children will draw their share of pension. In the conclusion of criminal proceedings, if he is acquitted, his share of children pensions for the period for which he is eligible including the arrears will be paid to him. If he is convicted, children pension will be paid to the other eligible child, if any for the period for which the convicted person would have been eligible to draw the children pension, till the eligibility of the other child ceases i.e., the other child attains the age of 25 years and thereafter it will pass on to the other eligible child, if any.

#### **2.14.6 Payment of Pension in cases where member possesses multiple account numbers simultaneously in two or more establishments**

2.14.6.1 Cases where any EPS member possesses multiple account numbers for concurrent employment, simultaneously in two or more establishments, the following process shall be followed:

- a. Pension from each establishment has to be worked out at the date of exit on actual basis.
- b. Pension payable from all establishments shall be aggregated provided that aggregate of pensionable salaries at any point of time shall not exceed wage ceiling and as & when it exceeds wage ceiling the contribution received on such excess salary shall be diverted to the PF account.
- c. The minimum pension criteria will be applied to aggregated pension i.e., only on the total pension amount.

2.14.6.2 When a member becomes member of EPS on account of his wages on the date of joining being not more than the wage ceiling of Rs.15,000/-, upon his joining another establishment without exiting from the first establishment at a later date, the RO where the other establishment is covered shall be responsible to ensure that total contribution into EPS shall not exceed contribution payable on wage ceiling of Rs.15,000/.

2.14.6.3 Further, it shall be ensured that w.e.f. 01.09.2014, if the wage in a single establishment exceeds Rs.15,000/- or aggregate of wages at the time of joining exceeds Rs. 15,000/- in multiple establishments (concurrently & simultaneously), the full 24% PF contribution shall be retained in Provident Fund account only, as in such cases, the member shall not be eligible for membership of EPS, 1995.

2.14.6.4 In other cases, the pension shall be calculated, and PPO shall be issued from where the member finally exits EPS, 1995. Similarly, if there are two overlapping memberships, the RO where member has joined subsequently shall be responsible to comply with instructions as at Para b.

2.14.6.5 Cases where EPS Member has multiple employments in past in different Regional Offices having less than eligible service in each establishment and total of such services make him eligible service for Pension Benefits and has not transferred his previous services into his current/last account, has wrongly submitted claim form for withdrawal benefits in last Member ID and the same has been erroneously processed by the office.

- a. In such cases, since the membership has not ceased, erroneous withdrawal benefit amount released to him/her shall be recovered along with interest as declared under the Employees Provident Fund Scheme from time to time. Thereafter, the due pension shall be released. However, if at the time of withdrawal benefit there was no earlier continuing membership or Scheme certificate, in such cases the withdrawal benefit cannot be refunded by the member to get the service added at a later date.
- b. Illustration: - A member has multiple service in establishments A, B,C & D sequenced in order of time. If member applied for WB in respect of B, while services in A, C & D were intact, in such cases the member will be eligible for refund of WB and his/ her service shall be regularised as he was a continuing member by virtue of service in 'A'. However, if member applies for WB in Respect of A, in such case he/she will not be eligible for regularisation of service by refunding WB as there was no prior service before A and by availing WB in respect of A the member had forfeited his EPS membership.

**2.14.7 Positives for the Employees/members/pensioners: -**

- a. Recently Central Government has made an important amendment to ensure that EPS members with less than six months of contributory service also receive withdrawal benefit. This crucial change will positively impact over seven lakh EPS members each year who leave the scheme with less than six months of contributory service.

- b. Under the revised guidelines, the contributory service which ignored the fractional period of service rendered for less than 6 months after each completed year will now be calculated in terms of completed months. This adjustment ensures a fairer and more equitable payment of the withdrawal benefit.
- c. Further, extension has also been made to Table B under the Employees' Pension Scheme of 1995 to ensure fair payment of past service benefit to members attaining the age of 58 after a span of 34 years or more years of service.

\*\*\*\*\*CHAPTER END\*\*\*\*\*

S.No	Date	Subject of Circular	Reference in Manual (Corresponding Paras)
1	24.06.2024	Modification in Table D under EPS'95 for the purpose of calculation of withdrawal benefit in terms of para 14 of the scheme	2.3.2
2	10.06.2016	Gazette notification GSR 440 (E ) dated 25 april 2016 on benefit of 4% increase in pension for each year on deferring of drawal of pension after 58 years but not later than 60 years	2.5.2.5
3	05.11.2009	Determination of eligible service under Para 9 of EPS 1995- Rounding off of Past service & Actual Service	
4	24.06.2024	Modification in Table B under EPS'95 for the purpose of calculation of past service benefit under Para 12(3)(i)(b) of the scheme	2.5.5
5	08.05.2017	Benefit of 02 year weightage of service to the members with 20 or more years of pensionable service under para 10(2) of Employees Pension scheme-1995	2.5.9
6	16.10.2008	Amendment in the Scheme (G.S.R. 688(E) dated 26.09.2008	2.8.5
7	29.08.2014	2014 - G.S.R. No. 593 (E) Gazette Notification providing increased quantum of monthly pension under EPS, 1995 HO No. Actuarial/18(2)2008/Vol. III/7737 dated 29/08/2014	2.9.3
8	16.06.2016	G.S.R. 603(E) with effect from 01.04.2015	2.13.3
9	29.01.2024	Regulating EPS entitlement of members having Multiple Account Numbers	2.14.6
10	21.06.2024	Special Drive for updation of pending DLCs through newly recruited SSAs	2.14.7

# CHAPTER 3: AGE, SERVICE AND SALARY

## 3. Age, Service and Salary

### 3.1 Age

- 3.1.1 Age plays a vital role in determining the eligibility for membership, pension and also the quantum of pension and other benefits. Age should be determined with reference to the Date of Birth.

Documents required for determination of Date of Birth for new members at the time of joining or where no record is available, or request received in the office for changing date of birth or if there is a dispute	a. Any of the documents mentioned in Table-B of Annexure-I of Standard Operating Procedure (SOP) for Processing Joint Declarations for Member Profile updation (Version 3) dated 31.07.2024, as amended from time to time
Membership & Eligibility	<p>a. All members of EFPS, 1952 having age less than 58 years and whose pay at the time of joining is less than or equal to 15,000/-, shall compulsorily become members of the EPS, 1995.</p> <p>b. A member, who is enrolled as a member of the EPFS on attaining the age of 58 years, is not eligible to become a member under EPS, 1995</p> <p>c. A member of the EPS on attaining the age of 58 years and if not given deferred option shall cease to be a member of EPS, 1995</p> <p>d. Wherever the average pay/last pay exceeds Rs.5000/- Rs.6500/-/ Rs.15000/-it should be verified, whether the pension contribution has been recovered on such pay. Further, the eligibility for EPS membership and the option exercised for Higher Wages need to be checked. The eligibility for EPS membership as per amendment effective from 01/09/2014 need to be verified.</p>

	<p>(Reference Para 6(a) of EPS, 1995/GSR 609(e) dated 22/08/2014)</p> <p>e. The particulars of age of the member as available in Form 9 (revised)/Form 3(PS)/Form 2 (Revised) should be relied upon to determine the eligibility for benefits, etc.</p>
Monthly Member Pension	<p>a. On attaining the age of 58 years, the member can normally draw the pension. However, if he is not in employment, he can draw the reduced pension from the age not earlier than 50 years</p> <p>b. Members can defer their pension with or without contribution up to age of 60 years. However, option can only be given up to age of 58 years.</p> <p>c. Continued contribution, if not objected in the Pension Fund beyond the age of 58 years shall be taken as willingness of the member for deferred pension.</p> <p>d. The age restriction is not applicable to members who left service on account of total and permanent disablement and in respect of widow &amp; children pension.</p>
Benefits to the family on the death of a member	<p>a. In case of children, on attaining 18 years of age they become major. Till then, natural guardian, or if there is no natural guardian then the guardian appointed, shall receive the benefit.</p> <p>b. Even though the family includes all children irrespective of their age, the eligibility for pension in respect of children (except disabled children) is only up to the age of 25 years.</p> <p>c. Disabled children will be entitled for lifelong pension.</p>
Rounding off of age	<p>a. The completed age of the member alone should be taken into account for all purpose and as such the question of rounding off of age does not arise.</p>

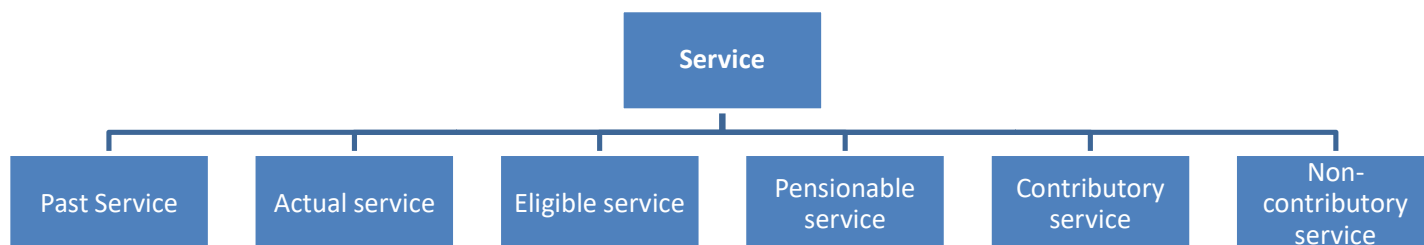
3.1.2 The age as on 16.11.1995 is also relevant to determine the monthly members pension to the members of the EFPS 1971, who have become members of EPS, 1995. In case of employees who were already members of the EFPS 1971, payment of pension is determined with reference to the date of commencement of pension. They are divided into three groups:



Figure 8 : Pension based on date of commencement in respect of continuing member of EFPS 1971

## 3.2 Service

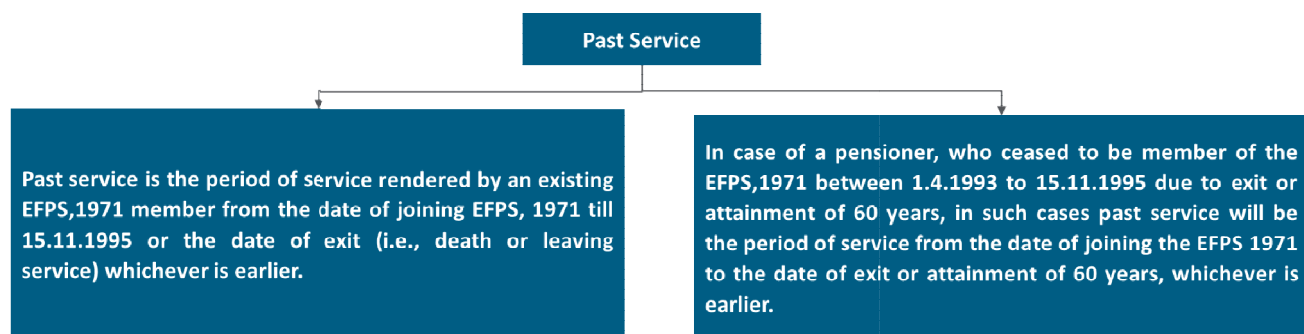
3.2.1 The Service is defined under the 'Employees' Pension Scheme, 1995 under different context.



The importance of each service in determining the eligibility and quantum of pension is given below:

### 3.2.1.1 PAST SERVICE (defined in Para 2(xii) of EPS 1995)





$$\text{Past Service} = (\text{Date of Exit}/15-11-1995) - (\text{Date of joining EFPS,1971})$$

- a. The period of past service would mean the period for which EFPS contributions were payable on the wages due to the members. This includes the period for which the employer had defaulted to pay the contributions and such period should not be construed as break.
- b. The period for which the contributions were not payable due to non-eligibility for wages on account of leave on loss of pay, temporary closure of establishment, strike, lockout or of similar nature or otherwise or for any other reason should be treated as break-in-service and such breaks during which no contributions to the family pension fund shall be excluded from the total reckonable service, unless the contributions thereof have been received in Employees' Pension Fund. (Reference Para 9 of EPS'95)
- c. The benefits due under the Scheme should not be deprived due to non-availability of option form or non-posting of breaks in service particulars or contribution in the Member ledger.
  - i. In such cases, the period of breaks, as furnished by the employer may be accepted.
  - ii. In transfer cases, the period of breaks as furnished in the Annexure "K" and extracted to Member ledger may be taken.
  - iii. Whenever, there are no details of breaks in service in the Annexure K/Member ledger, it shall be treated as NIL.
- d. Rounding Off Past Service -**
  - i. Aggregate of past service and actual service for less than six months shall be ignored and six months and above shall be rounded off to a year.

- ii. All Monthly member pension cases, where date of commencement of pension is before 21.08.2009, member would not be eligible for combined rounding off of aggregate of actual service and past service.

### 3.2.1.2 ACTUAL SERVICE (defined in Para 2(ii) of EPS 1995)

- a. Actual service is the aggregate of period of service from 16.11.1995 or from the date of joining the establishment covered under the Act, whichever is later, to the date of exit from the employment of the establishment (leaving service or death) or attainment of 58 years of age, whichever is earlier.

**Actual Service = (Retirement/exit) - (Joining /16.11.1995)**

- b. In the case of employees either employed in a seasonal establishment/factory or employed seasonally in an establishment, even if their actual period of service is less than a year in any year, the period of 'actual service' will be reckoned as one year
- c. The unemployment period between two spells of employment periods should be excluded to arrive at the actual service.

**Actual Service includes the period of contributory and also non-contributory periods**

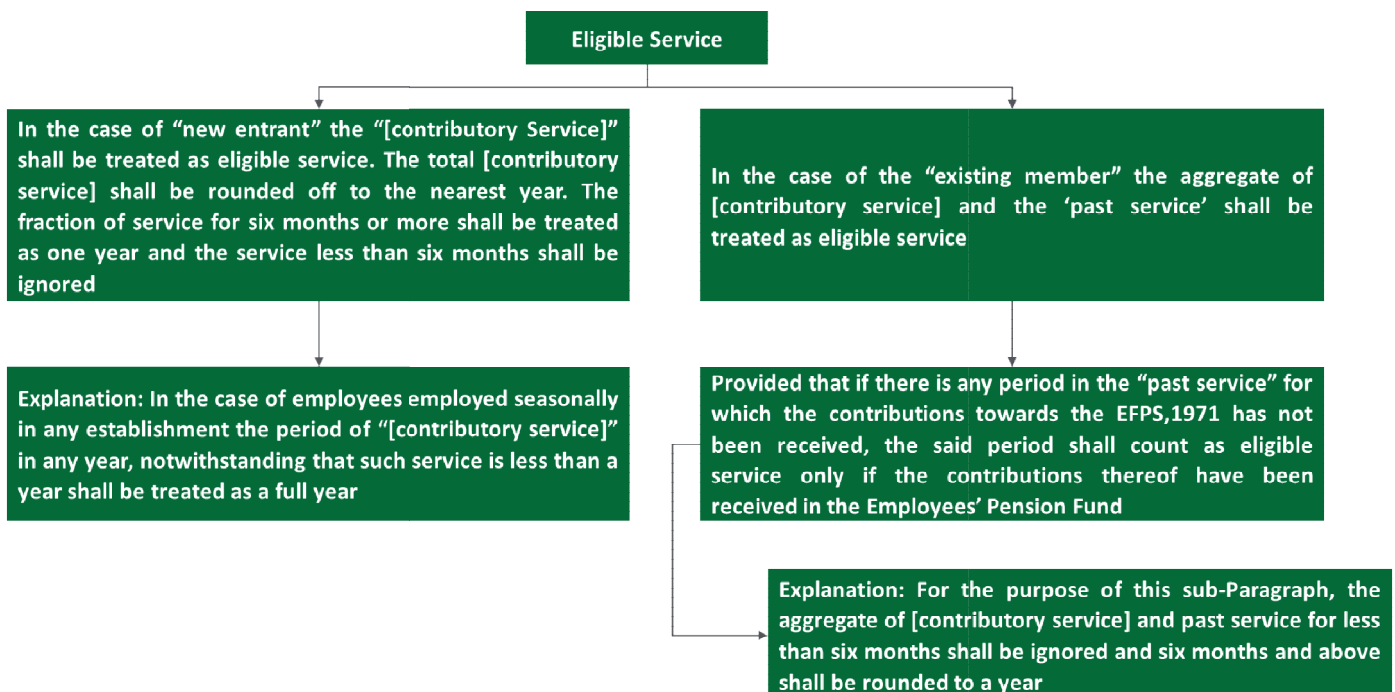
### 3.2.1.3 PENSIONABLE SERVICE (defined in Para 2(xv) of EPS 1995)

<b>Pensionable Service</b>	<ol style="list-style-type: none"> <li>a. Pensionable service is the service rendered by the member from 16.11.1995 onwards and for which Pension Fund contributions have been received or receivable. The Pensionable service is one of the factors to determine the quantum of Monthly Member Pension.</li> </ol>
<b>Period of pensionable Service</b>	<ol style="list-style-type: none"> <li>a. The period of pensionable service is arrived at by reducing the period of non-contributory service during the period of employment falling on or after 16.11.1995 till the date of exit from the employment or attainment of 58 years, whichever is earlier from the actual service. <div style="border: 1px solid black; padding: 5px; margin: 10px 0; text-align: center;"> <b>Pensionable Service = Actual Service- Non-contributory service</b> </div> </li> <li>b. The period for which the employer defaulted to pay the pension contributions will be treated as pensionable service, as the dues are</li> </ol>

	<p>receivable. However, in case of default establishments, the withdrawal benefit will not be considered as pensionary benefit.</p> <p>c. The 'non-contributory period of service' of employees employed seasonally in any establishment reckoned as 'actual service' shall not be treated as 'pensionable service.'</p>
<b>02-year weightage</b>	<p>a. In case of the member who superannuates on attaining the age of 58 years and who has rendered 20 years Pensionable service or more, his/her Pensionable service shall be increased by adding a weightage of 2 years after 23.07.2009.</p> <p>b. For granting the benefit of two years weightage, Pensionable service will include service rendered under EPS 1995 as well as erstwhile Family Pension Scheme 1971 to fulfil the condition of 20 years or more pensionable service.</p>

#### 3.2.1.4 ELIGIBLE SERVICE (Please see Para 9 of EPS 1995)

- a. The eligibility for pension is determined with reference to 'eligible service.' The eligible service shall be determined as follows:



- b. The method of computing eligible service is as under:

#### DETERMINATION OF ELIGIBLE SERVICE:

1. Period of Past Service	
a) Date of leaving service or 15.11.1995, whichever is earlier:	
b) Minus (-) Date of joining FPS,1971	:
	-----
c) Past service	x xx
d)* Less: Break in service(if not, regularized)	
	-----
e) Net- Past Service	-----
2. Period of Actual Service	
a) Date of exit	_____
(Leaving date or 58 years) whichever is earlier	
b) Minus(-) (i) 16.11.1995 or date of joining EPS,1995	_____
Less (ii) Unemployment period between two spells of employment	
c) Less-Noncontributory service-----	
d)Contributory service	
3. Eligible Service:	
Add: 1(e) + 2 (d)	=
	-----
	(rounding off)

c. A period of 10 years eligible service is prescribed to become eligible for pension. This period of 10 years may be wholly fall either under past service or contributory service or under both. The service rendered by a member of ceased EFPS 1971 has been termed as 'past service' and it should not be misconstrued as 'Pensionable service'.

d. The minimum period of 10 years eligible service for entitlement of pension is only for granting member pension (other than disable pension) and not for widow and children pension.

### 3.3 Salary

3.3.1 Similar to the term 'service' the term 'salary' is also equally relevant, and it is vital factor in determining the quantum of benefits payable to the member as well as to his family. The 'pensionable salary' is one of the factors to determine the quantum of monthly member's pension:

## Pensionable salary

Up to 31-08-2014	From 01-09-2014
Pensionable salary shall be the average monthly pay drawn on which contribution to Employees' Pension Fund paid or payable during the contributory period of service in the span of 12 months preceding the date of exit from the employment. The total wages during the 12 months span shall be divided by actual number of days for which wages has been drawn and the amount so derived shall be multiplied by 30 to work out the average monthly pay.	The pensionable salary shall be the average monthly pay drawn in any manner including on piece rate basis during contributory period of service in the span of sixty months preceding the date of exit from the membership of the Pension Fund and the pensionable salary shall be determined on pro-rata basis for the pensionable service up to the 1st day of September, 2014, subject to maximum of 6,500 Rs per month and for the period thereafter at the maximum of 15,000 Rs per month

- 3.3.2 Provided that if a member was not in receipt of full pay during the period of 60 months preceding the day, he ceased to be the member of the Pension Fund, the average of previous 60 months' full pay drawn by him during the period for which contribution to the pension fund was recovered, shall be taken into account as pensionable salary for calculating pension.
- 3.3.3 If during the said span of [60 months] there are non-contributory period of service including cases where the member has drawn salary for a part of the month, the total wages during the [60 months] span shall be divided by the actual number of days for which salary has been drawn and the amount so derived shall be multiplied by 30 to work out the average monthly pay.
- 3.3.4 For Pension on Higher Wages option cases duly approved by the Competent authority, the pensionable salary shall be based on higher salary. If an employer remits in multiple challans for a month, only the first challan is reflected in the Input Data Sheet (IDS) wages for the month and further if the Employer forgets to enter EPS wages, the wages is not reflected in the IDS generated as such proper check shall be made while arriving at the Pensionable Salary i.e., the EPS wages in the Member ledger has to be verified. Also, Transfer-in wage entry shall be verified in Member → Service Details → Complete master service history, before arriving at the average wages.

- 3.3.5 Pensionable salary calculations are as under:

**Case I:** If Date of Joining & Date of Exit is prior to date of notification i.e., 01-09-2014

Wage ceiling = 6500

Pensionable Salary (in case NCP days=0) = 
$$\frac{\text{Sum of last 12 months Pension Wages}}{12^*}$$

(\* or less if service in this span is less than 12 months)

Pensionable Salary (in case of NCP days) = 
$$\frac{\text{Sum of last 12 months Pension Wages} \times 30}{(365-\text{NCP}^{**})}$$

(\*\* Last 12 months NCP Days)

**Case II:** If Date of Joining & Date of Exit is after date of notification i.e., 01-09-2014

Wage ceiling = 15000

Pensionable Salary (in case NCP days=0) = 
$$\frac{\text{Sum of last 60 months Pension Wages}}{60^*}$$

(\* or less if service in this span is less than 60 months)

Pensionable Salary (in case of NCP days) = 
$$\frac{\text{Sum of last 60 months Pension Wages} \times 30}{(1825-\text{NCP}^{**})}$$

(\*\* Last 60 months NCP Days)

**Case III:** If Date of Joining is prior to Date of Notification i.e., 01-09-2014 & Date of Exit is after date of notification i.e., 01-09-2014

Wage ceiling = 6500 and 15000

Pensionable Salary (in case NCP days=0) = 
$$\frac{\text{Sum of last 60 months Pension Wages}}{60^*}$$

(\* or less if service in this span is less than 60 months)

Pensionable Salary (in case of NCP days) = 
$$\frac{\text{Sum of last 60 months Pension Wages} \times 30}{(1825-\text{NCP}^{**})}$$

(\*\* Last 60 months NCP Days)

3.3.6 The past service benefit of pension payable to existing members is reckoned with reference to their pay as on 16.11.1995 (or in those cases where member has exited EPS 1995 prior their 'date of exit') at two different slabs; i.e., salary up to Rs.2500/- and salary more than Rs.2500/-. The term salary would mean pay/wages on which contribution is due.

3.3.7 No average pay needs to be calculated for arriving at the widow pension payable, which shall be calculated on the pay at the pay of death, or the withdrawal benefit payable and return of contribution shall be calculated on the pay at the day of exit from employment.

- 3.3.8 Where there is an abnormal variation on wages with reference to the previous month(s), necessary precaution to be taken and checks should be exercised with reference to the previous month(s) wages. In such cases, where the variation is up to 10% the same may be accepted (exit month). Beyond this, Regional Commissioner in charge of Regional Office/Regional Provident Fund Commissioner (Finance and Accounts) may decide the wages to be taken, after consulting the establishment, if necessary.
- 3.3.9 The number of days for which pay drawn in the month of exit shall be divided by the actual number of days for which wages earned and the amount so derived shall be multiplied by 30. However, any abnormal variation with reference to earlier period, the Assistant P.F Commissioner concerned may order for reckoning the pay in the method of arriving pensionable salary.
- 3.3.10 As regards piece-rated employees, the average total wage is required to be reckoned with reference to the total wages earned during the period of 60 months divided by 1825 days and the product will be multiplied by 30. However, where there are no wages earned for the entire month that month may be treated as period of non-contributory service.
- 3.3.11 Considering the difficulties involved in determining the monthly wages i.e., wages for the month of the exit in respect of deceased piece-rated employees the actual wages earned for the period of 60 months (actual pensionable service wherever the period is less than 60 months) may be divided by 1825 / period of pensionable service and the product may be multiplied by 30. As regards daily rated employees, the procedures prescribed in the scheme to determine the average wage may be adopted.
- 3.3.12 The pay last drawn as taken from Member Ledger should be relied upon.

**\*\*\*\*\*CHAPTER END\*\*\*\*\***

S.No	Date	Subject of Circular	Reference in Manual (Corresponding Paras)
1	31.07.2024	SOP for processing of joint declaration of member profile updation version-3 in EPFO	3.1.1 (a)
2	08-05-2017	Benefit of 02-year weightage of service to the members with 20 or more years of pensionable service under para 10(2) of Employees Pension scheme-1995	3.2.1.3
3	05-11-2009	Determination of eligible service under para 9 of EPS'1995 -Rounding off of past service and Actual service	3.2.1.1 (d)
4	19-02-2009	Determination of eligible service under para 9 of EPS'1995 -Rounding off of past service and Actual service	3.2.1.1 (d)



# CHAPTER 4 :SERVICE TO SUBSCRIBERS & SPECIAL INTERVENTIONS

## 4. Service to Subscribers and Special Interventions

### 4.1 Service to Subscribers

**4.1.1 Introduction:** This chapter covers service delivery to subscribers & stakeholders and includes the various claim forms, process of filing and disposal of claims, issuance of PPOs, e-Nomination, and other related areas.

**4.1.2 Pro-active approach to service:** Service to subscribers start at the point when the pensioner exits the scheme. A proactive approach is expected to be initiated at the level of each Regional Office the moment the following events occur.



#### 4.1.2.1 EPS 95 members attaining the age of 58

- a. It is the responsibility of the organization to reach out to all EPS 95 members as soon as they attain the age of 58. The system contains contact details of the members and the email id of the employers which can be used to reach out to the members and their employers. The instructions issued from time to time with respect to pension on due basis shall be followed to ensure that all eligible members receive pension in time.
- b. A special program “Pension on Due Basis” exists to address neglected pension cases. It targets retirees who haven't claimed their pension despite being eligible (10+ years of service, age 58+) and families of deceased members who either haven't filed a claim or whose claim remains unresolved despite contributions being made. This initiative aims to ensure all eligible beneficiaries receive their rightful pension benefits, even if there's been a delay in claiming.

#### 4.1.2.2 **Members who have opted for deferred pension between the age of 58 & 60**

- a. Members may opt for deferred pension under Para 12 (7B)(b)(i) and 12 (7B)(b)(ii). The IS Division will provide the necessary facility in the member's portal to facilitate the preference of option. The facility should be available to the member well in advance prior to attaining the age of 58 so that the contribution to the pension fund if opted so can continue without disruptions. From time to time all employers should be sent emails for awareness of this provision and online facility of filing option.

#### 4.1.3 **Claim Forms**

- 4.1.3.1 The Benefits under the Employees' Pension Scheme, 1995 shall be authorized on the basis of Online Claim Forms submitted by the Members / Family Members through the Unified Member Portal/ or by the Composite Claim form or through the Umang App.

- 4.1.3.2 Form 10C (Withdrawal benefit), Form 10C (Scheme Certificate), Form-10D (Pension) are forms to be filled by members or beneficiary depending upon the circumstances. Claimant wise admissible form along with required documents is tabulated below:

##### i. **Essential Conditions:** (For all claims submission)



Valid UAN seeded with Aadhaar should be available



If member does not have valid UAN, UAN should be generated BASED ON JOINT DECLARATION SUBMITTED BY MEMBER and Aadhaar seeded against the UAN



Only if UAN is validated and seeded with Aadhaar, member can file KYC and E Nomination



For Online filing of Form 10C for availing Scheme Certificates/Form 10D by member or by family/claimants of EPS Pension Benefits, E Nomination should have been filed and be signed

##### ii. **Preconditions:**

- a. Member must be an EPS Member.
- b. For members joining on or after 01.09.2024, without having any prior service, It is to be checked if the wages at the time of joining was more than Rs. 15000/-. If so, the member will not be eligible for benefit under EPS'95.
- c. It has to be checked whether the member has previous service history and transfers are effected to present account

- d. Member service history should be uninterrupted and cross tallied with PF service details.  
(Explanation: Some members get their PF transferred from Trust and fail to get EPS service history transferred to EPFO and thus there will be no continuous service which would raise grievances afterwards on receipt of benefits)
- e. Date of exit from EPS should be available against member service history.

S.N	Claimant	Type of Claim for Pension	Service Eligibility	Documents Required	
				Off-line	On-line
1.	Member	Form 10C for withdrawal benefit	Contributory service less than 6 months and less than 120 months	1. Composite claim form 2. Bank details	1. KYC requires to be updated. 2. Form 10C through member portal.
		Form 10C for scheme certificate	1. Contributory service =>120 months, 2. Can be availed before 58 years	1. Composite claim form 2. Family Details	
2.	Member	Form 10D for member pension	1. Contributory service =>10 years 2. Member can opt for reduced pension on attainment of 50 years 3. Member can opt for deferred pension after attaining 58 up to 60 years (with or without contribution)	1. Claim form-10D 2. Bank details of member in recognized banks. 3. Birth certificate/school leaving certificate /Proof of DOB of beneficiaries	1. KYC& e-nomination require to be updated. 2. Form 10D through member portal.
3.	Member	Form 10D for disablement pension	1. Reason for exit should be disablement while in service	1. Form 10D 2. Bank details of member in recognized banks. 3. Birth certificate/school leaving certificate/Proof of DOB of beneficiaries 4. Medical certificate issued by the CMO with 100% disability.	1. KYC & e-nomination require to be updated. 2. Form 10D through member portal.
4.	Beneficiary	Form 10D for	1. Reason for exit should	1. Claim form 10D	1. KYC& e-

	(widow)	family pension.(widow and children pension)	<p>be death in service or death away from service.</p> <p>2. If death away from service, date of death should be within three years of date exit if service less than 10 years.</p>	<p>2. Bank details of all beneficiaries in recognized banks.</p> <p>3. Death certificate of member.</p>	<p>nominatio n require to be updated.</p> <p>2. Form 10 D through member portal.</p>
5.	Beneficiary (children)	Form 10 D for orphan pension	<p>1. Reason for exit should be death in service or death away from service</p> <p>2. If death away from service, date of death should be within three years of date exit if service less than 10 years.</p>	<p>1. Claim form 10D</p> <p>2. Bank details of all beneficiaries in recognized banks.</p> <p>3. Birth certificate/school leaving certificate of beneficiaries</p> <p>4. Death certificate</p>	<p>1. KYC&amp; e-nominatio n require to be updated.</p> <p>2. Form 10 D through member portal.</p>
6.	Beneficiary (parents)	Form 10D for dependent parents' pension	<p>1. There should be no family as defined in EPS 95, no wife and children, unmarried member</p> <p>2. Reason for exit should be death in service or death away from service.</p> <p>3. If death away from service, date of death should be within three years of date exit and service more than 10 years.</p>	<p>1. Claim form 10D</p> <p>2. Bank details of all beneficiaries in recognized banks.</p> <p>3. Death certificate of member.</p>	<p>1. KYC&amp; e-nominatio n require to be updated.</p> <p>2. Form 10D through member portal.</p>
7.	Beneficiary (nominee)	Form 10D for nominee pension	<p>1. There should be no family as defined in EPS 95, no wife and children, unmarried member.</p> <p>2. There should be a valid nomination exercised by member under EPS 95.</p> <p>3. Reason for exit should be death in service or</p>	<p>1. Claim form 10D</p> <p>2. Bank details of all beneficiaries in recognized banks.</p> <p>3. Death certificate of member.</p>	<p>1. KYC&amp; e-nominatio n require to be updated</p> <p>2. Form 10 D through member portal.</p>

			<p>death away from service(death occurred within 36 months of leaving service)</p> <p>4. If death away from service, date of death should be within three years of date exit and service more than 10 years.</p>		
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4.1.3.3 It is sufficient to obtain a single application in the prescribed form, irrespective of the number of beneficiaries.

4.1.3.4 For filing online claims, the facility of e-nomination is available, which is a tool to ensure that subscriber can file e-nomination on their own to ensure social security of their families and avoiding any dispute regarding claim in the event of untimely demise of the member.

4.1.3.5 There is also a facility of e-passbook for the benefit and convenience of the EPFO members enabling them to view more details of their accounts in graphical representations.

4.1.3.6 For pensioners, facility of Digital Life Certificate thorough Face Authentication Technology and UMANG app is enabled. Further, pensioners can check their details through EPFO-Pensioner's Portal and download PPO from Digilocker.

## 4.2 Special Interventions

4.2.1 The intention behind special interventions is to go beyond the regular course of service delivery and extend extraordinary service to members and pensioners in alignment with the vision and the mission of the organisation. In keeping with this intention, the special interventions shall always be an evolving set of activities. At this point of time the activities included in the special interventions are listed as below:

#### 4.2.2 Pro-active settlement of Pension (Pension on due basis)

4.2.3.1 It is a special drive for settlement of pension cases where,

- a. members have completed 10 years of service and have not submitted pension claims even after attaining the age of 58 years, or
- b. where, after death of member, family of deceased members have either not filed the claim or claim has not been settled, even though contribution was received till the month of death.

These are the beneficiaries who are eligible but have not received pensionary benefits even after lapse of considerable period from the date of eligibility for pensionary benefits.

4.2.3.2 These cases can be categorized under three broad categories:

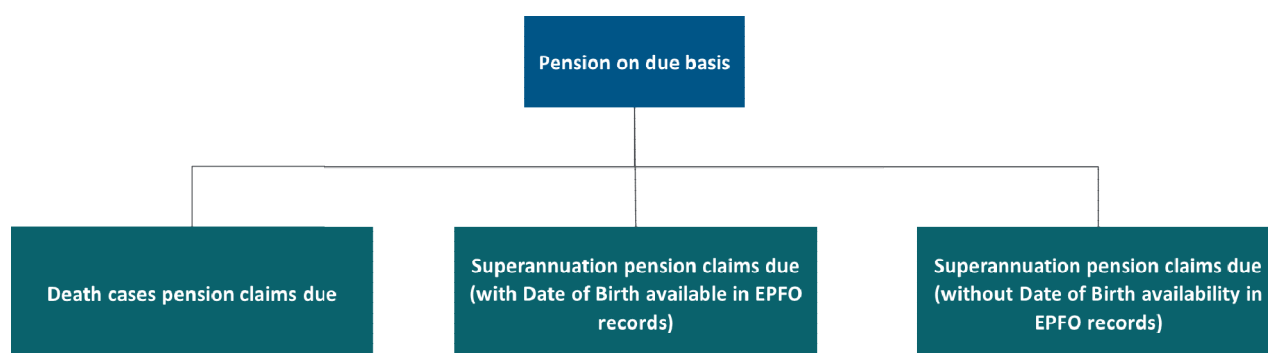


Figure 9 : Categories of Pension on due basis

- a. **Death Cases Pension Claims Due (Form 10D – Death & Form 5 IF):** If the date of death of the member is available in EPFO database and at least one month EPS contribution has been made but pension claim i.e., Form-10 (Death) is not settled, the claim is shown as due for pro-active settlement. The following steps shall be taken for settlement of pension claims of such members:
  - i. A Dashboard in MIS 3.0 has been provided for monitoring of cases of due pension and EDLI claims. The Dashboard provides data with hyperlinks in respect of PF (death claims), EDLI and Pension claims due for previous year as well as the current year separately.
  - ii. This Dashboard shall be monitored by Pension Division, Head Office, and Zonal Office and OIC of Regional Office to check progress in this regard on daily basis.
  - iii. As per para 72 of the EPFS 1952 read with para 38 of EPS, 1995 when a member of the fund leaves the service or on the death of the member, the employer is statutorily

- required to get the claim applications from member/beneficiary duly filled in and forward the same to the Commissioner within 5 days of the receipt.
- iv. Each Regional Office shall appoint a Nodal Officer for looking after the work of Claims on Due Basis.
  - v. The Nodal Officers entrusted with the work of Claims on Due Basis shall ensure that the pending cases are sorted establishment wise. Further whenever, physical inspection of any establishment is to be carried out, the Nodal Officer shall ensure to provide the list of pending due cases of that establishment to the inspecting EO/team. The Nodal Officer shall also regularly follow up with these establishments especially through webinars and Nidhi Aapke Nikat 2.0.
  - vi. The Nodal Officer shall also ensure that list of due cases is provided to AOs of the respective establishments who shall telephonically/through email contact the establishments so as to achieve the target of receiving all due claim applications complete in all respects in a time bound manner.
  - vii. The Dashboard also provides details of cases received but rejected. In such cases the contact details of the applicants may be readily available and DEOs after proper training by the Nodal Officers shall be given the task of contacting such applicants and enquire about the resubmission of forms. They shall note down the problems being faced by the applicants from employers or otherwise. These details shall be compiled by the Nodal Officer establishment wise for onward communication/necessary action directly to establishment as well as to the EO/team visiting establishment for physical inspection and also to AOs of respective establishments for taking up with the establishments.
  - viii. For death cases the Nodal Officer shall coordinate with the DNOs appointed for Industrial Accident Cases to ensure that the family members are provided necessary guidance and support for filling claim applications complete in all respects. The APFCs accounts shall review the positions of settlement of claims on due basis every week along with the Nodal Officer and all AOs.
  - ix. Nodal Officer shall also conduct Workshop for SSAs and Section Supervisors to bring attitudinal transformation by sensitizing them that return/ rejection not only results in creation of additional work but also in grievances. The problems being faced by SSAs and SS from particular establishments shall be noted and got resolved.



- x. The Officer in Charges of Regional office shall also review the status of the Dashboard on daily basis to keep eye on the daily increase in receipt/ and reduction in rejections. He shall conduct at least two webinars in a month with the top 10 employers having maximum pendency of claims on due basis.
- xi. Zonal Office shall ensure that on RPFC in the Zone daily monitors this item of work. The RPFC, Zonal Office shall immediately place before Zonal ACC the status report, if on any day there appears to be no progress in this work area in respect of any of the ROs.
- xii. Zonal ACC shall also conduct review meeting on the subject every fortnight to ensure that for previous years due cases pendency, progress is achieved and for current year due cases pendency is not allowed to increase.
- xiii. Zonal ACC shall also ensure that return/ rejection ratio for Pension & EDLI claims is brought down to less than 20% within the financial year.
- xiv. Centralised SMS shall also be sent to the registered mobile number of such members advising their family / claimants to file claim application Form 10-D for grant of PF, pension and EDLI benefits.
- xv. It shall be endeavoured that sufficient publicity is given to this initiative through press, social media, emails, webinars, etc. so as to ensure that all such claims are received and settled as and when they become due.

**b. Superannuation Pension Claims Due (with Date of Birth):** These are members for whom date of joining in EPS 95 is available and is on or after 16.11.1995.

- i. These members are those who have contributory period of service (in months) as 114 months (9.5 years) or more, they have attained the age of 58 years and their pension claim has not been settled, they are considered as due cases of pension for pro-active settlement.
- ii. The last contribution month is taken as the date of exit in case date of exit from the present establishment is not available.
- iii. Contributory period of service (months) is taken as the difference of months between the date of exit (as arrived from above) and the date of joining in EPS 95 and by deducting NCP days/30 (Non-Contributory Months).
- iv. Where such members may have opted for deferred pension, the claim shall accordingly be considered as due after attainment of age of 60 years.

- v. The steps enumerated in para 12.3.3 shall be followed for settlement of these claims also.
- c. **Superannuation Pension Claims Due (without Date of Birth):** These are members for whom date of joining in EPS 95 is available and is on or after 16.11.1995 and at least one month EPS contribution has been made.
- i. For such of these members where contributory period of service (in months) is 114 months (9.5 years), or more, and the pension claim has not been settled, they are considered as due cases of pension for pro-active settlement.
  - ii. The last contribution month is taken as the date of exit in case date of exit from the present establishment is not available.
  - iii. Contributory period of service (months) is taken as the difference of months between the date of exit (as arrived from above) and the date of joining in EPS 95 and by deducting NCP days/30 (Non-Contributory Months).
  - iv. These cases need more efforts as after ISD provides list of such members to the ROs on quarterly basis, the concerned RO has to ensure that the date of birth of the member is entered into the EPFO records duly following the SOP for KYC updation issued by the Finance Division of the HO.
  - v. Thereafter, the steps for settlement of pension claims as enumerated in para 12.3.3 above shall be followed for timely claim settlement.

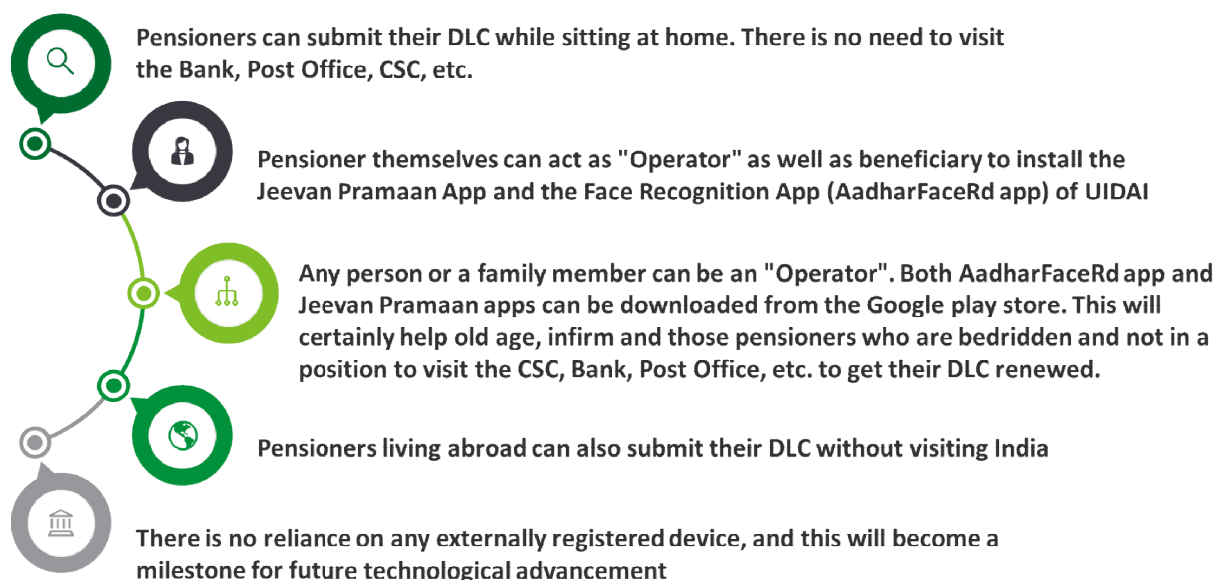
#### 4.2.4 **DLC through Facial Authentication Technology**

- 4.2.4.1 DLC through Face Authentication Technology is an Aadhaar and Android smartphone-based technology that reduces the dependence of pensioners on external biometric devices and makes the process of DLC submission more accessible and affordable and ensures ease of living of pensioners. This technology is particularly helpful where pensioners face difficulties in getting their biometrics (fingerprints/ Iris) captured due to old age or health issues. Using this technology pensioner can submit their DLC sitting at home without needing to visit bank, post office or CSC. This will help old age, infirm and those pensioners who are bed ridden and not in a position to visit the CSC, Bank, Post Office, etc. to get their DLC renewed. Pensioners living abroad can also submit their DLC without visiting India.

4.2.4.2 EPS-95 Pensioners can submit digital Jeevan Pramaan Patra (JPP) or Digital Life Certificate (DLC) by using Aadhaar based biometric devices such as fingerprint scanner or through an Iris Scanner. However, due to old age or health issues, some pensioners face difficulty in getting their biometrics (Fingerprint/Iris). Also, pensioners have to physically visit any of the agencies such as Pension Disbursing Bank Branch, Common Service Centre (CSC), Post Office etc. for updation of DLC or for filing digital JPP.

4.2.4.3 In order to facilitate pensioners, the Department of Pension & Pensioner's Welfare (DOPPW), Ministry of Electronics & Information Technology (MEITY) and UIDAI have developed Face Authentication Technology (FAT) for filing Digital Life Certificate. This technology has been embedded in EPFO's system. This facility of DLC submission by EPS, '95 pensioners through FAT was launched by the Hon'ble Minister, Labour & Employment, in the 231st CBT Meeting held in New Delhi on 30.07.2022. The DLC through face authentication technique is a breakthrough technology that reduces pensioners' dependence on external bio-metric devices and make the process more accessible and affordable, thus ensuring ease of living for all pensioners. The use of face authentication technology can be particularly helpful where pensioners have faced difficulties in getting their biometrics (fingerprint/iris) captured due to old age or health issues.

4.2.4.4 The other advantages of submitting DLCs via the facial authentication technology include:



4.2.4.5 Therefore, face authentication technology needs to be adopted and promoted amongst stakeholders by field offices and Publicity Division so that need does not arise for the

pensioner to visit any office for filing DLC. The detailed process flow, device requirements, and steps are elaborated below.

4.2.4.6 The following are the indicative activities and steps which can be taken, among others, by Field Offices and the Publicity Division:

**a. Actions to be taken by each Field Office:**

- i. **Involve Pension Disbursing Banks:** The role of the pension disbursing banks is critical because they are the first point of contact for pensioners seeking pension or for updating their life certificates. As per agreement with banks, they are required to make adequate arrangements for the updation of life certificates. Accordingly, they are required to deploy Fingerprint Scanners and Iris Scanners. The bank branches need to display prominently the facility of Face Authentication and the steps involved in it. The Regional/District Office would supply the creative material for display in the bank branches in Hindi as well as in regional languages. Further, for those pensioners whose Fingerprints or Iris is not capturable due to any reason, then the facility should be provided to update their digital life certificate through Face Authentication.
- ii. In the case where Fingerprint or Iris authentication or Facial recognition is not feasible for any reason, the bank may issue physical life certificate in such exceptional cases after due verification as deemed fit to ensure that pension is to disburse to such pensioners keeping EPFO also informed accordingly.
- iii. **Information Dissemination to Employers/unions:** Field offices should send emails and hold awareness sessions with employers and all employees' unions operating under the jurisdiction of Regional Offices for the dissemination of face authentication technology for DLC updation. Names and addresses of employers' and employees' unions under the jurisdiction of each Regional Office may be maintained for this purpose.
- iv. **SMS to Pensioners:** NDC shall filter all such cases in which DLC has been rejected and send an SMS regarding the facility of face authentication for updation of DLC, including in the local languages. Alternatively, ROs may also send such SMS in all pending cases wherein DLC has not been received before the due date. Weekly SMS shall be to such pensioners for 4 weeks.
- v. **Dealing with cases where a Physical Life Certificate has been received previously:** In exceptional cases, where the life certificate has not been received digitally and the data has been updated based on the physical copy. Regional/ District Office shall send an

SMS to the pensioner two months before the due date, informing about the face authentication facility so that DLC can be updated. NDC should also send SMS centrally before the due date in cases where physical life certificates were received in the previous year.

- vi. Disseminating handouts on DLC submission through Face Authentication Technology (FAT): A handout on the step-by-step process of DLCs submission through FAT should be enclosed with the new PPOs generated by the Regional Offices. The handout should be made available in regional languages also with a social service appeal printed on handout viz. Please forward this handout through WhatsApp/ Telegram to all your groups so that all senior citizens of our country get pension in time without break.
- vii. Involvement of CSCs: In cases where fingerprint or iris authentication is not possible for any reason, Zonal/Regional Offices should instruct/take up the matter with CSC Centres, encouraging them to help pensioners in submission of DLCs using Face Authentication Technology.
- viii. Use of Nidhi Aapke Nikat (N.A.N.) camps: During Nidhi Aapke Nikat (N.A.N.) camps, the District Nodal Officer (D.N.O.) shall be provided with a list of all the pensioners whose Life Certificate has not been received in his concerned district. He shall also be provided with the requisite equipment also for FAT. D.N.O. shall contact all the pensioners whose Life Certificate has not been received and shall collect their Life Certificates during the N.A.N. camps using Face Authentication Technology (FAT).

**b. Actions to be taken by Publicity Division:**

- i. Predominantly, DLC updation through face authentication technology is to be carried out by pensioners, any family member, or any other operator. Therefore, the key role of the organization is to spread awareness among its stakeholders. Consequently, the role of the Publicity Division is very significant. The following steps can be taken by it:
- ii. Preparation and dissemination of creatives: Tutorial videos, explainer videos, banners, posters, pamphlet designs, etc. need to be prepared by the Publicity Division and shared through the Social Media platforms like Facebook, Twitter (now X), Instagram, Koo, Public app etc., and through WhatsApp number/channels which in turn needs to be shared by all field offices as well.
- iii. Print & Radio advertisements: Data regarding the due date of the pensioner's life certificate is available with the IS Division. Accordingly, target-based advertisement

campaigns can be planned for those months in which the due date of a huge number of Life Certificates for updation falls. All the offices are advised to embark upon wide publicity of this application among the stakeholders and reach out to the employers' and employees' unions through social media pages of EPFO on Facebook, Instagram, Twitter (now X), Koo and Public app etc. and through WhatsApp number/channels. Appropriate Banners/ Standees displaying the entire process shall also be placed in the Receipt Section, Digital JPP Facilitation Centre, PRO and at the entry gate of by the Regional Offices so that subscribers are made aware of it, especially pensioners.

- 4.2.4.7 Keeping pensioners on top priority with empathy the Field Offices, NDC, C&PR Division and Pension Division (H.O) should take all necessary actions under their respective jurisdictions to ensure trouble free service to pensioners.

**Process of submitting Life Certificate through Face Authentication Technology**

**MINIMUM REQUIREMENT**

- Android Smartphone (Version 7.0 and above)
- Internet Connection
- RAM-4+GB
- Storage-64GB (Minimum 500MB storage space)
- Aadhar Number registered with Pension Disbursing Authority (Bank/Post Office/Others)

**Step 1:** Visit Google Play store and Download and Install "[AadharFaceRd App](#)"

**Step 2:** Visit Google Play store and Download and Install "Jeevan Pramaan Face App" (V3.6.1 or above).

**Step 3:** After successfully installing both applications, the pensioner/family pensioner should open the "Jeevan Pramaan" application. They will be taken to the "Operator Authentication" screen where they have to provide their personal details. Click on the Aadhaar checkbox and enter the Aadhaar Number, Mobile Number and Email Address and Click on the Submit Button.

**Step 4:** After providing all the information, the Operator (pensioner/family pensioner/any other person on behalf of pensioner/family pensioner) needs to submit the OTP (One Time Password) sent to their respective mobile number and email address.

**Step 5:** After submitting the OTP, the Jeevan Pramaan App will take the Operator (pensioner/family pensioner/any other person on behalf of pensioner/family pensioner) to a screen where they have to provide their Name as per Aadhaar. Click on the checkbox and then

click on Scan. The app will request permission for Face Scan, and the pensioner/family pensioner should press "Yes" to continue the process.

**Step 6:** Before the scan, the app will display instructions and guidelines for the face scan. The pensioner/family pensioner should read them carefully. Afterward, they need to click on the "I am aware of this" checkbox to continue and press "Proceed". The app will capture their face.

**Step 7:** After Operator Authentication a screen will open for Pensioner Authentication and will require to provide personal details of pensioners. 1. Click the checkbox of Aadhaar. 2. Enter Aadhaar Number, Mobile Number and Enter Email Address (Not Mandatory). 3. Click on the 'Submit' button. 4. On clicking submit button, an option to enter 'Enter OTP' will appear on screen. 5. Enter OTP and click "Submit" button.

**Step 8:** After submission of OTP a screen will appear where the following information is to be provided: 1. Full Name as per Aadhaar 2. Type of Pension 3. Sanctioning Authority 4. Disbursing Agency 5. PPO Number 6. Account Number (pension) 7. Click on the declarations 8. Click on "Submit" button.



**Step 9:** A screen will appear for providing consent and permission for scan. Click on scan. The process for scanning face will begin.



**Step 10:** After face scanning DLC submission appears on the mobile screen along with the Jeevan Pramaan ID and PPO no.

**Note:**


- ✓ The operator authentication is a one-time process.
- ✓ Pensioner can also be the Operator.
- ✓ After operator authentication, a screen will open for pensioner authentication.
- ✓ One operator can generate DLC of multiple Pensioners.
- ✓ The Pensioner must blink her/his eyes during the face scanning two to three times.
- ✓ There must be proper lighting arrangements in the face scanning area for one-shot capturing.













## चेहरे की पहचान के माध्यम से जीवन प्रमाण ( लाइफ सर्टिफिकेट )




- स्टेप-01** कोई भी 5 एमपी फ्रंट कैमरे वाला एंडरॉयड स्मार्टफोन इंटरनेट सहित इस्तेमाल करें।
- स्टेप-02** पेंशन वितरण प्राधिकारी (बैंक/डाकघर/अन्य) के साथ पंजीकृत आधार संख्या तैयार रखें।
- स्टेप-03** गूगल प्ले स्टोर से 'AdharFaceRd' ऐप और 'Jeevan Pramaan Face' एप्लिकेशन डाउनलोड और इंस्टाल करें।
- स्टेप-04** ऑपरेटर प्रमाणीकरण और ऑपरेटर का चेहरा स्कैन करें (पेंशनर ऑपरेटर भी हो सकता है)
- स्टेप-05** पेंशनभोक्ता के विवरण भरें।
- स्टेप-06** फ्रंट कैमरा से फोटोग्राफ खींचकर सब्मिट करें।

आपको मोबाइल संख्या पर डीएलसी (जीवन प्रमाण) डाउनलोड करने के लिए लिंक सहित संदेश प्राप्त होगा।

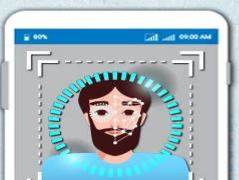
 [epfindia.gov.in](http://epfindia.gov.in) | 
     @socialepfo | 
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## Jeevan Pramaan ( Life Certificate ) Through Face Authentication



- Step-01** Use any 5 MP front camera Android Smartphone with Internet
- Step-02** Keep Aadhar number registered with Pension Disbursing Authority ( Bank / post Office / other ) ready
- Step-03** Download and Install 'AadharFaceRd' and 'Jeevan Pramaan Face App' from Google Play Store
- Step-04** Carry out operator authentication and scan face of operator ( pensioner can be operator also )
- Step-05** Fill in pensioner details
- Step-06** Submit after capturing photograph from front camera

Sms with link to download Jeevan Pramaan will be send to the mobile number.

 [epfindia.gov.in](http://epfindia.gov.in) | 
     @socialepfo | 
  @social\_epfo

\*\*\*\*\*CHAPTER END\*\*\*\*\*



S.No	Date	Subject of Circular	Reference in Manual (Corresponding Paras)
1	21.06.2024	Issue of PPO on the day of Retirement under PRAYAAS initiative	4.2.2
2	21.06.2024	Assistance to members/beneficiaries in filling Pension claims at PRO	4.2.3
3	11.07.2024	Facial Authentication Technology (FAT) Promotional Campaign	4.2.4
4	21.06.2024	Special drive for updation of pending DLCs through newly recruited SSAs	4.2.4

# CHAPTER 5:PENSION ON HIGHER WAGES

## 5. Pension on Higher Wages

### 5.1 Eligibility and submission of Applications

**NOTE:** The applications for Pension on Higher wages were allowed consequent to the judgement of the Hon'ble Supreme Court in C.A. No. 008144/2022 [SLP (C) No. 008658 – 008659/2019] for a period of 4 months. The last date for submitting applications was 11.07.2023. Thereafter, no application can be filed except for cases where grievance was lodged in EPFiGMS due to member's facing technical difficulties in submitting applications online due to KYC related issues.

5.1.1 **Application Form for Validation of Option** – Applicable to employees who retired prior to 01.09.2014 and had already exercised option under the proviso to Para 11(3) (*pre-amendment*) (*since deleted*) of EPS, 1995 before their retirement.

5.1.2 According to Para 44 (ix) read with Para 44 (v) & (vi) of Hon'ble Supreme Court judgement dated 04.11.2022 in Civil Appeal No. 8143-8144 of 2022 [SLP (C) Nos. 8658-8659 of 2019], the following pensioners were eligible to apply online at [www.epfindia.gov.in](http://www.epfindia.gov.in) for validating their options already exercised under the proviso to Para 11(3) (*pre-amendment*) (*since deleted*) before their retirement, if any, by the concerned Regional Office:

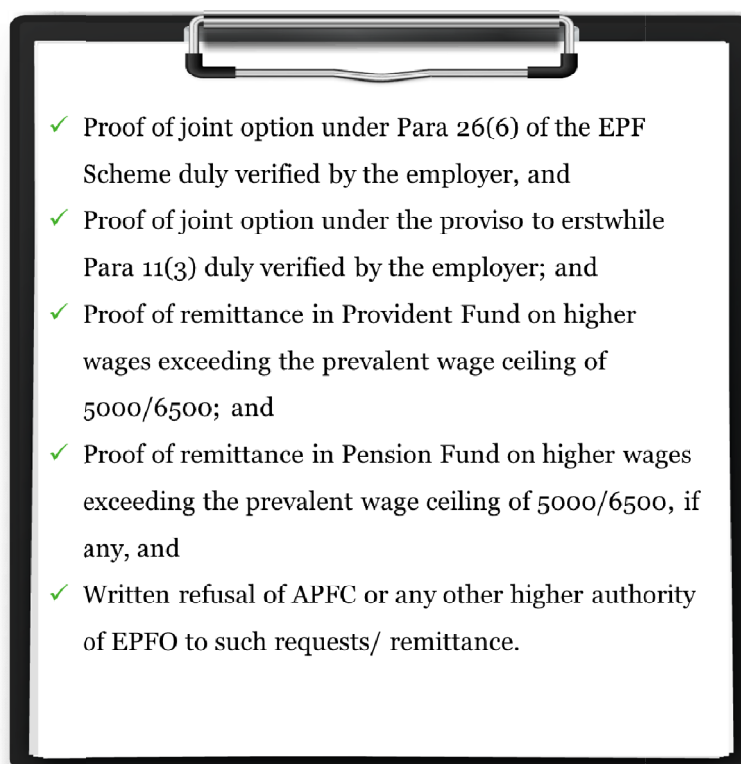
- 5.1.2.1 the pensioners who as employees had contributed under Paragraph 26(6) of EPF Scheme on salary exceeding the prevalent wage ceiling of Rs 5000/- or 6500/-; and
- 5.1.2.2 exercised joint option under the proviso to Para 11(3) of the pre-amendment scheme while being members of EPS, 1995; and
- 5.1.2.3 their exercise of such option was declined by PF authorities.

5.1.3 **Such pensioners would apply to the concerned Regional Office in the following manner:**

- 5.1.3.1 The request will be made in online manner through the below link available on EPFO member portal:

*"Validation of Joint Option for the employees who had retired before 01.09.2014 and exercised joint option under para 11(3) of EPS Scheme prior to 01.09.2014"*

- 5.1.3.2 The Application Form for Validation of Option will contain the disclaimer and declarations. The pensioners applying through the above link shall accept the disclaimer and the declarations.
- 5.1.3.3 In case of share requiring adjustment from Provident Fund to Pension Fund and if any, re-deposit to the fund, the explicit consent of the pensioner will be given in the application form.
- 5.1.3.4 In case of transfer of funds from exempted provident fund trust to pension fund of EPFO, an undertaking of the trustee shall be submitted. The undertaking shall be to the effect that due contribution along with interest-up to the date of payment, will be deposited within the specified period.
- 5.1.3.5 Aforesaid application form were to contain the following specified documents for evidence and for further processing:



*Figure 10 : Documents for Joint Option Application*

- 5.1.4 **The above application forms when received in the specified time period will be dealt with in the following manner by the Regional PF Commissioner:**
- 5.1.4.1 Each application will be registered and digitally logged, and an acknowledgement number will be provided to the applicant.
- 5.1.4.2 The application will land into the employer's login whose verification with DSC/ e-sign will be essential for further processing.
- 5.1.4.3 Each application will be processed in e-file such as to ensure that a case is easily traceable over a long period of time.

- 5.1.4.4 The concerned dealing assistant will examine the documents including the note on receipt of due amount in the Pension Fund and mark the case to Section Supervisor/Account Officer.
- 5.1.4.5 The concerned SS / AO will mark out any discrepancies and send it with the rule position to APFC / RPFC-II who after due examination will put the case to Officer-in charge of Regional Office.
- 5.1.4.6 The RPFC/OIC shall examine each case of pension on higher salary and dispose it by passing a speaking order (common speaking order for similarly placed employee from a single establishment may be issued) that shall be intimated to the applicant through e-mail/post. Efforts will be made to intimate them through telephone/SMS/through their last employer.
- 5.1.5 **Joint Options** –Applicable to the employees who were members prior to 01.09.2014 and continued to be members on or after 01.09.2014 but could not exercise joint option under the proviso to Para 11(3) (*pre-amendment*) (*since deleted*) of EPS,1995.
- 5.1.6 According to Para 44 (iii) & (iv) read with Para 44 (v) of Hon'ble Supreme Court judgement dated 04.11.2022 in Civil Appeal No. 8143-8144 of 2022 [SLP (C) Nos. 8658-8659 of 2019], the following employees were eligible to submit joint option under Para 11(3) and 11(4) with their employers to the concerned Regional Office:
- 5.1.6.1 The employees and employers who had contributed under Paragraph 26(6) of EPF Scheme on salary exceeding the prevalent wage ceiling of Rs 5000/- or 6500/-; and
- 5.1.6.2 Who did not exercise joint option under the proviso to Para 11(3) of the pre-amendment scheme (*since deleted*) while being members of EPS,95; and
- 5.1.6.3 Who were members prior to 01.09.2014 and continued to be a member on or after 01.09.2014.
- 5.1.7 **The manner in which such employees would apply to the concerned Regional Office is as follows:**
- 5.1.7.1 The request will be made in online manner through the below link available on EPFO member portal:

*“Exercise of Joint Option for the employees who were in service prior to 01.09.2014 and continued to be in service on or after 01.09.2014 but could not exercise joint option under erstwhile proviso to para 11(3) of EPS-1995”*

- 5.1.7.2 The joint option will contain the disclaimer and declarations. The employees while applying through the above link shall accept the disclaimer and the declarations.
- 5.1.7.3 In case of share requiring adjustment from Provident Fund to Pension Fund, and if any re-deposit to the fund, explicit consent of the employee will be given in the joint option form.
- 5.1.7.4 In case of transfer of funds from exempted provident fund trust to pension fund of EPFO, an undertaking of the trustee shall be submitted. The undertaking shall be to the effect that due contribution along with interest up to the date of payment, will be deposited within the specified period.
- 5.1.7.5 In case of employees of un-exempted establishments, refund of requisite employer's share of contribution, the same shall be deposited with interest at the rate declared under Para 60 of EPF Scheme, 1952, till the date of actual refund.
- 5.1.7.6 Aforesaid joint option were to contain the proof of remittance of employer's share in Provident Fund on higher wages exceeding the prevalent wage ceiling of Rs. 5,000 /6,500 and proof of joint option under Para 26(6) of EPF Scheme duly verified by the employer.

**5.1.8 The above application forms when received in the time period specified in the Joint Option form will be dealt with in the following manner by the Regional P.F. Commissioner:**

- 5.1.8.1 Each application will be registered and digitally logged, and an acknowledgement number will be provided to the applicant.
- 5.1.8.2 The application will land into the employer's login whose verification with Digital Signature/ e-sign will be essential for further processing.
- 5.1.8.3 Each application will be processed in e-file such as to ensure that a case is easily traceable over a long period of time.
- 5.1.8.4 The concerned Dealing Assistant will examine the documents including the note on receipt of due amount in the Pension Fund and mark the case to Section Supervisor/Account Officer.
- 5.1.8.5 The concerned SS/AO will mark out discrepancies, if any and send it after due examination, with the rule position to APFC/RPFC-II for deciding the case.
- 5.1.8.6 The concerned APFC/RPFC-II shall examine each case of joint option on higher salary and the decision shall be intimated to the applicant through e-mail/post. Efforts will be made to intimate them through telephone/SMS also.

## 5.2 Scrutiny of information and wage details submitted by the employee and employer

### 5.2.1 The Application forms for Validation of Option/ Joint Options, as received online will be scrutinized for the following:

5.2.1.1 Approval of joint request to contribute to Provident Fund on actual (higher) pay, [\*actual(higher) pay shall involve all wage components as per Sec.6 of EPF&MP Act & Para 29 of the EPF Scheme] along with employers' undertaking to pay administrative charges on actual (higher) pay and contribution to Provident Fund as per the provisions of EPF Scheme, 1952.

5.2.1.2 Contribution to Pension Fund on actual (higher) pay as per the provisions of EPS, 1995.

### 5.2.2 The Parameters on which the joint applications may be scrutinized could be (but not limited to):

- i. All information is provided in the applications/joint option and have been vetted and approved by the employer.
- ii. Form is not approved by the employer.
- iii. Complete information is not provided in the applications/joint options and has been vetted and approved by the employer.

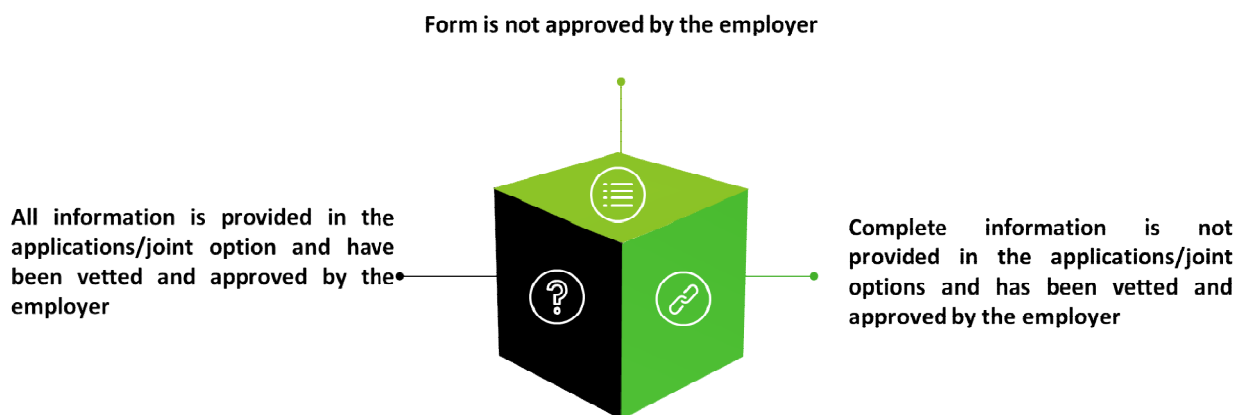


Figure 11 : Parameters for Joint Application Scrutiny

### 5.2.3 Scrutiny of Category 5.2.2(i) cases:

5.2.3.1 Applications/Joint options will be examined for completeness of provided record by the Dealing Assistant. In case, the records are complete, the file will be marked to SS / AO with the comment that it is category 5.2.2(i) case for further examination.

5.2.3.2 The concerned SS/AO will review and: -

- a. If found in order, will forward the file with his comments to the APFC/RPFC-II. He will also make an entry in a list wherein each case, file number, category, name of the establishment and its status will be maintained.
- b. If not found in order, will return the file with his comments to the DA to categorise it properly.
- c. SS/ AO will also make an entry in a list wherein each case, file number, category, name of the establishment and its status will be prepared.
- d. APFC/RPFC-II will scrutinize category 5.2.2(i) cases and will get the wage details verified through Dealing Assistant, SS and AO with the data available with the field offices. The records of Form 3A(R) or 7(PS), Form 6A(R) or 8(PS), DCBR, Challans, Legacy data & ECR or any other relevant documents will be utilised for these purposes.
- e. The cases where FO details and employers' details match, the dues will be calculated, and an order will be passed by APFC/RPFC-II/ RPFC-I for depositing/transferring the dues.
- f. The cases where there is a mismatch, following process will be followed: -
  - i. The mismatch will be informed to the employer and the employee/ pensioner by APFC/ RPFC-II. They will be given a time of one month to complete the Information.
  - ii. In case, information is received, the steps mentioned at (iv) and (v) above will be followed.
  - iii. In case, information is not received, the APFC/ RPFC-II will make recommendations on the basis of merit, based on which RPFC-I will pass relevant order.

#### **5.2.4 Scrutiny of Category 5.2.2(ii) cases:**

- 5.2.4.1 In case submitted Application form for Validation of Option/ Joint Option is not approved by the employer, the DA will categorise these as 5.2.2(ii) cases and send it to SS/AO.
- 5.2.4.2 SS/AO will prepare the information draft to the member and the establishment and put up for orders of APFC /RPFC-II.
- 5.2.4.3 APFC /RPFC-II/RPFC-I will reject the cases and inform the members citing the reasons given by establishment for non-approval. However, before any such rejection, an opportunity will be given to the employer for providing any additional proof or evidence or correct any mistakes / errors (including those made by employees / pensioners). Such opportunity will be for a period of one month and under Intimation to the employees / pensioners.

#### **5.2.5 Scrutiny of Category 5.2.2(iii) cases: -**

- 5.2.5.1 In cases where submitted information is not complete or seems erroneous, the DA will prepare a list of all relevant information to be sought from the employer.



- 5.2.5.2 SS/AO will thereafter with his comments, get the orders of APFC/RPFC-II for seeking such information.
- 5.2.5.3 APFC/RPFC-II will seek information from the employers under intimation to the employees/pensioners within one month.
- 5.2.5.4 In case, complete information is not received within one month, the order will be passed on merit by the APFC /RPFC-II/RPFC-I. Any further time sought by the employer/ employee may be allowed by RPFC only after verifying the genuineness of the reason of request.
- 5.2.5.5 In cases where complete information is received, they will be scrutinized as per category 5.2.2 (i) cases as specified in para 5.2.3
- 5.2.6 There may be special circumstances requiring examination of the records of the establishments/trusts especially for verification of wage details. In such cases, with due permission of RPFC-I, teams may be formed. This team will, if necessary, give due notice of seven days in advance and verify the details in the following manner: -
- 5.2.6.1 Sufficient number of teams (with one or more EOs / AOs along with one or more Dealing Assistant(s)) may be deputed to the establishments for verification of said wage details.
- 5.2.6.2 The team will verify the records of the employers/trusts in respect of only the concerned members/ pensioners as per the establishment wise list prepared.
- 5.2.6.3 Efforts should be made to get the details verified in respect of all members/ pensioners of an establishment in one go.
- 5.2.6.4 The teams shall submit their report to the APFC/ RPFC-II/RPFC-I who shall, after satisfying of the eligibility / non-eligibility of the member/ pensioner, take final decision in the matter / pass speaking orders.
- 5.2.7 If an Application form for Validation of Option/ Joint Option is not found eligible, then before any rejection, an opportunity shall be given to pensioners/members and employers to submit the requisite evidence/ details. This facility will be through the employers only. The employer can provide any additional proof or evidence or correct any mistakes / errors (including those made by employees / pensioners). Such opportunity will be for a time period of one month and under intimation to the employees/pensioners.

### 5.3 Proof of joint option under 26(6) of the EPF Scheme, 1952 duly verified by the employer- List of admissible documents

5.3.1 Only in case of applicants whose joint request/ undertaking/ permission under Para 26(6) of EPF Scheme, 1952 are not readily available but are otherwise eligible for pension on higher wages as per the directions of the Hon'ble Supreme Court judgment dated 04.11.2022, for scrutiny regarding Para 26(6), following procedure will be followed.

#### 5.3.1.1 Field Offices will verify that:

- a. Employer share of PF contribution has been remitted on employee's pay exceeding the prevalent statutory wage ceiling of Rs.5000/6500/15000 per month from the day the pay exceeded the wage ceiling or 16.11.95 whichever is later, till date/ till the date of retirement or superannuation as the case may be; and
- b. Administrative and/or Inspection charges payable by employer have been remitted on such higher wages; and
- c. Provident Fund account of employee has been updated with interest as per Para 60 of EPFS, 1952 or such higher rate of interest as declared by the Trust of the establishment from the provisions of EPFS on the basis of such contribution received, and
- d. Any of the following documents have been submitted along with Applications for Validation of Option/Joint Options as proof of joint option and permission under Para 26(6).

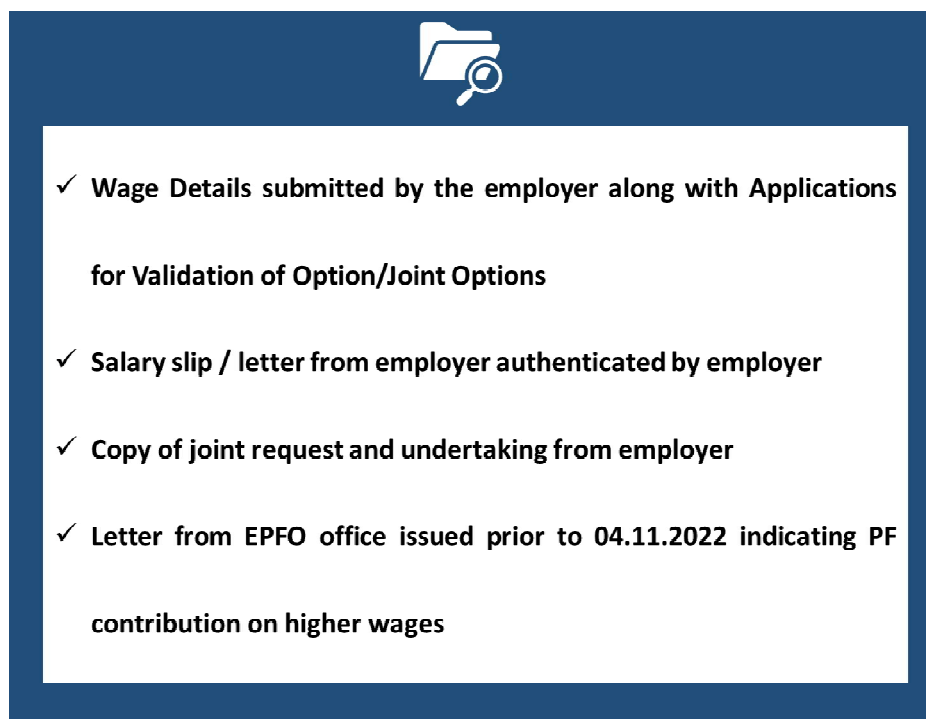


Figure 12 : Proof Documents for Joint Option Application Validation

- e. The applicants who qualify (a) above and are already contributing or have contributed till retirement/superannuation on actual (higher) pay, if they have not submitted their joint requests under para 26(6) of EPF Scheme, 1952 and undertaking from the employer, can submit the same at the time of final claim settlement through their last employer. Joint Request and undertaking of the employer for permission under Para 26(6) can be submitted by pensioners/members any time before the grant of pension on higher wages in accordance with decision of Hon'ble Supreme Court dated 04.11.2022. The above shall apply to Application forms for Validation of Option / Joint Options received from applicants from PF exempted establishment as well, in the same manner.

## **5.4 Effecting certain provisions of the Code on Social Security, 2020 in respect of Employee's Provident Fund & Miscellaneous Provisions Act 1952 and EPS' 1995**

5.4.1 The below provisions of the said Code came into force on the 03rd day of May 2023.

5.4.2 G. O. I. vide Gazette Notification No. S.O. 2060(E) dated 3rd May 2023 notified the following provisions of Code on Social Security, 2020 in respect of Employees' Provident Fund & Miscellaneous Provisions Act, 1952 and Employees' Pension Scheme, 1995:

- 5.4.2.1 sub-section (3) of section 15, in so far as it relates to the Employees' Pension Scheme, 1995;
- 5.4.2.2 clause (a) of sub-section (1) of section 16, in so far as it relates to the Employees' Pension Scheme, 1995;
- 5.4.2.3 clause (b) of sub-section (1) of section 16;
- 5.4.2.4 sub-section (2) of section 16, in so far as it relates to the Employees' Pension Scheme, 1995;
- 5.4.2.5 section 143, in so far as it applies in giving effect to the provisions of sub-clause (ii) of clause (b) of sub-section (1) of section 16 in relation to the Employees' Pension Scheme, 1995;
- 5.4.2.6 sub-section (1) of section 164 to repeal the corresponding provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952) specified in item 3 thereof; and
- 5.4.2.7 clause (b) of sub-section (2) of section 164 in so far as it relates to the Employees' Pension Scheme, 1995.

## 5.5 1.16% increased contribution from employer's share into the Pension Fund

5.5.1 G. O. I. vide issued Gazette Notification No. S.O. 2061(E) dated 3rd May 2023 in exercise of the powers conferred by sub-clause (1) of clause (b) of sub-section (1) of section 16 of the Code on Social Security, 2020 (36 of 2020), notified the following:

- 5.5.1.1 In respect of members who have exercised joint option for contributing under the provisions of Paragraph 11 of the Employees' Pension Scheme, 1995 and who are found eligible, the employer's contribution shall be nine and forty-ninth per cent. (9.49%) of the basic wages, dearness allowance and retaining allowance of each member by increasing one and sixteenth percent (1.16%) from the extant eight and one-third per cent. (8.33%); and
- 5.5.1.2 The increased contribution shall be applicable to basic wages, dearness allowance and retaining allowance to the extent such basic wages, dearness allowance and retaining allowance exceed fifteen thousand rupees per month.

5.5.2 The above provisions shall be deemed to have come into force on the 1st day of September 2014.

### 5.5.2.1 Illustration:

Monthly Pay (in INR)	1,00,000
Total Employer contribution (in INR)	12,000
Employer Contribution diverted to EPS (in INR)	$15,000 \times 8.33\% + (100000 - 15000) \times 9.49\%$ $= 1249.50 + 8066.50 = 9316.00$ OR $100000 \times 8.33\% + (100000 - 15000) \times 1.16\%$ $= 8330.00 + 986.00 = 9316.00$
OR	
Employer Contribution diverted to EPS (in INR)	
Govt. Contribution to EPS (in INR)	$15000 \times 1.16\% = 174$

## 5.6 Deposit /Transfer of due contribution with interest into Pension Fund

5.6.1 The following provisions deemed to have come into force on the 1st day of September 2014 vide GOI notification S.O. 2061(E) Dated 03.05.2023:

- 5.6.1.1 "In respect of members who have exercised joint option for contributing under the provisions of Paragraph 11 of the Employees' Pension Scheme, 1995 and who are found eligible, the

employer's contribution shall be nine and forty-ninth per cent. (9.49%) of the basic wages, dearness allowance and retaining allowance of each member by increasing one and sixteenth per cent. (1.16%) from the extant eight and one-third per cent. (8.33%); and

5.6.1.2 The increased contribution shall be applicable to basic wages, dearness allowance and retaining allowance to the extent such basic wages, dearness allowance and retaining allowance exceed fifteen thousand rupees per month."

5.6.2 To give effect to the above notification there will be need to undertake following: -

5.6.2.1 In all eligible cases of Joint Options, there will be a requirement for accounting 1.16% additional contribution on the pay above Rs.15,000/- p.m. of the employer share to the Pension Fund.

5.6.2.2 Similarly, in eligible cases of Applications/Joint Options, where past remittances on higher pay were made in Provident Fund but not in Pension Fund, adjustments will be required for 8.33% contribution from the employer's share.

5.6.2.3 In case of acceptance of joint option of members who are still in service and OIC has passed the requisite speaking order, the present employer shall continue to pay pension contribution on higher wages in future also including the increased 1.16% on wages above Rs. 15000/- per month.

### 5.6.3 Calculation of Dues

5.6.3.1 The dues will be calculated by the Field Office after the verification of wage details submitted by the employer(s) and taking care of following in the process:

- a. Each member/pensioner's case shall be processed in a separate file, created in e-office with clear marking of the Application ID (system generated acknowledgement number for online application for validation/joint option).
- b. In case of exempted establishments, the wage details for the entire period and the matching contribution should be available with the exempted establishments and consistent with the records of the Trust.

5.6.3.2 Dues should be calculated month wise in the following manner:

- a. 8.33% of employer's share on higher pay (w.e.f. 16.11.1995 or the date the pay exceeds the wage ceiling; whichever is later) will be calculated as per records.
- b. 1.16% of employer share on higher pay above Rs. 15,000/- p.m. (w.e.f. 01.09.2014) will be calculated as per records towards increased contribution.

- c. All amounts already deposited into Pension Fund shall be deducted from sum of (a) and (b) above.
- d. The interest to be charged on dues as calculated above shall be the interest earned by the members on their PF accumulations.
- e. For un-exempted establishments, the interest shall be calculated at the rate declared under Para 60 of EPF Scheme, 1952.
- f. For exempted establishments, the interest shall be calculated at the rate declared under Para 60 of EPF Scheme, 1952 or at the rate declared by the Trust of exempted establishment from time to time, whichever is higher, if any.

#### **5.6.4 Classification of Application Forms for Validation/Joint Options**

5.6.4.1 The Field Office will examine each case and classify it into the following categories:

- a. Dues calculated have already been fully remitted to the EPS in the due months
- b. Dues calculated have not been remitted to the EPS but contribution on higher wages have been fully remitted to EPF and there is adequate balance in PF account.
- c. Dues calculated have not been remitted to the EPS but contribution on higher wages have been fully remitted to EPF and there is inadequate balance in PF account, or the PF account is with trust of PF exempted establishments.

#### **5.6.5 Information on Dues and its deposit**

5.6.5.1 The Field Office (FO) will intimate the pensioners/members in each of the above category about the dues and if any amount that needs to be deposited/diverted, as per the following table:

Category under Para 5.6.4.1	Action by Field Office
5.6.4.1 (a)	Inform the pensioner/member through the last employer that dues amount has been received.
5.6.4.1 (b)	Inform the pensioner/member through the last employer that dues need to be diverted from Provident Fund to Pension Fund and written consent of the employee should be obtained and provided to FO.

5.6.4.1 (c)	<p>Inform the pensioner/member through the last employer that he has inadequate balance in Provident Fund thus,</p> <ol style="list-style-type: none"> <li>Balance shall be diverted from Provident Fund (Available with EPFO) to Pension Fund and written consent of the employee should be obtained and provided to FO.</li> <li>The remaining amount of dues shall be deposited in the manner specified in para 5.6.6.</li> </ol>
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5.6.5.2 Pensioner/member will be given time of up to 3 months to deposit the dues and to give consent for diversion of the dues. The dues will be communicated in the following manner:

*(All amounts in Rs.)*

Month No.	Total due amount	Amount to be diverted with interest from Provident Fund	Amount to be deposited with interest
1.(Issuance of Demand Letter)			

#### 5.6.6 Method of payment by the pensioners/members

5.6.6.1 In category 5.6.4.1 (a) and 5.6.4.1 (b), there will be no requirement of any additional deposit by the pensioner/member. In respect of category 5.6.4.1 (b) and 5.6.4.1 (c), the contributions due with interest receivable will be diverted from the PF balance after consent of pensioner/member. In category 5.6.4.1 (c), the contributions due with interest receivable will first be diverted from the PF balance after consent of pensioner/ member and the outstanding dues will be deposited by the concerned pensioner/member only from the bank account available in EPFO records. The deposits may be made in the manner given below: -

- Through online facility using ECR functionality by selecting “PoHW Arrear” option.
- Cheque/ Demand draft (payable at par at all branches) drawn in favour of concerned RPFC (and as communicated in the demand letter issued by FO). The Cheque should have following details on its back side:
  - Application ID
  - UAN/PPO number
  - Name and Mobile number
  - Demand notice number and date

- c. Payments made through ECR functionality will reflect in the login of Dealing Assistant in FO Interface.

#### **5.6.7 Accounting and Adjustment of the Dues**

##### **5.6.7.1 Accounting adjustments of diversion from Provident Fund to Pension Fund**

- a. Accounting and adjustment of diversions from member's PF account to Pension Fund will be done by using Appendix-E functionality.
- b. For adjusting amount from EPF employer share (Account No. 01) to Employees' Pension Fund (Account No. 10), a separate code has been provided in the FO Application Software.
- c. Field Offices will mandatorily select this code by while using Appendix-E for the purpose of adjusting amount from EPF employer share (Account No. 01) to Employees' Pension Fund (Account No.10).
- d. A cheque from Account No. 01 of the concerned Regional Office shall be drawn as "Misc. Payment: Pension on Higher Wages" and be deposited in the Centralized Receipt Account (Account No. 10) through Member VDR.
- e. This may be done on peak collection days of the month like 12th, 13th, 14th, and 15th day of the month to minimize the cost of transfer.

##### **5.6.7.2 Accounting adjustments of deposits made by pensioners/members (Including all eligible pensioners/members of PF exempted establishments) in the Pension Fund:**

- a. The cheques deposited by the pensioners/members as per Para 5.6.6 shall be deposited in Centralized Receipt Account through member VDR.
- b. In the Member VDR "Pension on Higher Wages" from the drop-down menu of member VDR.
- c. It would be mandatory to mention Application ID.
- d. System will provide to enter 8.33% regular contribution and 1.16% additional contribution separately in the member VDR module.

#### **5.6.8 Processing of Valuable Document Register (VDRs) in Field Offices:**

- 5.6.8.1 Utmost care should be taken to ensure that each VDR entry both for Para 10 & 11 of circular dated 09/05/2023 is used only for the concerned pensioner/member.

- 5.6.8.2 VDR document should be uploaded in e-office while processing pension on higher wages.



- 5.6.8.3 The VDR document has the member details i.e., Application ID, UAN, PPO, Member ID etc., the same can be verified while processing pension on higher wages in e-office file to check the use of VDR for the concerned pensioner/member.
- 5.6.8.4 Correct entries in the VDR should be ensured as it will be very difficult to reverse a wrong VDR or make corrections later.
- 5.6.8.5 After credit of said deposits in the Centralized Receipt Account through VDR, decision about the Application form for Validation of Option/ Joint Option will be taken by the concerned competent authority.

**5.6.9 Deciding Application form for Validation of Option/ Joint Option and processing in e-Office after decisions:**

- 5.6.9.1 The decision about the Application form for Validation of Option/ Joint Option will be taken by the concerned competent authority.
- a. OIC/ RPFC-I will pass a speaking order in case of Application forms for Validation of Joint Options from pensioners who retired prior to 01.09.2014.
  - b. APFC/RPFC-II will examine each case of joint option from employees who were member prior to 01.09.2014 and continued to be members on or after 01.09.2014 and will take decision.
- 5.6.9.2 Due care checks and caution must be taken before accepting /rejecting any case by passing speaking order / taking decision.
- 5.6.9.3 While evaluating various proofs to determine eligibility of pensioners/members for higher pension, request for corrections of errors from pensioners/members/employers should also be taken into account along with the existing/additional proofs/evidence submitted by them.
- 5.6.9.4 The speaking order/decision shall be uploaded in e-office in the separate e-file created for the purpose.
- 5.6.9.5 The speaking order/decision shall be intimated to the applicant through e-mail /letter with a copy to/through the last employer.

**5.6.10 Grievance Redressal Mechanism**

- 5.6.10.1 Any grievance by the applicant can be registered on EPFiGMS after submission of his request form and payment of due contribution, if any.
- 5.6.10.2 The registration of such grievance shall be under specified category of higher pension with reference to Supreme Court Judgment dated 04.11.2022.
- 5.6.10.3 All such grievances shall be addressed and disposed of at the level of Nominated Officer.

5.6.10.4 Grievances will be monitored regularly by the Officer-in-Charge of Regional and Zonal Office.

## 5.7 Method of Computation of Pension

5.7.1 The computation of pension shall be in accordance with the provisions of Employees' Pension Scheme (EPS), 1995. It shall be done as follows: -

5.7.1.1 **Cases eligible for pension on higher wages where date of commencement of pension is prior to 01.09.2014:** Pension shall be calculated based on average monthly pay drawn during contributory period of service in the span of 12 months preceding the date of exit from the membership of the pension fund.

5.7.1.2 **Cases eligible for pension on higher wages where date of commencement of pension is post 01.09.2014:** Pension shall be calculated based on average monthly pay drawn during contributory period of service in the span of 60 months preceding the date of exit from the membership of the pension fund as per provisions of EPS, 1995. Pensionable salary shall be determined on pro-rata basis for the pensionable service up to the 1st of September 2014 and for the period thereafter. However, if a member was not in receipt of full pay during the period of sixty months preceding the day, he ceased to be the member of the Pension Fund, the average of previous sixty months full pay drawn by him during the period for which contribution to the pension fund was recovered, shall be taken into account as pensionable salary for calculating pension. If during the said span of 60 months there are non-contributory periods of service including cases where the member has drawn salary for a part of the month, the total wages during the 60 months span shall be divided by the actual number of days for which salary has been drawn and the amount so derived shall be multiplied by 30 to work out the average monthly pay.

5.7.2 There is no separate formula in EPS, 1995 for calculating pension on higher wages. Therefore, in Higher Wage cases also where date of commencement is on and after 01.09.2014 calculation shall be done similarly as per provisions of EPS, 1995.

5.7.3.1 **Calculation of Pension in Higher Wages Cases will be on pro-rata as per provision of EPS-1995:**

$$\text{Monthly Member's Pension} = (\text{Pensionable salary} \times \text{Pensionable service})/70$$

Pro-rata calculation will entail separate calculation for pensionable service prior to 01.09.2014 and pensionable service post 01.09.2014

#### 5.7.3.2 Calculation of Pensionable Salary in Higher Wages Cases:

- a. For pensionable service prior to 01.09.2014: Pro-rata pensionable salary will be average of 60 months' salary preceding the date of exit from the membership of the Pension Fund subject to the maximum of the highest monthly salary prior to 01.09.2014.
- b. For pensionable service post 01.09.2014: Pro-rata pensionable salary will be average of 60 months' salary preceding the date of exit from the membership of the Pension Fund subject to the maximum of the highest monthly salary post 01.09.2014.

5.7.3.3 2-year weightage, where due, will be added to pensionable service prior to 01.09.2014 i.e., in 5.7.3.2 (a) above.

5.7.3.4 Examples of Calculation of Pension on Higher Wages when a member becomes eligible for the same are as below:

	Example of Calculation of Pension (up to wage ceiling) that these members were receiving or were eligible to receive	Examples of Calculation of Pension on Higher Wages when a member becomes eligible for the same	
		I	II
Date of Joining	01/09/1996	01/09/1996	01/09/1996
Date of Exit	31/08/2023	31/08/2023	31/08/2023
2-year weightage benefit admissible (Pensionable Service >= 20 years)	Yes	Yes	Yes
Pensionable Service up to 31/08/2014 (INDAYS)	18x365 =6570	18x365 =6570	18x365 =6570

Total Pensionable Service up to 31/08/2014 (including 2-year weightage benefit if any)(IN DAYS)	6570+365x2 =7300	6570+365x2 =7300	6570+365x2 =7300
Pensionable Service from 01/09/2014(IN DAYS)	9x365 =3285	9x365 =3285	9x365 =3285
Pensionable Salary (Average monthly pay drawn during contributory period of service in the span of 60 months preceding the date of exit from the membership of the fund) (in Rs)	15,000/-	18,000/-	18,000/-
Maximum Monthly wages taken for wage ceiling period pre 01.09.2014	6,500/- (Maximum wage ceiling)	11,000/- (Maximum Salary for pre 01.09.2014 period)	19,000/- (Maximum Salary for pre 01.09.2014 period)
Maximum Monthly Wages taken for wage ceiling period post 01.09.2014	15,000/- (Maximum wage ceiling)	22,000/- (Maximum Salary for post 01.09.2014 period)	22,000/- (Maximum Salary for post 01.09.2014 period)
Formula Pension	$\frac{(7300 \times 6500 + 3285 \times 15000)}{70 \times 365}$ = 3,786/-	$\frac{(7300 \times 11000 + 3285 \times 18000)}{70 \times 635}$ = 5,457/-	$\frac{(7300 \times 18000 + 3285 \times 18000)}{70 \times 365}$ = 7,457/-

## 5.8 FAQs related to Pension on Higher Wages

Below FAQs for Implementation of Judgement of Hon'ble Supreme Court dated 04.11.2022 have been uploaded on EPFO website and also have been circulated vide Circular No. e-399180/2543 dated 13.12.2023.

### **Proof of joint option under Para 26(6) of the EPFS1952**

**Ques. 1: The circulars no. Pension/2022/54877/15149 dated 29.12.2022 and circular no. Pension/2022/56259/16541 dated 20.02.2023 specify requirement of proof of joint option under Para**

**26(6) of EPF Scheme, 1952 duly verified by the employer. What documentary evidence can be considered as proof of joint option under Para 26(6)?**

Ans.1:

1. Permission under Para 26(6) uploaded by the applicant at the time submission of Application for Validation of Option / Joint Option or available in Office.
2. If permission under Para 26(6) is not readily available then Field Offices should verify that
  - a) Employer share of PF contribution has been remitted on employee's pay exceeding the prevalent statutory wage ceiling of Rs.5000/6500/15000per month from the day the pay exceeded the wage ceiling or 16.11.95 whichever is later, till date/ till the date of retirement or superannuation as the case may be; and
  - b) Administrative charges payable by employer have been remitted; and
  - c) Provident Fund account of employee has been updated with interest as per Para 60 of EPFS,1952 on the basis of such contribution received; and
  - d) Any of the following documents have been submitted along with Applications for Validation of Option /Joint Options as proof of joint option and permission under Para 26(6).
    - Wage Details submitted by the employer along with Applications for Validation of Option / Joint Options
    - Any salary slip / letter from employer authenticated by employer
    - Copy of joint request and undertaking from employer
    - Letter from PF office issued prior to 04.11.2022 indicating PF contribution on higher wages

The applicants who qualify 2(a) to (d) above and are already contributing/ have contributed till retirement/superannuation on actual (higher) pay, if they have not submitted their joint requests and undertaking of employer, can submit the same at the time of final claim settlement through their last employer. Joint Request and

Undertaking of employer for permission under Para 26(6) can be submitted by pensioners/members any time before the grant of pension on higher wages in accordance with decision of Hon'ble Supreme Court dated 04.11.2022.

**Ques.2: While filing online Application for Validation of Option/Joint Options, no documentary evidence has been submitted as proof of joint option under Para 26(6) of EPF Scheme, 1952. Whether this Application / Joint Option can be rejected on this ground?**

Ans. 2: No. The RPFC will obtain any of the documents as mentioned in Answer 1 from the employer and no Application for Validation of Option / Joint Option can be rejected only on this ground if otherwise eligible. It will be the duty of the RPFC to make sure that any of the proofs as mentioned in Ans 1 above is obtained from the employer.

### **Members of Exempted PF establishments**

**Ques. 3: If a member/past member of a PF exempted establishment has not submitted Joint Request and undertaking from the employer to the Trust for contribution on higher wages under the rules of the Trust, how will such cases be governed?**

Ans.3: The cases shall be governed in the same manner as at Answers 1 and 2 above.

### **Computation of Pension**

**Ques.4: What will be the applicable formula for member pension calculation?**

Ans. 4: The pension calculation will be as per para 12 of EPS 95. The date of commencement of pension will determine the applicable formula for calculation of pensionable service, pensionable salary and pension.

**Ques. 5: How will member pensionable salary be calculated for members of EPS, 95 eligible for pension on higher wages who retired prior to 01.09.2014, where the date of commencement of pension is prior to 01.09.2014?**

Ans.5: Since date of commencement of pension is prior to 01.09.2014, the pensionable salary shall be calculated based on the average monthly pay drawn during contributory period of service in the span of 12 months preceding the date of exit from the membership of the pension fund.

**Ques. 6: How will member pensionable salary be calculated for members of EPS, 95 eligible for pension on higher wages, who retired prior to 01.09.2014 but where the date of commencement of pension is on or after 01.09.2014?**

Ans. 6: Since date of commencement of pension is on or after 01.09.2014, the member pensionable salary shall be calculated based on the average monthly pay drawn during the contributory period of service in the span of 60 months preceding the date of exit from the membership of the pension fund.

**Ques.7: How will member pensionable salary be calculated for members of EPS, 1995 who have retired after 01.09.2014?**

Ans. 7: The member pensionable salary calculation shall depend on the date of commencement of pension. For example:-

- i. 'A' retired from establishment 'X' at the age of 60 years on 01.01.2015. Even though his date of retirement is 01.01.2015, for the purpose of EPS, 1995 he will be treated as superannuated at the age of 58 i.e. prior to 01.09.2014. Accordingly, his pensionable salary shall be calculated based on the average monthly pay drawn during contributory period of service in the span of 12 months preceding the date of exit from the membership of the pension fund.
- ii. 'B' retired from establishment 'X' at the age of 50 years on 01.01.2012. Even though he retired in 2012, he can opt to take pension at the age of 58 i.e. after 01.09.2014. Accordingly, his pensionable salary shall be calculated based on the average monthly pay drawn during contributory period of service in the span of 60 months preceding the date of exit from the membership of the pension fund.

**Ques. 8: A member will be retiring in future (say for example 2030). How will his pension be calculated?**

Ans. 8: The pension will be calculated based on the provisions of EPS, 1995 that will exist as on the date of commencement of pension.

#### **Payment of Arrears of Pension**

**Ques. 9: Will my pension arrears be paid to me or adjusted against the demand of the contributions on the higher wages?**

Ans. 9: Arrears of pension will be paid to the pensioners in accordance with the existing process to comply with income tax provision relating to TDS.

## 5.9 List of Circulars

Circulars	Details of Circulars	Reference in Manual
Circulars related to eligibility of pensioners/ members		
Eligibility of Members who retired prior to 01.09.2014	Circular No. Pension/2022/54877/15149 Dated 29.12.2022	Chapter5.1.1 to 5.1.4
Corrigendum to Circular dated 29.12.2022	Circular No. Pension/2022/54877/15238 Dated 05.01.2023	Chapter 5.1.1 to 5.1.4
Eligibility of employees who were in service since prior to 01.09.2014 and continued to be in service on or after 01.09.2014	Circular No. Pension/2022/56259/16541 Dated 20.02.2023	Chapter 5.1.5 to 5.1.8
Circulars related to Scrutiny		
Process of Scrutiny of information and wage details submitted by the employee and employer (Internal)	Circular No. Pension/Supreme Court/Judgement/HPM/2022/405 Dated 23.04.2023	Chapter 5.2.1 to 5.2.8
Process of Scrutiny of information and wage details submitted by the employee and employer (web)	Circular No. Pension/Supreme Court/Judgement/HPM/2022/406 dated 23.04.2023	
Provision of 1.16% contribution on salary exceeding Rs. 15,000 into Employees’ Pension Fund		
Effecting certain provisions of the Code on Social Security, 2020 vide Gazette Notification no. S.O.2060(E)	Circular No. Pension/Supreme Court/Judgement/HPM/2022/Pt. Dated 04.05.2023	Chapter 5.4.1 to 5.4.2
Provision of 1.16% contribution on salary	Circular No. Pension/Supreme Court/Judgement/HPM/2022/Pt. Dated	Chapter 5.5.1



exceeding Rs 15,000 into Employees’ Pension Fund vide Gazette Notification no. S.O.2061(E)	04.05.2023	
Method of Deposit/ Transfer of due contribution with interest into Pension Fund		
Process & Method of Deposit/ Transfer of due contribution with interest into Pension Fund (Internal)	Circular No. Pension/Supreme Court/Judgement/PoHW/2022/143 Dated 09.05.2023	Chapter 5.6.1 to 5.6.10
Process & Method of Deposit/ Transfer of due contribution with interest into Pension Fund (Web)	Circular No. Pension/Supreme Court/Judgement/PoHW/2022/1812 Dated 11.05.2023	
Method of computation of Pension		
Method of computation of Pension- eligible cases for pension on Higher Wages.	Circular No. Pension/SC/Higher Pension/2022/1357 Dated 01.06.2023	5.7
Proof of Joint Option under para26(6) of EPF Scheme, 1952		
List of Admissible Documents as proof of Joint Option under para26(6) of EPF Scheme, 1952	H.O. circular No. Pension/PoHW/23/Circular-26(6)/139610/1648 dated 14.06.2023	5.3
FAQs related to Pension on Higher Wages		
Frequently Asked Questions (FAQs) for Implementation of Judgement of Hon’ble Supreme Court dated 04.11.2022	Circular No. e-399180/2543 dated 13.12.2023	5.8

\*\*\*\*\*CHAPTER END\*\*\*\*\*

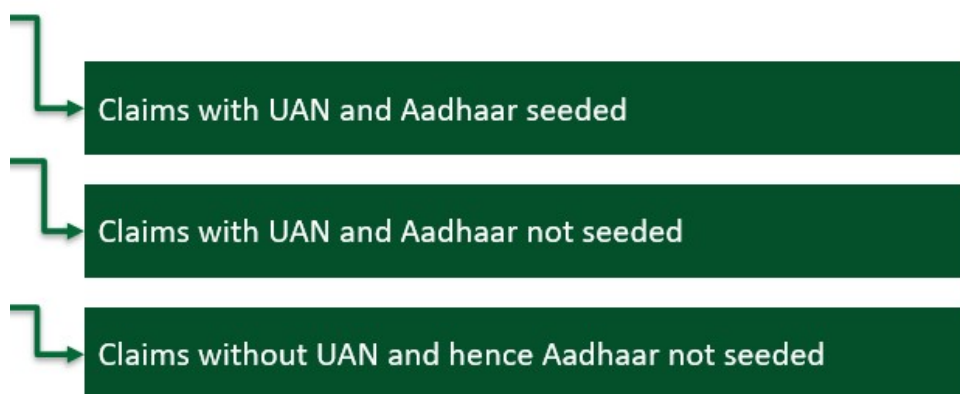
# **CHAPTER 6 : PROCEDURE FOR RECEIPT OF CLAIMS UNDER EPS,95**

## 6. Procedure for receipt of Claims under EPS,95

### 6.1 Introduction

6.1.1 The Claims from the members/claimants can be submitted through online/offline mode. The online claims are pushed to the login of the DA (Accounts) centrally by NDC.

6.1.2 The Physical Claims Form 10D/10C WB/SC received can be of the following types:



6.1.3 The physical claims can be received either through post, directly to the office by members or through Drop box facility.

### 6.2 Receipt of Claims

6.2.1 On receipt of the physical Claims through any mode as mentioned above, the claims should be scrutinised on the basis of the type of claim as indicated in 4.1.2 above.

6.2.2 The PRO shall oversee that all offline claims are processed as prescribed below:

Sl. No.	Type	Module	Documents required
1.	<b>Claims with UAN and Aadhaar seeded</b>	DA receipt	Claim should be complete in every respect along with attestation.

2.	<b>Claims with UAN and Aadhaar not seeded</b>	AC (Claims) Role—CLAIMS RECEIPT ENTRY (exceptional situation)	Joint declaration form for seeding of Aadhaar against UAN.
3.	<b>Claims without UAN</b>	1. DA ACCOUNTS (UAN allotment to existing members) in FO Interface 2. AC (Claims) Role—CLAIMS RECEIPT ENTRY (exceptional situation)	Joint declaration form for seeding of Aadhaar

6.2.3 Wherever claims are received directly from member and claimant, the above points of availability of UAN and Aadhaar seeding should be checked and the claimant should be advised to submit the required documents for further processing.

## 6.3 Processing Offline Claims

6.3.1 The physical claims in Form 10D/Form 10C can be submitted in following form types:



**Pension Claim Forms – Form 10D for Member pension or for claiming Death benefits under EPS 1995**



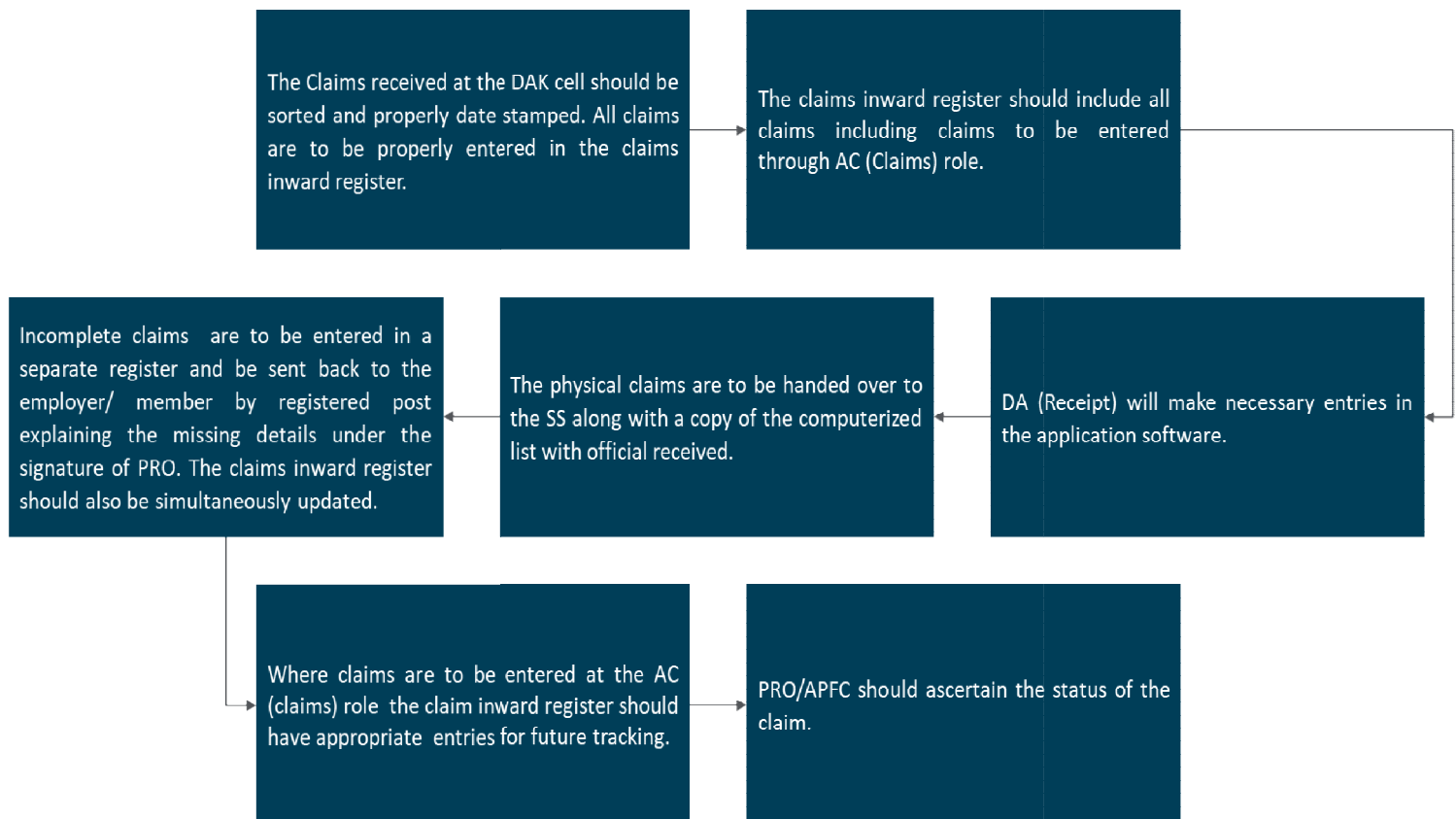
**Composite Claim Form in Death Cases (Where beneficiaries apply all types of benefits in a single Claim Forms).**



**CCF (Aadhaar) / (Non-Aadhaar) towards payment of Withdrawal Benefit/Scheme Certificate**

*Figure 13 : Form 10D/10C types introduced vide circular dated 20.02.2017*

6.3.2 For offline claims the following process flow should be followed.



6.3.2.1 The claim inward register should include all claims including claims to be entered through AC (Claims) role.

6.3.2.2 The list of claims received on each day as generated by DAK/inward shall be returned to the section along with the claims on the same day. The list of claims shall be prepared in triplicate, which is known as the 'Claim inward register.' The DAK section should verify the list and then transmit to the concerned section along with the original of the daily claim inward register.

6.3.2.3 The various reports modules available in the application software should be made use of by the PRO/APFC for ascertaining the status of the claim as well as for monitoring.

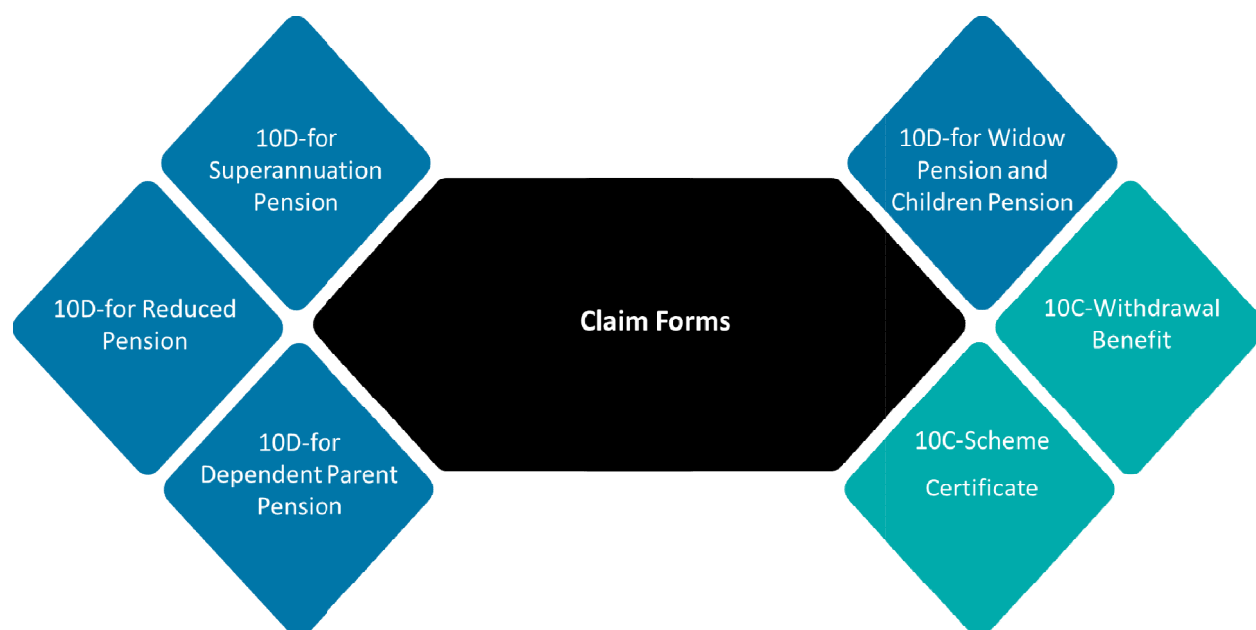
**\*\*\*CHAPTER END\*\*\***

# **CHAPTER 7 :CLAIM PROCESSING, REJECTION & TIME LIMIT FOR DISPOSAL OF CLAIMS**

## 7. Claim Processing, Rejection & Time Limit for Disposal of Claims

### 7.1 Scrutiny and Acceptance of Claims for Sanction of Benefits under EPS'95:

7.1.1 The member/beneficiary is required to submit any of the following claim forms depending upon the entitlement:



7.1.2 The above claims can be submitted through offline mode also. Apart from this Composite Claim Form (Non-Aadhaar) towards payment of Pension, Withdrawal Benefits and Scheme Certificate can be submitted through offline mode.

7.1.3 As and when Offline claim is received, general scrutiny of such claim needs to be taken on the basis of below mentioned checkpoints:

**AS A RULE, CHECK IN MIS FOR UAN FOR SERVICE HISTORY OF THE MEMBER AND WHETHER ALL THE MEMBER IDS ARE SETTLED OR TRANSFERRED TO PRESENT ACCOUNT TO AVOID SHORT PAYMENT OF EPS BENEFITS, DUAL PENSION, ETC.**

- 7.1.4 Scrutiny points as mentioned below should be checked.
- 7.1.4.1 All the columns of Composite Claim Form must be filled clearly.
- 7.1.4.2 Overwriting/cutting must be avoided.
- 7.1.4.3 Composite Claim Form should duly be signed by member and should be verified by employer in prescribed columns.
- 7.1.4.4 Purpose for submission of claim form must be mentioned clearly.
- 7.1.4.5 Length of service and age should be verified.

S.N	Claimant	Type of Claim Forms	Scrutiny Points ( Only for Off-line Claims)
1.	Member	Form 10C for Withdrawal Benefit	1. Copy of attested bank passbook/Cancelled Cheque must be enclosed.
		Form 10C for Scheme Certificate	1. Birth certificate/ School Leaving Certificate and Copy of Aadhaar of all the beneficiaries must be enclosed. 2. BIS certificate and NCP details from employer should be enclosed. 3. Self-certification from member about his employment prior to joining this establishment and post leaving should be enclosed. 4. Certificate that the member is not holding any other Scheme certificate should be enclosed.
2.	Member	Form 10D for member Pension	1. Reason for exit must be mentioned 2. Date of option should be furnished if opting for pension before 58 years. 3. Birth certificate/ School Leaving Certificate and Copy of Aadhaar of all the beneficiaries must be enclosed. 4. Bank details must be in pension Paying banks with proof of bank account 5. Joint Photograph of member and spouse should be attested. 6. BIS certificate and NCP details from employer should be enclosed. 7. Self-certification from member about his employment prior to joining this establishment and post leaving should be enclosed. 8. Certificate that the member is not holding any other Scheme certificate or drawing pension under EPS 95 should be enclosed.
3.	Member	Form 10D for	1. Birth certificate/ School Leaving



		Disablement Pension	<p>Certificate and Copy of Aadhaar of all the beneficiaries must be enclosed.</p> <ol style="list-style-type: none"> <li>2. Bank details must be in pension paying Banks with proof of bank account.</li> <li>3. Joint Photograph of member and spouse should be attested.</li> <li>4. The validity of Medical Certificate should be verified in terms of the Scheme provisions</li> <li>5. BIS certificate and NCP details from employer should be enclosed.</li> <li>6. Self-certification from member about his employment prior to joining this establishment and post leaving should be enclosed.</li> </ol>
4.	Beneficiary (Widow)	Form 10 D for Family Pension.(Widow and Children Pension)	<ol style="list-style-type: none"> <li>1. PRO should verify length of service and age completed by the member.</li> <li>2. Birth certificate/ School Leaving Certificate and Copy of Aadhar of all the beneficiaries must be enclosed.</li> <li>3. Bank details must be in pension Paying banks with proof of bank account.</li> <li>4. All the beneficiaries must be in same bank branch.</li> <li>5. Photograph of all the beneficiaries must be attested by employer/authorised authorities.</li> <li>6. Attested copy of Death Certificate of member should be enclosed.</li> <li>7. Attested copy of "Parivar Register" should be enclosed.</li> <li>8. Attendance Sheet/ Muster Roll of the member which is attested by the employer/ authorised authorities should be enclosed.</li> <li>9. Self-certification from claimant about his employment prior to joining this establishment and post leaving should be enclosed.</li> <li>10. Certificate from claimant that member was not holding any other scheme certificate or drawing pension under EPS 95 should be enclosed.</li> </ol>
5.	Beneficiary (Children)	Form 10 D for Orphan Pension	
6.	Beneficiary (Parents)	Form 10 D for Dependent Parents Pension	
7.	Beneficiary (Nominee)	Form 10D for Nominee Pension	<ol style="list-style-type: none"> <li>1. Form-2 or e-nomination sheet must be enclosed in addition to documents mentioned at S. No 4,5 &amp; 6 above.</li> <li>2. In case of death away from service with more than 36 months of non-</li> </ol>

			contributory period after exit from the previous service nominee pension is payable only if the member has 10 years or more contributory service prior to his exit from the last service.
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## 7.2 Processing of Claim Forms in Account Section:

### 7.2.1 Form 10C (Withdrawal Benefit)

7.2.1.1 DA (Accounts) needs to follow below mentioned checkpoints for processing 10C (Withdrawal Benefit) claim:

- a. DA (Accounts) should verify the data in claim form with KYC particulars/Form 9(revised)/Form 3(PS)/ Member Ledger to ensure the correctness of service details (including transfer in) and NCP details.
- b. DA (Accounts) should verify the details of enclosed bank details with KYC.
- c. Exit wages should be checked from member ledger as per Table D of EPS 1995.
- d. Quantum of Benefit calculated by the system is to be verified before submission.
- e. The two spells of service pre and post 01.09.2014 shall have individual weightages in the final calculations. While verifying this fact should be kept in mind.

7.2.1.2 The SS/ AO shall thoroughly verify before approval.

7.2.1.3 Form-10C special module can be used in case any earlier withdrawal has been returned back.

7.2.1.4 If a member has died before authorization of withdrawal benefit due to him and whose death occurred before attaining the age of 58 years, the family is eligible for a monthly pension. Except in case a member rendering service less than 10 years and death occurred 36 months after leaving the Job.

### 7.2.2 Form 10C (Scheme Certificate)

7.2.2.1 DA (Accounts) needs to follow below mentioned checkpoints while processing Form 10C (Scheme Certificate):

- a. DA(Accounts) should verify the data in the claim form with KYC particulars/Form 9 (revised)/Form 3(PS)/Member Ledger and ensure its correctness
- b. DA (Accounts) must verify the details of enclosed bank details with KYC.
- c. The member service details (including transfer-in) from the member ledger should be verified.

- d. For two spells of employment, prior to 01.09.2014 and onwards the services as well as the average wages as worked out by the system, should be re-verified and any unusual figure should be examined thoroughly.
- e. All details appearing in the Scheme Certificate should be carefully gone through before submitting.
- f. While settling any claim if any discrepancy or confusion arises in interpretation the decision of APFC/ RPFC-II shall be final and claims be processed on the basis of such decision.

### **7.2.3 Form 10-D (EPS)/Issue of PPO**

- 7.2.3.1 Form-10D is prescribed for the issue of PPO for monthly pension to member/beneficiary.
- 7.2.3.2 The concerned Accounts section is responsible for scrutiny and processing of Form-10D and also to ensure that the service and the wages details are incorporated correctly in the worksheet.
- 7.2.3.3 DA (Accounts) will prepare the Work Sheet in the application software and ensure that all data entered or reflected in the worksheet are correct in each and every aspect.

### **7.2.4 DA (Accounts) needs to follow below mentioned checkpoints while processing of IDS (Input Data Sheet)**

- 7.2.4.1 It should be ensured that the bank particulars Aadhaar, Mobile No. etc., are properly seeded and do not have any discrepancy
- 7.2.4.2 E-Nomination should be properly furnished. In case of offline claims, it must be ensured that complete details are provided.
- 7.2.4.3 The attached copy of the Passbook / Cancelled Cheque leaf should be verified to ensure it tallies with the bank particulars already seeded with the member account.
- 7.2.4.4 In case of claimants, they should furnish full particulars of the bank account and the Saving Bank Accounts of all eligible persons should be in the same branch of a bank. Whenever a member/family opts for a pension through a bank outside the jurisdiction of the Regional Office concerned, the SB Account should be in the bank designated for that region. The transferee Regional Office should be advised to inform the member to open an SB Account in the designated bank of that State / Union Territory. In such cases and where the claim is otherwise in order, the claim may be accepted and processed further.
- 7.2.4.5 The input data sheet should be forwarded to the pension for onward transmission to the transferee region for necessary action.

- 7.2.4.6 Scheme certificate received along with the claim, if any, should be taken into account to determine the entitlement of pension.
- 7.2.4.7 In respect of cases where the eligibility falls before 26.09.2008, it should be verified whether the option for commutation is given by the member and not by the family members.
- 7.2.4.8 It should be ensured that whenever the option is given by the member to ROC, the alternatives are specified, erroneous options for ROC given by the family, if any, should be ignored, as they are not entitled.
- 7.2.4.9 In case of disablement, it should be ensured that the disablement occurred during a period of his employment as reported in the ECR for the relevant month and supported by a disability certificate issued by the appropriate authority. If the member attained the age of 50 years, at the time of disablement, and has possessed the required eligible service, the production of disability certificate is not necessary, as the case will be regulated as early pension, at reduced rates.
- 7.2.4.10 In exceptional case where any credible information is received in respect of any beneficiary which would attract the provisions contained in Para 43 of EPS 1995 the matter should be handled in consultation with APFC/RPFC-II.
- 7.2.4.11 It should be ensured that the establishment has complied with the EPS 1995 and contributions are paid/payable in respect of the member.
- 7.2.4.12 Where the claim is received from the guardian of the minor child, it should be verified whether a guardianship certificate is received where the guardian is other than the guardian appointed by the member or natural guardian / Guardian has been declared in the E-Nomination filed by the deceased member.
- 7.2.4.13 The AO, based on the verified worksheet, and the particulars given in the Input Data Sheet, should ensure the entitlement of pension and then approve the worksheet.

**7.2.5 Following are checkpoints which are needed to be noted while processing the Form-10D**

- 7.2.5.1 The DA handling 10D cases in pension cell should ensure that the IDS is prepared and scrutinised in terms of the above stipulations by the accounts group and in case of any deficiency the same needs to be clarified before further processing.
- 7.2.5.2 The worksheet should also be verified, and any discrepancy noticed should be examined in consultation with the Accounts group if necessary.

- 7.2.5.3 Though the eligibility criteria etc. have been already verified by the Accounts group a general review is required to be conducted on the worksheet data considering the fact that the Pension cell is the final dispatch point of a long term regular monthly payout.
- 7.2.5.4 In case of transfer in cases any communication for clarification from the issuing office should be made through official email only.
- 7.2.5.5 Before approval of the worksheet the DA Pension and SS Pension shall check if the Bank Details and Beneficiary Details are reflected correctly. It is absolutely essential that the correspondence address as well as the contact details is available in the system to track down the pensioner in due course when necessary.
- 7.2.5.6 Once the worksheet is generated and approved the claim should be processed for PPO generation and release of arrears, if any.
- 7.2.5.7 The arrear statement, the PPO and the corresponding cheque should be sent to the link branches at least twice a week to avoid delay in credit. In this regard, field Offices shall follow the latest guidelines and use secured electronic means for transfer of data and funds.

**\*\*\*CHAPTER END\*\*\***

# CHAPTER 8

## :DISBURSEMENT OF PENSION AND OTHER BENEFITS



## 8. Disbursement of Pension and Other Benefits

### 8.1 Disbursement of Pension

- 8.1.1 Regional Provident Fund Commissioners in-charge of the Regions are empowered to enter into arrangement with one or more Scheduled Commercial Banks to disburse EPS Pension. In addition to monthly pension, the commuted value of pension and Return of Capital shall also be disbursed through the designated Banks.
- 8.1.2 Depending upon the need of pensioners and reach of an agency in a particular District, Region or State, the agreement can also be made at Regional, Zonal or National level.
- 8.1.3 The other incidental services related to disbursement of pension, like submission of life certificate (including Digital Life Certificate), intimation of death of pensioner, guiding the pensioners for Aadhar Enrolment/ offering guidance to the pensioners for revalidating the PPOs may be provided by such Authorised Agencies/Banks as per agreement.
- 8.1.4 All Pension Payment Orders would have a standard format of PPO code as an alphanumeric code of 5 letters and 8 digits. The five letters would denote PPO issuing office and 8 digits would denote the number for PPO which would in a sequence being the next number from last PPO issued. However, first two digits would be “99” for PPOs issued under erstwhile EFPS.
- 8.1.5 **PPO Code:**

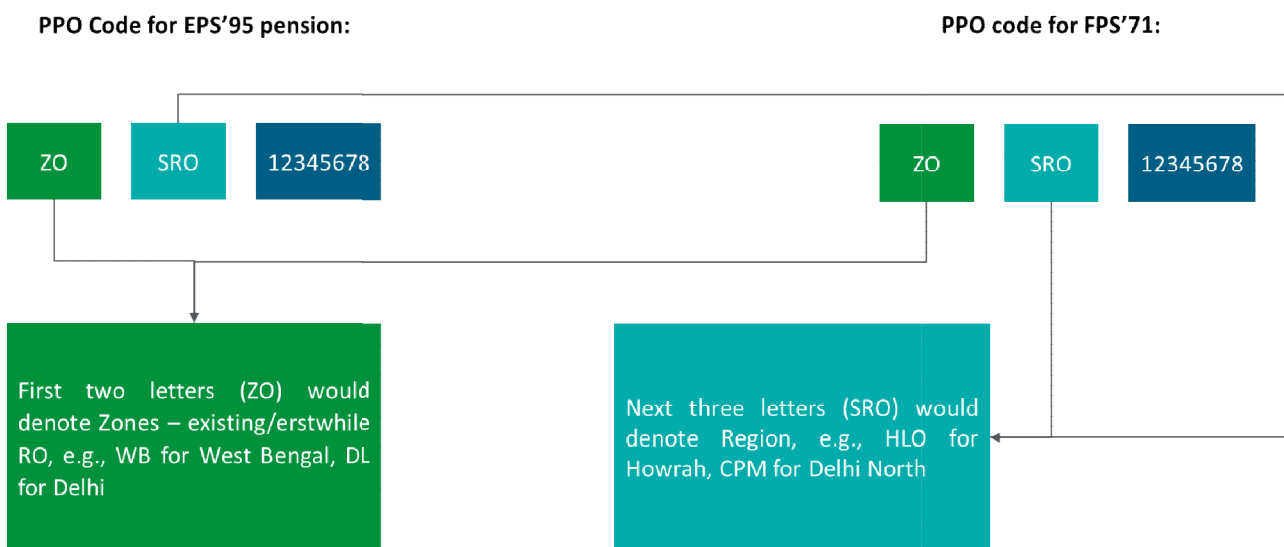


Figure 14 : Composition of PPO Code

The codes for Zones and ROs –existing/erstwhile ROs & SROs are given in Annexure C.

- 8.1.6 All Pension Payment orders would have a standard format of PPO code as an alphanumeric code of 5 letters and 8 digits.
- 8.1.6.1 The five letters would denote PPO issuing Office and 8 digits would denote the number of PPO which would in a sequence being the next number from the last PPO issued.
- 8.1.6.2 However, first two digits would be “99” for PPOs issued under erstwhile FPS 71.
- 8.1.6.3 All the PPO numbers are unique for a particular member ID for member pension. Same PPO no. is used for all beneficiaries of family pension.
- 8.1.6.4 The Pension Master file for EPS 95 cases and the EFPS cases are maintained separately in the application software.
- 8.1.7 The disbursement of pension will be made through the CBS/Core Banking Account in the bank account of the member pensioner opened in his/her name i.e., single, or jointly along with the spouse alone as provided in the online pension claim. In the case of Physical form 10D which is to be accepted in exceptional conditions, it will as per the Bank details provided in the claim form. The Disbursement of Pension can be done only through the Banks/Agency authorized to disburse pension in that particular Region.
- 8.1.8 If a pensioner intends to change the bank /branch/agency through which he/she is drawing pension, the same may be allowed after obtaining a representation and a fresh copy of bank passbook/cancelled cheque /account details opened in new bank/branch agency. If the new



account lies under the jurisdiction of a different Regional Office, the PPO will be transferred to concerned Regional Office through e-office. In order to effect transfer, the bank account should be opened only in any of the designated banks wherein agreement exists in the particular Region. This is applicable for changing the bank accounts for family pensioners/beneficiaries also.

8.1.9 The Joint bank account is allowed only with spouse of pensioner which could be operated in 'Former or Survivor' or 'Either or Survivor' mode. The credit of Pension to a Joint Account (operated by pensioner with his/her spouse in whose favour an authorization for family pension exists in the pension payment order) is permitted with the following terms and conditions:

**1** Once pension has been credited to a pensioner's bank account, the liability of the Employees Provident Fund Organization/Bank ceases. No further liability arises, even if the spouse wrongly draws the amount.

**2** As pension is payable only during the life of a pensioner, his/her death shall be intimated to the bank at the earliest and in any case within one month of the demise, so that the bank does not continue crediting monthly pension to the joint account with the spouse, after the death of the pensioner. If, however, an amount has been wrongly credited to the joint account, it shall be recoverable from the joint account and/or any other account held by the pensioner/spouse either individually or jointly. The legal heirs, successors, executors etc. shall also be liable to refund any amount, which has been wrongly credited to the joint account.

**3** Further bank should not allow to modify the bank accounts by adding any of the family members after pension disbursement had started under EPS /FPS Pension. In such cases, the payment of wrong pension/withdrawal of pension amount /arrears by other than any beneficiaries would be the sole responsibility of the Bank Authorities as it is their sole responsibility to mark EPS/FPS-pensioners separately and flag them accordingly as per the Agreement.

*Figure 15: T&C for Joint Account*

8.1.10 Apart from monthly pension, the Scheme provides for payment of withdrawal benefit to the members. These benefits are onetime payment and as such the benefit of withdrawal benefits will be paid directly to the bank account furnished by the member as per KYC details submitted linked with UAN. In death cases, the payment would be made to the bank account of the eligible beneficiary as per the claim form. (Both online and Offline)

## **8.2 Arrangement with Agencies**

- 8.2.1 At present, the arrangement for disbursement of pension has been made with the Selected Agencies. List of Pension Disbursing Agencies is enclosed in Annexure II. Whenever the need arises, the Regions/Zones can enter into arrangement with other banks also.
- 8.2.2 Commission and other charges incidental thereto payable to the disbursing agencies should be charged to the pension fund account only.
- 8.2.3 A Monthly Statement of Pension Payment for Reconciliation of Bank Account (also called BRS (in application software terminology) is sent to Designated Banks through an official channel in softcopy in the prescribed format (Presently excel/CSV). The details of pension amount to be disbursed under each head (EPS/EFPS) along with number of PPOs and total number of beneficiaries are included in the forwarding letter of the statement.
- 8.2.4 RBI regularly issues guidelines/directions to pension disbursing agencies for crediting pension by these banks. The manual provision of pension disbursement by EPFO has by and large modelled on RBI circulars issued from time to time. The matter has been reviewed by Pension Division and keeping in with RBI instructions, it has been decided that all field offices may send the monthly BRS to banks in such a way that pension gets credited to pensioners account on last working day of the month (except for the month of March that shall continue to be credited on or after 1st April).
- 8.2.5 Accordingly, while taking note of the aforesaid instructions for strict compliance, it may simultaneously be ensured that pension is sent to pension disbursing banks not earlier than two days before it is to be credited in pensioners' account.

## **8.3 Disbursement of Pension through Current/Savings Bank Account in the Designated Bank/Agency**

- 8.3.1 As per the agreement entered into with the designated Schedule Commercial Bank/Agency, the amount of pension due for disbursement to the pensioner every month is required to be paid in advance to the Link Branch of the Bank. The amount paid to the Bank will be kept in an account opened by the Regional Provident Fund Commissioner of the Regional Office concerned.

- 8.3.2 The nature of account to be opened in the designated banks/Agency may be Current Account or Savings Bank account.
- 8.3.2.1 Wherever more than one bank is designated, Account may be opened in each bank. The account is to be opened in the name of “Employee’s Pension Scheme, 1995, Regional Office” after adhering to the rules governing the opening of Bank Account.
- 8.3.2.2 The RPFC of the Region will authorize the Assistant P.F. Commissioner in-charge of Pension Section in Regional Office to operate the account.
- 8.3.2.3 The bank account is operated only for the purpose of depositing the advance pension payment and to transfer the amount of pension to the Account of pensioners by the Link Branch.
- 8.3.2.4 The undisbursed amount in cases of inactive accounts in case of death of pensioners may be credited in the pension disbursement account and the pensioners to whom the amount had not been credited may be identified by the link branch. The undisbursed amount may be credited to Account No.10 in T +1 day through RTGS/NEFT and the undisbursed amount may not be left idle with the link branch. The pension disbursement amount may be put on auto sweep with Account No.10 of SBI. The system thus ensures that reconciliation is immediate and thereafter service charges may be paid promptly to the banks by the field offices.<sup>1</sup>
- 8.3.2.5 The Banking arrangements between the SBI and EPFO provides for Corporate Internet Banking (CINB) facility to enable field offices to view real time credit/debit information and particulars of balance in Account No.1,2,10,21 and 22. The facility is limited to viewing and printing of Account information only. The same is extended to Pension Disbursement Accounts in SBI and all other Banks to enable the field offices to view the accounts. The arrangement shall be limited to viewing the account only, without any transaction facility whatsoever, through the internet banking facility of the respective banks<sup>2</sup>.
- 8.3.2.6 It is advised for all offices to obtain internet banking facility with no transaction facility (only view facility) for all Pension disbursing banks.
- 8.3.3 Credit statement of uploaded data will be provided by the bank to the concerned EPF Office for reconciliation within a day. PPO wise reconciliation may be done by the system itself. Trickle feed data, undisbursed list, reasons for non-disbursement, action taken on recovery list are to be compared with BRS file and preserved.

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<sup>1</sup>(Letter No. Bkg//1(25)/NEFT/2011-Vol.U/17226 dated 27.12.2013 of the RC-I(F&A) HO)

<sup>2</sup>(Letter No. Bkg//1(25)/NEFT/2011-Vol.U/17226 dated 27.12.2013 of the RC-I(F&A) HO)

- 8.3.4 On completion of reconciliation month wise, scroll to be taken for the month of disbursement/reconciliation so that the month wise payment sent to bank tallies to month wise scroll payment made, payment done, payment not done. This will help in calculation of service charges month wise.
- 8.3.5 The position of closing balance should be examined at the level of Assistant Provident Fund Commissioner (Pension) and after careful verification, it should be ensured that the BRS amount and the details regarding pension credit, undisbursed list provided by the bank should tally before pension reconciliation of bank statements and if there are discrepancies the same should be taken with the bank authorities for clarification. The activity of reconciliation may be carried out under the supervision of RPFC including credit in EPFO's Account No.10 of Undisbursed amount.
- 8.3.6 To prevent frauds in the process of payment of pension to pensioners in the field Offices It is suggested to take the action as detailed below:
- 8.3.6.1 Rotation policy of staff may be followed. The maximum tenure of three years may be followed in all Regional Offices without any exception. It may be ensured that the BRS staff involved in BRS process adhere to the instructions issued with regard to correspondence with the Banks as per the Agreement/Head Office instructions only and avoid physical transactions of statements. The details of correspondence and other mails received from the bank may be properly maintained and periodically verified by the Officer-in Charge Concerned.
- 8.3.7 Based on the credit statement of uploaded data provided by the Bank to the concerned Regional Office, for reconciliation within a day, PPO wise reconciliation may be done by the system itself by successfully comparing the Trickle feed data for successful transactions, failed transactions/ Undisbursed amount /no bank account cases have to be reflected separately for re-crediting the same to the pensioner/family pensioners on receipt of proper bank details. The failed transactions details will also enable the office to contact the pensioners/beneficiaries for rectifying the discrepancies.
- 8.3.8 The Officers in charge of the RO shall review the adherence to the provisions of MAP once a month with regard to the timely disbursement of pension, reconciliation of pension, closing balance of pension disbursement accounts, calculation of service charges, grievances received

from the pensioners regarding delayed credit of pension by the banks or non-availability of Jeevan Pramaan facility, non-receipt of PPO etc. Agenda prepared for bank meetings and the correspondences made with the Banks with regard to the bank meetings and the minutes of the bank meetings may also be added in the e-office file.

## **8.4 Commission and Service Charges Payable to Pension Disbursement Agencies**

### **8.4.1 Service Charges Payable to Bank:**

8.4.1.1 As per the agreement entered into with Scheduled Commercial Banks for disbursement of Pension, the Organization is required to pay service charges at 1.25% for monthly pension and 0.25% for lump sum payments. It is seen that the agreement signed with the banks is outdated and hence all agreements are to be reviewed in light of the advancement in technology/disbursement methods / and Jeevan Pramaan issues. Applicable GST may also be paid and TDS may also be deducted as per existing Laws as applicable from time to time.

8.4.1.2 The service charges are to be paid to the bank from Employees' Pension Fund (EPF A/c No/10). The payment of service charges to the bank should not be treated as administrative expenditure. Under no circumstances the Bank should be allowed to adjust the service charges out of the pension amount deposited with them. The same should be emphasised in bank meetings also.

- a. The service charges should be paid to the bank annually after the end of calendar year after completing pension reconciliation through application software for both monthly pension and lump sum payments in respect of a designated bank/agency.
- b. On receipt of Trickle feed data for successful transactions done by the Bank, undisbursed list after crediting of Monthly pension and other payments, pension reconciliation will be carried out through the respective module in application software for calculation of service charges in respect of each scheduled commercial banks authorized for pension disbursement. The amount arrived through the module may be verified with the invoice received from the banks claiming service charges for crediting pension on monthly basis. *(Refer 11.2.5 above as same issue involved.)*

- c. The Pension Section should forward the (Service charge scroll summary) to the Cash Section for issue of an A/c Payee cheque in favour of the link branch of the designated banks. It should be ensured that the service charge is not paid to the current account viz Employees' Pension Scheme 95 Regional Office/Sub-Regional Office maintained in the Link Branch which is kept only for depositing the pension amount due to pension and for making payment to Pensioners.
- d. The field offices should take up the matter with the bank branches who are not having facilities for submission of Digital Life Certificate. In case the bank branches are not cooperating then the matter is to be taken with the higher authorities of the concerned banks. Even taking all such efforts if any bank branches are not providing the facilities of submission of Digital Life Certificate and not co-operating then the list of such bank branches along with steps taken in the matter shall be forwarded to Head Office. The service charges may not be disbursed with respect to that bank branch, till the facility of Digital Life Certificate is arranged.
- e. The service charges should be paid to the bank only after the receipt of trickle feed for successful pension disbursement, undisbursed statement/recovery status and after completing pension reconciliation through application software for both monthly pension and lump sum payments in respective of a designated bank for a particular month. The cheque towards service charges to be paid drawn in favour of the Bank and this should not be credited to the account kept in the Bank.
- f. A separate register should be maintained in Pension Section to record the amount of service charges. The claim received from the Bank and office copy of the sanction order/payment authority should be preserved in the pension section for production to Audit through E file created exclusively for this purpose. The invoices received from the Banks and the deduction made in service charges due to non-availability of Jeevan Pramaan facility/belated credit of pension may also be added in the e-file.

#### **8.4.2 Digital Life Certificate and Exception Handling**

- 8.4.2.1 Submission of Jeevan Pramaan digitally can be done through Jeevan Pramaan application and UMANG APP in the mobile phones, through Post Offices/IPPB/CSCs and Pension Disbursing Agencies.
- 8.4.2.2 The system of submission of Life Certificate during the month of November in each year as per the EPS 95 scheme has been replaced. Now, the pensioner can submit Jeevan Pramaan any time which is valid for one year from the date of submission of the same. For example, if the pensioner submits his Digital Life Certificate during March this year, it is valid till next March and the pensioner will receive pension up to March the succeeding year.
- 8.4.2.3 The widow recipient of family pension can also submit Jeevan Pramaan using the above facilities and it is sufficient that she provides the non-remarriage certificate for the first time alone. In the event of her remarriage, she would report the fact to the pension disbursing office promptly in order to enable her children, if any to receive applicable Orphan pension. However, the widower pensioner who can also submit digital life certificate using the above facilities should submit non-remarriage certificate as per the provisions made in the Jeevan Pramaan website.
- 8.4.2.4 There may be exceptions where pensioners are unable to submit Digital Life Certificate for want of Aadhaar or fingerprint authentication not being successful due to poor fingerprint of the beneficiary or due to network/connectivity or other technical reasons. Exception Handling for Digital Life Certificates of EPS Pensioners should be done by Banks in the following manner:
- a. For giving pension to the pensioners who cannot get and submit Jeevan Pramaan on account of not possessing Aadhaar, the following mechanism may be adopted:
    - i. Effort should be made to ensure that such pensioners are facilitated for Aadhaar enrolment. UIDAI has already directed that banks shall set up Aadhaar enrolment centers in 10 percent of their branches. The list of the bank branches with Aadhar enrolment facilities, are available on [www.uidai.gov.in](http://www.uidai.gov.in). The bank manager may coordinate with the bank branch where the Aadhar enrolment facility is available and get the beneficiary enrolled for Aadhar

- ii. The pensioner/family beneficiaries who are drawing EPS Pension/FPS Pension should apply for Aadhar by comparing the basic details like name, date of birth etc as per the PPO failing which digital life certificate may fail and not get accepted by the Disbursing Authority.
  - iii. As per Aadhar (Enrolment and Update) Regulations 2016 banks should also make special arrangement for the bed-ridden, differently abled, or senior citizens who are unable to visit the Aadhar enrolment Centre.
  - iv. Special drives can be conducted through banks by maintaining the list of EPS /FPS Pensioners who are drawing pension through their banks and who do not possess Aadhar. For such pensioners, bank may arrange to get them enrolled for Aadhar by visiting their homes in order to continue the benefits eligible to them.
  - v. Till such time Aadhar is assigned to such pensioners, a paper life certificate may be accepted after collecting Aadhar enrolment application receipts from such pensioners. After due verification through alternate identification documents as deemed necessary by the bank, pensions may be disbursed. An entry with necessary details such as paper life certificate, Aadhar enrolment application receipts etc may be recorded in an “exception register” which should preferably be maintained in an electronic form.
  - vi. Paper life certificate so obtained by the banks should clearly mention the reasons for such acceptance and the Remarks to be clearly mentioned in the Life Certificate Form itself by the Bank Manager with suitable recommendations.
- b. For giving pension to the pensioners whose fingerprint/Biometric authentication fails for any reason, the following mechanism maybe adopted:
- i. Banks may make provisions for IRIS scanner / FAT based devices along with the fingerprint scanner in bank branches. It has been observed that in many cases IRIS authentication is successful even though fingerprint authentication may have failed. This is particularly true for many senior citizens. In such cases, digital life certificate may be generated on the basis of IRIS authentication and pension may be given. Apart from the above, IRIS facility should be available in all Pension disbursing banks in order to provide hassle free service to the pensioners.
  - ii. In case where fingerprint or IRIS authentication is not feasible for any reason, an entry should be made in the exception register with reasons and pension may be provided on the basis of paper life certificate and physical Aadhar card or E-Aadhar card of the pensioner after due verification as deemed fit by the bank. QR Code on E-Aadhar card



downloaded after April 2018 has photograph and other demographic details which are digitally signed by UIDAI. A QR code scanner which works even offline can thus confirm the authenticity of a paper E-Aadhar card.

- iii. The exception register which would contain the details of exception granted in aforesaid Paras along with paper life certificate, Aadhar number or Aadhar enrolment ID etc, maybe reviewed and audited periodically by senior management of the bank. The Life Certificate in physical form along with Aadhar card, printed E-Aadhar or Aadhar enrolment application receipt of the pensioner should be forwarded to the concerned office of EPFO on day-to-day basis. Further, if the pensioner is an NRI settled abroad and if the pensioner is not in possession of Aadhar due to residential status, such pensioner can be allowed to submit life certificate through the concerned Embassy of the Country, or any other Scheduled Commercial Bank of India situated in that country. On receipt of such manual life certificate, the bank through which the pensioner is drawing pension should verify the same and forward it to the concerned EPFO Office with due recommendation.

#### **8.4.3 Arrears of Pension in Inactive Accounts**

- 8.4.3.1 If in any case, pension has not been credited to the account of the pensioner for a period of 07 years and all efforts have been made to trace the pensioners by the RPFC, such PPO would be recorded as inactive in system. The PPO in respect of a pensioner/family pensioner who have not submitted life certificates continuously for 07 years would get automatically invalidated in the Pension Master of the EPFO Office where the pensioner was drawing pension. The pensioner/family pensioner will not be able to submit Digital Life Certificate unless it is revalidated by the concerned EPFO Office. The concerned office may also make arrangement for verification for such pensioners who may not be above to visit the office.

- 8.4.3.2 In such cases when the pensioner submits Life Certificate or contacts the bank or the Regional Office for restart of pension, such PPOs would be marked active and included in BRS only after approval of AO (Pension) in Regional Office. The pensioners/family pensioners who approach the banks for submission of life certificates after non submission of DLC continuously for 07 years should be advised to visit the concerned EPFO Office with supporting documents such as PPO copy, bank account details, mobile phones and copy of Aadhar for revalidating their PPOs and then submit Digital Life Certificates.

## 8.5 Pension on the Death of Pensioner and Manner of Disposal of Such Pension Payment Order

8.5.1 Pension shall be drawn for the day of the pensioner's death irrespective of the time of death. On receipt of a death certificate in respect of pensioner, the paying branch will work out the amount of arrears due to the deceased or over payment, if any, made to him. It will take action immediately to recover the over payment from the deceased's account in terms of the undertaking obtained by the paying branch from the pensioner at the time of commencement of pension. (Recovery of amount credited after death of pensioner)

8.5.2 Payment of arrears of pension will be regulated as under:

### **In case a valid nomination by the deceased pensioner exists for Bank Account**

- ☐ In case a valid nomination by the deceased pensioner exists for bank account, payment will be made to nominee accordingly.
- ☐ For payment of arrears to the nominee, he/she will be asked to apply for the same to the paying branch setting forth the period of arrears.
- ☐ The paying branch, after verifying the fact that the payment is actually due to the deceased pensioner, and also the particulars of the nominee as given in the nomination will credit the payment to the nominee.
- ☐ In case, the banks do not fulfil this obligation and the beneficiary is forced to directly approach the RO this, such incident should be promptly reported to the Link Branch and shall be taken up sternly in the monthly meeting by the RPFC-I (In charge) with the link branch of the bank/agency.

### **In case no nomination for Bank Account of pensioner exists**

- ☐ **In case no nomination for bank account of pensioner exists, payment of arrears of pension may be made to nominee as per Para 61 of EPF Scheme, 1952.**
- ☐ **An explicit declaration of nominee to receive such arrears after death of pensioner may also be taken from pensioner at the time of processing pension claim.**

### **In case no nomination for Bank Account of pensioner or as per Para 61 of EPF Scheme, 1952 exists**

- ☐ **Payment of arrears will be made to the heir(s) of the deceased pensioner, if the deceased pensioner had not submitted any nomination**

## **8.6 Family Pension**

8.6.1 The Pension Payment order indicates the entitlement in respect of family pension to the widow/widower/children (including disabled children) in the event of death of the pensioner. On receipt of intimation of death of a pensioner, the payee branch shall communicate the fact along with death certificate to the link branch as well as concerned Regional Office.

8.6.2 Apart from widow/widower, eligible children, or orphan (as the case may be) will also be paid pension.

8.6.3 Payment of family pension will be made separately to each eligible pensioner by credit to their Saving Bank Account (not a 'joint' or 'either or survivor' Account). However, in case the spouse (Family pensioner) opts for existing joint account for credit of family pension, banks should not

insist on opening a new account when the spouse is the survivor and having a joint account with the pensioner and in whose favour an authorization for payment of family pension exists in the Pension Payment Order (PPO).

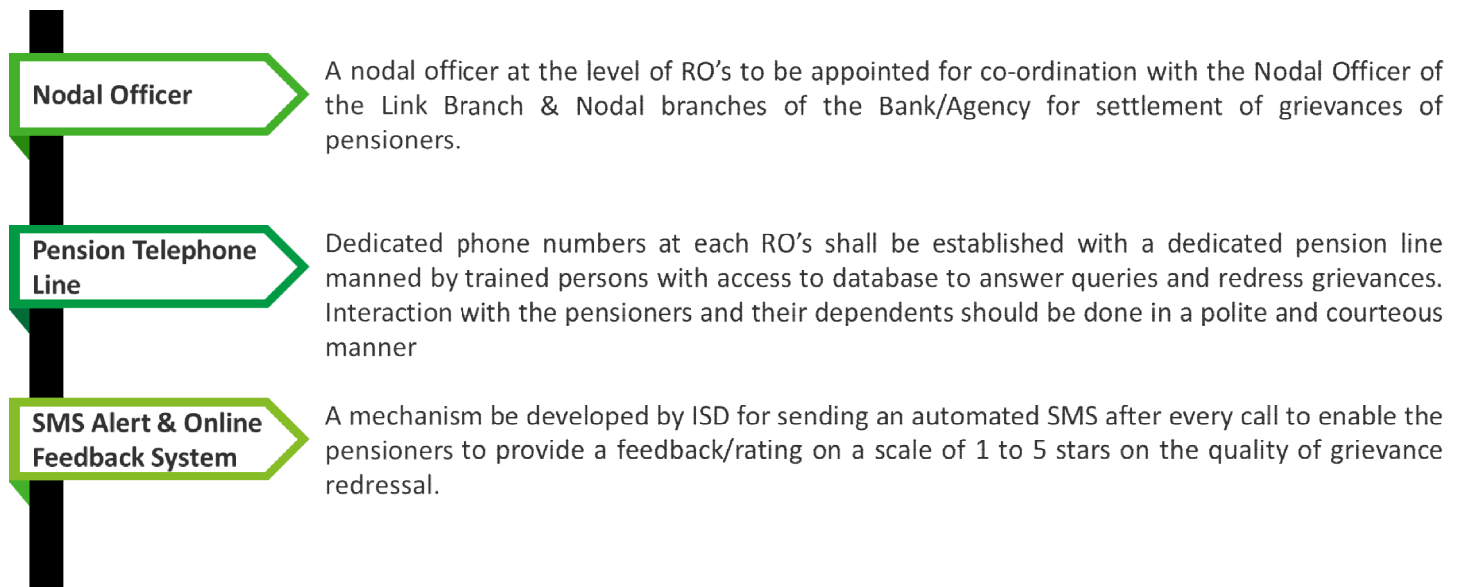
- 8.6.4 The Paying Branch will also intimate the Regional Office through the Link Branch, the date of pensioner's death and commencement of payment of family pension for keeping the necessary note in their records.
- 8.6.5 In case the report about the death of a pensioner is received by Paying Branch first, from a source other than the widow/widower of the deceased, the Manager shall after satisfying himself/herself about the correctness of the report contact the family members at the address given in the Pension Payment Order, seeking compliance with the prescribed formalities so that payment of family pension to the entitled person(s) is commenced early.
- 8.6.6 Pension Payment in cases of Nominee Pension and Dependant Parent pension shall also be made in same manner.

## **8.7 Recovery of excess/wrong payment made to a pensioner**

- 8.7.1 As soon as the excess/wrong payment made to a pensioner comes to the notice of the paying branch, the branch should adjust the same against the amount standing to the credit to the pensioner's account to the extent possible including lump sum arrears payment.
- 8.7.2 If the entire amount of overpayment cannot be adjusted from the account, the pensioner may be asked in writing giving a due notice to pay forthwith the balance amount of overpayment.
- 8.7.3 In case the pensioner expresses his inability to pay the amount, the same may be adjusted from the future pension payments to be made to the pensioners. For recovering the overpayment made to pensioner from his future pension payment in instalments 1/3rd of net payable each month may be recovered unless the pensioner concerned gives consent in writing to pay a higher instalment amount. The process to be followed for recovery, in cases where excess pension paid to the pensioners, should be decided mutually by EPFO and Agency/Bank as part of agreement.

- 8.7.4 If the overpayment cannot be recovered from the pensioner due to his death or discontinuance of pension, then action has to be taken as per the letter of undertaking given by the pensioner under the scheme.
- 8.7.5 The pensioner may also be informed about the details of over payment/wrong payment and mode of its recovery.
- 8.7.6 Whenever any excess/overpayment is detected by the Bank/Agency, the entire amount thereof should be credited to the Account 10 of Regional Office in lump sum immediately when the excess/ overpayment is due to an error on the part of the agency/bank. This action is independent of recovery from the pensioner.

## 8.8 Customer Service



\*\*\*\*\*CHAPTER END\*\*\*\*\*

Sl. No.	Date of issue	Subject of Circular	Reference in Manual (Corresponding Paras)
1.	14.12.2018	Prevention of frauds Pension Payments	8.3.8
2.	27.12.2013	Disbursement of Pension through CBS-Transfer of fund to banks-Corporate Internet Banking Facility (CINB)	8.3.3
3.	13.01.2022	Payment of Pension to EPS '95 pensioners on the last working day of the month.	8.2.4
4.	As on 31.03.2024	Pension Disbursing Agencies under EPS'1995	Annexure
5.	28.12.2010	Non submission of NRMCM for widow	8.4.2 (iii)
6.	23.09.2009	Payment of Pension under EPS'95 through a Joint bank account with spouse only	8.1.8 & 8.6.3
7.	25.09.2012	Disbursement of Pension through Centralized Pension System and collection of CBS Bank A/C No.	8.1.6
8.	24.06.2011	Shifting of Pensioners from Post Offices to Banks and switching to computerized BRS system	8.1.1
9.	14.07.2014	Regarding Complaint of PNB for non-release of service charges for disbursement of pension under EPS 1995	8.4.1
10.	09/04/2018	Submission of Life Certificate / non re-marriage certificate by pensioners under EPS, 1995 HO No. Pension-I/17(10)2016-17/Jeevan Pramaan/913 dated 09/04/2018	8.4.2

# CHAPTER 9

## :CONTRIBUTION AND FUND MANAGEMENT

## 9. Contribution and Fund Management<sup>3</sup>

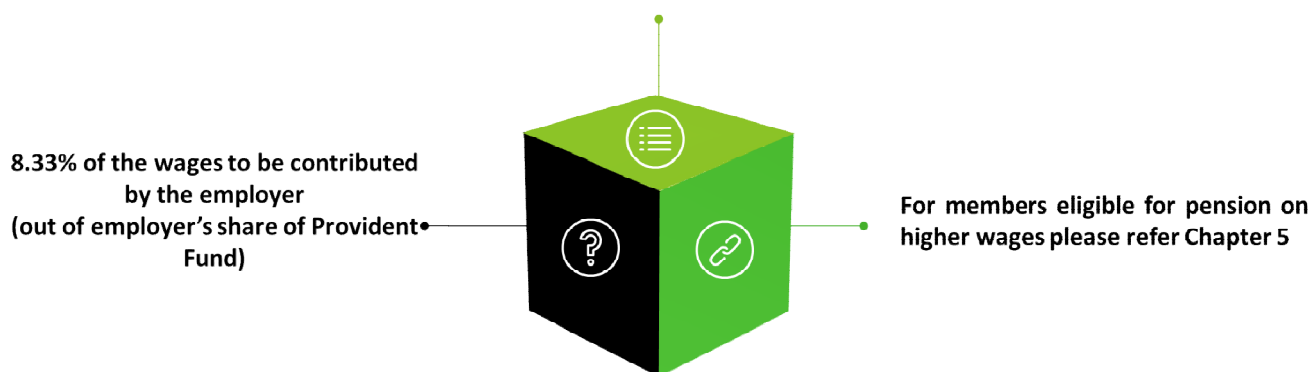
### 9.1 Contribution

**9.1.1 Receipt and Accounting of Contribution:** EPS 1995 being a funded Scheme, timely receipt and proper accounting of the contributions is essential for optimum utilisation of the resources. The contribution is to be remitted by the employer through ECR into EPF account No.10 viz., Employees' Pension Fund. The details of contribution remitted are to be maintained in the system and also to be reflected in the member's account.<sup>4</sup>

**9.1.2 Due Date for Payment of Contributions:** Contributions to the Pension Fund are payable on or before 15th of the month following the month to which the contribution relates.

**9.1.3 Rate of Contribution:**

**1.16% of the wages to be contributed by the Central Government up to the wage ceiling**



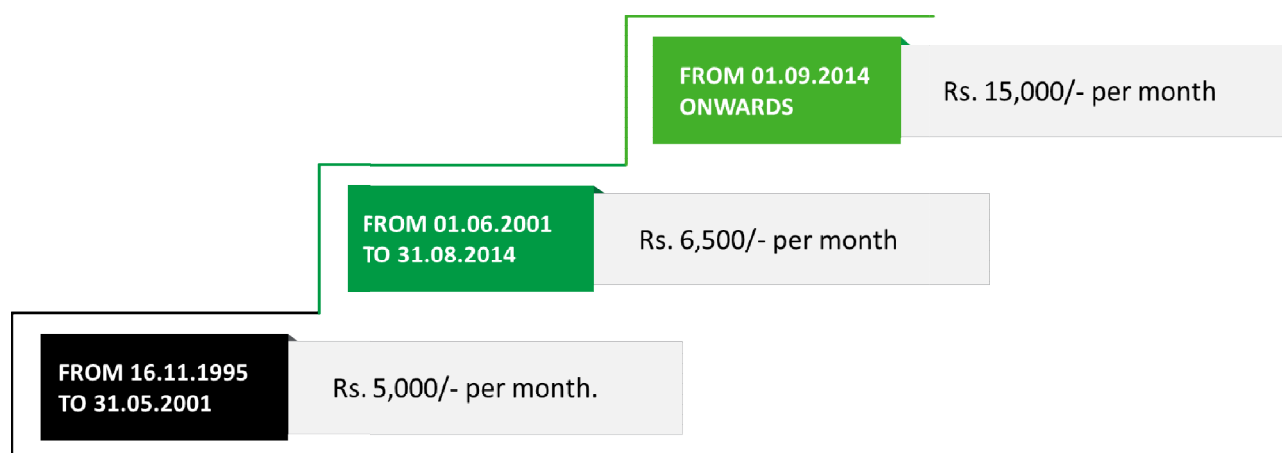
*Figure 16 : Rate of Contribution*

<sup>3</sup>\*SOP for handling IBC cases (**Annexure B**) should be referred to for detailed discussion of relevant sections of IBC, case laws as well as roles & responsibilities and procedure to follow. Purpose of this chapter is to give an overview of compliance actions required to be taken in such cases.

<sup>4</sup>Please refer MAP Part II for full details



#### 9.1.4 Wage Ceiling under EPS'95:



#### 9.1.5 Important Check Points:



At the time of joining for the first time in an establishment covered under EPF & MP Act, 1952, on and after 01.09.2014, the EPS membership and payment of contribution into Employees' Pension Fund is to be initiated only if the wage of the employee is up to Rs.15,000/-.



The contribution into Employees' Pension Fund shall be remitted only up to the wage ceiling except for eligible cases of pension on higher wages (please refer chapter 5).



The contribution into Employees' Pension Fund shall normally be remitted only up to the age of 58 years. Any contribution erroneously remitted by the employer in respect of an EPS member who has attained 58 years of age and if the member or the employer inform at a later date before commencement of pension that there was no desire for the deferment of Pension, then the contribution into EPS'95 shall be immediately diverted back to the EPF account.

#### 9.1.6 Payment of Contribution in case of option for Deferment of Pension with Further Contributions:

9.1.6.1 A member otherwise eligible for pension if he so desires may be allowed to continue contributions into Employees' Pension Fund till 60 years of age provided, he is continuing in employment.

9.1.6.2 If a member is in continuation of employment and desires to contribute beyond 58 years, a system is being put in place, where such option can be exercised well in advance through the member portal. It will be notified to the employer accordingly so that the contribution in

pension fund continues beyond 58 years. Till such time the deferred pension cases are to be regulated in the following manner:

Case Type	Description	Action
1	At the time of submission of claim, option for deferred pension is selected by the member and contribution till the date of exit or 60 years whichever is earlier is paid.	Should be treated as valid option and deferred pension as prescribed under sub para 7B(b)(ii) of para 12 of EPS'95.
2	Option for deferred pension selected without contribution beyond 58 years.	Should be regulated under sub para 7B (b)(i) of para 12 of EPS'95.
3	At the time of submission of claim, option for deferred pension is not selected by the member and contribution beyond 58 is received.	Should be treated as erroneous contribution and the amount deposited after 58 years should be refunded along with interest to Account no: 1 or PF trust account.

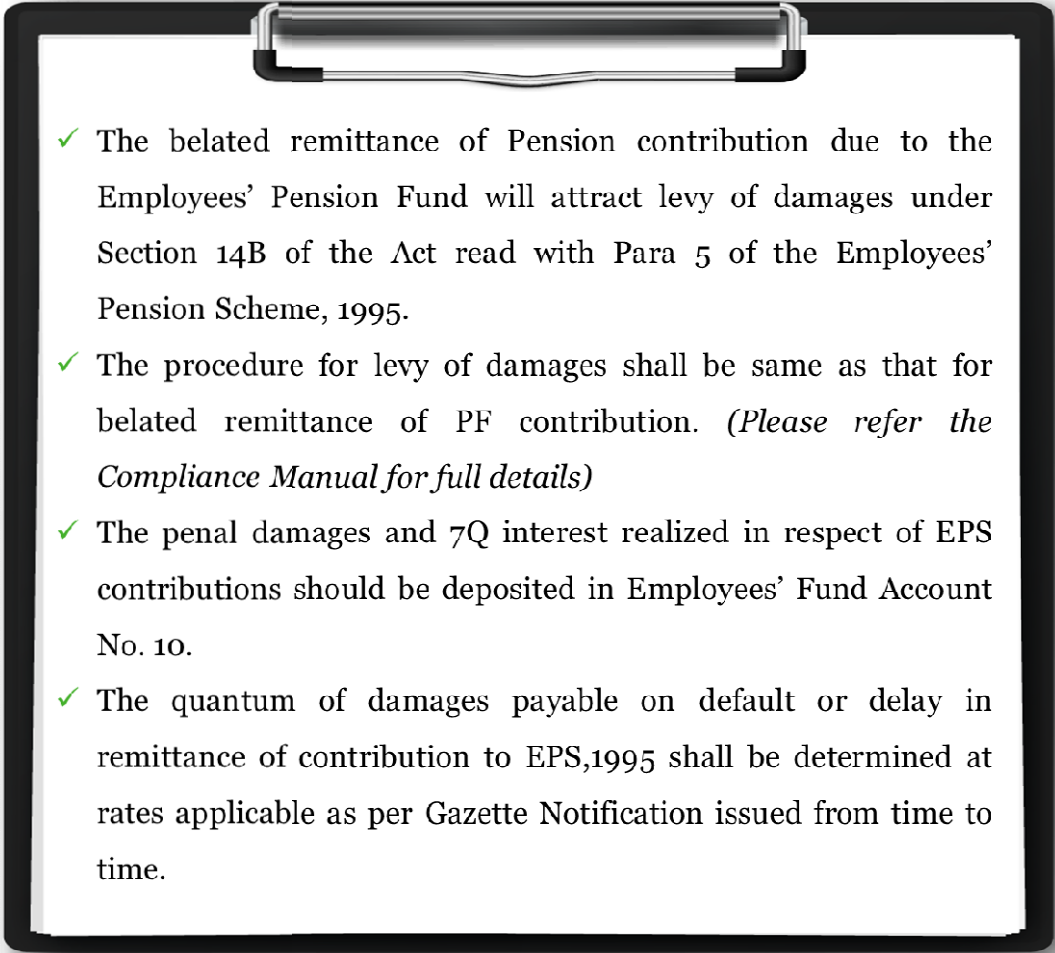
**9.1.7 Reconciliation of Dues and Receipt:** The reconciliation of dues and remittances towards pension fund shall be in the same manner as that of dues and remittances towards provident fund.

**9.1.8 Contributions of Exempted Establishments:** The Exempted establishments which are having branches at various places will have to render necessary returns/deposit Pension Fund contributions to the Regional Provident Fund Commissioner of the Regional Offices, where the Inspection charges are being remitted. However, where the exempted establishments are permitted to deposit the Pension Fund separately with respective Regional Office, wherein their Branches/Offices are located, the same may be accepted.

**9.1.9 Defaulting Establishments:** The default in dues and remittances towards pension fund shall be acted upon in the same manner as the default towards provident fund. (Please refer the Compliance Manual for full details)

**9.1.10 Guarantee of Pensionary Benefits:** None of the pensionary benefits due to any member or beneficiary shall be denied due to non-remittance of the contributions by the employers. However, the employers shall not be absolved of their liability and all efforts should be made for speedy recovery of arrear dues.

#### **9.1.11 Levy of Damages**

- 
- ✓ The belated remittance of Pension contribution due to the Employees' Pension Fund will attract levy of damages under Section 14B of the Act read with Para 5 of the Employees' Pension Scheme, 1995.
  - ✓ The procedure for levy of damages shall be same as that for belated remittance of PF contribution. *(Please refer the Compliance Manual for full details)*
  - ✓ The penal damages and 7Q interest realized in respect of EPS contributions should be deposited in Employees' Fund Account No. 10.
  - ✓ The quantum of damages payable on default or delay in remittance of contribution to EPS, 1995 shall be determined at rates applicable as per Gazette Notification issued from time to time.

## **9.2 Fund Management**

### **9.2.1 Investment of the Employees' Pension Fund:**

**9.2.1.1** All money accruing to the Employees' Pension Fund Account except the contributions of the Central Government shall be invested by the provisions of paragraph 52 of the Employees' Provident Funds (EPF) Scheme, 1952.

**9.2.1.2** The Central Government notifies the Pattern of investment, in the exercise of the powers conferred by sub-paragraph (1) of paragraph 52 of the EPF Scheme, 1952 and this pattern for investment is applicable for the investment of money accrued under EPS'95 also.

- 9.2.1.3 EPFO has an Investment Manual which is the guiding document for all investment-related regulation put together and which is approved by the Central Board of Trustees, EPF from time to time for regulating the investment of funds.

#### **Investment road map for EPS'95**

The nature of liability and thereby pay out for a pension scheme is different from the provident fund scheme. The Provident Fund involves pay out largely at the time of superannuation whereas cash outflows in the Pension Scheme emanate from the time of superannuation till the life of an individual. Accordingly, the investment pattern for the pension scheme has to be tailor-made considering the liability profile of EPS.

The investment strategy of Pension Fund should be drawn under Asset Liability Management (ALM) framework. This involves proper valuation of assets and liabilities of the Pension Fund by way of Actuarial Valuation on yearly basis. The Actuarial valuation should be accompanied by sensitivity analysis for various parameters which are taken as input for the actuarial valuation. The investment should be liability driven and duration matching of assets and liabilities and matching of cash flows should be done.

The accumulation phase of the Pension fund should be used to create wealth by identifying suitable asset classes and using portfolio optimisation techniques to build the portfolio. The asset allocation strategy should be dynamic and aligned to match the ALM requirement. Appropriate methodology is required for realisation and utilisation of the valuation gains of the equity portfolio of the pension fund.

#### **9.2.2 Disposal of the Fund**

- 9.2.2.1 The Employees' Pension Fund shall be expended only for the payments under the Scheme.
- 9.2.2.2 All administrative expenses shall be met from the Central Administration Account.
- 9.2.2.3 Cost of remittance of pension shall be charged on the Pension Fund.
- 9.2.2.4 The accounts of the Employees' Pension Fund as also the Employees' Pension Administration Account are to be maintained in such form and such manner as may be specified by the Central Board with the approval of the Central Government. These accounts shall be audited according to the instructions issued by the Central Government in consultation with the Comptroller and Auditor-General of India.
- 9.2.2.5 In addition, the Central Government appoints a valuer for conducting the annual valuation of the Employees' Pension Fund basis which the Central Government can change the rate of

contributions payable under this Scheme or the scale of any benefit admissible under this Scheme or the period for which such benefit may be given.

**\*\*\*\*\*CHAPTER END\*\*\*\*\***

Sl. No	Date	Subject of Circular	Reference in Manual (Corresponding Paras)
1	10-06-2016	Gazette notification GSR 440 (E ) dated 25th April 2016 on benefit of 4% increase in pension for each year on deferring of drawal of pension after 58 years but not later than 60 years	9.1.6

# CHAPTER 10: SUSTAINABILITY OF PENSION FUND (ACTUARIAL VALUATION)

## 10. Actuarial Valuation

### 10.1 Actuarial Valuation

#### 10.1.1

- 10.1.1.1 Para 32 of the Employees' Pension Scheme, 1995 provides for valuation of Pension funds by the Central Government through a valuer.
- 10.1.1.2 Since Employees' Pension Fund is a pooled fund, the annual valuation is necessary to ensure sufficiency and solvency of the fund.
- 10.1.1.3 Depending on the results of the Valuation, changes can be made in the rate of contribution or the benefits.
- 10.1.1.4 As per Para 32(2) of the scheme, Central Government is empowered to alter the rate of contribution to Pension Fund payable by the employer or the scale of pensionary benefits or the period for which such benefits may be given.
- 10.1.1.5 The Valuation is done annually for which a Valuer is appointed by the Government (Ministry of Labour & Employment) as per the rules applicable for selection of consultants/Valuers etc.
- 10.1.1.6 Through Actuarial valuation, the appointed valuer assesses the financial health of the pension fund.
- 10.1.1.7 The purpose is to compare the assets held by the fund vis-à-vis the liabilities standing against the Fund on the given date.
- 10.1.1.8 The process involves arriving at a discounted value of income (contributions) on the given date and comparing them with the discounted value of benefits on that date, using appropriate method of valuation and after applying fair assumptions.
- 10.1.1.9 The main parameters that involve making an assumption include the rate of discounting, rate of future salary growth, mortality rate, attrition rate/withdrawal rate etc.
- 10.1.1.10 The terms of reference to the Valuer are given by the Government and Pension Division at Head Office is responsible to provide assistance to the Ministry of Labour & Employment in this regard.

#### 10.1.2 Data Extraction

10.1.2.1 Once Valuer is appointed, data is provided to the Valuer by extracting the same from the system database of EPFO.

10.1.2.2 This extraction of data is done by IS Division based on the criteria provided by the valuer and necessary requirements by the Pension Division.

### 10.1.3 Categorization of EPS Members and beneficiaries

10.1.3.1 EPS Members and beneficiaries are mainly divided in three categories:

**Active Members** – The set of employees who are contributing to the scheme as on the date of valuation and who are entitled to various benefits under the Scheme which are accrued to them and will be accruing to them in the scheme with future contributions till, they are in active phase. They are essentially the members who are current contributors and are entitled to benefit in future. These can be sub categorized in three categories:

- a. Members having wages up to prevalent EPS wage ceiling
- b. Option Members having EPS wages above prevalent EPS wage ceiling
- c. International workers

**Current Beneficiaries** – The set of beneficiaries who are currently in receipt of benefits which may be further sub categorized into the “Member Pensioners” & “Family and Beneficiary Pensioners” who are getting pensionary benefits, and no future contribution is expected from them.

**Members who are no longer actively contributing (not in service) but have deferred benefits** – Members who have left the employment and yet to claim the benefit are further sub categorized into:

- a. **Pension eligible account members:** These are the members who have left the employment but are eligible for pension benefit on attaining pensionable age (having Scheme Certificate or not) or after completion of deferment period of one/two years as per Para 12(7B) of the scheme.
- b. **Withdrawal benefits eligible members:** These are the members who have left the employment in the past and entitled only to the withdrawal benefit as per Employees’ Pension Scheme, 1995 and have still not claimed the same.



**10.1.4 Actuarial Cell:** It is proposed to have an in-house actuarial cell that would facilitate collection and maintenance of data for the purpose of valuation. To start with, the data template provided by the valuer for carrying out the valuation for the period 2019-22 should be kept ready and updated on quarterly basis so as to facilitate quick handover of clean data as and when it is required. The actuarial cell will also be required to undertake the following additional tasks:



- 10.1.4.1 Valuation:** The cell will coordinate with the valuer for estimation of the future liabilities of the pension fund. This includes looking at factors such as the future payouts to retirees/other beneficiaries and potential investment returns. Actuarial valuations help determine if there's enough money in the fund to meet its obligations to members.
- 10.1.4.2 Risk Assessment:** The cell will assist the valuer to analyse potential risks that could impact the fund's ability to meet its obligations. This includes factors like changes in mortality rates, investment performance, and economic conditions. By identifying these risks, strategies could be thought of to mitigate them.
- 10.1.4.3 Contribution/Benefit Strategies:** The cell will help in designing contribution and benefit disbursement strategies that ensure sufficient funds are available to pay future benefits. This may involve recommending changes in contribution and/or benefit levels considering factors like current demographics and future liabilities.
- 10.1.4.4 Investment Strategy:** The cell will coordinate with the investment wing and should provide input on the investment strategy of the retirement fund in consultation with the valuer. It is needed for taking investment decisions that balance risk and return to meet the fund's long-term goals.
- 10.1.4.5 Regulation and Compliance:** The cell will be required to be up to date on relevant regulations and ensure that the pension fund complies with them.

**10.1.5 Data Accuracy and reliability:** Accuracy and reliability of data is crucial for getting reliable results in Valuation. Therefore, Pension Division shall be consulted by IS Division from time to time to ensure that the data field required for Annual Valuation are consistent as far as possible.

**10.1.6 EPS investment & Corpus data:** Data of investment portfolio and details on corpus of EPS 1995 is also required for valuation of EPS Fund. Investment portfolio is provided by IMC Division. Necessary follow up has to be done for investment portfolio by Pension Division.

**10.1.7 Examination of Valuation report:** After actuarial valuation report is submitted by Valuer, the same has to be examined by Pension Division as per Terms of reference (ToR) provided in Request for proposal (RFP). If any discrepancy is found, the same has to be referred back to Actuary for necessary revision.

**10.1.8 Final report** is submitted for approval by Ministry of Labour & Employment, Central Government.

## 10.2 Benefits on Revaluation Procedure

**10.2.1** As per Para 32 of the Employees' Pension Scheme, 1995, the Central Government may alter the rate of contributions payable under this Scheme or the scale of any benefit admissible under this Scheme or the period for which such benefit may be given. Based on the results of the past Valuations the following reliefs have been granted to the pensioners in the past:

S.No.	Relief %	Date (w.e.f)
1	4%	16.11.1996
2	5.5%	01.04.1998
3	4%	01.04.1999
4	4%	01.04.2000

*Figure 17 : Table 1 :TABLE OF RELIEF granted till year 2000*

#### **10.2.2 Extending of 1-Year Relief of 4%:**

- 10.4.2.1 The pension relief @ 4% declared on valuation of Pension Fund on 15.11.1996 as interim relief, was applicable to existing pensioners as on 15.11.1996 only.
- 10.4.2.2 In other words, the pensioners under EPS, 1995 whose date of commencement of the pension falls during the period 1.4.1993 to 15.11.1996 are entitled for the said relief. The relief is payable for such pensioners from 16.11.1996.
- 10.4.2.3 This relief is not applicable for the pensioners, whose date of commencement of pension falls on or after 16.11.1996.
- 10.4.2.4 Similar actions are to be taken for reliefs provided as on 01/04/1998, 01/04/1999, and 01/04/2000.
- 10.4.2.5 The Pension relief is to be calculated on the 'original pension' applicable to the respective pensioners at the time of issue of PPO.
- 10.4.2.6 In case of options for return of capital, reduced pension is the pension being paid on the monthly basis. Pension relief for such cases needs to be calculated on the original pension and not on the reduced pension while adding the relief to the monthly pension (reduced pension) being paid.
- 10.4.2.7 In case original pensioner dies on or after 16th Nov 1996, the pension relief accrued to original pension (as on 15th Nov 1996) will be passed on to the beneficiaries (spouse, children) on their entitled monthly pension amount.
- 10.4.2.8 In other words, pension relief of 4 % will equally apply to widow / children, orphan pension. Such increased pension is payable wherever such pension vests on or after 16.11.1996 or 01/04/1998, 01/04/1999, and 01/04/2000 as the case may be.

### **10.3 Benefits given as per valuation of EPS Fund in recent years**

- 10.3.1 **Restoration to normal pension in cases of grant of commutation:** The normal pension in respect of those members who availed the benefit of commutation of pension under the erstwhile Paragraph 12A of the Scheme, on or before the 25th day of September 2008, shall be restored after completion of fifteen years from the date of such commutation.

#### **10.3.2 Historical Actuarial valuation summary:**

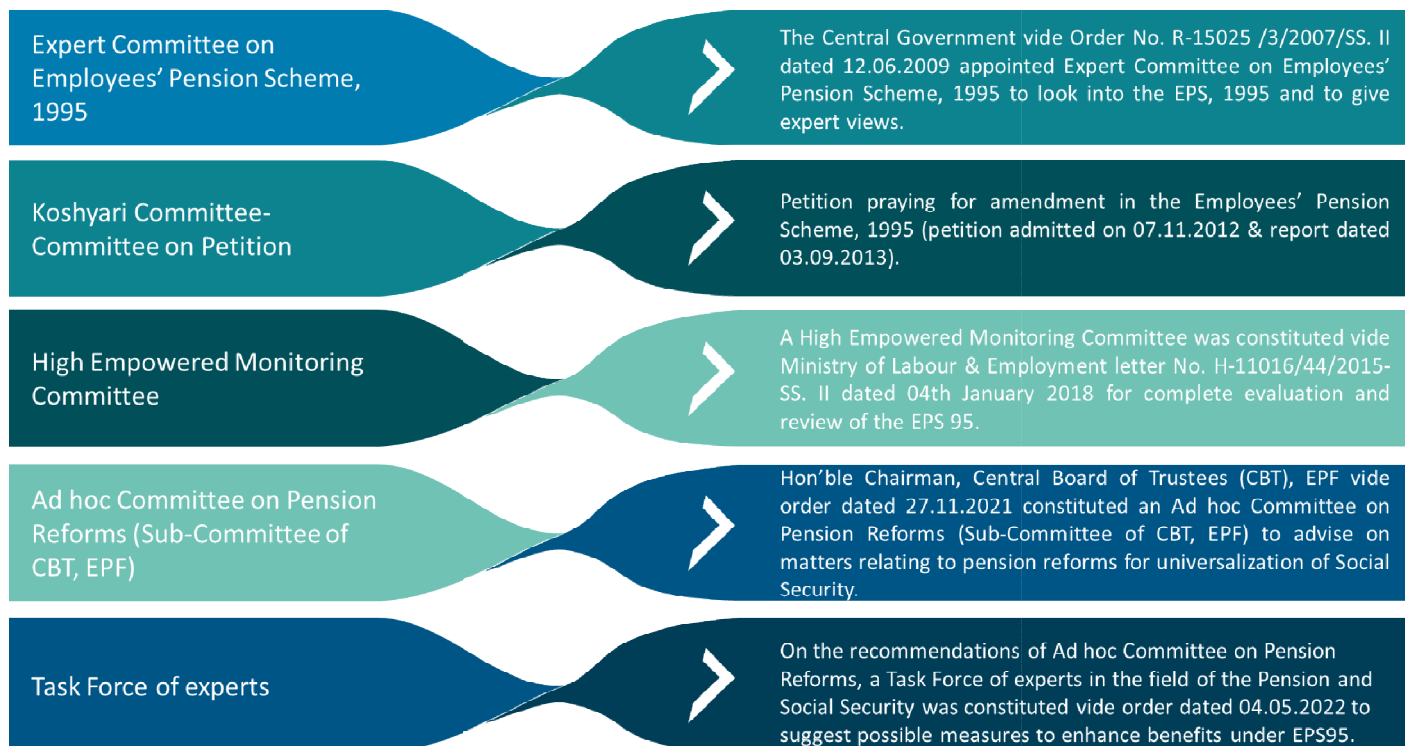
**Table 2: Annual Actuarial Valuation of EPS'95**

Annual Actuarial Valuation of EPS'95					
Valuation	Date of Valuation	Date of Report	EPS fund (in (Rs. Crores)	Surplus/Deficit (+)/ (-) (Rs. Crores)	Valuer
First	31.03.1996	13.04.1998	12,875	1689 (+)	Bhudev Chatterjee
Second (Combined)	31.03.1997	10.03.1999	17,247	1239 (+)	Bhudev Chatterjee
	31.03.1998				Bhudev Chatterjee
Third	31.03.1999	14.01.2001	22,242.00	732 (+)	Bhudev Chatterjee
Fourth	31.03.2000	21.08.2001	27,764.00	70 (+)	Bhudev Chatterjee
Fifth	31.03.2001	20.11.2003	33,123.00	43 (-)	M/s K.A. Pandit Actuaries & Consultant
Sixth	31.03.2002	20.11.2003	39,042.00	17,136 (-)	M/s K.A. Pandit Actuaries & Consultant
Seventh	31.03.2003	12.08.2004	49,043.00	19,291 (-)	M/s K.A. Pandit Actuaries & Consultant
Eighth	31.03.2004	25.04.2005	52,745.00	22,021 (-)	M/s K.A. Pandit Actuaries & Consultant
Ninth & Tenth	31.03.2005 & 31.03.2006	05.05.2009	73,236.00	22,659 (-)	P.A. Balasubramanian
Eleventh	31.03.2007	14.10.2011	83,837.66	41,119 (-)	P.A. Balasubramanian
Twelfth	31.03.2008	17.08.2012	95,920.57	54,203 (-)	P.A. Balasubramanian
Thirteenth	31.03.2009	25.02.2013	1,10,054	61,608 (-)	P.A. Balasubramanian
Fourteenth, Fifteenth & Sixteenth (Combined)	31.03.2010	06.12.2014	1,61,780.08	10,855 (-)	M/s K.A. Pandit Actuaries & Consultant
	31.03.2011				
	31.03.2012				
Seventeenth	31.03.2013	21.01.2015	1,83,405.36	6,713 (-)	M/s K.A. Pandit Actuaries & Consultant

Eighteenth	31.03.2014	21.01.2015	2,07,685.60	7,833 (-)	M/s K.A. Pandit Actuaries & Consultant
Nineteenth	30.03.2015	09.06.2016	2,38,531.84	5,027 (+)	M/s K.A. Pandit Actuaries & Consultant
Twentieth and Twenty- First (Combined)	31.03.2016	04.02.2019	3,18,412.38	15,532 (-)	M/s K.A. Pandit Actuaries & Consultant
	31.03.2017				
Twenty Second and Twenty Third (Combined)	31.03.2018	14.06.2021	4,37,762.54	(37,327) (-)	M/s K.A. Pandit Actuaries & Consultant
	31.03.2019				M/s K.A. Pandit Actuaries & Consultant

## 10.4 Institutional Initiatives to Review Benefits under EPS-95

10.4.1 Various committees have been formed on time to time to review the provisions to enhance/alter benefits under EPS 1995 taking into account changing socio economic scenario in the country as well as the valuation report. These are listed below:



\*\*\*\*\*CHAPTER END\*\*\*\*\*

# CHAPTER 11: ADMINISTRATION AND GOVERNANCE

## 11. Administration and Governance

### 11.1 Central Board of Trustees

11.1.1 The Central Board (EPF) is a tripartite statutory body constituted by the Central Government under Section 5A of the Act. It has the responsibility to administer the Act and the three Schemes framed under the Act.

11.1.2 The Union Minister for Labour & Employment, Government of India is the Chairman of the Board. The tenure of the Board is for five years.

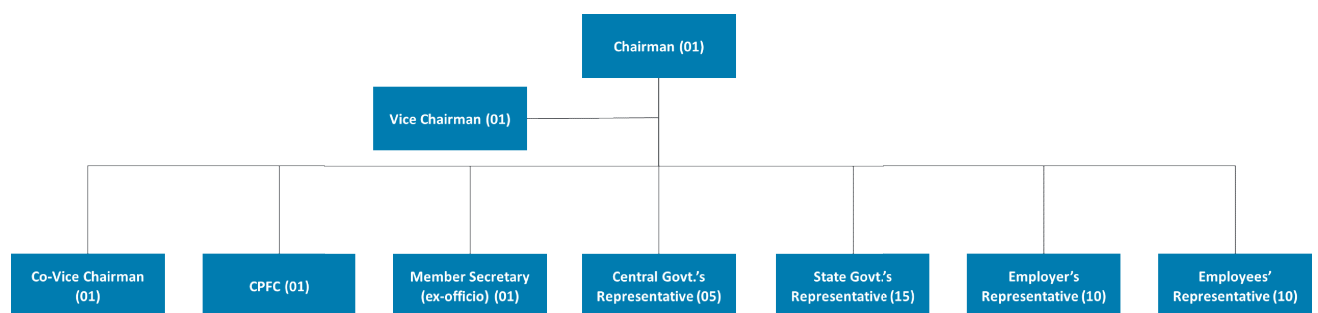


Figure 18 : Constitution of the Board

### 11.2 Pension & EDLI Implementation Committee (PEIC)

11.2.1 The Committee's terms of reference are to review the functioning of the Employees' Pension scheme, 1995 including computerization in the organization and disbursement of pension and Employees' Deposit Linked Insurance Scheme, 1976 and to consider suggestions/proposals for amendment/improvement in these two schemes.



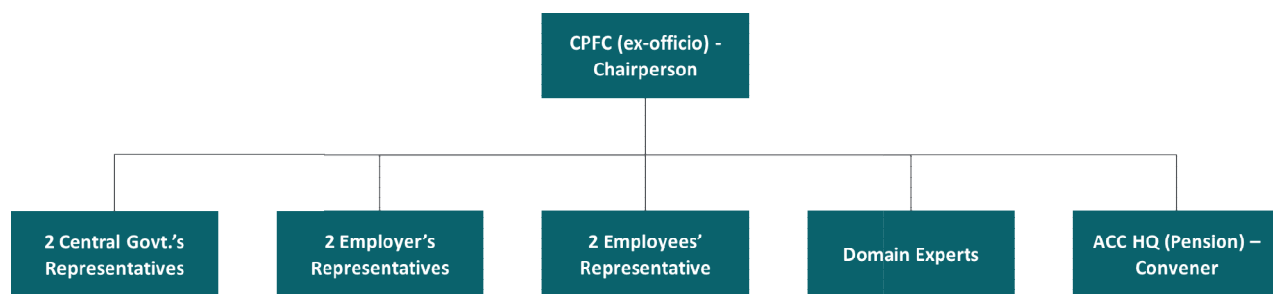


Figure 19 : Constitution of the PEIC

### 11.3 Structure of Pension Wing in Head Office

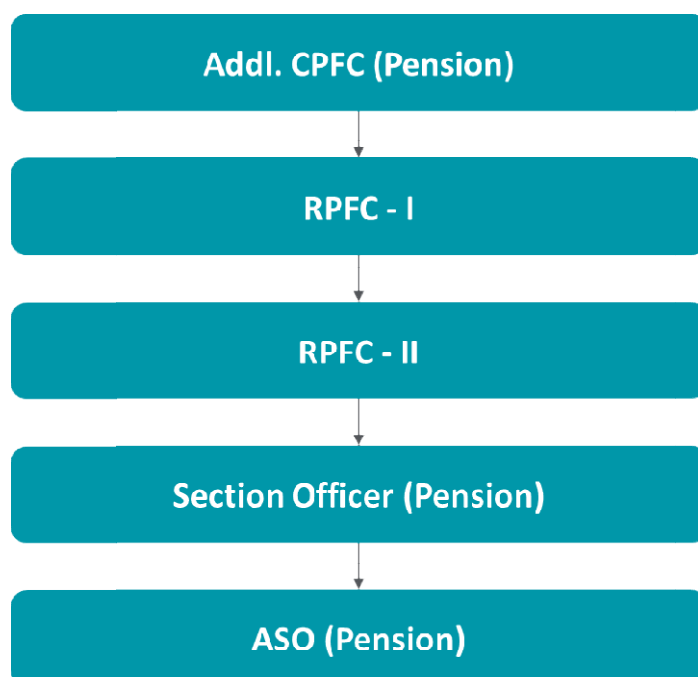
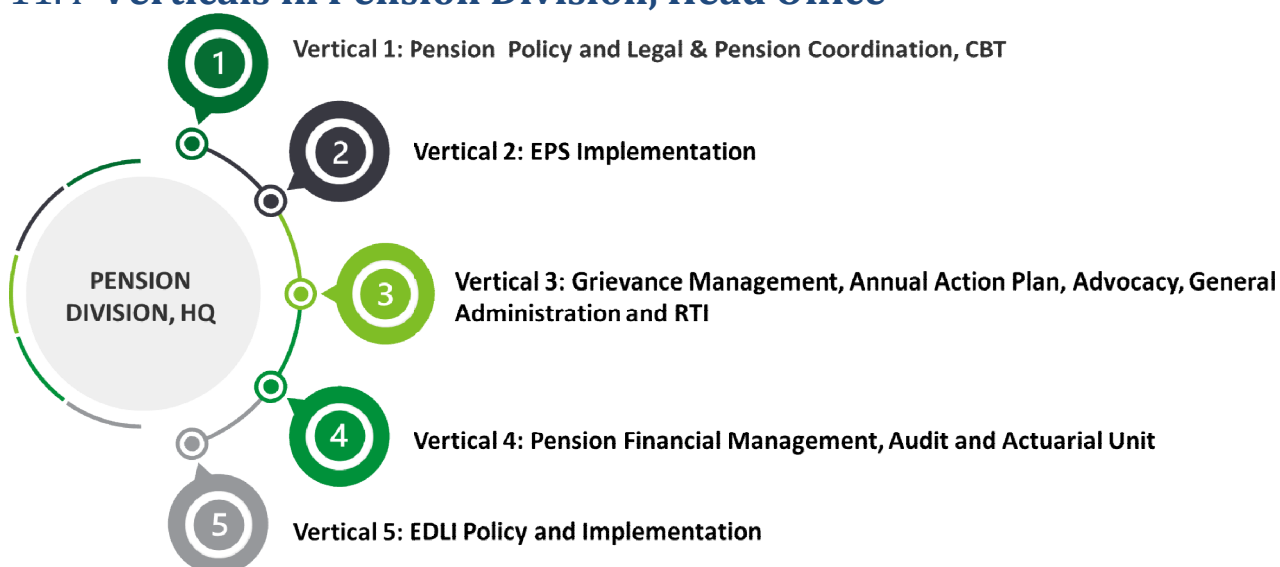


Figure 20 : HO Pension Wing Structure

### 11.4 Verticals in Pension Division, Head Office



#### **11.4.1 Vertical 1: Pension Policy and Legal & Pension Coordination, CBT**

##### **11.4.1.1 Section 1 - EPS Policy and Legal**

- a. Modifications in EPS,1995
- b. Maintaining EPS 1995 scheme upto date in soft format
- c. Adhoc Committee & Task Force
- d. EPS Manual of Accounting Procedure
- e. Guidelines, SOPs, Circulars
- f. Clarification to references received from field offices
- g. Committees related to policy / strategy
- h. Miscellaneous work related to EPS
- i. NHRC cases (Policy issues)
- j. Daks related to PoHW and forwarding with record on daily basis to CSD / Zones
- k. Any other work assigned by vertical incharge.
- l. Monitoring of Bengaluru Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- m. Monitoring of KPI Zonal Office 1

##### **11.4.1.2 Section 2 - Pension on Higher Wages-Strategy, Implementation and Guidelines**

- a. Monitoring of implementation of Hon'ble SC Judgement
- b. Preparing data and holding reviews
- c. Policy issues on PoHW
- d. Modifications, Amendments, and related Co-ordination with MoLE
- e. Software related issued of PoHW including testing, development & updatation
- f. Comments on newspapers articles (related to PoHW)
- g. Guidelines, Circulars, Clarification to references received from Field Offices
- h. FAQs on Pension on Higher Wages
- i. Committees constituted for PoHW related work
- j. Related PQ and VIP references (PoHW)
- k. NHRC cases (PoHW)
- l. Any other work assigned by vertical incharge.

- m. Monitoring of West Bengal Zone and NER Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- n. Monitoring of KPI Zonal Office 2 and 3

#### **11.4.1.3 Section 3 - EPS, EDLI Legal & Misc. work**

- a. Legal notices and replies thereof
- b. Standardisation of replies for similar issues in legal cases
- c. Concurrence and co-ordination with Legal division in Legal Matters
- d. Vetting of draft counter affidavits
- e. Any other work assigned by vertical incharge.
- f. Monitoring of Uttar Pradesh Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- g. Monitoring of KPI Zonal Office 4

#### **11.4.1.4 Section 4 - Pension Coordination**

- a. Parliamentary Questions
- b. Subordinate Legislation Committee / any other Parliamentary Committees
- c. Monthly DO Letter
- d. OOMF, DGQI & SDG. Spade work/follow up and reports to Govt.
- e. Replies to all references from coordination
- f. Monitoring of Delhi & Uttarakhand Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- g. Monitoring of KPI Zonal Office 5
- h. Any other work assigned by vertical incharge

#### **11.4.1.5 Section 5 - PEIC & CBT Meeting and RTI Appeals**

- a. Convening PEIC: Agendas, Meeting, Minutes and ATR Minutes of PEIC
- b. Compilation of ATR of EC & CBT
- c. Quarterly Hindi Report
- d. First Appeal of RTI and appeals received from Ministry and sources

- e. Handling all Dak received so as to forward it to CSD / Zones without delay and Keeping record of such Dak on daily basis
- f. Handling specific grievances marked by ACC(HQ)(P)/ACC(P) and analysis
- g. Monitoring of Telangana Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- h. Monitoring of KPI Zonal Office 6
- i. Any other work assigned by vertical incharge

#### **11.4.2 Vertical 2: EPS Implementation**

##### **11.4.2.1 Section 6- Proactive efforts for EPS benefits and monitoring**

- a. Timely release of Pension on Superannuation through Prayaas
- b. Monitoring performance and initiating timely follow up action
- c. Preparing all data related to EPS 95 except PoHW
- d. Preparing Data of IDS pendency
- e. Review of pension on due basis
- f. Review of claim rejection relating to pension and EDLI
- g. Arranging VC for Review of works done by Zonal Offices and issue of record notes.
- h. Preparation of PPT- for Zonal Reviews, CPFC meetings etc
- i. Standardising reporting formats, developing IT Tools & formulating dashboard work
- j. Monitoring of Maharashtra (Pune) Zone and Odisha Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- k. Monitoring of KPI Zonal Office 7 and 8
- l. Any other work assigned by vertical incharge

##### **11.4.2.2 Section 7- Continuation of Pensioners benefits, systematic changes, and EPS exemption management**

- a. Improvement of benefit delivery
- b. Fixing targets, identification and updation of Key Performance Indicators
- c. Identification of bottlenecks, analysing root cause and resolution for improvement in benefit delivery
- d. Operationalisation of EPS Exemptions: -Grant, Surrender and Cancellation

- e. Monitoring & Compilation of data related to DLC/LC
- f. Monitoring & Compilation of data related E-Nomination
- g. Monitoring of interventions for EPS continuations
- h. Institutionalization of release of Pension and EDLI benefits on due basis
- i. Rejection rates – Analysis and its reduction
- j. Detection of abnormalities and resolution
- k. MIS Updation
- l. Monitoring of Haryana Zone and Kerala and Lakshadweep Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- m. Monitoring of KPI Zonal Office 9 and 10
- n. Any other work assigned by vertical incharge.

#### **11.4.3 Vertical 3: Grievance Management, Annual Action Plan, Advocacy, General Administration and RTI**

##### **11.4.3.1 Section 8- Grievance Management**

- a. Disposal of MoL&E references
- b. Redressal of grievances on CPGRAM, EPFiGMS portal and Santusht Cell
- c. Monitoring & Updating CPGRAM portal, Vigilance Section Grievances etc.
- d. Agitations Grievances
- e. VIP references (including CBT members)
- f. Analysis of grievances, its types and facilitation for development of FAQs
- g. NHRC cases (other than PoHW/Policy)
- h. Monitoring of Tamil Nadu (Coimbatore) Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- i. Monitoring of KPI Zonal Office 11
- j. Any other work assigned by vertical incharge.

##### **11.4.3.2 Section 9 -Annual Action Plan and Advocacy**

- a. Annual Action Plan for MoLE
- b. Annual Action Plan (Internal)
- c. Publicity work of the Division

- d. FAQs on Pension- embedding it with communication strategy; Maitrei; website; SMS, Portals
- e. Annual Report
- f. Press briefs & Notes on Newspapers articles (other than PoHW)
- g. Coordination with Website team
- h. Messaging on SMS, website, social media, PROs, and NAN pertaining to Pension Division
- i. Usage of calculators , FAT DLC and incubation of new technologies for Pensioner's ease- follow up
- j. Webinars, films, interactive sessions, and other communications
- k. Ensuring verticalization of pension work in the field and zonal offices
- l. Capacity Building of officials of Pension Division and Field officials on Pension & EDLI Matters
- m. Monitoring of MP & Chhattisgarh (Bhopal) Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- n. Monitoring of KPI Zonal Office 12
- o. Any other work assigned by vertical incharge.

#### **11.4.3.3 Section 10- General Administration and RTI**

- a. RTI (both online and physical applications) including appeals
- b. RTIs and Appeals filed in CIC
- c. Quarterly RTI report
- d. Monitoring of Punjab and Himachal Pradesh Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- e. General Administration including leave management and attendance
- f. Preparing monthly leave report
- g. Monitoring of KPI Zonal Office 13
- h. Any other work assigned by vertical in charge

#### **11.4.4 Vertical 4: Pension Financial Management, Audit and Actuarial Unit**

##### **11.4.4.1 Section 11- Actuarial Unit**

- a. Appointment of Actuary and Actuarial Consultant
- b. Examination/any correspondence relating to annual valuation & report of EPS & EDLI
- c. Payment to Actuary & Consultant

- d. Co-ordination with Actuary and consultant
- e. Miscellaneous works relating to Actuarial
- f. Establishment of Actuarial cell & capacity building.
- g. Scenario development for improving health of fund in terms of both inflow and outflow (Contribution, Investment and Distribution)
- h. Improving amounts of various kinds of pensions
- i. Developing financials for alternative pension and insurance related schemes
- j. Updation of monthly data booklet
- k. Deep analysis to identify reasons and cause of action for pension delays, due basis benefits, IDS pendency etc.
- l. Monitoring of Bandra Zone and Bihar and Jharkhand Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- m. Monitoring of KPI Zonal Office 14 and 15
- n. Any other work assigned by vertical incharge

#### 11.4.4.2 **Section 12 -Financial Management with Banks & software and Audit**

- a. Centralized Pension Payment System
- b. Centralized banking arrangement
- c. Service charges to Banks, etc.
- d. Disbursement of Pension & Correspondence
- e. Nepali Pension Payment Matter
- f. Medical Benefits for EPS Pensioners
- g. Issues related to SCWF
- h. DBT Matters from MoLE, APB spade work
- i. FRS
- j. Simplification and rationalization of procedures including issues related to issue tracker
- k. Software maintenance other than higher pension
- l. Addition / alteration in existing software other than higher pension
- m. Building capacities and implementing data engineering, analysis, and machine learning
- n. Monitoring of Chennai & Puducherry Zone and Rajasthan Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.

- o. Monitoring of KPI Zonal Office 16 and 17
- p. Any other work assigned by vertical incharge.
- q. Audit (EPS and EDLI)
- r. Correspondence relating to Audit objections and submission of audit para replies relating to EPS & EDLI
- s. Identifying areas for data analytics, research topics and evaluation and co-ordinating with the other division for these Innovative programmes and interventions for Pensioners and outreach

#### **11.4.5 Vertical 5: EDLI Policy and Implementation**

##### **11.4.5.1 Section 13- Proactive Efforts for EDLI benefit**

- a. Industrial Accidents and Death Cases- Timely payment of benefits under EPS and EDLI
- b. Maintaining EDLI 1976 scheme upto date in soft format
- c. Industrial accident Dashboard
- d. SOP on Industrial Accidents,
- e. EDLI Claim on Due Basis
- f. Timely claim receipts and settlements.
- g. Monitoring of Gujarat Zone and Karnataka (Hubli) and Goa Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- h. Monitoring of KPI Zonal Office 18 and 19
- i. Any other work assigned by vertical incharge

##### **11.4.5.2 Section 14- EDLI Policy and Exemption Management**

- a. Modifications in EDLI
- b. Draft new insurance Scheme under SS Code
- c. Guidelines, SOPs, Circulars, Clarification to references received from field offices
- d. FAQs on EDLI
- e. Policy Issues of EDLI
- f. Software development EDLI Exemption
- g. MAP on EDLI Scheme
- h. Operationalisation of EDLI Exemption:-Grant, Surrender and Cancellation
- i. Monitoring of EDLI Exemptions:-Management and Administration
- j. EDLI Exemption matter till completion of formalities



- k. EDLI Exemption matter after completion of formalities
- l. Clarification to references received from ROs / Insurance Companies regarding EDLI,
- m. Miscellaneous work related to EDLI
- n. Communication strategy with stakeholders on claiming of benefits
- o. Monitoring of Thane Zone and Andhra Pradesh Zone with respect to PoHW cases, claims on due basis and their receipt, IDS pendency, improving E- nomination, DLC pendency, accidental death cases, Prayaas cases, etc.
- p. Monitoring of KPI Zonal Office 20 and 21
- q. Any other work assigned by vertical incharge.

11.4.5.3. **Central Payment and Reconciliation Centre:** A CPRC will be set up at NDC Dwarka to handle the Centralised Pension Payment System (CPPS) operations at National level. It will be a Central Unit where coordination with sponsor Bank, reconciliation of Bank Statement and other related operation will be handled by a dedicated team.

## 11.5 Structure of Pension Wing in Regional Office

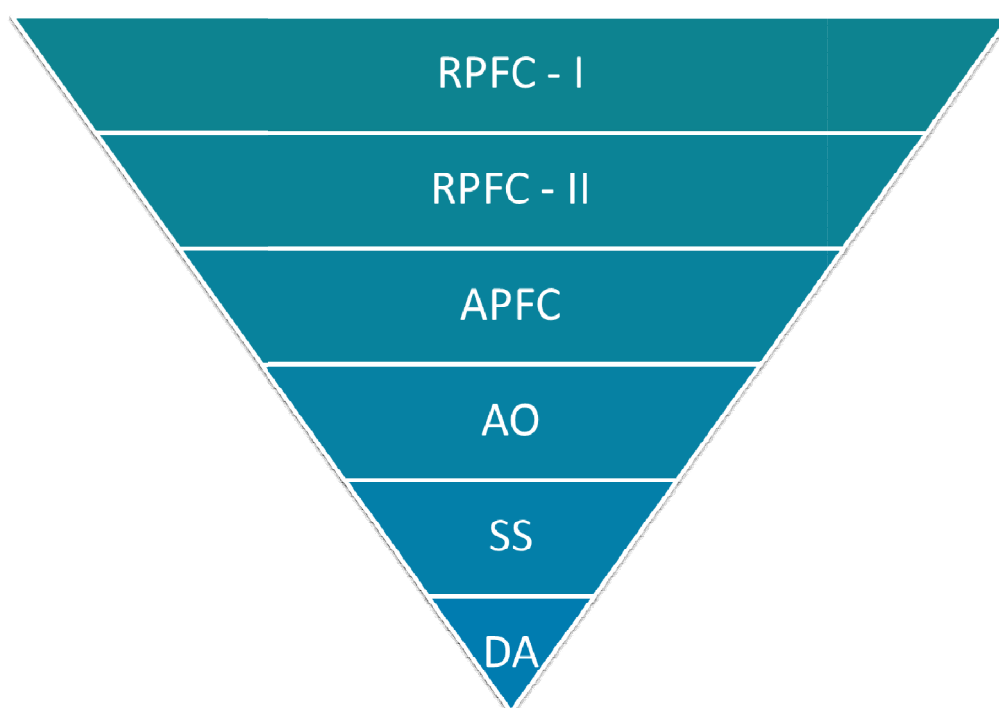


Figure 21 : Pension Wing RO Structure: RO

## 11.6 Operation of Employees' Pension Scheme, 1995

### **11.6.1 Pension Wing in Regional Office**

#### **11.6.1.1 The operation of EPS, 1995 at RO involves inter-related functionalities of three branches: -**

- a. Account Branch
- b. Pension Section
- c. Pension Disbursement Section

### **11.6.2 Functions of accounts branch for Pension Scheme**

#### **11.6.2.1 Main functions of the Accounts branch, relevant for processing Pension claims is as follows:**

- a. The records, such as Form 9 (Revised), contributions, e-nomination details etc. are to be maintained and updated either automatically or through interventions.
- b. The remittance to Pension Fund of dues shall be verified from the Member Ledger.
- c. To receive and process the claims and determine the benefit payable through the prescribed Input data sheet.
- d. Preparation of Input Data Sheet for forwarding to Pension Section for generation of PPO /Scheme certificate and disbursement of pension in eligible cases.
- e. To process the claim for release of the withdrawal benefit.
- f. To monitor the receipt and disposal of claims.

## **11.7 Roles and Responsibilities of Accounts Branch in processing of Pension Claims**

### **11.7.1 Pension Claims are received through two modes: -**

#### **11.7.1.1 Online mode**

#### **11.7.1.2 Offline mode**

11.7.2 While online claims are reflected in the workload of DA accounts at Claims > Transaction > Form-10D/10C, claims received through offline mode are first diarized by the central Diary Section and transmitted to the concerned accounts group.

11.7.3 The DA accounts is primarily responsible for preparation of the IDS based upon information available in the accounts branch.

11.7.4 While processing the claim, the DA accounts shall scrutinize claim especially on following parameters: -

- 11.7.4.1 Whether basic profile of the member like name, date of birth, father's name, sex, date of joining, date of leaving etc. tallies with the information available on office records
- 11.7.4.2 Whether physical claim is duly authenticated by the authorised signatory?
- 11.7.4.3 Whether bank through which the pensioner desires to draw pension is the authorized disbursing bank in the concerned Region?
- 11.7.4.4 Whether joint account of the pensioner with his spouse is maintained in the authorized disbursing bank in the concerned Region?
- 11.7.4.5 Whether contribution has been received regularly and NCP days have been properly reported by the employer?
- 11.7.4.6 Whether member has opted for deferred pension?
- 11.7.4.7 Whether death certificate is attached with the claim application in death case?
- 11.7.4.8 Whether birth certificate of each child below the age of 25 is attached with the claim application in death case?
- 11.7.4.9 Whether photographs of each eligible claimant are attached in death case?
- 11.7.4.10 Whether separate bank account in respect of each claimant is furnished in death case?
- 11.7.4.11 Whether copy of Aadhar of each eligible claimant are attached in death case?
- 11.7.4.12 Whether Pensioner is eligible for Pension on Higher wages, as per Supreme Court judgment and HO guidelines in this regard?
- 11.7.5 After proper scrutiny, the claim is processed by the DA.
- 11.7.6 For online claim, the DA shall first scrutinize the claim application as per checklist mentioned above.
- 11.7.7 In case, where claim is filed before attaining the age of 58 years, date of Joining, date of birth, the date of exit, reason for exit and service history should be first updated in FO Interface.
- 11.7.8 After processing of IDS by the DA, the claim moves to login of Accounts Officer for approval.
- 11.7.9 After approval of the IDS by the AO, the claim, along with approved IDS and all documents submitted by the Pensioner/claimant is transmitted to the Pension cell through proper entry in inter-section diary.

- 11.7.10 The claim for withdrawal benefit is processed by DA accounts at Claim > Transactions > Form-10C – Scheme Certificate/W Benefit.
- 11.7.11 While the approving authority for Scheme Certificate in Accounts Branch is Accounts Officer, the claim for withdrawal benefit moves to the login of SS/AO/APFC as per delegation of financial power.
- 11.7.12 The IDS for Scheme Certificate is transmitted to Pension Section along with all documents submitted by the member through proper entry in Inter-Section Diary.
- 11.7.13 After approval of withdrawal benefit by the competent authority, the claim moves to Cash Branch for payment of the same.
- 11.7.14 The pension claims for transfer out cases to other regions is also processed in the similar manner by the DA accounts and Accounts Officer, which is subsequently transferred to Pension Branch for further necessary action.

## 11.8 Function of Pension Section

11.8.1 Functions in the Pension wing can be classified into five categories:

1	To Prepare Final PPO in respect of Pension payable from the same RO
2	To prepare Final PPO in on the basis of transfer cases received from other ROs
3	To prepare draft PPO in on the basis of IDS received from Accounts branch for transfer to other ROs
4	To process cases for Scheme Certificate
5	Disbursement of Pension through Banks

11.8.2 The Pension Section shall oversee the receipt and disposal of claims received in RO to authorize the pension payable through banks located within its jurisdiction.

11.8.3 To generate draft PPO/Worksheet, based on Input data sheet (IDS) processed and forwarded by accounts branch.

11.8.4 To generate final PPO.

11.8.5 To receive the IDS from accounts towards transfer to other RO and forward draft PPOs to the concerned RO, from where the Pensioner desires to draw Pension.

11.8.6 To receive the approved worksheet along with F 10-D (EPS) from other RO and issue PPO for disbursement of pension through banks falling within the jurisdiction.

11.8.7 To scrutinize the worksheet forwarded by accounts branch and process them for issue of scheme certificate.

11.8.8 To receive the scheme certificate from Pensioners at the time of application for Pension & register them in the system and forward the confirmation to the RO concerned.

11.8.9 To receive request for modification/changes in PPOs and to process such request in Coordination with Accounts Section.

11.8.10 To resolve grievances relating to Pension

11.8.11 To issue clarification/guidance on implementation of pension scheme to the accounts branch

11.8.12 To process the claim in Form – 10 A under the ceased FPF-71 for issuance of PPO.

## **11.9 Roles and Responsibilities of Pension Branch in processing of Pension Claims**

11.9.1 After receipt of IDS with pension claim and related records from Accounts Branch.

11.9.2 The claim is processed at following four stages in Pension Branch:

Generation of Worksheet	DA Pension > APFC(Pension)
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Generation of PPO	DA Pension > APFC(Pension)
Initial Arrear	DA Pension > SS(P) > AC(P)
E-sign & Dispatch	AC(P) for E-sign > DA(Pension) for dispatch & Scroll

11.9.3 The DA Pension processes worksheet by logging into the system at Pension > Transaction > Pension Worksheet.

11.9.4 The data reflected in the system is then verified with reference to the IDS as well as claim.

11.9.5 Discrepancies noticed, if any, are immediately informed to the Accounts Branch through need to edit option.

11.9.6 In case, the data reflected in the system is found appropriate, after approval of PPO worksheet by APFC(Pension), the DA Pension again initiates process for generation of PPO.

11.9.7 After approval of PPO by APFC(Pension) the file is again initiated by DA(Pension) for initial arrear, which is submitted to APFC(Pension) though SS(Pension).

11.9.8 After approval of initial arrear, the PPO is placed before APFC(Pension) for E-sign and thereafter for despatch to DA(Pension).

11.9.9 Inconsistencies or non-availability of complete data relating to service data/NCP days/salary particulars for calculation of pensionable salary requires processing of pension cases through Special 10D Module, which allows appropriate editing by DA(Pension) in relevant fields.

#### 11.9.10 **Preparation of Final PPO in on the basis of transfer cases received from other ROs**

11.9.10.1 The pension is released by such RO, under whose jurisdiction, Bank through which the pensioner/claimant(s) desires to draw pension, lies.

11.9.10.2 The Input Data Sheet (duly approved by APFC, Pension of the concerned transferer office) along with claim in physical format and related documents are received in the diary section of the Regional Office, which makes an entry in the diary module.

11.9.10.3 The DA, Pension makes an entry through Pension > Transaction > Transfer in with PPO or Transfer in without PPO, as the case may be, which is then approved by SS & AO(P).

11.9.10.4 Thereafter, in the case of transfer in without PPO, the DA, Pension process the case for worksheet & follows the same channel as in normal PPO.

11.9.10.5 However, in the case of transfer in with PPO, no worksheet is generated, and final PPO is processed by DA, Pension.

**11.9.11 Preparation of IDS/Worksheet for transfer cases to other ROs**

11.9.11.1 The DA, Accounts & AO(P) process the claim by scrutinizing data with reference to the office records and prepare IDS for its transmission to Pension Cell.

11.9.11.2 The DA, Pension prepares worksheet and after approval of SS & AC, a copy of the worksheet/IDS along with related claim & other documents are transmitted to the concerned Regional Office in physical mode. An advance copy may be forwarded through email/e-office as prescribed by Head Office from time to time.

11.9.11.3 A copy of the records transmitted to other regional office is retained by RO for record.

**11.9.12 Preparation of Scheme Certificate**

11.9.12.1 Based upon IDS received from Accounts Branch, the DA, Pension processes the case for Scheme Certificate in such cases where either the service is less than 10 years, or the age of the member is less than 50 years.

11.9.12.2 The Scheme Certificate is then approved by SS, Pension followed by APFC(Pension).

11.9.12.3 After approval of APFC(P), the Pension Section puts an emboss-seal on the Scheme Certificate, which is then laminated and despatched to the concerned member by Speed Post/Registered Post.

**11.9.13 Pension Disbursement Section**

11.9.13.1 Pension disbursement section in a RO is responsible for disbursing pension through the disbursing agency and maintains a close liaison with the link branch of the designated bank.

11.9.13.2 Functions of the Pension Disbursement Section can be broadly classified as follows:

- a. To enter into an agreement with bank(s) for disbursement of pension.
- b. To open savings account with the link branch and maintain its operation.
- c. To forward the approved PPOs to the bank on due date and to intimate the pensioner/ accounts group and the establishment.
- d. To generate the list of pensioners for whom pension is authorized during the current month.
- e. To ensure transfer of due amount to link branch through NEFT covering the pensions authorized in a month along with an output report on the amount of pension due to each paying branch and the no. of PPOs.

- f. To assess the amount of pension due for payment to the link branch for disbursement to all eligible pensioners through paying branch.
- g. To generate list of PPOs authorized, PPO wise, class of pension wise, paying branch wise along with the amount of pension due in BRS.
- h. The pension is currently being disbursed using the Core Banking System (CBS) platform of the pension disbursement banks. Field offices have been instructed to ensure that pension is credited to the pensioners' accounts on the last working day of the month.
- i. To watch for the bank statement from the paying branch and to update the Pensioner's master file, with reference to contingencies on the cessation of pension or any modification. To furnish the statement on addition/deletions in the PPOs to the link branch.
- j. To watch for the bank statement on the due date and to reconcile the cash book.
- k. To release the service charges on receipt of demand from bank and after ensuring the procedure prescribed.
- l. To ensure completion of the monthly cycle on "Disbursement of pension through Bank."
- m. To ensure that the procedure for disbursement of pension is followed by the designated bank strictly in accordance with the manual provisions on Disbursement of Pension through Banks/ disbursing agencies.
- n. To enquire into grievances of the pensioners and to take prompt action in ensuring proper and prompt payment of pension.
- o. To arrange for transfer of PPO from one bank to the other or from jurisdiction of one link branch to another or to another RO.
- p. To furnish the statistical data on the disbursement of pension, etc.
- q. The pension disbursement section shall maintain the following registers/files in the computer:**
  - i. List of designated banks, with bank code, and paying branch code and address.
  - ii. Cash book/s for accounts kept in designated banks. (Manually operated, if any).
  - iii. Monthly list of PPOs authorized – PPO No. wise paying branch wise, class of pension wise (No. of Pensioners and amount)
  - iv. List of additions/deletions to the PPOs.
  - v. Service charges account.
  - vi. Monthly cycle on disbursement of pension.
  - vii. Register on transfer of PPOs.



- viii. Register of undisbursed pension cases received from bank be maintained so that pensioner/beneficiary can be contacted and asked to appear before bank for physical KYC Verification at bank level for release of arrears pension amount on timely prompt basis.
- r. The pension disbursing Section will be under the charge of one Section Supervisor who will ensure 100% check of all the job elements listed above.
- s. The Accounts officer and Assistant PF Commissioner (Pension) will supervise the functioning of the Pension & Pension Disbursing Section and ensure 100% compliance on the job assigned and arrange for prompt disbursement of Pension.

## **11.10 Disbursement of Pension through Banks**

11.10.1 The pension is currently being disbursed using the Core Banking System (CBS) platform of the pension disbursement banks. Field offices have been instructed to ensure that pension is credited to the pensioners' accounts on the last working day of the month. The undisbursed pensioner list along with undisbursed pension amount be promptly shared with RO along with reason of non-credit of same to pensioner/beneficiary.

11.10.2 The monthly pension benefit disbursement is carried out through the network of branches of banks with which agreements have been made. The Regional Offices have entered into arrangements with Scheduled Commercial Banks for this purpose. Agreement governing Centralized agreement for pension disbursement has also been made with HDFC Bank, ICICI Bank, Axis Bank, and Post offices to disburse pension and other benefits all over India.

11.10.3 The office shall tally the undisbursed amount credited into the pension account X with the list of undisbursed amounts of pensioner/beneficiary shared by bank in just following month of pension disbursement.

## **11.11 Function of Assistant Provident Fund Commissioner/RPFC II (Pension)**

11.11.1 The Assistant Provident Fund commissioner (Pension) will be in charge of Pension Wing in the Regional Office, who will work under the control and supervision of Regional PF Commissioner. His principal functions are as under:

11.11.2 Assistant Provident Fund Commissioner (Pension) shall ensure: -

- 11.11.2.1 Proper supervision of Pension section under his charge;
- 11.11.2.2 Receipt and disposal of claims for monthly pension and Scheme certificate;
- 11.11.2.3 Responsible for supervising and monitoring the receipt, return, rejection, and authorization for issue of Scheme certificate and Pension Payment Order.
- 11.11.2.4 Collection of statistical data on the progress of settlement, amount of benefits released etc., by the Assistant Provident Fund Commissioner (Pension) in Regional Office.
- 11.11.2.5 Furnishing of statistical data to Head Office for pension related data.
- 11.11.2.6 Approval of draft and ensuring that final Pension Payment Order generated through computer are processed properly and promptly and to authorize the pension. Further, PPO shall be e-signed.
- 11.11.2.7 To discharge the duties as Authorized Officer for issue of Pension Payment Order.
- 11.11.2.8 Assessment of the amount due for payment from Link branch towards disbursement of pension after adjusting the surplus amount, if any;
- 11.11.2.9 Releasing the Pension Payment Orders to Link branch of the bank on daily basis.;
- 11.11.2.10 Reconciliation of the paid Statement received from Paying branches with the amount debited
- 11.11.2.11 to account of the EPS, 1995 by Link Branch;
- 11.11.2.12 Reconciliation of the amount paid to Link branch with the Payment Statement generated by Link branch.
- 11.11.2.13 Incorporation of addition/deletion to the Pensioner's master file;
- 11.11.2.14 Releasing the service charges due to Bank and to maintain service charges payment register as per latest instructions in vogue from time to time;
- 11.11.2.15 Updating of the list of branches of the Bank;
- 11.11.2.16 Maintenance of the record on payment of pensions to pensioners and examine non-drawl of pension;
- 11.11.2.17 Processing and arranging for expeditious disposal of transfer of Pension Payment Orders (transfer-in/transfer-out);
- 11.11.2.18 Acceptance and release of the Scheme certificate and maintenance of connected data;
- 11.11.2.19 Liaison with bank for prompt disbursement of pension and sorting out of operational difficulties;
- 11.11.2.20 Processing and release of Pension Payment Order in respect of claims under Employees' Family Pension Scheme, 1971;
- 11.11.2.21 Giving intimation to the pensioners/Accounts/Establishment on the release of pension;
- 11.11.2.22 Ensuring compliance of circulars / instructions issued by Pension Division Head Office.

11.11.2.23 Monitoring of DLC

11.11.2.24 Monitoring of claims on due basis.

11.11.2.25 Monitoring of Death & Accidental death claims.

11.11.2.26 Any other item of work connected for implementation of Employees' Pension Scheme, 1995.

**\*\*\*CHAPTER END\*\*\***

# CHAPTER 12 : MONITORING MECHANISM

## 12. Monitoring Mechanism

### 12.1 Significance of Monitoring

Collection and analysis of data helps in determining whether any programme launched is progressing as per its goals and fulfilling its objectives.

Regular tracking & analysis of data brings transparency. Information is freely circulated and is available to stakeholders for valuable inputs ensuring transparency. Better transparency leads to better accountability of field functionaries.

Continuous monitoring helps identify problems in any programme or initiative and gives an idea of inevitable circumstances for which strategy can be readjusted.

It also helps in optimum and efficient utilization of resources.

Regular monitoring improves the quality of decision making.

It helps identify mistakes, successes and things that can be replicated in future programmes.

It helps replicate the best practices/ initiatives/ programmes and encourages innovation.

Diversity of opinions can be obtained, and new solutions can be explored.

*Figure 22 : Significance of Monitoring*

### 12.2 Levels of Monitoring

12.2.1 Levels of Monitoring can be classified majorly into Macro and Micro. Whereas Macro parameters shall be monitored by Head Office and Zonal Office, Micro ones shall be done by Zonal Office and Regional Office. On the basis of the same, monitoring shall be done at the following 3 levels:

#### 12.2.1.1 Monitoring at Head Office Level - Only Macro

- a. Claims pendency {10D (Death & Non-Death), 5-IF} and Rejection Ratio
- b. LC/ DLC Pendency; use of Facial Authentication Technology for DLC updation
- c. Performance in processing cases of pension on higher wages
- d. Progress of new initiatives such as PRAYAAS and proactive settlement of cases due for Pension {10D (Death & Non-Death), 5-IF}
- e. Proactive settlement of Industrial Accident cases (10D-Death, 5-IF)
- f. IDS pendency

- g. Progress in e-nominations

#### **12.2.1.2 Monitoring at Zonal Office Level – Macro as well as Micro**

- a. Claims pendency {10D (Death & Non-Death), 5-IF}
- b. DLC/LC Pendency; use of Facial Authentication Technology for DLC updation
- c. IDS pendency
- d. Performance in processing cases of pension on higher wages
- e. Progress in e-nominations
- f. Conduct of Pension Adalats
- g. Payment of Service Charges to Pension Disbursing Banks
- h. Pension claims and returns in respect of EPF Exempted Establishments.
- i. Proactive settlement of Industrial Accident cases (10D-Death, 5-IF)
- j. Progress of new initiatives such as PRAYAAS and proactive settlement of cases due for Pension {10D (Death & Non-Death), 5-IF}

#### **12.2.1.3 Monitoring at Regional Office Level - Micro**

- a. Periodicity of Claims
- b. Claims pendency {10D (Death & Non-Death), 5-IF} and Rejection ratio
- c. DLC/LC Pendency; use of Facial Authentication Technology for DLC updation
- d. Duplicate Pensioners on same Aadhar
- e. IDS pendency
- f. Performance in processing cases of pension on higher wages
- g. Progress in e-nominations
- h. Progress of new initiatives such as PRAYAAS and proactive settlement of cases due for Pension {10D (Death & Non-Death), 5-IF}
- i. Proactive settlement of Industrial Accident cases (10D-Death, 5-IF)
- j. Payment of Service Charges to Pension Disbursing Banks

## **12.3 Basis of Monitoring**

12.3.1 Service standards for Pensioners and Nominees as per Scheme.

12.3.2 Service standards for Pensioners and Nominees as per Citizens' Charter.

12.3.3 While the norms of service specified in the Scheme provides for the mandatory timeline for settlement of claims complete in all respects submitted along with the requisite documents and the payment of benefit amount to the beneficiaries from the date of its receipt by the Commissioner, EPFO always strives for provide services to members as per the Citizens' Charter as its goal.

12.3.4 Service Standards for Pensioners and Nominees of Members:

Services	Settlement time as per Scheme	Settlement time as per Citizens' Charter
EDLI Insurance– Payment to nominees/survivors (Settlement of Form 5-IF)	20 Days	3 Working Days
Pension - Monthly pension (Settlement of Form10D-Death Cases)	20 Days	7 Working Days
Pension - Monthly pension (Settlement of Form10D)	20 Days	7 Working Days
Pension - Withdrawal Benefit/Scheme Certificate (Settlement of Form-10C)	20 Days	7 Working Days

## 12.4 Responsibility of Monitoring

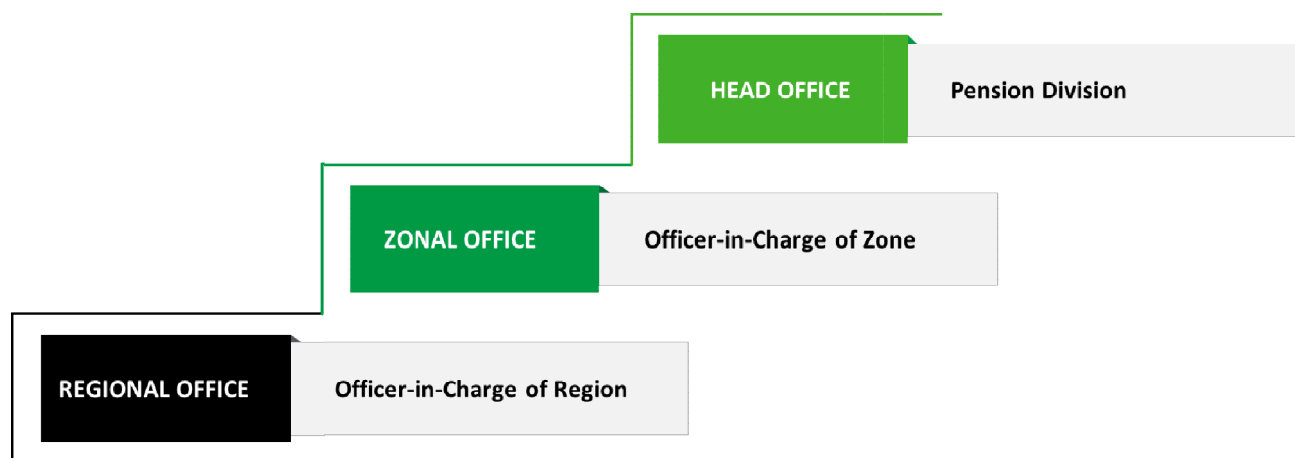


Figure 23 : Responsibility Matrix

## 12.5 Tools of Monitoring: MIS Dashboard

12.5.1 Reports presently available in MIS dashboard for analysis and monitoring of Pension and related matters:

12.5.1.1 **Claim Inquiry**: Using this functionality, status of claims can be tracked on the basis of Claim ID or Tracking ID.

12.5.1.2 **Periodicity of Claims**: This functionality provides for multiple filter options. Using this functionality, office wise, zone wise, year wise, month wise, form types wise, online/ offline

wise, Umang based claims, auto/manual processed claims reports can be obtained. Report of all or any one type of claim form can be obtained for analysis. It gives idea of total workload of any claim or all claims, rejections, net workload of office with reference to any claim or all claims and periodicity of settlement of claims. Analysis of settlement of claims can be found in the following periodicities:

- Less than or equal to 20 days.
- This report can be obtained in further subcategories of:
  - Less than or equal to 3 days,
  - 4-7 days,
  - 8-10 days and,
  - 11-20 days for more detailed analysis.
- 21 - 30 days
- 31 – 60 days
- 61 – 90 days
- More than 90 days

12.5.1.3 **Claim Pendency Report**: This functionality also provides for multiple filter options.

- a. Using this functionality, office wise, zone wise, form types wise, online/offline wise, Umang based claims, auto/manual processed claims reports can be obtained.
- b. Report of all or any one type of claim form can be obtained for analysis. It gives idea of pendency of any claim, or all claims and periodicity of pendency of any claim.
- c. It also provides information about status wise and Para wise claims pendency. Status wise claims pendency report can be generated to analyse pendency at different levels such as Initiator, Section Supervisor Level or Approver level.
- d. Status of pendency of only death cases can also be generated. Claims Pendency reports provides Dealing Assistant wise information about Claim Id, Member Id, Date of Receipt, type of claim form, whether received online/ offline, mode of settlement(auto/manual) and status of pendency for how many days and at which level.
- e. It also specifically informs if it is a death case for attracting priority. Analysis of settlement of claim can be found in following periodicities:

- 0 – 3 days
- 4 – 7 days
- 8 – 10 days
- 11- 20 days
- 21 – 30 days



- 31 – 60 days
- 61 – 90 days
- 91 – 120 days
- 121 - 180 days
- 181 – 365 days
- More than 365 days

12.5.1.4 **Jeevan Pramaan Report:** It can be viewed from Jeevan Pramaan Dashboard link in MIS. In this Dashboard (i) Summary of Jeevan Pramaan of Regional Offices, (ii) DLC status, (iii) DLC pending at Field Offices, (iv) Jeevan Pramaan Rejection Reason details, (v) Summary of Pensioners' Life Certificate Status can be viewed.

- Summary of Jeevan Pramaan of Regional Offices:** This functionality gives office wise information about total number of pensioners, DLCs approved by Field offices, DLCs rejected by Field Offices, number of Aadhar seeded DLCs, number of DLCs having mobile number and number of DLCs pending for more than five years.
- DLC Status:** Using this tab office wise status of Aadhar based Jeevan Pramaans for current calendar year received, approved, and rejected.
- DLC pending at Field Offices:** It shows office wise number of DLCs pending in the current year.
- Jeevan Pramaan Rejection reason Details:** This functionality gives information about reasons of rejection and number of DLCs rejected due to that reason.
- Summary of Pensioners' Life Certificate Status:** This functionality gives office wise information about total number of pensioners, number of DLCs received against current year and following year, number of DLCs not received against current year and following year and number of pensions stopped due to court order, account number or other reasons.
- DLC through Facial Authentication Technology:**
  - Facial Authentication Technology reduces the dependence of pensioners on external biometric devices and makes the process of DLC submission more accessible and affordable and ensures ease of living of pensioners.
  - This technology is particularly helpful where pensioners face difficulties in getting their biometrics (fingerprints/ Iris) captured due to old age or health issues.
  - Using this technology, pensioners can submit their DLC sitting at home without needing to visit bank, post office or CSC.

- vi. The pensioner himself can act as 'Operator' as well as 'Beneficiary' to install the Jeevan Pramaan App and Face Recognition App of UIDAI.
- vii. Any person or a family member can be an 'Operator' to install the app and may also use Jeevan Pramaan App (apk file) for helping old age, infirm and those pensioners who are bed ridden and not in a position to visit the CSC, Bank, Post Office, etc. to get their DLC renewed.
- viii. Pensioners living abroad can also submit their DLC without visiting India. Progress in submission of DLC is being monitored at HO level by obtaining data from NIC.

12.5.1.5 **Pension Dashboard**: Under this functionality, following information is available:

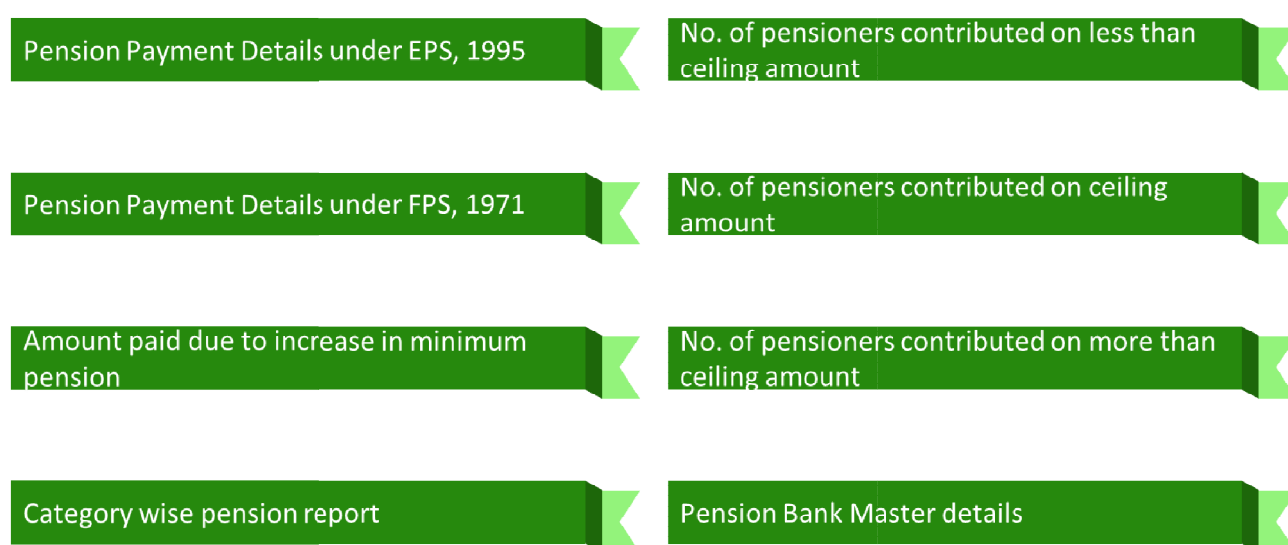


Figure 24 : Pension Dashboard

\*Under the category wise pension report, office wise number of superannuation (including early pensioners) pension, disablement pension, widow pension, children pension, orphan pension, dependent parent pension, nominee pension and ROC pension can be viewed.

12.5.1.6 **Duplicate Pensioners list**: Under this tab office wise PPO numbers of duplicate pensioners against a single Aadhar number can be seen. It gives information about office wise PPO Nos., Beneficiary numbers against the PPO, Pensioners' name, Aadhar number, Bank Account number, Branch code, Type of pension, Date of commencement of pension, Period up to which pension has been paid and Remarks if any.

12.5.1.7 **Duplicate Pensioners list summary**: Under the Duplicate Pensioners' List summary report Zone wise and Regional office wise downloadable total number of duplicate pensioners, duplicate

pension pertaining to the same office and duplicate pensioners pertaining to other office can be viewed.

12.5.1.8 **IDS Pendency Report:** This facility can be used to generate Zone wise and office wise pending Transfer-in IDS and Transfer-out IDS cases.

12.5.1.9 **Pension on Higher Wages Dashboard:**

- a. **Joint Option Status** - Using this facility, summary Report of Pension on Higher wages cases can be generated. In this functionality, application status wise summary reports with respect to Application forms for Validation of Option from pre-01.09.2014 pensioners and Joint Options from post-01.09.2014 members can be viewed and downloaded with following statuses:
  - i. Forms initiated by members/ pensioners and pending with them
  - ii. Forms submitted by pensioners/members and pending with employer
  - iii. Forms accepted by employer and forwarded to EPFO
  - iv. Forms initiated at Field offices
  - v. Forms sent back to employer
  - vi. Forms approved by Field offices
  - vii. Forms rejected by Field offices
  - viii. Forms submitted for approval in e-office
  - ix. There is a functionality to generate the above summary status report office wise and Zone wise.
  - x. Following Zone wise and office wise report can also be viewed:
    1. Forms initiated by members/ pensioners and pending with them
    2. Forms submitted by pensioners/members and pending with employer
    3. Forms accepted by employer and forwarded to EPFO
    4. Forms initiated at Field offices
    5. Form approved by Field offices
    6. Forms rejected by Field offices in respect of Application forms for Validation of option and Joint Option
- b. **Joint Option Dashboard (Detailed):** This detailed Dashboard can be used to view and download Zone wise and office wise report in respect of Application forms for Validation of

Option from pre-01.09.2014 pensioners and Joint options from post-01.09.2014. This functionality provides following reports:

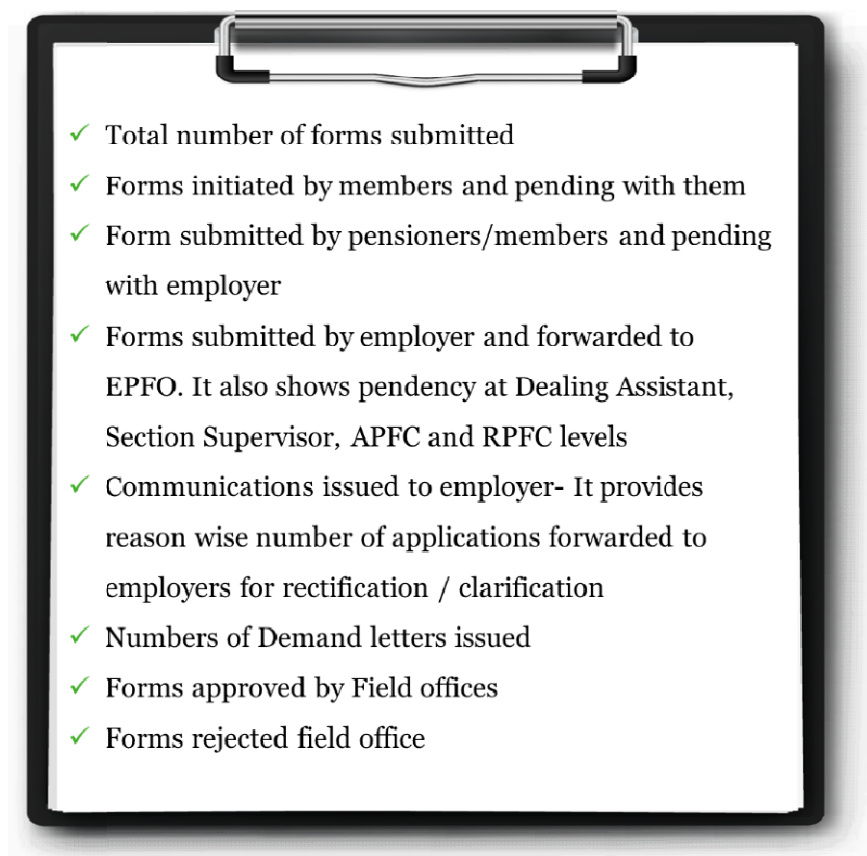


Figure 25 : Joint Option Dashboard

- c. **Establishment wise Report**: This facility can also be used to generate establishment wise following reports in respect of Application forms for Validation of Option from pre-01.09.2014 pensioners and Joint options from post-01.09.2014:

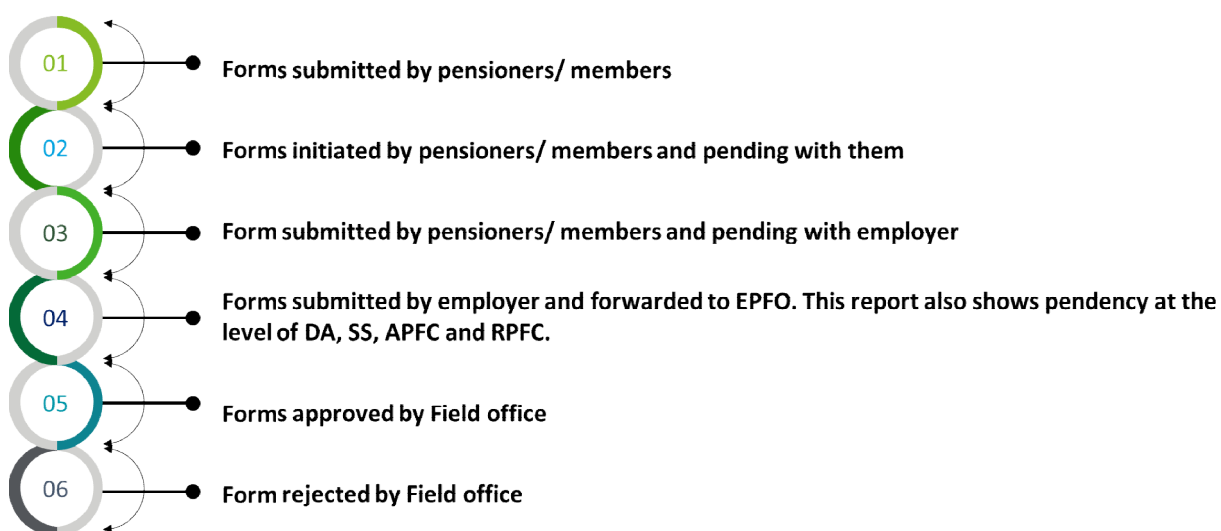


Figure 26 : Establishment wise Reports

12.5.1.10 **E-Nomination Report**: Availability of nominations of members helps in prompt settlement of pension and insurance claims to beneficiaries. Filing of online claim by the member is dependent on the availability of e-nomination by the member. Availability of e-nomination also helps in actuarial valuation of the Pension Fund.

- a. **E-Nomination Status Report**: This report provides information about total number of establishments in their jurisdiction, number of e-nominations initiated by members, number of e-nominations pending for e-sign of employer and number of e-nominations completed.
- b. **E- Nomination Progress Report**: It gives Zone wise and office wise, date wise and gender wise information about progress made in e-nominations between any two dates. It also gives information about number of e-nominations done in respect of contributory and non-contributory members.

12.5.1.11 **Prayaas Initiative**: Prayaas is one of the several policy and digital initiatives taken by EPFO to ensure timely service delivery to the members and pensioners, which was launched on 21.07.2020 with an aim of handing over PPOs to members of EPS 1995 on the day of their superannuation/ retirement. Zonal Offices and Regional Offices shall conduct fortnightly webinars with employers and such EPS, 1995 members, who are due to superannuate on attaining 58 yrs or retire on attaining 60 yrs of age within three months. The purpose of these webinars is to educate the members of the EPS, 1995 and their employers so that they can submit the Pension claims complete in all respects in advance.

A Dashboard on Prayaas Initiative has been made available in MIS 3.0 to monitor progress in this initiative by Zone and Pension Division, Head office.

In order to ensure significant progress, the ZOs and ROs shall adhere to the following:

- a. The ZOs/ROs shall use Dashboard on PRAYAAS Initiative available in MIS 3.0 to target on the employees due to superannuate.
- b. Webinars shall be conducted with the EPS, 1995 members due to superannuate/retire at the age of 58 years / 60 years and their employers for guiding them to submit pension claim in advance at ZO as well as at RO.
- c. From the list of members due to superannuate/retire at the age of 58 years / 60 years within the upcoming 06 months, larger establishments may be identified, and each Enforcement Officer of the Regional Office may be allotted two establishments every month based on concentration of maximum number of PRAYAAS cases.

- d. To create awareness about the initiative, PPOs may be issued to the retiring members under PRAYAAS initiative in the monthly “Nidhi Aapke Nikat (NAN) 2.0 program.
- e. Any issued related to transfer of accounts or correction in member profile may be resolved well in advance by approaching the members and their employers so that claims are not rejected on such grounds. It shall be the responsibility of the RPFC / OIC that claims received from such retiring members are received complete in all respect to avoid rejections.
- f. Addl. CPFC of Zonal Office shall regularly monitor and review the activities undertaken by Regional Offices under their jurisdiction and ensure that the performance of the Regional Offices in issuing PPOs on due basis improves.

**12.5.1.12 Pro-active settlement of Pension & EDLI claims on due basis:** It is a special initiative for settlement of Pension and EDLI cases where members have completed 10 years of service and have not submitted pension claims even after attaining the age of 58 years or where after death of member, family of deceased members have either not filed the claim or not settled even though contribution was received till the month of death.

- a. This shall be monitored by Pension Division, Head Office, and Zonal Office and OIC of Regional Office on daily basis.
- b. A Dashboard in MIS 3.0 has been provided for monitoring of due cases of pension and EDLI claims. The Dashboard provides data with hyperlinks in respect of PF (death claims), EDLI and Pension claims due for previous year as well as the current year separately.
- c. Para 72 of the EPFS 1952 specifies that every employer shall at the time when a member of the fund leaves the service or on the death of the member be required to get the application for benefit from the member/family and forward the said application within 5 days of the receipt. In accordance with Para 38 of EPS, 1995 this provision applies to applications of member/pension for family pension as well. Accordingly, employers are statutorily mandated to provide all information/ support as may be required for prompt settlement of claims.
- d. The Nodal Officers entrusted with the work of Claims on Due Basis shall ensure that the pending cases are sorted establishment wise. Further whenever, physical inspection of any establishment is to be carried out, the Nodal Officer shall ensure to provide the list of pending due cases of that establishment to the inspecting EO/team. The Nodal Officer shall also regularly follow up with these establishments especially through webinars and Nidhi Apke Nikat 2.0.

- e. The Nodal Officer shall also ensure that list of due cases is provided to AOs of the respective establishments who shall telephonically/through email contact the establishments so as to achieve the target of receiving all due claim applications complete in all respects in a time bound manner.
- f. The Dashboard also provides details of cases received but rejected. In such cases the contact details of the applicants may be readily available and DEOs after proper training by the Nodal Officers shall be given the task of contacting such applicants and enquire about the resubmission of forms. They shall note down the problems being faced by the applicants from employers or otherwise. These details shall be compiled by the Nodal Officer establishment wise for onward communication/necessary action directly to establishment as well as to the EO/team visiting establishment for physical inspection and also to AOs of respective establishments for taking up with the establishments.
- g. For death cases the Nodal Officer shall coordinate with the DNOs appointed for Industrial Accident Cases to ensure that the family members are provided necessary guidance and support for filling claim applications complete in all respects. The APFCs accounts shall review the positions of settlement of claims on due basis every week along with the Nodal Officer and all AOs.
- h. Nodal Officer shall also conduct Workshop for SSAs and Section Supervisors to bring attitudinal transformation by sensitizing them that return/ rejection not only results in creation of additional work but also in grievances. The problems being faced by SSAs and SS from particular establishments shall be noted and got resolved.
- i. The Officer in Charges of Regional office shall also review the status of the Dashboard on daily basis to keep eye on the daily increase in receipt/ and reduction in rejections. He shall conduct at least two webinars in a month with the top 10 employers having maximum pendency of claims on due basis.
- j. Zonal ACC shall ensure that on RPFCs in the Zone daily monitors this item of work. The RPFC, Zonal Office shall immediately place before Zonal ACC the status report, if on any day there appears to be no progress in this work area in respect of any of the ROs.
- k. Zonal ACC shall also conduct review meeting on the subject every fortnight to ensure that for previous years due cases pendency, progress is achieved and for current year due cases pendency is not allowed to increase.
- l. Zonal ACC shall also ensure that return/ rejection ratio for Pension & EDLI claims is brought down to less than 20% within the financial year.

12.5.2 **Pre-Audit:** In order to reduce the time taken for settlement of pension cases especially in the process of pre-auditing, the practice of per-auditing of Input Data Sheets (IDS) in the Pension Section has been done away with. The following alternative procedure shall be followed:

- 12.5.2.1 After the approval of IDS by the concerned APFC (Accounts), the same would be forwarded along with claim and enclosures directly to another APFC, preferably the link officer of approving APFC (Accounts), who would counter check the IDS, at his own level without involving lower officials and forward it with remarks to the Dealing Assistant for preparation of worksheet. The APFC (Pension) would get the final PPO prepared and approve the same.
- 12.5.2.2 In case only one APFC is available, the same may be done by any AO except the one through which the IDS was initially sent.
- 12.5.2.3 In case of Transfer-Out IDS, the IDS and the claim would be directly sent to APFC (Pension) after the countercheck, which will then be forwarded to concerned office by APFC (Pension) through e-office. Similarly, in case of Transfer-In cases, the Pension Section itself would get the worksheet prepared and PPO generated.
- 12.5.2.4 All care needs to be taken by APFC (Accounts), who approves the IDS, to ensure that the case is eligible for pension and correct in all respects.

12.5.3 **Process of Transferring out IDS: -**

- 12.5.3.1 Ensuring timely transfer of IDS is the responsibility of the Transferor Regional Office (RO). Transferor RO after dispatching the IDS in the application software shall on the same day, send the scanned copies of IDS with enclosures to the Transferee Regional Office through e-office as an e-receipt so that any delay on account of non-receipt of hard copy of IDS may be avoided and PPO may be issued in time.
- 12.5.3.2 For uniformity and identification of IDS in Transferee Office, the subject of e-receipt shall be as follows:

***IDS/Member ID/ Name of Transferee RO/Type of Pension***

- 12.5.3.3 Where Transfer-in IDS is pending in the Transferee Office since long and the documents are reported as 'Not received/ Not traceable' by the Transferee RO (***after verifying PPOs Master***), the request for duplicate copies shall also be forwarded by the Transferee RO to the Transferor RO through e-office only. The subject of e-receipt shall be as follows:



***IDS Not traceable/Member ID/ Name of Transferee RO***

- 12.5.3.4 The transferor office shall reply to such request ***within 3 working days*** and scanned copies shall be sent via e-office with subject of e-receipt as follows:

***IDS resent /Member ID/ Name of Transferee RO/Type of Pension***

- 12.5.3.5 The receipt in all cases shall be created by Dealing Assistant/Section Supervisor, of Pension Section who shall forward the receipt to his/her APFC/ RPFC-II, Pension. The APFC/ RPFC-II, Pension shall check that the scanned copies are clearly legible and complete. Thereafter, APFC/ RPFC-II, Pension shall forward the receipt to the RPFC/OIC of the Transferee/Transferor RO.
- 12.5.3.6 The Zonal Offices shall ensure that the above instructions are followed by all ROs under their jurisdiction without deviation. They shall monitor this work regularly to ensure that no grievance arises on this account.

12.5.4 **Audit:** Since the Employees' Pension Scheme is being implemented through computer, it is necessary to have a sound audit system and internal control unit at the Regional level.

- 12.5.4.1 The audit check points framed should be verified by the Internal Audit party so as to ensure
- correctness of the amount of pension due/paid,
  - the receipt of payment by the original claimant till the date of entitlement and,
  - that the system is free from any defects that may lead to wrong payments.

12.5.4.2 The procedure of Audit has been detailed in the Audit Manual.

**\*\*\*\*\*CHAPTER END\*\*\*\*\***

Sl.No	Date	Subject	Reference in Manual
1.	12.03.2009	Doing away with the Practice of Pre-auditing of IDS of Form 10-D/Form 10-C at Pension Section	12.5.2
2.	03.06.2024	Using e-office for sending the transfer out IDSs to other ROs	12.5.3

# CHAPTER 13 : COMPILATION OF IMPORTANT LEGAL JUDGEMENTS PERTAINING TO EPS- 1995

## 13. Compilation of Important Legal Judgements pertaining to EPS-1995

S.No.	Case Details	Details of Judgement
1.	Ram Singh V. State of Uttar Pradesh, 2005 LLR 349 (Allahabad HC).	An employee, having withdrawn the entire amount from the Employees' Provident Fund Scheme, cannot be permitted to switch over the pension scheme.
2.	Subhash Chandra Gautam V. State of U.P. and Others, 2019 LLR 937 (Allahabad HC).	Employees drawing pension would also be entitled to regular departmental pension.
3.	Narasimha Rao V. The Regional Provident Fund Commissioner, 2019 LLR 97 (Andhra Pradesh HC)	An employee can contribute more under the pension scheme by joint request of the employer.
4.	Shri Vikram V. The Commissioner, Employees Provident Fund Organisation & Anr, 2019 LLR 931 (Bombay HC)	On attaining 58 years after 20 years' service, a member is entitled to weightage of two years for pension. Word 'month' is not used in the Employees' Pension Scheme. Pensionable salary is to be taken in terms of years and not in terms of months.
5.	Regional Provident Fund Commissioner V. Western Abrasive Industries Pvt. Ltd. & Ors, 2019 LLR 915 (Gujarat HC)	Reduced pension shall be payable from the date of receipt of Form 10-D if the employee has not mentioned his option.
6.	Divyaben Hemantkumar Natwarlal Patel V. Regional Provident Fund Commissioner, 2020 LLR 345 (Gujarat HC)	For calculation of withdrawal benefit, wage at exit shall be the weighted average of his wages at the end of every wage ceiling period. Superannuation pension is subject to 10 or more years eligible service or on separation on attaining the age of 58 years. Once any claim is received under the Employees' Pension Scheme 1995, the certificate of the employer would be required.
7.	Shri Lal Chand V. Union of India, 2017 LLR 1107	A member is not debarred option to contribute higher wages to the pension fund.

S.No.	Case Details	Details of Judgement
	(Himachal Pradesh HC)	
8.	K. Narasimha Rao V. The Regional Provident Fund Commissioner, 2018 LLR 1274 (Hyderabad HC)	An employee on superannuation will be entitled to a higher pension when deposited an additional amount than prescribed ceiling.
9.	Sudhakar Pani V. Assistant Provident Fund Commissioner (Pension), 2005 LLR 846 (Karnataka HC)	An employee, being a member of the Employees' Pension Scheme will get full pension benefits when becoming paralytic and permanently disabled. While interpreting the provisions of welfare legislation like the Employees' Pension Scheme, the employees' beneficial interpretation has to be given.
10.	Sudhakar Pani V. Assistant Provident Fund Commissioner (Pension), 2005 LLR 955 (Karnataka HC)	Total disablement will be presumed for entitlement of pension under Employees' Pension Scheme even though the medical board has assessed the disability at 90%. A welfare legislation, like Employees' Pension Scheme, is to be liberally interpreted so that its benefits get the weaker section.
11.	K. Chennakesavalu V. Employees' Provident Fund Organisation, (2004) 102 FLR 919: (2004) 107 FJR 39: (2004) III CLR 376: 2005 LLR 56 (Karnataka HC)	A member of a Family Pension Scheme becoming a member of the Employees' Pension Scheme will be entitled to retirement benefit equal to the aggregate of pension and for past service.
12.	H.M.T. Ex-servicemen Association v. Union of India, (2001) 2 CLR 529: 89 FLR 1089: (2001) 99 FJR 244: 2001 LLR 697 (Kerala HC).	Exemption from pension schemes can be granted only to establishments and not to any employee or group of employees
13.	Kunjavara Vs Provident Fund commissioner, (2004) IV LLJ Supp (NOC) 8: 2003 LLR 1048 (Kerala HC).	The Provident Fund Commissioner committed a fundamental mistake in applying rule 12(7) to the petitioners and limiting their claim from the dates on which applications were submitted by them, taking those dates as the dates of option for retirement from service and for pension
14.	R.R.V. Thampuran V. Union of India, 2010 LLR (SN) 325 (Kerala HC)	EPFO will refund the entire amount when the employees' claim for pension was rejected.
15.	Rajamma K.T. V. APFC(Pension) EPFO, 2015 LLR 242 (Kerala HC)	Merely the employee nominated his father, pension to mother cannot be taken away.
16.	Ponnuswamy V. Assistant Provident Fund Commissioner, 2016 LLR 1275 (Kerala HC)	One cannot continue as a member of a pension scheme after attaining the age of 58 years.
17.	Abhirami V. Employees Provident Fund	After remarriage of widow, the child is entitled to an orphan pension.

S.No.	Case Details	Details of Judgement
	Commissioner, 2020 LLR 1051 (Kerala HC)	Pension Shall be payable beyond the age of 25 years to a disabled child. After the death of an employee being a member of Employees' Pension Scheme, his widow is entitled to widow pension.
18.	Raghunath V. Regional Provident Fund Commissioner, 2002 LLR 574 (Madhya Pradesh HC)	An employee cannot be deprived of pension benefit for the intervening period between termination and the reinstatement.
19.	Achyut Bhoraskar V. Employees Provident Fund Organisation, 2016 LLR 1052 (Madhya Pradesh HC)	An employee is not entitled to pension at a higher rate than that of his entitlement.
20.	Mahendra Kumar Sethi v. Employees Provident Fund, 2017 LLR 588 (Madhya Pradesh HC)	Higher pension proposed by employee permissible provided the employer agrees to pay administrative charges.
21.	Regional P.F. Commissioner V. Prakash Chand Jain, 2018 LLR 1264 (Madhya Pradesh HC)	EPF contribution on full salary with the consent of his employer, pension is to be calculated on the basis of full salary. Higher pension cannot be denied when an employee has contributed more than the prescribed rate of contribution.
22.	Om Prakash Vijayvargiya & Ors. V. The Employees' Provident Fund Organisation & Ors., 2019 LLR 781 (Madhya Pradesh HC)	An employee entitled for pension from the date of option.
23.	P.T. Ramachandaran V. Regional Provident Fund Commissioner, 2010 LLR 48 (Madras HC)	For incorrect calculation, no plea that there is no provision under the pensions scheme for rectification can be taken.
24.	Assistant Provident Fund Commissioner(Accounts) EPFO V. S Sermaurai, 2016 LLR 1083 (Madras HC)	12% interest on pension payable by EPFO causing delay in releasing pension.
25.	Veeraswamy V. Regional P.F. Commissioner, 2019 LLR 698 (Madras HC)	12% interest payable on delay to pay pension.
26.	R Bhaskaran V. Regional P.F. Commissioner, 2019 LLR 936 (Madras HC)	Employees can exercise their option in terms of proviso to clause 11(3) of Pension Scheme.
27.	Assistant Provident Fund Commissioner V. The joint registrar/special officer, M/s The Coimbatore District Central Co-op Bank Ltd. 2021	Jewel appraisers may not be workmen, but they are 'employees' for Provident Funds.

S.No.	Case Details	Details of Judgement
	LLR 1005 (Madras HC)	
28.	Regional Provident Fund Commissioner-I & Ors. V. R. Ramalingam, 2022 LLR 1052 (Madras HC)	Pensioners receiving Rs. 5,000 p.m. would entitle his nominee Rs. 5 Lakhs after death.
29.	Satyabadi Patna V. Regional Provident Fund Commissioner, 2012 LLR 757 (Orissa HC)	“Permanent total disablement” entitles pension to the member under Employees’ Pension Scheme.
30.	Ugra Chandra Mishra v. Union of India, (2002) 3 BLJR 2323: (2003) 1 LLJ 974 2003 LLR 527 (Patna HC)	A member of Employees' Provident Funds having not exercised his option for Employees Family Pension Scheme 1971 in terms of its para 4 read with Form I cannot claim that he had automatically become a member of Employees' Pension Scheme, 1995
31.	Ram Nandan Prasad & 2 others V. The Union of India through Secretary, Labour & Employment Govt. Of India, New Delhi, 2014 LLR 520 (Patna HC).	Pension will be calculated on Rs. 6,500/- per month in the absence of any joint request for higher contribution towards pension.
32.	Regional Provident Fund Commissioner, Karnal V. Gurnam Singh, 2009 LLR (SN) 681 (Punjab and Haryana HC)	Having contributed to the Employees' Provident Fund Scheme for 9 years, an employee completes 11 years and becomes entitled to Employees Pension Scheme.
33.	Satpal Yadav V. Union of India, 2013 LLR(SN) 220: (2012) 135 FLR 1082 (Punjab and Haryana HC)	Pension Scheme under Employees’ Pension Scheme, 1995 is applicable retrospectively and also it provides statutory responsibility of the employer to make deductions from the salary of employee.
34.	Assistant Provident Fund Commissioner(Pension) V. Ram Kumar, 2016 LLR 244 (Punjab and Haryana HC)	Pension only at the age of 50 years after completion of formalities.
35.	Khetri Tamba Sevanirvart Karamchari Association V. Union of India, 2019 LLR 323 (Rajasthan HC)	Pension can be recalculated for option scheme under clause 11(3) of Employees Pension Scheme.
36.	Agarchand Bhansali V. The Assistant Provident Fund Commissioner, 2019 LLR 1051 (Rajasthan HC)	Past service and past service pensionable are two different terms. Employees’ Pension Scheme, 1995 reflects the formula for calculation of past service.
37.	Otis Elevator Employees’ Union S. Reg V. Union of India, (2003) 12 SCC 68: AIR 2004 Sc 3264: (2004) 1 LLN 450: (2004) 1 SCR 435: 2004 LLR 63: (2003) 99 FLR 1179 (Supreme Court).	The Employees’ Provident Funds & Miscellaneous Provisions Act is a social welfare legislation to provide for the employees’ pension fund etc. hence this court will not monitor implementation of such policy unless the same is discriminatory or arbitrary. Since the Employees’ Pension Scheme is for the welfare of employees, the same cannot be held to be

S.No.	Case Details	Details of Judgement
		violative of the constitution.
38.	Chennakesavalu V. Employees' Provident Fund Organisation, (2004) 102 FLR 919: (2004) 107 FJR 39: (2004) III CLR 376: 2005 LLR 56 (Karnataka HC)	A member of a Family Pension Scheme becoming a member of the Employees' Pension Scheme will be entitled to retirement benefit equal to the aggregate of pension and for past service.
39.	R.Baskaran vs Regional Provident Fund Commissioner, 2019 LLR 936 (Madras HC)	Employees are entitled to an enhanced pension of their contributions with reference to actual salary.
40.	The Employees Provident Fund Organisation & Ors V. Sunil Kumar B & Ors, 2022 LLR 1318 (Supreme Court)	Provisions contained in the Employees' Pension (Amendment) Scheme are legal and valid.
41.	Krishan Dev vs Central Bank Of India (Delhi HC)	When the employee is honourably discharged in a criminal trial, he would be entitled to receive the pension as withheld.
42.	RC Gupta V. Regional Provident Fund Commissioner, 2017 LLR 866 (Supreme Court)	Exercise of option under Pension Scheme, would not foreclose the exercise of further option. Provision to clause of pension scheme permits an option to employer and employee from contribution beyond salary ceiling.
43.	Ram Nandan Prasad & Ors V. The Union of India Through Secretary, Labour & Employment, Govt of India, New Delhi 2014 LLR 520 (Patna HC)	Pension will be calculated on Rs. 6,500 per month in the absence of any joint request for higher contribution towards pension.

\*\*\*\*\*CHAPTER END\*\*\*\*\*