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CORPORATE ACCOUNTS SECTION st Floor, Bharat Sanchar Bhavan, H.C.Mathur Lane, Janpath, NFW DELHI - 110 001. 2373 4106, 2373 4108, 2373 4107 (Fax)



BHARAT SANCHAR NIGAM LIMITED

(A Govt. of India Enterprise)

NO: 500-85/CA II/BSNL/EPF/2013/Vol VI

Dated 30.03.2017

The CGMs All BSNL Circles

Sub: Higher Pension under Para 11(3) of the EPS, 1995.

Ref: EPFO letter no. Pension-I/12/EPS Amendment/96/Vol.II dated 23-Mar-

Please find enclosed the letter under reference vide which members of the Employees Pension Scheme, 1995 who had contributed on higher wages exceeding the statutory wage ceiling of Rs. 6500/- in the Provident Fund have been allowed to divert 8.33% of the salary exceeding Rs. 6500/- to the Pension Fund with up to date interest as declared under EPF Scheme, 1952 from time to time to get the benefit of pension on higher salary on receipt of joint option of the Employer and Employee.

BSNL has contributed on higher wages exceeding the statutory wage ceiling of Rs. 6500/- in the Provident Fund for its employees which makes it eligible for diversion of 8.33% of the salary exceeding Rs. 6500/- to the Pension Fund.

In this regard, circles are requested to initiate the process of choosing the option of higher pension in consultation with the EPF office.

Encl: As above

Dy. General Manager (CA III)

Copy for information and taking necessary action to:

1. IFAs of all circles for information and taking necessary action please.

2. DGM(R&P), CO, BSNL for information and taking necessary action please.

भारत संचार निगम लिमिटेड

(कार्मालम - मुरम सहा सवल्यक दूरसंचार विहार परिभाउल पटना) 2001 and THROUT: - BSNL/CAO/BR/PayRoll [EPF/2015-16/15 dt. 6/7/2017. उपरोक्त विषयक मामले के सम्बन्ध में संस्थान प्रामण भें उन्स्क रे.वी. एफ. होलउर कामनारियां अपिपकारियां में का प्रान रका अभिधानिकीय मिछीत कार्क (1) सभी लेखांकिलारी (वर्णम) विहार साकाम। Dv. General O/o Chief General Manager Telecoms

Regd. Office: Bharat Sanchar Bhavan, H.C.Mathur Lane, Janpath, New Delhi-110-001..., Bihar Circle, Patna-1 Corporate Office: Bharat Sanchar Bhavan, H.C.Mathur Lane, Janpath, New Delhi-110 001 Website: www.bsnl.co.in





कर्मचारी भविष्य निधि संगठन

(श्रम एवं राजगार मंत्रालय, भारत सरकार।

EMPLOYEES' PROVIDENT FUND ORGANISATION

(Ministry of Labour & Employment, Govt. of India) मुख्य कार्यालय / Head Office

भविषय निर्धि भवन, 14-भीकाणी कामा जंस, नई दिल्ली-110 066. Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place, New Delhi - 110 066.

No: Pension-I/12/33/EPS Amendment/96/Vol.II

Dated: ₹3-03-2017

To,

All Regional P.F. Commissioner,

2 3 MAR 2017

Regional Office/Sub-Regional Office.

Subject: Allowing members of the Employees' Pension Scheme, 1995 the benefit of the actual salary in the Pension Fund exceeding wage limit of either Rs. 5000/- or Rs. 6500 per month from the effective date respectively as per the Hon'ble Supreme Court's order in SLP No.33032-33033 of 2015 - Regarding.

The matter of determination of pensionable salary exceeding statutory wages ceiling and exercise of option under deleted proviso to Para 11(3) of the EPS, 95 was examined in the light of the Hon'ble Supreme Court's Order in SLP No.33032-33033 of 2015.

The Hon'ble Apex court in SLP No.33032-33033 of 2015 observed that the reference to the date of commencement of the Scheme or the date on which the salary exceeds the ceiling limit are dates from which the option exercised are to be reckoned with for calculation of pensionable salary. The said dates are not cut-off dates to determine the eligibility of the employer-employee to indicate their option under the proviso to Clause 11(3) of the Pension Scheme. It has further been observed that a beneficial Scheme, ought not to be allowed to be defeated by reference to a cut-off date, particularly, in a situation where (as in the present case) the employer had deposited 12% of the actual salary and not 12% of the ceiling limit of Rs. 5000/- or Rs. 6500/- per month, as the case may be.

In a situation where, the deposit of the employer's share at 12% has been on the actual salary and not the ceiling amount, the Provident Fund Commissioner could seek a return of all such amounts that the concerned employees may have taken or withdrawn from their Provident fund Account before granting them the benefits of the proviso to Clause 11(3) of the Pension Scheme. Once such a return is made in whichever cases such return is due, consequential benefits in terms of this order will be granted to the said employees.

Thus a member contributing to the Provident Fund on the wages exceeding the statutory ceiling or who had contributed to the Provident Fund on the wages exceeding the Statutory ceiling cannot be debarred from exercising the option to contribute on such higher wages to the pension fund. (Copy of the order of the Hon'ble Supreme Court enclosed).

- Accordingly a proposal was sent to MOL&E to allow members of the Employees' Pension Scheme, 1995 who had contributed on higher wages exceeding the statutory wage ceiling of Rs. 6500/- in the Provident Fund to divert 8.33% of the salary exceeding Rs 6500/- to the Pension Fund with up to date interest as declared under EPF Scheme, 1952 from time to time to get the benefit of pension on higher salary on receipt of joint option of the Employer and Employee.
- The MOL&E vide letter dated 16.03.2017 has conveyed its approval to allow members of the Employees' Pension Scheme, 1995 who had contributed on higher wages exceeding the statutory wage ceiling of Rs. 6500/- in the Provident Fund to divert 8.33% of the salary exceeding Rs.6500/- to the Pension Fund with up to date interest as declared under EPF Scheme, 1952 from time to time to get the benefit of pension on higher salary on receipt of joint option of the Employer and Employee. (copy enclosed for ready reference)
- 5) The officers in charge of all field offices are directed to take necessary action accordingly in accordance with the order of the Honble Supreme Court in SLP No.33032-33033 of 2015 as approved by the Government and as per the provisions of the EPF & MP Act, 1952 and Schemes framed there under.

(This issues with the approval of CPFC.)

Yours faithfully,

(Dr. S.K. Thakur)

Addl. Central PF Commissioner, HQ(Pension)

Copy to:

ACC HQ(IS) for information with request for making necessary changes in the Software.



HIGHER PENSION OPTION FORM

(As per Para11(3) of the Employees' Pension Scheme, 1995)
(Only for existing employees who has been contributing on higher wages to EPS on salary exceeding ₹6500/- or ₹15,000/- pm)

To The AO(A&P)/ AO(EPF), O/o CGMT, BSNL,

SUB:HIGHER PENSION OPTION— Allowing members of Employees' Pension Scheme, 1995 the benefit of the actual salary in the Pension Fund exceeding wage limit of Rs. 6500/- or Rs. 15,000/- per month from the effective date respectively as per the Hon'ble Supreme Court's order in SLP No. 33032-33033 of 2015- Option for higher pension and deduction of Contribution towards EPS-1995 on Full Salary i.e. the salary on which EPF is deducted and remittance of the amount to the Pension Fund-Exercising of Option

REF: (1) BSNL Corporate office letter No. 500-85/CA II/BSNL/EPF/2013/Vol VI Dated 30.03.2017 endorsed by DGM(CA), O/o CGMT, Ahmedabad vide letter no. TAC/EPF/2015-16/70 dated 05.04.2017

(2) EPFO letter no. Pension-I/12/33/EPS Amendment / 96/Vol.II dated 23.03.2017

I hereby declare that I have never withdrawn any amount from my EPF account during my entire service of years andmonths in BSNL.

I have understood all the Terms and Conditions governing the Higher Pension option of EPS-1995 and I am willing to abide by all the Terms & Conditions. I further understand that the option once exercised is irreversible and cannot be changed in future.

Yours faithfully,

Date:

Place:

(Signature of the Employee)

Name

Designation

HRNo/Per No

EPF No

UAN No

Counter signed by Controlling officer:

Certification by the Employer:

Accepted and recommended for affording necessary higher contributions from the employer's share Of Provident Fund holdings, diverting to Pension Fund.

Signature of the employer (BSNL).