

In exercise of the powers conferred by Section 6A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952), the Central Government hereby makes the following Scheme, namely :-

Short title, commencement and application. - (1) This Scheme may be called the Employees' Pension Scheme, 1995.

- (2) (a) This Scheme shall come into force on 16th day of November, 1995 ;
- (b) Subject to the provisions of this Scheme the employees have an option to become the members of the Scheme with effect from the 1st April, 1993.
- (3) Subject to the provisions of Section 16 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, this Scheme shall apply to the employees of all factories and other establishments to which the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 applies or is applied under sub-section (3) or sub-section (4) of Section 1 or Section 3 thereof.

2. Definitions. - (1) In this Scheme unless the context otherwise requires :-

- (i) " Act " means the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952).
- (ii) " actual service " means the aggregate of period of service rendered from the 16th November, 1995 or from the date of joining any establishment whichever is later to the date of exit from the employment of the establishment covered under the Act ;
- (iii) " Commissioner " means a Commissioner for Employees' Provident Funds appointed under Section 5D of the Act ;
- (iv) " contributory service " means the period of ' actual service ' rendered by a member for which the contributions to the fund have been received or are receivable ;
- (v) " eligible member " means an employee who is eligible to join the " Employees' Pension Scheme";
- (vi) " Existing Member " means an existing employee who is a "Member of the Employees' Family Pension Scheme, 1971 " ;
- (vii) " Family " means –
 - (i) wife in the case of male member of the Employees' Pension Fund ;
 - (ii) husband in the case of a female member of the Employees' Pension Fund ; and
 - (iii) sons and daughters of a member of the Employees' Pension Fund ;

Explanation- The expression " sons " and " daughters " shall include children legally adopted by the member.

- (viii) " Pension " means 'the pension payable under the Employees' Pension Scheme and also includes the family pension admissible and payable under the Employees' Family Pension Scheme, 1971 immediately preceding the commencement of the Employees' Pension Scheme, 1995 with effect from the 16th November, 1995 ;
- (ix) " Member " means an employee who becomes a member of the Employees' Pension Fund in accordance with the provisions of this Scheme.

[Explanation. - An employee shall cease to be the member of Pension Fund from the date of attaining 58 years of age or from the date of vesting admissible benefits under the Scheme, whichever is earlier.]

- (x) " Non-Contributory Service " is the period of " actual service " rendered by a member for which no contribution to the " Employees' Pension fund " has been received or are receivable ;

- (xi) " orphan " means a person, none of whose parents is alive;
- (xii) " past service " means the period of service rendered by an existing member from the date of joining Employees' Family Pension Fund till the 15th November, 1995;
- (xiii) " Pay " means basic wages, with dearness allowance, retaining allowance and cash value of food concessions admissible, if any ;
- (xiv) "Pension Fund " means the Employees' Pension Fund set up under sub-section (2) of Section 6A of the Act;
- (xv) " pensionable service " means the service rendered by the member for which contributions have been received or are receivable ;
- (xvi) " Permanent total disablement " means such disablement of permanent nature as incapacitates an employee for all work which he/she was capable of performing at the time of disablement, regardless whether such disablement is sustained in the course of employment or otherwise;
- (xvii) " Table " means Table appended to this Scheme ;
- (xviii) The words and expressions defined in the Act but not defined in this Scheme shall have the same meaning as assigned to them in the Act.

3. Employees' Pension Fund. - (1) From and out of the contributions payable by the employer in each month under Section 6 of the Act or under the rules of the Provident Fund of the establishment which is exempted either under clauses (a) and (b) of sub-section (1) of Section 17 of the Act or whose employees are exempted under either paragraph 27 or paragraph 27-A of the Employees' Provident Fund Scheme, 1952, a part of contribution representing 8.33 per cent. of the Employee's pay shall be remitted by the employer to the Employees' Pension Fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees' Pension Fund contribution in such manner as may be specified in this behalf by the Commissioner. The cost of the remittance, if any, shall be borne by the employer.

- (2) The Central Government shall also contribute at the rate of 1.16 per cent. of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund :

Provided that where the pay of the member exceeds fifteen thousand rupees per month the contribution payable by the employer and the Central Government be limited to the amount payable on his pay of fifteen thousand rupees only.

- (3) Each contribution payable under sub-paragraphs (1) and (2) shall be calculated to the nearest rupee, fifty paise or more to be counted as the next higher rupee and fraction of a rupee less than fifty paise to be ignored.
- (4) The net assets of the Family Pension Scheme, 1971 shall vest in and stand transferred to the Employees' Pension Fund.

4. Payment of contribution. - (1) The employer shall pay the contribution payable to the Employees' Pension Fund in respect of each member of the Employees' Pension Fund employed by him directly or by or through a contractor.

- (2) It shall be the responsibility of the principal employer to pay the contributions payable to the Employees' Pension Fund by himself in respect of the employees directly employed by him and also in respect of the employees employed by or through a contractor.

Provided that the Central Government shall pay the contribution payable to the Employees' Pension Fund in respect of an employee who is a person with disability under the Persons

with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 (1 of 1996) and under the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 (44 of 1999) respectively, upto a maximum of three years from the date of commencement of membership of the Fund.

- 5. Recovery of damages for default in payment of any contributions.** - (1) Where a employer makes default in the payment of any contribution to the Employees' Pension Fund, or in the payment of any charges payable under any other provisions of the Act or the Scheme, the Central Provident Fund Commissioner or such officer as may be authorised by the Central Government by notification in the Official Gazette in this behalf, may recover from the employer by way of penalty, damages at the rates given in the table below :-

TABLE

| Sl. No. | Period of default | Rates of Damages (percentage of arrears per annum) |
|---------|--|--|
| (1) | (2) | (3) |
| (a) | Less than two months | Five |
| (b) | Two months and above but less than four months | Ten |
| (c) | Four months and above but less than six months | Fifteen |
| (d) | Six months and above | Twenty Five. |

- (2) The damages shall be calculated to the nearest rupee, 50 paise or more to be counted as the nearest higher rupee and fraction of a rupee less than 50 paise to be ignored.

- 6. Membership of the Employees' Pension Scheme.** - Subject to sub-paragraph (3) of paragraph 1, the Scheme shall apply to every employee –

- (a) who on or after the 16th November, 1995, becomes a member of the Employees' Provident Fund Scheme, 1952, or of the Provident Funds of the factories and other establishments exempted by the appropriate Government under section 17 of the Act, or in whose case exemption has been granted under paragraph 27 or 27-A of the Employees' Provident Fund Scheme, 1952 and whose pay on such date is less than or equal to fifteen thousand rupees, from the date of such membership ;
- (b) who has been a member of the ceased Employees' Family Pension Scheme, 1971 before the commencement of this Scheme from 16th November, 1995 ;
- (c) who ceased to be a member of the Employees' Family Pension Scheme, 1971 between 1st April, 1993 and 15th November, 1995 and opts to exercise his option under Paragraph 7 ;
- (d) who has been a member of the Employees' Provident Fund or of Provident Funds of factories and other establishments exempted by the appropriate Government under section 17 of the Act or in whose case exemption has been granted under Paragraph 27 or 27 A of the Employees' Provident Fund Scheme, 1952, on 15th November, 1995 but not being a member of the ceased Employees' Family Pension Scheme, 1971 opts to exercise his option under paragraph 7.

Explanation.- An employee shall cease to be the member of Pension Fund from the date of attaining 58 years of age or from the date of vesting admissible benefits under the Scheme, whichever is earlier.

6A. Retention of membership. - A member of the Employees' Pension Fund shall continue to be such member till he attains the age of 58 years or he avails the withdrawal benefit to which he is entitled under para 14 of the Scheme, or dies, or the pension is vested in him in terms of para 12 of the Scheme whichever is earlier.

7. Option for joining the Scheme. - (1) Members referred to under sub-para (c) of Paragraph 6 who have died between 1st April, 1993 and 15th November, 1995 shall be deemed to have exercised the option of joining the Scheme on the date of his death.

(2) Members referred to in sub-paragraph (c) of paragraph 6 who are alive shall have the option to join the Scheme as per the provisions of paragraph 17 from the date of exit from the employment.

(3) Members referred to in sub-paragraph (d) of paragraph 6 shall have the option to join the Scheme as per the provisions of Paragraph 17 from 16th November, 1995.

8. Resolution of doubts. - If any doubt arises whether an employee is entitled to become a member of the Employees' Pension Fund, the same shall be referred to the Regional Provident Fund Commissioner who shall decide the same :

Provided that both the employer and the employee shall be heard before passing final order in the matter.

9. Determination of eligible service. The eligible service shall be determined as follows :

(a) In the case of "new entrant" the "contributory service" shall be treated as eligible service. The total contributory service shall be rounded off to the nearest year. The fraction of service for six months or more shall be treated as one year and the service less than six months shall be ignored.

Explanation. - In the case of employees employed seasonally any establishment the period of "contributory service" in any year, notwithstanding that such service is less than a year shall be treated as a full year.

(b) In the case of the "existing member" the aggregate of contributory service and the 'past service' shall be treated as eligible service

Provided that if there is any period in the "past service" for which the contributions towards the Family Pension Scheme, 1971 has not been received, the said period shall count as eligible service only if the contributions thereof have been received in the Employees' Pension Fund.

Explanation. - For the purpose of this sub-paragraph, the aggregate of contributory service and past service for less than six months shall be ignored and six months and above shall be rounded to a year.

10. Determination of Pensionable Service. - (1) The pensionable service of the member shall be determined with reference to the contributions received or are receivable on his behalf in the Employees' Pension Fund.

(2) 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.

11. Determination of Pensionable Salary. - (1) 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 a maximum of six thousand and five hundred rupees per month, and for the period thereafter at the maximum of fifteen thousand rupees per month :

Provided that 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.

- (2) 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.
- (3) The maximum pensionable salary shall be limited to fifteen thousand rupees per month.
- (4) The existing members as on the 1st day of September, 2014, who at the option of the employer and employee, had been contributing on salary exceeding six thousand and five hundred rupees per month, may on a fresh option to be exercised jointly by the employer and employee continue to contribute on salary exceeding fifteen thousand rupees per month and the pensionable salary for the existing members who prefer such fresh option shall be based on the higher salary :

Provided that the aforesaid members have to contribute at the rate of 1.16 per cent. on salary exceeding fifteen thousand rupees as an additional contribution from and out of the contributions payable by the employees for each month under the provisions of the Act or the rules made thereunder :

Provided further that the fresh option shall be exercised by the member within a period of six months from the 1st day of September, 2014:

Provided also that the period specified in the second proviso may, on sufficient cause being shown by the member, be extended by the Regional Provident Fund Commissioner for a further period not exceeding six months :

Provided also if no option is exercised by the member within such period (including the extended period), it shall be deemed that the member has not opted for contribution over wage ceiling and the contributions to the Pension Fund made over the wage ceiling in respect of the member shall be diverted to the Provident Fund account of the member along with interest as declared under the Employees' Provident Funds Scheme from time to time.

12. Monthly Member's Pension. - (1) A member shall be entitled to :-

- (a) superannuation pension if he has rendered eligible service of 10 years or more and retires on attaining the age of 58 years ;
 - (b) early pension, if he has rendered eligible service of 10 years or more and retires or otherwise ceases to be in the employment before attaining the age of 58 years.
- (2) In the case of a new entrant, the amount of monthly superannuation pension or early pension, as the case may be, shall be computed in accordance with the following factors, namely :-

$$\text{Monthly member's pension} = \frac{\text{Pensionable salary} \times \text{Pensionable service}}{70}$$

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Provided that the members' monthly pension shall be determined on a pro-rata basis for the pensionable service upto 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.

- (3) In the case of an existing member in respect of whom the date of commencement of pension is after the 16th November, 2005, -
- (i) superannuation or early pension shall be equal to the aggregate of : -
- (a) pension as determined under sub-paragraph (2) for the period of pensionable service rendered from the 16th November, 1995 or Rs. 635/- per month whichever is more ;
- (b) past service pension shall be as given below : -

The past service pension payable on completion of 58 years of age on the 16th November, 1995

| Years of past service | Salary upto Rs 2500/- per month | Salary more than Rs 2500/- per month |
|---|---------------------------------|--------------------------------------|
| (1) | (2) | (3) |
| (i) Upto 11 years | 80 | 85 |
| (ii) More than 11 years but upto 15 years | 95 | 105 |
| (iii) More than 15 years but less than 20 years | 120 | 135 |
| (iv) Beyond 20 years | 150 | 170 |

The amount under column (2) or (3) above, as the case may be, shall be multiplied by the factor given in Table ' B ' corresponding to the period between the 16th November, 1995 and the date of exit to arrive at past service pension payable.

- (ii) The aggregate of (a) and (b) calculated as above shall be subject to a minimum of Rs. 800/- per month, provided the eligible service is 24 years. Provided further, if it is less than 24 years, the pension as computed above shall be reduced proportionately subject to a minimum of Rs. 450/- per month.
- (4) In the case of an existing member and in respect of whom the date of commencement of pension is between the 16th November, 2000 and the 16th November, 2005, -
- (i) superannuation or early pension shall be equal to the aggregate of : -
- (a) pension as determined under sub-paragraph (2) for the period of service rendered from the 16th November, 1995 or Rs. 438/- per month whichever is more ;
- (b) past service pension as provided in sub-paragraph (3).
- (ii) The aggregate of (a) and (b) calculated as above shall be subject to a minimum of Rs. 600/- per month, provided the eligible service is 24 years. Provided further, if it is less than 24 years, the pension shall be proportionately less subject to the minimum of Rs. 325/- per month.
- (5) In the case of an existing member and in respect of whom the date of commencement of pension is before the 16th November, 2000, -
- (i) The superannuation or early pension shall be equal to the aggregate of : -
- (a) pension as determined under sub-paragraph (2) for the period of service rendered from the 16th November, 1995 or Rs. 335/- per month whichever is more ;
- (b) past service pension as provided in sub-paragraph (3).

- (ii) The aggregate of (a) and (b) calculated as above shall be subject to the minimum of Rs. 500/- per month, provided the eligible service is 24 years. Provided further, if it is less than 24 years the, pension shall be proportionately lesser but subject to the minimum of Rs. 265/- per month
- (6) Except as otherwise expressly provided hereinafter the monthly member's pension under sub-paragraphs (2) to (5) mentioned hereinabove, as the case may be, shall be payable from a date immediately following the date of completion of 58 years of age notwithstanding that the member has retired or ceased to be in the employment before that date.
- (7) A member if he so desires, may be allowed to draw an 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 per cent, for every year the age falls short of 5 8 years.
- (7A) monthly members pension including any relief payable to any existing or future member under this paragraph shall not be less than one thousand rupees.

Provided that, on and from the first day of September, 2014, the minimum pension of one thousand rupees payable under this subparagraph shall be subject to –
 - (i) deductions on account of benefits of commutation and return of capital taken by members under the extant provisions of this scheme prior to 26th September, 2008; and
 - (ii) deductions on account of early pension under subparagraph (7).
- (7B)(a) a member who has attained the age of fifty-eight years and is otherwise eligible for pension under clause (a) of sub-paragraph (1) of this paragraph, if he so desires, may be allowed to defer the age of drawing pension later than fifty-eight years but not beyond sixty years of age.
 - (b) In such cases as is referred to in clause (a), -
 - (i) the amount of pension shall be increased at the rate of four per cent. for every completed year after the age of fifty-eight years which shall be restricted to the wage ceiling given under the proviso to sub-paragraph (2) of paragraph 3 ;
 - (ii) the member, at his or her option, may also be allowed to continue contributions under paragraph 3 to the Employees' Pension Fund for the period for which the drawal of pension has been deferred, if the member is continuing in employment after the age of fifty-eight years, and the pensionable service and pensionable salary for the purpose of determination of pension under sub-paragraph (2) will be reckoned taking into account the period for which contributions were made after the age of fifty-eight years but not beyond the age of sixty years ;
 - (iii) in the event of death of the member, who has opted for deferring the age of drawing pension under this sub-paragraph, after attaining the age of fifty-eight years and before the commencement of the pension so deferred, the family of the member will be entitled to pension under clause (c) of sub-paragraph (1) of paragraph 16 from the date following the date of death of the member as if the member monthly pension had commenced on the date of death of the member.
- (8) If a member ceases to be in the employment by way of retirement or otherwise earlier than the date of superannuation from which pension can be drawn, the member may, on his option, either be paid pension as admissible under this Scheme on attaining the age exceeding 50 years or he may be issued a scheme certificate by the Commissioner indicating the pensionable service, the pensionable salary and the amount of pension due on the date of exit from the employment. If he/she is subsequently employed in an establishment coverable under this Scheme, his/her earlier service as per the scheme

certificate shall be reckoned for pension along with the fresh spell of pensionable service. The member postponing the commencement of payment of pension under this paragraph shall also be entitled to additional relief sanctioned under this Scheme from time to time :

Provided that if the member 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 and the widow 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 (upto two) :

Provided further that if there is no widow, 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 :

Provided also that if the member 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 benefits under paragraph 14.

14. Benefits on leaving service before being eligible for monthly member's pension. - If a member has not rendered the eligible service specified in sub-paragraph (1) of paragraph 12 on the date of exit, or on attaining the 58 years of age, whichever is earlier, such member shall be entitled to a withdrawal benefit as laid down in Table ' D ' or may opt to receive the Scheme certificate provided on the date he has not attained 58 years of age :

Provided that for calculating such withdrawal benefit, the wages at exit shall be the weighted average of his wages at the end of every wage ceiling period :

Provided further that an existing member shall receive additional return of contributions for his past service under the Employees' Family Pension Scheme, 1971, computed as withdrawal-cum-retirement benefits as per Table ' A ' multiplied by the factor given in Table ' B '.

15. Benefits on permanent and total disablement during the service. - (1) A member, who is permanently and totally disabled during the employment shall be entitled to pension as admissible under paragraph 12 subject to a minimum of Rs. 250/- per month notwithstanding the fact that he/she has not rendered the pensionable service entitling him/her to pension under paragraph 12 provided that she/he has made at least one month's contribution to the Pension Fund.

- (2) The monthly member's pension in such cases shall be payable from the date following the date of permanent total disablement and shall be tenable for the life-time of the member.
- (3) A member applying for benefits under this paragraph 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.

16. Benefits to the family on the death of a member. - (1) Pension to the family shall be admissible from the date following the date of death of the member if the member dies -

- (a) while in service, provided that at least one month's contribution has been paid into the Employees' Pension Fund, or
- (b) after the date of exit but before attaining the age of 58, from the employment having rendered service entitling him/her to monthly member's pension but before the commencement of pension payment or

- (c) after commencement of payment of the monthly member's pension.

Note :- The cases where a member has rendered less than 10 years eligible service on the date of exit but has retained the membership of the Pension Fund, and dies before attaining the age of 58 years, shall be regulated under sub-paragraph (8) of paragraph 12.

- (2) (a) The monthly widow pension shall be :-

- (i) in the cases covered by clause (a) of sub-paragraph (1), equal to the monthly member's pension which would have been admissible as if the member had retired on the date of death or Rs. 450/- or the amount indicated in Table ' C ' whichever is more.
- (ii) in the cases covered by clause (b) of sub-paragraph (1), equal to the monthly member's pension which would have been admissible as if the member had retired on the date of exit or Rs. 450/- per month or the amount indicated in Table ' C ' whichever is more.
- (iii) in the cases covered by clause (c) of sub-paragraph (1), equal to 50 per cent. of the monthly member's pension payable to the member on the date of his death subject to a minimum of Rs. 450/- per month.
- (iv) in all the cases, where the amount of family pension sanctioned under the ceased Family Pension Scheme, 1971 and is paid/payable under this scheme is less than Rs. 450 per month the amount of family pension in such cases shall be enhanced to Rs. 450/- per month.
- (v) 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 in such cases shall be enhanced to one thousand rupees per month.
- (b) the monthly widow pension shall be payable upto the date of death of the widow or remarriage whichever is earlier.

Note :- In cases where there are 2 or more widows, family pension shall be payable to the eldest surviving widow. On her death it shall be payable to the next surviving widow, if any. The term "eldest" would mean seniority with reference to the date of marriage.

- (3) Monthly children pension :-

- (a) If there are any surviving children of the deceased member, falling within the definition of family, they shall be entitled to a monthly children pension in addition to the monthly widow/widower pension.
- (b) Monthly children pension for each child shall be equal to 25 per cent. of the amount admissible to the widow of the deceased member as monthly widow pension payable under clause (a) of sub- paragraph (2) :

Provided that the minimum monthly children pension including relief, if any, for each child of the deceased member shall not be less than two hundred and fifty rupees per month.

- (c) Monthly children pension shall be payable until the child attains the age of 25 years.
- (d) The monthly children pension shall be admissible to maximum of two children at a time and will run from the oldest to the youngest child in that order.
- (e) If a member dies leaving behind a family having son or daughter who is permanently and totally disabled, such son or daughter shall be entitled to payment of monthly children pension or orphan pension, as the case may be, irrespective of age and number of children in the family in addition to the pension provided under clause (d).

- (4)(a) If the deceased member is not survived by any widow, but is survived by children falling within the definition of family or if the widow pension is not payable, the children shall be

entitled to a monthly orphan pension equal to 75 percent of the amount of the monthly widow pension as payable under clause (a) of subparagraph (2) :

Provided that the minimum monthly orphan pension including relief, if any, for each orphan shall not be less than seven hundred and fifty rupees per month.

- (aa) The monthly orphan pension shall be payable to each orphan till such orphan attains the age of twenty-five years :

Provided that the monthly orphan pension shall be payable to an orphan beyond the age of twenty-five years, if such orphan is suffering from disorder or disability of mind or who is physically crippled or disabled.

- (b) In the event of death or remarriage of the widow/ widower after sanctioning of widow/widower pension the children shall be entitled in lieu of the monthly children pension, to a monthly orphan pension from the date following the date of death/remarriage of the widow/widower.
- (c) The monthly orphan pension shall be admissible to a maximum of 2 orphans at a time and shall run in order from the oldest to the youngest orphan.
- (5) (a) A member who is not married or who does not have any living spouse and/or an eligible child may nominate a person to receive benefits as laid down hereinafter provided that in the event of his/her acquiring a family subsequently, the nomination so made shall become void. In the event of death of the member such a nominee shall be entitled to receive a monthly pension equal to the monthly widow pension, as admissible under sub-clauses (i) and (ii) of clause (a) of sub-paragraph (2).
- (aa) If a member dies leaving behind no spouse and/or an eligible child falling within the definition of family and no nomination / by such deceased member exists, the widow pension shall be paid under sub-clauses (i) and (ii) of clause (a) of subparagraph 2 either to dependant father or dependent mother as the case may be. On grant of pension to such dependant father and in the event of death of the father pensioner, the admissible pension shall be extended to the surviving mother lifelong.
- (b) If the deceased member had not rendered pensionable service on the date of exit from the employment which would have made him entitled to a monthly members pension under paragraph 12, but had opted to retain the membership of his Scheme under sub- paragraph (8) of paragraph 12, the nominee or the dependant father or the dependant mother, as the case may be, shall be entitled to a withdrawal benefit as provided in paragraph 14.

16-A. Guarantee of pensionary benefits. - None of the pensionary benefits under the Scheme shall be denied to any member or beneficiary for want of compliance of the requirement by the employer under sub-paragraph (1) of paragraph 3 provided, however, that the employer shall not be absolved of his liabilities under the Scheme.

17. Payments on exercise of option. - (1) Beneficiaries of the deceased members of Employees' Family Pension Scheme, referred to in sub-para (1) of paragraph 7, shall receive higher of the benefits available under the Employees' Family Pension Scheme, 1971 and under this Scheme.

- (2) Members referred to in sub-paragraph (2) of Paragraph 7 shall have the option to join the Scheme by returning the amount of withdrawal benefit received, if any, together with interest at the rate of 8.5% per annum from the date of payment of such withdrawal benefits and date of exercise of the option, to receive monthly pension as per the provisions of this Scheme.

- (3) Members referred to in sub-paragraph (3) of paragraph 7 shall be deemed to have joined the ceased Employees' Family Pension Scheme, 1971, with effect from 1-3-1971 on remittance of past period contribution with interest thereon.

17-A. Payment of Pension. - The claims, complete in all respects submitted along with the requisite documents shall be settled and benefit amount paid to the beneficiaries within twenty days from the date of its receipt by the Commissioner. If there is any deficiency in the claim, the same shall be recorded in writing and communicated to the applicant within twenty days from the date of receipt of such application. In case the Commissioner fails without sufficient cause to settle a claim complete in all respects within twenty days, the Commissioner shall be liable for the delay beyond the said period and penal interest at the rate of 12 per cent. per annum may be charged on the benefit amount and the same may be deducted from the salary of the Commissioner.

18. Particulars to be supplied by the employees already employed at the time of commencement of the Employees' Pension Scheme. - Every person who is entitled to become a member of the Employees' Pension Fund shall be asked forthwith by his employer to furnish and that person shall, on such demand, furnish to him for communication to the Commissioner particulars concerning himself and his family in the form prescribed by the Central Provident Fund Commissioner.

19. Preparation of Contribution Cards. - The employer shall prepare an Employees' Pension Fund Contribution Card in respect of each employee who has become a member of the Employees' Pension Fund.

20. Duties of Employers. - (1) Every employer shall send to the Commissioner within three months of the commencement of this Scheme, a consolidated return of the employees entitled to become members of the Employees' Pension Fund showing the basic wage, retaining allowance, if any, and dearness allowance including the cash value of any food concession paid to each of such employees :

Provided that if there is no employee who is entitled to become a member of the Employees' Pension Fund, the employer, shall send a ' Nil ' return.

- (2) Every employer shall send to the Commissioner within fifteen days of the close of each month a return in respect of the employees leaving service of the employer during the preceding month:

Provided that if there is no employee leaving service of the employer during the preceding month the employer shall send a ' NIL ' return.

- (3) Every employer shall maintain such accounts in relation to the amounts contributed by him to the Employees' Pension Fund as the Central Board may, from time to time, direct and it shall be the duty of every employer to assist the Central Board in making such payments from the Employees' Pension Fund to his employees as are sanctioned by or under the authority of the Central Board.
- (4) Notwithstanding anything contained in this paragraph, the Central Board may issue such directions to the employers generally, as it may consider necessary or expedient, for the purpose of implementing the Scheme, and it shall be the duty of every employer to carry out such directions.
- (5) Every employer shall send to the Commissioner, an electronic format of the returns referred to in sub-paragraphs (1) and (2), in such form and manner as may be specified by the Commissioner.

21. Employer to furnish particulars of ownership. - Every employer in relation to a factory or other establishment to which the Act applies or is applied hereafter shall furnish to the Commissioner particulars of all the branches and departments, owners, occupiers, directors, partners, managers or any other person or persons who have the ultimate control over the affairs of such factory or establishment and also send intimation of any change in

such particulars, within fifteen days of such change, to the Commissioner by registered post.

22. Duties of contractors:- Every contractor shall, within seven days of the close of every month, submit to the principal employer a statement showing the particulars in respect of employees employed by or through him in respect of whom contributions to the Employees' Pension Fund are payable and shall also furnish to him such information as the principal employer is required to furnish under the provisions of this Scheme to the Commissioner.

23. Allotment of Account Numbers.- (1) For purposes of this Scheme, where the member has already been allotted or is allotted hereafter an account number under the Employees Provident Fund Scheme, 1952, he shall retain the same account number.

(2) In the case of employees of the establishments exempted from the Employees' provident Fund Scheme, 1952, under Section 17 of the Act, who are members of the Employees' Family Pension Fund the account number already allotted shall be retained by them.

(3) In the case of employees of the establishments exempted from the Employees' Provident Fund Scheme, 1952, under Section 17 of the Act, who are not members of the Employees' Family Pension Fund but opt to become members of the Employees' Pension Fund and in case of new employees of such establishments, fresh account numbers shall be allotted by the Commissioner.

24. Declaration by persons taking up employment after the Fund has been established. - The employer shall before taking any person into employment, ask him/her to state in writing whether or not he is a member of the Employees' Pension Fund and, if he/she is, also ask him/her to furnish a copy of the Scheme Certificate issued by the Commissioner him/her in respect of the past employment in terms of paragraph 12 as the case may be. If the person concerned was not in employment previously or had availed of return of contribution in respect of his/her previous employment, he/she shall, on demand by the employer, furnish to him, for communication to the Commissioner particulars concerning him/herself and his/her family in the Form prescribed by the Central Provident Fund Commissioner :

Provided that if such person is a person with disability, the aforesaid Form shall further contain such particulars as are necessary for such person.

25. Employees' Pension Fund Account. - The account called the "Employees' Pension Fund Account" shall be opened by the Commissioner in such manner as may be specified by the Central Board with the approval of Central Government.

26. Investment of the Employees' Pension Fund. - (1): All moneys accruing to Employees' Pension Fund Account except the contributions of the Central Government shall be invested in accordance with the provisions of paragraph 52 of the Employees' Provident Funds Scheme, 1952.

(2) Net assets of the Family Pension Fund as on the 16.11.1995 shall merge in the Pension Fund and remain invested in the Public Account of the Government of India. The future Central Government's contribution accruing to the Pension Fund from 17th November, 1995 onwards shall also be invested in the Public Account of the Government of India.

27. Disposal of the Fund. - (1) Subject to the provisions of the Act and this Scheme, the Fund shall not, except with the prior sanction of the Central Government be expended for any purpose other than the payments envisaged in this Scheme, for continued payment of Family Pension, life assurance benefit and retirement-cum-withdrawal benefits sanctioned under the Employees' Family Pension Scheme, 1971, prior to the date of introduction of this Scheme or which may be sanctioned under that Scheme after the 16th November, 1995 in respect of cases arising before that date.

(2) All administrative expenses shall be met from the 'Central Administration Account' as specified in paragraph 49 of the Employees' Provident Funds Scheme, 1952. However, the cost of remittance of Pension shall be charged on the Pension Fund.

- 29. Forms of Accounts.** -The accounts of the Employees' Pension Fund as also the Employees' Pension Administration Account shall be maintained by the Commissioner in such form and in such manner as may be specified by the Central Board with the approval of the Central Government.
- 30. Audit.** -The accounts of the Employees' Pension Fund including the administrative expenses incurred in running this Scheme shall be audited in accordance with the instructions issued by the Central Government in consultation with Comptroller and Auditor-General of India.
- 31. Rounding up of the Benefits.** - All items of benefits shall be calculated to the nearest rupee, 50 paise or more to be counted as the next higher rupee and fraction of a rupee less than 50 paise shall be ignored.
- 32. Valuation of the Employees' Pension Fund and review of the rates of contributions and quantum of the pension and other benefits.** - (1) The Central Government shall have an annual valuation of the Employees' Pension Fund made by a Valuer appointed by it.
- (2) At any time, when the Employees' Pension Fund so permits 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.
- 33. Disbursement of Pension and other benefits.** - The Commissioner shall with the approval of the Central Board, enter into arrangement for the disbursement of pension and other benefits under this Scheme with disbursing agencies like Post Office or Nationalised Banks or Treasuries or Scheduled Commercial banks including Regional Rural banks or Co-operative Banks. The Commission payable to the disbursing agencies and other charges incidental thereto shall be met as provided in paragraph 27 of this Scheme.
- 34. Registers, Records, etc.** - The Commissioner shall, with the approval of the Central Board, prescribe the registers and records to be maintained in respect of the employees, the form or design of any identity card, token or disc for the purpose of identifying any employee or his nominee or a member of a family entitled to receive the pension and such other forms/formalities as have to be completed in connection with the grant of pension and other benefits or for the continuance thereof subject to such periodical verification as may be considered necessary.
- 35. Power to issue directions.** - The Central Government may issue, such directions as may be deemed just and proper by it for resolving any difficulty in the disbursement of pension and other benefits or for resolving any difficulty in implementation of this Scheme.
- 36. Regional Committee.** - The Regional Committee set up under paragraph 4 of the Employees' Provident Funds Scheme, 1952, shall advise the Central Board, on such matters, in relation to the administration of this Scheme as the Central Board may refer to it from time to time and in particular, on -
- (a) progress of recovery of contributions under this Scheme both from factories and establishments exempted under Section 17 of the Act and other factories and establishments covered under the Act.
- (b) expeditious disposal of prosecutions.
- (c) speedy settlement of claims relating to pension and other benefits under this Scheme.
- 37. Annual Report.** -The Central Board shall cause to be included in the Annual Report on the working of the Scheme prepared under paragraph 74 of the Employees' Provident Fund Scheme, 1952, a report on the working of this Scheme during the previous financial year.
- 38. Application of the provisions of the Employees' Provident Funds Scheme, 1952.** - In regard to matters for which either there is no provision or there is inadequate provisions in this Scheme the corresponding provisions in the Employees' Provident Funds Scheme, 1952, shall apply.

39. Exemption from the operation of the Pension Scheme. - The appropriate Government may grant exemption to any establishment or class of establishments from the operation of this Scheme, if the employees of the establishments are either members of any other pension scheme or proposed to be members of a pension scheme wherein the pensionary benefits are at par or more favourable than the benefits provided under this Scheme. Where exemption is granted to any establishment or class of establishments under this paragraph, withdrawal benefits available to the credit of the employees of such establishment(s) under the ceased Family Pension Scheme, 1971, shall be paid, subject to the consent of the employees, to the pension fund of the establishment(s) so exempted. An application for exemption under this paragraph shall be presented to the Regional Provident Fund Commissioner having jurisdiction by the establishment or class of establishments, together with a copy of the pension scheme of the establishment(s) and other relevant documents, as may be called for by him. On receipt of such an application, the Regional Provident Fund Commissioner shall scrutinise it, obtain the recommendations of the Central Provident Fund Commissioner and submit the same to the appropriate Government for decision, pending disposal of application for exemption under this paragraph employers' share of the contribution shall not be remitted to the pension fund as envisaged in sub-paragraph (1) of paragraph 3. An application for exemption presented under this paragraph shall be disposed of within a period of six months from the date of its receipt or such further time as may be extended for reasons to be recorded in writing. If the application for exemption is not disposed of within the period so specified, the exemption applied for shall be deemed to have been granted.

Explanation. - For the purpose of this paragraph, the period of six months will count from the date on which the application for exemption is given in complete form to the satisfaction of the Regional Provident Fund Commissioner.

39-A. Submission of Return. - The employer of the exempted establishment or class of establishments and/or the Board of Trustees of the exempted establishment or class of establishments shall submit a monthly return to the Commissioner in Form - 1 and such return shall also be submitted in electronic format in such form and manner as may be specified by the Commissioner.

FORM 1

(See paragraph 39A)

Monthly Return to be submitted by the exempted establishments/class of establishments/Board of Trustees.

1. DETAILS OF ESTABLISHMENT :

- (a) Name of the establishment with full address
- (b) Code No. allotted by the Employees' Provident Fund Organisation

2. DETAILS OF EMPLOYEES (INCLUDE ALL BRANCHES/ UNITS ETC.)

| | |
|-----|--|
| (a) | No. of employees as at the end of previous month |
| (b) | No. of employees who joined during the month |
| (c) | No. of employees who left service during the month |
| (d) | No. of employees as at the end of the month [(a) + (b)- (c)] |
| (e) | Out of (d) above, No. of excluded employees |
| (f) | No. of Pension Fund members as at the end of the month [Please furnish the above mentioned |

details unitwise situated as different places. Attach separate sheet, if necessary]

3. CONSTITUTION OF BOARD OF TRUSTEES

| | | | | |
|-----|---|----|----|-------|
| (a) | Date on which the present Board was constituted | DD | MM | YYYY |
| | | | | |
| (b) | Its term | | | YEARS |
| (c) | Total number of Trustees | | | |
| | (i) Employees' Representatives | | | |
| | (ii) Employer's Representatives | | | |

4. WAGES, CONTRIBUTIONS ETC.

| | | |
|-----|---|-----|
| (a) | Amount of gross wages liable to Pension Contribution | Rs. |
| (b) | Rate of contribution to Pension Fund | % |
| (c) | Amount of Pension contribution to be transferred for the current month | Rs. |
| (d) | Amount of arrears due, if any, for transfer to the Board of Trustees at the end of the previous month | Rs. |
| (e) | Total of (c) & (d) | Rs. |