

NPCC LIMITED
(A Government of India Undertaking)

No. 300954/PENSION/HIGHER PENSION/2

April 19, 2023

Sub:- Submission of 'Joint Option Form' under Para 11 (3) and Para 11 (4) of Employees Pension Scheme, 1995 in direction given by Hon'ble Supreme Court vide order dated 4th November, 2022 passed in SLP No.8658-8659 titled EPFO Vs Sunil Kumar B & Ors. Etc.

This is with reference to our circular dated 17.2.2023 on above subject.

(1) EPFO has released a circular no. Pension/2022/56259/16541 dated 20.02.2023 (copy enclosed) according to which the eligible EPS'95 members need to apply to the concerned EPFO Regional Office in the form and manner to be specified by them. Further, a facility, for exercising the joint option is provided by EPFO for which URL is provided by them and the option will have to be exercised upto **3rd May, 2023**. On Roll / Off-Roll eligible employees can submit their joint option form through the following path in EPFO website: www.epfindia.in. > Services >for employees >Member UAN / Online Services (OCS/OTCP) > Important Links > Pension on Higher Salary: Exercise of Joint Option under para 11 (3) and para 11(4) of EPS 95 **on or before 3rd May, 2023** >Click here

The same can also be accessed directly through the following link:-

<http://unifiedportal-mem.epfindia.gov.in/memberInterfacxPohw/>

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 earstwhile provision to para 11 (3) of EPS 1995.

1. As per the EPFO circular no. Pension/2022/56259/16541 dated 20th February, 2023 the eligible EPS'95 members need to exercise their joint option for higher pension through the URL link provided by EPFO on their website only. Hence, all eligible employees need mandatorily to submit the joint option form through the link as provided by EPFO on their website.

- (2) The above circular also mentioned that method of deposit and method of computation of pension will be shared by them through subsequent circular. Till date no further circular has been issued by EPFO.
- (3) It may be noted that those EPS members who would be required to make full / partial lumpsum payment from their own sources shall make arrangement of funds and remit the amount in the manner that will be notified later. For EPS members, whose funds are still with the NPCC CPF Trust the contribution amount will be transferred to EPFO without further reference to them.
- (4) EPFO has sought following documents to be uploaded while submitting the joint option form online their website.
- (a) Permission letter under Para 26 (6) of EPFO scheme (PDF file of size 250 KB is allowed). A copy of compliance to the Para 26 (6) of the EPF Scheme 1952 is enclosed as Annexure-A
 - (b) Documentary proof such as salary slip ((PDF file of size 250 KB is allowed).
 - (c) Undertaking from the members to deposit the contribution along with interest due till date of payment through his / her last employer (PDF file of size 250 KB is allowed).
The undertaking format is enclosed as Annexure-B which is to be uploaded.
- (5) Further, it is also submitted that members opting for "Joint Option Form" should carefully read the declaration / undertakings given by them, which are available whilst submitting online option form and also subject to any further circulars and clarifications s provided by EPFO.
- (6) As per the EPFO website, last date of exercising the joint option has been extended upto 03rd May, 2023. However, after exercising of the option for availing pension on higher wages by the eligible EPS'95 members, employer (NPCC Ltd) has to verify and validate details in respect of each option member and considering the quantum of work involved at NPCC end as well as the anticipated heavy load on EPFO website / URL, this exercise would require considerable time., Hence EPS'95 members, willing to exercise the option, are advised to submit their option by the 26th April, 2023 giving NPCC sufficient time for further procedural formalities.

Disclaimer: This circular is in continuation of this officer circular dated 17th February , 2023 and EPFO circular dated 20th February, 2023. This circular is being issued to notify our employee / ex-employee who are eligible to apply through EPFO portal online for higher pension. The Annexure-B attached with this circular is clarification on operation of 26 (6) and compliance of EPS Scheme 1952 as a permitted exempted establishment under law. However, the joint option submitted by eligible employees does not confer any right to receive or obligation upon NPCC to pay higher pension to them.



(Alok Kumar)

Joint General Manager(Fin)/Trustee Secretary

Annexure -A

Permission under Paragraph 26 (6) of EPF Scheme, 1952

Declaration cum Undertaking by the Employer / Establishment

This certificate is being issued to the employees complying with the requirement mandated vide EPFO circular no. Pension/2022/56259/16541 dated 20.02.2023 for online submission of Joint Option Form provided in EPFO website. As per clause 6 (vii) of this circular, employees are required to submit the proof of remittance of employer's share in Provident Fund on higher wages exceeding the prevalent wage ceiling of Rs.5000 / 6500 and proof of joint option under para 26(6) of EPF Scheme duly verified by the employer.

In accordance with para of the above Gazette Notification the rules of the **NPCC CPF Trust** with respect to the rates of contribution or other provisions should not be less favorable to employees than those specified in section 6 of the EPF Scheme 1952. The following rules have been framed w.r.t the Members contribution, Rate of Contribution & Employers Contribution respectively which are in line with section 29 of EPF Scheme, 1952.

Rule 39 Member's Contribution: Every member shall subscribe monthly to the fund when on duty or foreign Service but not during a period of suspension.

Rule 40 of Contribution: (1) The contribution shall be calculated on the basis of the basic wages, dearness allowances (including the cash value of any food concession), amount of leave encashment (except leave encashment on separation) and retaining allowance (if any) actually drawn during the whole month whether paid on daily, weekly, fortnightly or monthly basis. (2) The rate of contribution shall be not less than 12% of emoluments stated in sub rule (1)

Rule 41 Employers Contribution : (1) The corporation shall make contribution each month to the amount of every member and shall transfer the same to the Board of Trustee along with the members contribution by the 15th of each month following the month in which contributions are payable (2) The contribution shall be 12% of the basic wages, dearness allowance (including the cash value of any food concession) and retaining allowance (if any) payable to each employee to whom these rules apply drawn on duty during the year or period as the case may be.

The establishment is complying with the Rule 39, 40 and 41 of the Trust and provident fund contribution of the members has been deducted at 12% of actual wages (Basic +DA) drawn by

them and credited to their respective PF accounts. Equally employers contribution at 12% on actual wages / salaries also credited to their accounts.

It may be appreciated that NPCC CPF Trust is an exempted establishment under Section 17 (1) (a) of the EPF Scheme, 1952 and the PF rules framed there under (interalia rule 39, 40 &41) have been approved by EPF authorities before grant of exemption to the trust. Since as per these rules each member has to contribute to the PF on its full salary, the permission under section 26 (6) should be constructed to be deemed granted. A similar view has been taken by Zonal Office (HR&RJ), EPFO, Faridabad in case of M/s Hindustan Copper Ltd. vide letter No. ACC.HR&HJ/Amendments/ (Compliance)/374/1108 dated 03.01.2013.

It is submitted that **NPCC CPF Trust** is filling monthly returns as per Para 3 of relaxation Order No.E/DL4314 (Relaxed)/3089 dated 20th April, 1983 with EPFO authorities. In the said returns the trust is mentioning 12% contribution on actual wages / salaries on which the trust has never received any objection from the EPFO authorities. Also, the trust is depositing inspection charges @0.18% (or applicable rate) on the actual basic plus DA on monthly basis in ECR which is duly accepted by your good offices. The accounts of the trust are duly audited by **RPFC, Faridabad** from time to time.

In view of the above, the provisions of para 26(6) of the EPF Scheme, 1952 have been complied with the establishment i.e. NPCC Ltd. and its employees. It is being further hereby declared and undertaken by NPCC on behalf of both employee and employer / establishment, that if the EPFO / RPFC / APFC desires any specific joint request in writing under paragraph 26 (6) of the scheme, the same shall be complied with.



(Alok Kumar)

Joint General Manager(Fin)/Trustee Secretary

Annexure - B

Undertaking

I _____, my Emp. No. _____ UAN _____
_____, EPS Member _____ PPO No. _____
_____, worked / working in NPCC Limited do hereby solemnly affirm and state
as follow:

- 1) I hereby declare that I have read and understood the judgment in SLP (C) No.8658-8659 of 2019 dated 04.11.2022 of the Hon'ble Supreme Court and I am exercising this joint option in terms of the directions contained in the said judgment.
- 2) I understand and agree that as a member of the Employees Pension Scheme, my rights to claim pension are limited to the scope of judgment and within the EPF & MP Act, 1952 and the schemes there under.
- 3) I further understand that the Central Government is empowered to amend the scheme as it may deem fit.
- 4) I do hereby agree that the details of contribution and interest given by my employers are essential for the computation of dues payable for this application, and this is the full and final submission.
- 5) I hereby undertake that the service details in the above form are correct and no material fact has been misrepresented or hidden by me.
- 6) I hereby agree to pay due contribution in a single tranche as specified by EPFO, along with interest at rates declared under para 60 of EPF scheme, 1952 or at the rate declared by the concerned trust of the such establishment, from time to time, whichever is higher, if any.
- 7) I hereby jointly opt along with employer to pay full amount of contribution on salary exceeding wage ceiling under erstwhile para 11 (3) (since deleted) and para 11 (4) of EPS 95 along with the interest upto the last date of the month in which payment is made, in

accordance with judgment dated 04.11.2022 of the Hon'ble Supreme Court through my last employer within such period as may be directed by EPFO after verification of my joint option. If the full amount payable is not deposited by my last employer within such period as may be directed by EPFO after verification of my joint option, this joint option shall be liable to be treated as Null and Void.

- 8) I undertake that all the facts are true. If the details submitted by me or my employer are found to be incorrect at any point of time, this joint option shall be treated as Null and Void.
- 9) I am aware that in case of false declaration and willful Mis-representation, appropriate penal action may be taken by EPFO against me.

Place:

Signature-----

Date:

Name -----

Address-----
