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**ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION
EMPLOYEES PROVIDENT FUND TRUST**

No.EPS & EDLIF/480(1)/2014-15

Office of the VC & MD
Dt.19.09.2014.

CIRCULAR No. EPS & EDLI : 01/2014, Dt. 19.09.2014

- Sub:** EPS & EDLI Contributions : Enhancement of Wage ceiling from ₹ 6500 pm to ₹ 15000 pm – Amendment to the Employees' Pension Scheme, 1995 and the Employees' Deposit Linked Insurance Scheme, 1976 - Communication of Amendments for information of Unit Officers and the Employees of the Corporation – Reg.
- Ref:** 1)Ministry of Labour and Employment, Govt. of India Gazette Notification No. GSR 609 (E), dated 22nd August, 2014.
2) Ministry of Labour and Employment, Govt. of India Gazette Notification No. GSR 610 (E), dated 22nd August, 2014. .
3) Ministry of Labour and Employment, Govt. of India Gazette Notification No. GSR 593(E), dated 19th August, 2014.
4) Regional P.F Commissioner-I (Pension), EPFO, New Delhi web circulated Letter No.Actuarial/18(2)/2008/Vol.III/7738, dated 29-08-2014.
5) Regional P.F.Commissioner-I (Pension), EPFO, New Delhi web circulated Letter No. EDLI/24/Amendment Scheme 2014/7736, dated 29-08-2014.

Ministry of Labour and Employment, Govt. of India has made amendments to the Employees' Pension Scheme, 1995 and the Employees Deposit Linked Insurance Scheme, 1976 vide its Gazette Notifications 1st and 2nd cited above respectively, increasing the salary ceiling from ₹ 6,500/- pm to ₹ 15,000/- pm. These amendments shall come into force on and from the 1st day of September, 2014.

These amendments are communicated by the Regional P.F. Commissioner-I(Pensions) EPFO, New Delhi through their web circulated letter 4th and 5th cited above respectively.

The following are the important points to be noted from the aforesaid amendments to the existing Employees' Pension Scheme, 1995.

I. AMENDMENTS TO THE EMPLOYEES' PENSION SCHEME, 1995

- 1. Recovery of EPS Contribution:** Recovery of EPS Contribution @ 8.33% on salary ceiling of ₹ 15,000/- p.m w.e.f 01.09.2014 will be made from the employer contribution and remitted to RPF. In case the salary (Pay + D.A) is less than ₹ 15,000/- pm, the contribution @ 8.33% on the actual salary (Pay + DA) will be recovered.
- 2. Amended Scheme applies to employees with salary (Pay + DA) up to ₹ 15,000/-:** As per the aforesaid amendments to the Employees' Pension Scheme, 1995, this scheme will henceforth apply only to EPF Members whose salary (Pay + DA) at the time of becoming PF member is not more than ₹ 15,000/- per month on or after 01.09.2014. This means, for all employees who are becoming Provident Fund Members on or after 01.09.2014 (i.e., who are joining on or after 01.09.2014), and if their salary (Pay + DA) is more than ₹ 15,000/- pm, the EPS Scheme will not be applicable and no diversion to EPS shall be made.

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3. **Pensionable Salary as per the amended Scheme :** The pensionable salary for all cases of exit/death on or after 01.09.2014, for calculating pension shall be the average monthly salary (Pay+ DA) (revised ceiling is ₹ 15,000/-) drawn during the contributory period of service in the span of 60 months preceeding the date of death/exit from the membership of the Employees' Pension Fund.

The Pensionable salary shall be calculated on pro-rata basis separately for the period up to 31.08.2014 upto the salary ceiling of ₹ 6,500/- per month and for subsequent period from 01.09. 2014 upto the salary ceiling of ₹ 15,000/- per month

The members having date of exit from Employees Pension Scheme, 1995 on account of Superannuation/option date for commencement of early pension etc., prior to 01.09.2014 shall get Pensionary benefits on the basis of existing pensionable salary calculations i.e., by taking 12 months average.

4. **Fresh Option by the existing Higher Pension Optees:** With effect from 01.09.2014, the employees currently permitted to contribute to EPS on salary (Pay +DA) exceeding ₹ 6,500/- p.m will have to exercise a fresh option to contribute on salary exceeding ₹ 15,000/- p.m subject to the condition that such member would have to contribute the Government's share of contribution @ 1.16% on the salary exceeding ₹ 15,000/- p.m from his/her share of contribution. The fresh option is to be exercised within a period of 6 months from 01.09.2014. That is to say that in addition to the EPS contribution @ 8.33% on total salary (Pay + D.A), Government's share of contribution @ 1.16% on the salary exceeding ₹ 15,000/- p.m will be diverted towards EPS contribution.

If the fresh option is not exercised by existing Higher Pension optees within the period of 6 months, it shall be deemed that the employee has not opted in allowing contribution over wage ceiling and the contributions to Employee pension Fund made above 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 Fund Scheme from time to time.

5. **No new Higher Pension options allowed w.e.f 01.09.2014:** With effect from 01.09.2014, the provisions for contribution on higher wages has been deleted and as such no new options can be allowed to any member of EPS, 1995 on or after 01.09.2014.

6. **Minimum Pension payable from 1st September, 2014 for the financial year 2014-15:**

The Minimum Pension payable will be as follows as per the modification of the Employees' Pension Scheme, 1995 vide Ministry of Labour and Employment, Govt. of India Gazette Notification No. GSR 593(E), dated 19th August, 2014:

- Member/widow(er)/nominee/dependant parents Pesion	₹ 1,000/- p.m
- Children Pension	₹ 250/- p.m
- Orphan Pension	₹ 750/- p.m

II. AMENDMENTS TO THE EMPLOYEES' DEPOSIT LINKED INSURANCE SCHEME, 1976.

1. **Contribution by the Employer to the EDLI Scheme:** Employer contribution to the EDLI Scheme is @ 0.5% of the Salary (Pay + DA) subject to statutory ceiling. This statutory ceiling of salary (Pay + DA) for the purpose of EDLI Contribution by the employer is enhanced from ₹ 6,500/- pm to ₹ 15,000/- pm with effect from 01.09.2014. In respect of the employees having salary (Pay +DA) less than ₹ 15,000/- pm, the EDLI contribution will be on the actual salary (Pay+ DA) only.
2. **Assured Benefit under the EDLIF Scheme:** Amendment is made in Para 22 of the EDLI Scheme, 1976 by enhancing the wage ceiling from ₹ 6,500/- to ₹ 15,000 in calculating the assured benefit and accordingly the Revised Assured Benefit payable under the Scheme will be calculated as follows:

A. Amount calculated based on the Avg. PF Balance:

- i) The minimum amount of Assured Benefit of ₹ 35,000 will be paid to the nominee of the deceased irrespective of the PF Balance of the deceased.
- ii) If the average PF Balance of deceased for 12 months preceding the month of death is ₹ 35,000/- and less than or equal to ₹ 50,000/-, the assured benefit payable is the actual average 12 months PF Balance.
- iii) If the average PF Balance of deceased for 12 months preceding the month of death is more than ₹ 50,000/-, the assured benefit payable is ₹ 50,000 plus 40 % of the average balance in excess of ₹ 50,000/- subject to maximum of ₹ 1,00,000/-

(OR)

B. Amount Calculated based on Average monthly salary:

Amount Calculated based on Average monthly salary drawn (subject to a maximum of ₹ 15,000/-) during the twelve months preceding the month in which the employee died multiplied by twenty Times. It means, the maximum amount of assured benefit will be ₹ 3,00,000/-

The Assured Benefit payable under the Scheme will be amounts calculated as above A or B whichever is high.

3. **Additional Benefit newly introduced w.e.f 01.09.2014:** The benefit under the scheme shall be further increased by 20% in addition to the benefits admissible under A or B above.

The above amendments to the Employees' Pension Scheme, 1995 and the Employees' Deposit Linked Insurance Scheme, 1976 are hereby communicated to all the Unit Officers in order to display the same in the notice board of the Units for information of the employees of the Corporation.

Encl: Revised Higher Pension Re-Option Form


EXECUTIVE DIRECTOR (A&P)

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- Copy to: All EDs / FA / CAO for information please.
- Copy to: All RMs / HODs for information please.
- Copy to: All Officers of the Corporation for information.
- Copy to: The General Secretary, APSRTC Employees Union, Satyanarayana Reddy Marg, Hyd.
- Copy to: The General Secretary, APSRTC Telanga Mazdoor Union, Vidyanagar, Hyderabad-44.
- Copy to: The General Secretary, APSRTC National Mazdoor Union, Vidyanagar, Hyderabad-44.
- Copy to: The General Secretary, APSRTC Staff & Workers Federation, Hyderabad.
- Copy to: The General Secretary, APSRTC Supervisors Association, Hyderabad.
- Copy to: The General Secretary, APSRTC INTUC, Hyderabad.
- Copy to: The General Secretary, APSRTC Security Staff Welfare Association, Hyderabad.
- Copy to: The General Secretary, APSRTC Karmik Sangh.

EXECUTIVE DIRECTOR (A&P)

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HIGHER PENSION RE-OPTION FORM

(As per Sub Para (4) of Para 11 of the Employees' Pension Scheme, 1995)

(only for existing employees who are permitted to contribute EPS on salary exceeding ₹ 6500/-pm)

To
The Accounts Officer,
Family Pension Scheme,
A. P. S. R. T. C.,
Mushirabad, H Y D E R A B A D

Sir,

SUB: HIGHER OPTION - Option for deduction of Contribution towards EPS-1995 on Salary (Pay + DA) beyond ₹ 15,000/- P.M. and Govt. Share of Contribution @1.16% on salary (Pay+DA) exceeding ₹ 15,000/- from my share of contribution and remittance of the amount to the Pension Fund - Exercising of Option - Regarding.

REF:1 CIRCULAR No.EPS & EDLI : 01/2014, Dt.19.09.2014

With reference to the above subject, I am authorizing the Employer (APSRTC) to divert from the Employer's Contribution of Provident Fund towards EPS-1995 contribution, at the rate prescribed (at present it is 8.33 %) calculated on Salary (Pay + DA) beyond ₹15,000/- Per Month w.e.f. 01.09.2014.

I also do hereby agree to contribute the Govt. share of Contribution @ 1.16 % on my salary (Pay+DA) exceeding ₹ 15,000/- p.m from my share of contribution.

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 irrevocable at any later date, and no claim for change of Option shall be entertained or considered under any circumstances.

Yours faithfully,

Copy to: 1 P. Case
2 Ack to Party
3 & 4 AO (FPS)

(Signature of the Employee)

Name:.....

Staff No. & Designation

UNIT

Date of Option:.....

// ATTESTED //

UNIT OFFICER WITH SEAL

Certification by the Employer:

Accepted and recommended for affording necessary Higher contributions form the employer's share of Provident Fund holdings, diverting to Pension Fund.

Forwarded to AO (FPS) / HO for further action.

Signature of the Unit Officer with Seal.