



Circular No -073/2023

Date: 15.06.2023

To
All Members of the Association

**EPFO ISSUES GUIDELINES FOR METHOD OF CALCULATING
PENSION ON HIGHER WAGES**

1. EPFO vide their Internal Circular dated 09.05.2023 had informed their field functionaries and the method of computation of pension on higher wages will be issued separately.
2. The EPFO have considered the matter of method of computation of pension and as of now the EPFO have decided that the computation of pension shall be in accordance with the provisions of the Employees Pension Scheme 1995 as follows.
 - i. **Cases found 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.
 - ii. **Cases found 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 pension fund.



3. The member establishments may inform the pensioners who are eligible to claim pension on higher wages, the above method of calculation of pension in respect of those pensioners who are eligible to receive higher pension on the basis of the higher contribution made by the said pensioners while in service.
4. The circular No. Pension/SC/HigherPension/2022/1357, dated 1.6.2023 is attached herewith for the information & record of members.

For KARNATAKA EMPLOYERS' ASSOCIATION

**Sd/
[B C Prabhakar]
President**



कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
श्रम एवं रोजगार मंत्रालय, भारत सरकार
MINISTRY OF LABOUR & EMPLOYMENT, GOVERNMENT OF INDIA
मुख्य कार्यालय/Head Office
भविष्य निधि भवन, 14, भीकाजी कामा प्लेस, नई दिल्ली-110066
Bhavishya Nidhi Bhawan, 14, Bhikaji Cama Place, New Delhi-110066
Website: www.epfindia.gov.in, www.epfindia.nic.in



No. Pension/SC/HigherPension/2022/1357

Date: - 01.06.2023

To,

All Addl. CPFCs, Zonal Offices.
All RPFCs / OICs, Regional Offices.

Sub: Applications for Validation of Option / Joint Options – Method of Computation of Pension - Reg

Madam/ Sir,

Please refer to the Circular No. Pension/SupremeCourtjudgement/POHW/2022/143 dated 09.05.2023 regarding "Deposit / Transfer of due contribution with interest into Pension Fund" wherein it was informed in Para 14 that the method of computation of Pension will follow through subsequent circular.

2. In this regard, the matter of method of computation of Pension has been considered and it is informed that, as for now, the computation of pension shall be in accordance with the provisions of Employees' Pension Scheme(EPS), 1995 as follows:-

- i. **Cases found 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.
- ii. **Cases found 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.

[This issues with the approval of CPFC.]

Yours faithfully,

Aprajita Jaggi
Regional P.F. Commissioner-I (Pension)

Copy to:-

1. All CBT members for kind information please.
2. PS to CPFC
3. Shri Samir kumar Das, Under Secretary to Government of India, Ministry of Labour and Employment for Kind information
4. FA & CAO, CVO, Director (PDNASS) & ZTIs
5. ACC (HQ) (Audit) for 100% audit of PPOs related to pension on higher wages by the internal audit parties.
6. All ACC (HQ)s and ACCs at H.O for information & necessary action.
7. Rajbhasha Section for providing Version in Hindi