GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA UNSTARRED QUESTION NO. 1678 TO BE ANSWERED ON 10.03.2025

PRO-RATA NORM FOR PENSIONS

1678. ADV DEAN KURIAKOSE:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a)whether the Government has issued a circular approving the prorata norm for pensions;
- (b)if so, the details thereof;
- (c)whether the circular was issued even when various courts were still examining petitions challenging the pro-rata norm since it would calculate the pension after dividing the employees' service period into two, if so, the details thereof and reasons thereto;
- (d)whether the pension being divided into two parts ultimately lead to a reduced pension amount; and
- (e)if so, the details thereof alongwith the reasons to reduce the pension amount of pensioners through such a move?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SUSHRI SHOBHA KARANDLAJE)

(a) to (e): As per Paragraph 11(1) and Paragraph 12 of the Employees' Pension Scheme, 1995, 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.

The Employees' Provident Fund Organisation (EPFO) has issued a circular dated 18.01.2025 clarifying that pro-rata calculation of pension is equitable and treats both categories of pensioners i.e. pensioners under wage ceiling and those with higher wages on an equal footing.

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