THE HONOURABLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION NO.21016 OF 2019

Date: 25.09.2019

Between:

T.K. Ram Reddy S/o.Madhava Reddy,
Aged about 65 yrs, Retired Manager,
District Cooperative Central Bank Ltd.,
Bank (DCC Bank), Mahabubnagar,
R/o.H.No.3-56, Bommanapally Village,
Chiguru Mamidi Mandal,
Karimnagar District & others

.....Petitioners

And

Employees Provident Fund Organization,
Bhavishya Nidhi Bhawan,
14, Bhikaji Cama Place,
New Delhi-110 066,
Rep., by its Commissioner & others

.....Respondents

The Court made the following:

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ORDER:

Heard learned counsel for the petitioners and learned standing counsel for Employees Provident Fund Organization.

2. Petitioners in this Writ Petition are enrolled under the Employees Pension Scheme, 1995 (for short, 'the Scheme'). Initially, the maximum pensionable salary was Rs.5,000/-, but later revised to Rs.6,500/-. The Scheme also enables contribution by the employee over and above Rs.6,500/- and if such contribution is made, the employee is entitled to additional pension. Accordingly, all the petitioners have contributed higher amount over and above Rs.6,500/-. Based on the contributions made, their pension was revised in the year 2018-19 and amounts were also paid. That being so, from June, 2019, stopped paying the revised pension and in some of the cases though the amounts were paid for the months June and July, later the EPF authorities recovered the said amounts for the months June and July in the form of deducting from bank accounts.

3. In this Writ Petition, petitioners challenge the decision of the EPF authorities in *suo-motu* undertaking revision of the pension payable to them to lower stage and recovering the said amounts.

4. According to learned counsel for the petitioners, no prior notice or opportunity was given to the petitioners and a right accrued to a retired employee cannot be altered/taken away without following due process.

5. As fairly submitted by learned standing counsel for Employees Provident Fund Organization, no prior notice or opportunity was given to the petitioners and straight away the lower pension was determined and excess amount paid was adjusted from the bank accounts and no procedure was followed before undertaking such exercise. He would further submit that the EPF authorities would follow the due procedure before affecting pension payable to the petitioners.

6. Having regard to the said submission, the Writ Petition is allowed. The EPF authorities are directed to continue to pay the higher pension as already determined. If any recovery is already affected, that amount shall immediately be credited to the account of the petitioners. However, it is open to the EPF authorities to take further steps as warranted by law. In the show cause notices, the EPF authorities shall give all the details to the petitioners so as to enable them to submit their explanations. It is needless to observe that all the petitioners must be put on notice and must be given opportunity to submit their written explanations and on due consideration of the same, appropriate decision shall be made by assigning due reasons in support of the decision and communicate to the petitioners. Until such decision is made and communicated to the petitioners, the petitioners shall be continued to pay the

revised higher pension. Pending miscellaneous petitions, if any, shall stand closed.

P. NAVEEN RAO, J

25th September, 2019
Rds