



No.A.60011/50/2009-PP/1395-1402

28th July, 2009

The Regional Executive Director/Airport Director

Airports Authority of India

Western / Southern / Northern / Eastern / North – East Region
Mumbai / Chennai / Delhi / Kolkata / Guwahati

Project Director / Project In-charges
Airports Authority of India
Chennai / Kolkata/ Amritsar/Surat/Trivandrum Airport

The Principal /E.D (FIU)/RCDU/G.M (CRSD)/E&M Workshop
CATC, Allahabad/
Safdarjung Airport
New Delhi

Subject : Implementation of Pension Scheme in AAI – status regarding.

Reference is invited to our earlier communications wherein it was intimated that Airports Authority of India have been covered under the provisions of EPF & MP Act, 1952 and Employees Pension Scheme, 1995 vide EPFO's order dated 22nd August, 2007 and salient feature of the scheme, options, nomination etc were intimated/sought from the employees

2. In order to seek EXEMPTION under Section 17(2) of EPF Act, 1952 for maintaining the provident fund in-house and operating the Employees Pension Scheme, 1995 through the RPFC, an application was made to that effect to RPFC on dated 8/10/2007. Despite follow up, broadly there was delay due to more time taken for exercising the options, nominations, personal information by the employees and signing of the Trust Deed of AAIEPF Trust. The matter is further delayed for creating/organizing the centralized data base (personal as well as financial) of all the 20,000 (aprox) employees for the last 15 yrs.

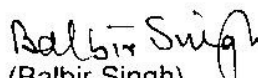
3. Pending exemption/relaxation under the EPF & MP Act 1952, the progress / status in implementation of the scheme are brought out as under for information of all employees of AAI.

- i. The last date of exercising the options was extended from time to time (from 22.10.2007 to 08.08.2008) at the request of employees.
- ii. AAI, EPF Trust has been formed and the Trust Deed has been signed by Board of Trustees on 7th Feb., 2009 after lot of persuasion, court case etc.

- iii. The Trust Deed was registered with Sub-registrar under Indian Trust Act on 19th Feb., 2009.
 - iv. Application for recognition of Trust filed with Income Tax Deptt. on 19.2.2009.
 - v. On completion of the formalities of exemption /relaxation, RPFC appointed Enforcement Officer, is in the process of inspection of PF / AAI records w.e.f. 1.4.1995 as the coverage have been granted with retrospective effect.
 - vi. Centralized data base of all eligible AAI employees for membership of the pension scheme is being created at CHQ. The information relating to employees personal data in respect of several employees of various airports/regions have been received **but are incomplete**. The efforts have been made to obtain the same from Airports / Regions.
 - vii. As the pension contribution is required to be remitted to RPFC in respect of all eligible members w.e.f. 1.4.1995, the CPF accounts are to be re-casted by diverting the pension contribution from the AAI's share of CPF. The voluminous work for re-casting the CPF accounts of **20,000 approx. employees for 15 yrs.** is in the process. However, anew integrated software for pension scheme is being developed for expediting and processing the PF / Pension contribution details.
 - viii. The new software programme is a web based system where by every employee will be assigned a **UNIQUE PF / PENSION ID NO** which will remain unchanged irrespective of the place of posting. **On implementation every employee will be able to view their statement of account of PF/Pension contribution at their respective work place on-line.**
 - ix. On grant of exemption status by RPFC as brought out above and on completion of the task as stipulated above, the various returns / records are required to be submitted to the RPFC for lodging the claims under the pension scheme.
 - x. Regarding change of options, a separate communication is being issued by personal department .
 - xi. For early implementation of the scheme, a dedicated PF/ Pension cell has been created at CHQ.
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4. In order to further expedite, REDs / Airport Directors are again requested to look into the following specific areas which are causing delay in updating the centralized records at CHQ.

- a. Nomination forms in respect of all the employees needs to be verified at local level and obtaining the same from those who have not yet submitted.
 - b. The personal information (i.e. father's/husband name, gender, date of birth, date of joining etc.) in respect of employees as required to be furnished in **form-3** to RPFC needs to be completed. Despite continuous follow up by CHQ, the significant progress is yet to be noted.
 - c. Monthly MIS relating to employees joining AAI/separation from AAI/ details of pension contribution etc. have been prescribed from CHQ's Pension Cell but the same are not furnished regularly. This leads to non compliance on part of AAI for submission of statutory returns to RPFC.
 - d. Instructions have also been issued from time to time including under the signature of Member (P&A) to Airports/Regions to ensure compliance on contract labour and furnishing of periodical returns under the Act. These instructions needs to be followed vigorously.
5. The above facts/details may be brought to the notice of all concerned.


(Balbir Singh)
Executive Director (F&A)

Copy to :

1. Chairman }
2. Member (Ops)/(Finance)/(P&A) }
3. All HoDs }
4. Officers Association } for kind information please
5. Airports Authority Employees Union }
6. Notice Board }