

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE ANIL K. NARENDRAN

&

THE HONOURABLE MRS.JUSTICE SOPHY THOMAS

SATURDAY, THE 30TH DAY OF SEPTEMBER 2023/8TH ASWINA, 1945

CON.CASE(C)NO.2322 OF 2019

ARISING OUT OF THE JUDGMENT DATED 12.10.2018 IN

WP(C)NO.33553 OF 2016 OF HIGH COURT OF KERALA

PETITIONERS/PETITIONERS 1 TO 19:

- 1 PHILOMA THOMAS, AGED 67 YEARS
W/O. M. C. JOSE, GENERAL MANAGER (RTD), MEENACHAL
EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/
00027770, KOTTAYARIKIL, SREEKANDAMANGALAM P. O.,
ATHIRAMPUZHA, KOTTAYAM - 686 562.
- 2 K. GEORGE MATHEW, AGED 69 YEARS, S/O. M. MATHAI,
CHIEF ACCOUNTANT (RTD), MEENACHAL EAST URBAN
COOPERATIVE BANK, P.P.O.NO.KR/KTM/18524,
KUZHIKKATTIL, POONJAR THEKKEKARA P. O., KOTTAYAM
- 686 582.
- 3 ANNIE JOSEPH, AGED 68 YEARS, W/O. THOMAS, CHIEF
ACCOUNTANT (RTD), MEENACHAL EAST URBAN
COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027890,
PORAITH (H), KALATHUKADAVU P. O., KOTTAYAM - 686
579.
- 4 C. C. CYRIAC, AGED 69 YEARS, S/O. CHERIAN, CHIEF
ACCOUNTANT (RTD), MEENACHAL EAST URBAN
COOPERATIVE BANK, P.P.O.NO.KR/KTM/17389,
CHERUVALLIL, CHEMMALAMATTOM P. O., KOTTAYAM.
- 5 RUBY ANTONY, AGED 67 YEARS, W/O.MATHEW K. J.,
CHIEF ACCOUNTANT (RTD), MEENACHAL EAST URBAN
COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027769,
KIZHUKANDAYIL, PARATHODE P.O., KOTTAYAM.
- 6 M. C. THOMAS, AGED 69 YEARS, S/O. M. C. CHANDY,
CHIEF ACCOUNTANT (RTD), MEENACHAL EAST URBAN
COOPERATIVE BANK, P.P.O.NO.KR/KTM/18478,
MACHIYANICKAL (H), EDAPPADY P. O., KOTTAYAM - 686

578.

- 7 THOMAS M. D., AGED 66 YEARS, S/O. DOMINIC M. J., CHIEF ACCOUNTANT (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00028212, MANNAMPLACKAL (H), NARIYANANI P. O., PONKUNNAM, KOTTAYAM - 686 506.
- 8 JOSEPH VARGHESE, AGED 68 YEARS, S/O. V. V. VARKEY, CHIEF ACCOUNTANT/ BRANCH MANAGER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027767, VALLIYAM THADATHIL (H), GANDHI NAGAR P. O., KOTTAYAM - 686 008.
- 9 V. N. RAJAGOPALAN NAIR, AGED 64 YEARS, S/O. NARAYANAN NAIR, CHIEF ACCOUNTANT (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00029581, MULACKANODIYIL (H), VALLICHIRA P. O., PALA, KOTTAYAM - 686 574
- 10 ISAMMA P. J., AGED 64 YEARS, W/O. ANTONY P. A., CHIEF ACCOUNTANT/ BRANCH MANAGER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00029477, PULLATTU (H), PLASSANAL P. O., KOTTAYAM - 686 579.
- 11 E. M. MATHEW, AGED 64 YEARS, S/O. MATHEW, RECORD KEEPER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00028114, EZHUPARAYIL (H), POONJAR THEKKEKARA P. O., PAYYANITHOTTAM, KOTTAYAM - 686 582.
- 12 MOHANAN V. N., AGED 65 YEARS, S/O. NARAYANAN, ATTENDER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027807, VAYALIL (H), VELLAPPADU, PALA P. O., KOTTAYAM - 686 575.
- 13 M. J. VARKEY, AGED 66 YEARS, S/O. M. V. JOSEPH, ACCOUNTANT (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027766, MOOLECHALIL (H), POONJAR, THEKKEKARA P. O., KOTTAYAM - 686 582.
- 14 THOMAS MATHEW, AGED 63 YEARS, S/O. THOMAS, CHIEF ACCOUNTANT (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00031913, AREEPLACKAL HOUSE, POONJAR, THEKKEKARA P. O.,

KOTTAYAM - 686 582.

- 15 N. M. GEORGE, AGED 68 YEARS, S/O. MATHAI MANI, RECORD KEEPER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027771, NEENDOOKUNNEL, PLASSANAL P. O., KOTTAYAM - 686 579.
- 16 CICILYKUTTY KURIAN, AGED 68 YEARS, D/O.KURIAN, CHIEF ACCOUNTANT/MANAGER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027768, VALLIYANTHADATHIL, KALAKETTY P. O., PINNAKKANADU, KOTTAYAM - 686 508.
- 17 V. M. KURIAN, AGED 67 YEARS, S/O. MATHAI, ACCOUNTANT (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027803, VADAKKEL, PUNCHAVAYAL P. O., MUNDAKAYAM, PIN - 686 513.
- 18 P. S. MATHEW, AGED 67 YEARS, S/O. P. M. DEVASIA, GENERAL MANAGER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027889, PURAPPANTHANAM (H), KOOTTICKAL P. O., 3RD MILE, KOTTAYAM - 686 514.
- 19 THANKKAPPAN K. K., AGED 65 YEARS, S/O. KRISHNAN, ATTENDER (RTD), MEENACHAL EAST URBAN COOPERATIVE BANK, P.P.O.NO.KR/KTM/00027804, KATTUPPARAYIL, VELLOOR P. O., PAMPADY, KOTTAYAM - 686 501.

BY ADVS. R.SANJITH
C.S.SINDHU KRISHNAH
SRI.B.R.ANEES

RESPONDENTS/RESPONDENTS 2 & 3:

- 1 SUNIL BARTHWAL, AGE AND FATHER'S NAME NOT KNOWN TO THE PETITIONERS, THE CHIEF PROVIDENT COMMISSIONER, THE EMPLOYEES PROVIDENT FUND ORGANISATION, BHAVISHYA NIDHI BHAVAN, 14, BHIKAJI CAMA PALACE, NEW DELHI - 110066.
- 2 SANDEEP BISWAS
AGE AND FATHER'S NAME NOT KNOWN TO THE PETITIONER, REGIONAL PROVIDENT FUND COMMISSIONER, THE

Cont.Case (C)No.2322 of 2019

EMPLOYEES PROVIDENT FUND ORGANISATION, KOTTAYAM.

R BY ADV NITA N.S

THIS CONTEMPT OF COURT CASE (CIVIL) HAVING COME UP FOR
ADMISSION ON 30.09.2023, THE COURT ON THE SAME DAY
DELIVERED THE FOLLOWING:

JUDGMENT

Anil K. Narendran, J.

The petitioners, who are petitioners 1 to 19 in W.P.(C)No.33553 of 2016, have filed this Contempt Case, invoking the provisions under Section 12 of the Contempt of Courts Act, 1971 alleging willful disobedience of the directions contained in Annexure A1 judgment dated 12.10.2018 in that writ petition along with W.P.(C)No.13120 of 2015 and connected matters.

2. The SLP filed by the Employees Provident Fund Organisation against the judgment dated 12.10.2018 in W.P.(C) No.13120 of 2015 and connected cases were dismissed by the Apex Court vide order dated 01.04.2019 in SLP (C) - Diary No.9610 of 2019. That order was recalled and the Apex Court rendered a detailed judgment dated 04.11.2022 in Civil Appeal Nos.8143 of 2022 and 8144 of 2022 and connected matters- **Employees Provident Fund Organisation v. Sunil Kumar B. [2022 (7) KHC 12 : AIR 2022 SC 5634]**. In that judgment, the Apex Court held that the provisions contained in Notification No.GSR 609(E) dated 22.08.2014 is legal and valid. The directions contained in paragraph 44 of the said judgment of the Apex Court dated 04.11.2022 read as follows:

"44. We accordingly hold and direct:-

(i) The provisions contained in the notification No. G.S.R.609(E) dated 22nd August 2014 are legal and valid. So far as present members of the fund are concerned, we have read down certain provisions of the scheme as applicable in their cases and we shall give our findings and directions on these provisions in the subsequent subparagraphs.

(ii) Amendment to the pension scheme brought about by the notification No. G.S.R. 609(E) dated 22nd August 2014 shall apply to the employees of the exempted establishments in the same manner as the employees of the regular establishments. Transfer of funds from the exempted establishments shall be in the manner as we have already directed.

(iii) The employees who had exercised option under the proviso to paragraph 11(3) of the 1995 scheme and continued to be in service as on 1st September 2014, will be guided by the amended provisions of paragraph 11(4) of the pension scheme.

(iv) The members of the scheme, who did not exercise option, as contemplated in the proviso to paragraph 11(3) of the pension scheme (as it was before the 2014 Amendment) would be entitled to exercise option under paragraph 11(4) of the post amendment scheme. Their right to exercise option before 1st September 2014 stands crystallised in the judgment of this Court in the case of **R.C. Gupta and others v. Regional Provident Fund Commissioner, Employees Provident Fund Organisation and others [(2018) 14 SCC 809]**. The scheme as it stood before 1st September 2014 did not

provide for any cut-off date and thus those members shall be entitled to exercise option in terms of paragraph 11(4) of the scheme, as it stands at present. Their exercise of option shall be in the nature of joint options covering pre-amended paragraph 11(3) as also the amended paragraph 11(4) of the pension scheme. There was uncertainty as regards validity of the post-amendment scheme, which was quashed by the aforesaid judgments of the three High Courts. Thus, all the employees who did not exercise option but were entitled to do so but could not due to the interpretation on cut-off date by the authorities, ought to be given a further chance to exercise their option. Time to exercise option under paragraph 11(4) of the scheme, under these circumstances, shall stand extended by a further period of four months. We are giving this direction in exercise of our jurisdiction under Article 142 of the Constitution of India. Rest of the requirements as per the amended provision shall be complied with.

(v) The employees who had retired prior to 1st September 2014 without exercising any option under paragraph 11(3) of the pre-amendment scheme have already exited from the membership thereof. They would not be entitled to the benefit of this judgment.

(vi) The employees who have retired before 1st September 2014 upon exercising option under paragraph 11(3) of the 1995 scheme shall be covered by the provisions of the paragraph 11(3) of the pension scheme as it stood prior to the amendment of 2014.

(vii) The requirement of the members to contribute at the rate of 1.16 per cent of their salary to the extent such salary exceeds Rs.15,000/- per month as an additional

contribution under the amended scheme is held to be ultra vires the provisions of the 1952 Act. But for the reasons already explained above, we suspend operation of this part of our order for a period of six months. We do so to enable the authorities to make adjustments in the scheme so that the additional contribution can be generated from some other legitimate source within the scope of the Act, which could include enhancing the rate of contribution of the employers. We are not speculating on what steps the authorities will take as it would be for the legislature or the framers of the scheme to make necessary amendment. For the aforesaid period of six months or till such time any amendment is made, whichever is earlier, the employees' contribution shall be as stop gap measure. The said sum shall be adjustable on the basis of alteration to the scheme that may be made.

(viii) We do not find any flaw in altering the basis for computation of pensionable salary.

(ix) We agree with the view taken by the Division Bench in the case of **R.C. Gupta** (supra) so far as interpretation of the proviso to paragraph 11(3) (pre-amendment) pension scheme is concerned. The fund authorities shall implement the directives contained in the said judgment within a period of eight weeks, subject to our directions contained earlier in this paragraph.

(x) The Contempt Petition (C) Nos.1917 - 1918 of 2018 and Contempt Petition (C) Nos. 619-620 of 2019 in Civil Appeal Nos. 10013-10014 of 2016 are disposed of in the above terms."

3. Heard the learned counsel for the petitioners and also the learned Standing Counsel for the Employees Provident Fund

Organisation, for the respondents.

4. In view of the judgment of the Apex Court dated 04.11.2022 in Civil Appeal Nos.8143-44 of 2022 and connected matters **[2022 (7) KHC 12 : AIR 2022 SC 5634]**, the entitlement of the petitioners for disbursement of higher pension requires reconsideration at the hands of the Employees Provident Fund Organisation.

5. The learned Standing Counsel for the respondents would submit that the aforesaid exercise shall be undertaken by the Employees Provident Fund Organisation in accordance with law.

In the said circumstances, this Contempt Case is closed, without prejudice to the right of the Employees Provident Fund Organisation to reconsider the entitlement of the petitioners for disbursement of higher pension, in view of the judgment of the Apex Court dated 04.11.2022 in Civil Appeal Nos.8143-44 of 2022 and connected matters **[2022 (7) KHC 12 : AIR 2022 SC 5634]**.

Sd/-

ANIL K. NARENDRAN, JUDGE

Sd/-

SOPHY THOMAS, JUDGE

APPENDIX OF CON.CASE (C) 2322/2019**PETITIONER ANNEXURES**

ANNEXURE A1	CERTIFIED COPY OF THE JUDGMENT DATED 12.10.2018 IN W.P. (C) NO.33553/2016 OF THE HONOURABLE DIVISION BENCH OF THE HONOURABLE HIGH COURT OF KERALA.
ANNEXURE A2	TRUE COPY OF THE LETTER DATED 26.6.2019.
ANNEXURE A3	TRUE COPY OF THE LETTER DATED 8.8.2019.