

Corporate Accounts Section

1st floor, Bharat Sanchar Bhawan,
BSNL Corporate Office
Janpath, New Delhi – 110001
Ph – 011-23734110



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Dated: 30.09.2026

To,

The Chief General Managers/IFAs

All Territorial/Non-Territorial Circles
Bharat Sanchar Nigam Limited.

Subject: Manual implementation of revised EPFO wage ceiling from ₹15,000 to ₹25,000 w.e.f. 17.09.2026 – September 2026 EPF/EPS/EDLI return – reg.

The Ministry of Labour & Employment, Government of India, vide Notification S.O. 5109(E) dated 17.09.2026, has enhanced the statutory wage ceiling for the purposes of Chapter III of the Code on Social Security, 2020 from ₹15,000 to ₹25,000 per month, with effect from 17.09.2026.

The revision has implications for EPF/EPS/EDLI contribution and coverage. In particular, the contribution base of eligible existing EPFO members whose contribution was restricted to the earlier ceiling of ₹15,000 is required to be suitably revised. The employer's contribution continues at 12%, with the applicable portion being apportioned towards EPS and EPF. The maximum EPS contribution corresponding to the revised ceiling would increase from ₹1,250 to ₹2,083 per month, wherever the employee is covered under EPS and contribution is restricted to the statutory ceiling. The corresponding EDLI contribution is also required to be revised.

As the revised ceiling is effective from 17.09.2026, the September 2026 wage month involves two periods:

- 01.09.2026 to 16.09.2026: wage ceiling of ₹15,000; and
- 17.09.2026 to 30.09.2026: revised wage ceiling of ₹25,000.

EPFO's FAQ/implementation instructions provide for dealing with the September 2026 wage month through a single ECR, taking into account the above two periods, as applicable.

Since the September 2026 salary/payroll of BSNL employees had already been processed before implementation of the revised ceiling in SAP, the revised statutory contribution will not be reflected in the SAP-generated EPF/EPS/EDLI schedule. Accordingly, the following instructions are issued for immediate manual correction of the September 2026 statutory return data.

1. Identification of affected employees

Circles shall identify all employees whose EPF wages/contribution for EPS Calculation were restricted to ₹15,000 under the earlier ceiling and determine the impact of the revised ceiling w.e.f. 17.09.2026.

2. Calculation of revised September 2026 wage ceiling

For employees to whom the statutory ceiling applies for the entire September wage month, the revised ceiling for September 2026 shall be worked out on a pro-rata basis, considering the two effective periods.

Accordingly:

01.09.2026–16.09.2026:

$₹15,000 \div 30 \times 16 = ₹8,000$

17.09.2026–30.09.2026:

$₹25,000 \div 30 \times 14 = ₹11,666.67$

Total revised September 2026 statutory wage ceiling = ₹19,666.67

The above calculation shall be applied subject to the employee's actual eligible EPF wages and the applicable EPFO provisions. It should not be treated as an automatic contribution base of ₹19,666.67 for every employee.

3. Adjustment of EPS and EPF contribution

Where the employee is covered under EPS and the pension contribution was restricted to the earlier ₹15,000 ceiling, the shortfall in the employer's EPS contribution arising due to the revised ceiling shall be identified and adjusted from the employer's EPF share, as permissible under the applicable EPFO provisions.

The employee-wise calculation shall clearly indicate:

- EPF wages;
- employee EPF contribution;
- employer's total contribution;
- EPS contribution;
- balance employer EPF contribution; and
- difference between the original SAP-generated contribution and revised contribution.

4. Revision of EDLI contribution

The EDLI contribution shall also be recalculated wherever applicable, based on the revised statutory wage ceiling and the applicable EPFO rate/maximum contribution.

The Circle shall identify the additional EDLI liability arising on account of the revision.

Where the additional EDLI amount cannot be recovered/adjusted through the payroll already processed for September 2026, the excess/additional amount payable by the

employer may be accounted for as expenditure through an appropriate manual JV in the FICO module, after due verification and approval by the competent authority.

5. Preparation of corrected ECR/return data

Circles shall prepare the corrected employee-wise EPF/EPs/EDLI schedule for ECR return manually as the SAP-generated September 2026 schedule does not incorporate the revised ceiling.

The corrected data shall be checked with:

- September 2026 payroll records;
- employee-wise EPF wages;
- employee contribution;
- employer contribution;
- EPS contribution;
- EPF employer share;
- EDLI contribution; and
- applicable statutory coverage.

The final ECR shall be prepared/submitted strictly in accordance with the latest EPFO instructions applicable to the September 2026 wage month.

6. Reconciliation and accounting

Before submission of the ECR, the Circle shall ensure complete reconciliation between:

SAP Payroll → EPF Schedule → Revised ECR Data → EPFO liability → FICO accounting

Any difference arising due to manual correction shall be separately identified and properly accounted for.

No unsupported adjustment shall be made in the statutory return merely to match the payroll or accounting figures.

7. Employee-wise audit trail

A separate employee-wise statement of manual corrections shall be maintained by each Circle containing, at minimum:

Particulars	Details
PERNR	Employee number
Employee Name	Name
Original EPF Wage	As per SAP
Revised EPF Wage	As per EPFO provisions
Original Employee Share	As per SAP
Revised Employee Share	As applicable
Original Employer Share	As per SAP
Revised EPS	As applicable
Revised Employer EPF	As applicable

Revised EDLI	As applicable
Difference	Additional/adjusted amount
ECR Amount	Amount finally reported
Accounting Adjustment	JV/other adjustment, if any
Remarks	Reason for correction

This statement shall be preserved for audit, statutory verification and subsequent reconciliation in SAP.

8. Subsequent SAP reconciliation

Since the September 2026 payroll has already been processed, the manual statutory correction shall be treated as an exceptional interim arrangement necessitated by the effective date of the revised statutory ceiling.

The manually corrected statutory figures shall subsequently be reconciled with SAP once the required SAP changes are made available. Circles shall therefore maintain complete supporting records of all manual adjustments to facilitate subsequent payroll and accounting reconciliation.

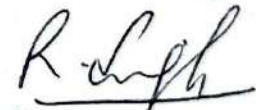
9. Responsibility of Circle

The Circle Payroll/HR and Finance/Accounts teams shall jointly verify the revised EPF/EPF/EDLI calculations and ensure that the statutory return is filed correctly within the prescribed time.

The Circle shall ensure that:

1. all affected employees are identified;
2. September 2026 contribution is recalculated considering the two wage-ceiling periods;
3. EPS and EPF employer shares are correctly apportioned;
4. EDLI liability is correctly determined;
5. corrected ECR data is prepared and reconciled;
6. necessary accounting adjustments are passed; and
7. a complete employee-wise audit trail is maintained.

The above exercise may be treated as urgent and completed within the prescribed EPFO timeline so that the September 2026 ECR is filed with the correct statutory contribution particulars.


(Rajeev Singh)

Pr. General Manager (CA/ERP-FICO/C-CSC)

Copy for Kind information to:

1. Director (Finance)/Director (HR), BSNL Corporate Office, New Delhi.
2. PGM(EF)/PGM (Estt)/PGM(Pers)/PGM(CBB), BSNL Corporate Office, New Delhi.