

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

UNSTARRED QUESTION NO:3438

ANSWERED ON:10.08.2015

Employees Pension Scheme

Gawali (Patil) Ms. Bhavana;Hemamalini Smt. ;M. Smt. Vasanthi;S.R. Shri Vijay Kumar;Tumane Shri Krupal Balaji;Vanaroja Smt. R.

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

- (a) whether the Government had constituted any committee for Employees Pension Scheme, 1995 and if so, the details thereof;
- (b) whether the said committee had submitted its recommendations to the Government and if so, the details of acceptance by the Government along with the time period fixed for their implementation;
- (c) whether the Government has proposed to amend the Employees Pension Scheme, 1995 in order to enhance the pension fund and if so, the details thereof along with the total number of pensioners under EPS-95;
- (d) if not, whether EPFO has taken note of the better return of funds under NPS while reviewing its pensions scheme and if so, the details of options explored to incentivise the subscribers to keep their deposits in PF accounts; and
- (e) the names of the Nationalised Banks in which provision has been made for the retired employees drawing pension under EPFO?

**Answer**

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT

(SHRI BANDARU DATTATREYA)

(a) & (b): Government had constituted an Expert Committee to review Employees' Pension Scheme (EPS), 1995 which inter alia recommended providing minimum pension of Rs. 1000/- per month to the pensioners under EPS, 1995 and enhancing wage ceiling for coverage under the Employees' Provident Funds & Miscellaneous Provisions (EPF & MP), Act, 1952 from Rs. 6,500/- per month to Rs. 10,000/- per month. The Government has since implemented minimum pension of Rs. 1000/- per month to the member/disabled/widow/widower/ parent/nominee pensioners and Rs. 250/- per month for children pensioners and Rs. 750/- per month to orphan pensioners and increased wage ceiling for coverage under EPF&MP Act, 1952 from Rs.6,500 to Rs.15,000/.

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(c): The Employees' Pension Scheme (EPS), 1995 has been calibrated time to time to make it robust. Moreover, Government has recently made the following amendments to the EPS, 1995:

- i. Wage ceiling for contributions to EPS, 1995 has been enhanced from Rs.6,500 to 15,000/- per month.
- ii. Determination of pension based on average of 60 months' salary prior to exit instead of 12 months' salary earlier.
- iii. Option for contributing on salary exceeding the wage ceiling has been deleted.
- iv. Those members who were contributing on salary exceeding the wage ceiling are required to prefer fresh option and contribute 1.16 per cent of wages exceeding wage ceiling in lieu of the Government's contribution.
- v. Pension and withdrawal benefits under EPS, 1995 to be determined on pro-rata basis for service at wage ceiling of Rs. 6,500/- per month upto 31.08.2014 and Rs. 15,000/- per month thereafter.
- vi. Eligibility under EPS, 1995 is determined on the basis of contributory service instead of overall period of service.
- vii. Widow Pension Table (Table C) under EPS, 1995 has been extended upto revised wage ceiling of Rs. 15,000/- per month.

The total number of pensioners under EPS, 1995 are 51,04,397 (Provisional) as on 31.3.2015.

(d): Does not arise in view of reply to part (c) of the Question above.

(e): The list of Nationalised Banks in which provision has been made for the retired employees drawing pension under Employees' Provident Fund Organisation (EPFO) is at Annex.

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