



भारत हेवी इलेक्ट्रिकल्स लिमिटेड

Bharat Heavy Electricals Limited

From : M Isadore, Executive Director (HR), BHEL Corporate Office, New Delhi

To : All Head of HR, BHEL Units/ Divisions

No. AA:HR:EPF

Date: 16.01.2023

CORPORATE HUMAN RESOURCE CIRCULAR No. 003/PPX/2023

Subject: Judgement dated 04th November 2022 of Hon'ble Supreme Court regarding Employees' Pension Scheme, 1995, (EPS-95) in the matter of the Employees Provident Fund Organisation & Anr. etc. Vs. Sunil Kumar B. & Ors. etc. and option for contribution to EPS-95 on actual salary for Pension on such Pensionable Salary.

1. This has reference to the captioned judgement of the Hon'ble Supreme Court regarding Employees' Pension Scheme-1995 (EPS-95). As per paragraph 38, 39 & 44(ii) of the judgement, it is also applicable to the EPS-95 members from the exempted establishments.
2. BHEL is an exempted establishment, and the judgement is applicable to the employees / ex-employees of BHEL who are eligible as per the Hon'ble Supreme Court's judgement dated 04th November 2022. All employees of BHEL are members of the Provident Fund Trust to which their Unit/ Division is attached and contribute to the Provident Fund at prescribed contribution rate on their salary as applicable from time to time. BHEL also makes matching employer's contribution on salary to the Trust. However, contribution to the EPS-95 has been made @8.33% of prescribed wage ceiling i.e. Rs. 5,000/- till May, 2001, Rs. 6,500/- w.e.f. June, 2001 and Rs.15,000/- w.e.f. September, 2014. As per the rules, EPS-95 contribution is deducted from the employer's contribution to PF and is remitted to the concerned office of the Employees' Provident Fund Organisation (EPFO). Pension is disbursed under EPS-95 by the concerned office of the EPFO.
3. EPFO has issued circular no. Pension/2022/54877/15149 dated 29.12.2022 and corrigendum no. Pension/2022/54877/15238 dated 05.01.2023 in compliance of the orders contained in Para-44(ix) read with Para-44(v) and (vi) of the Hon'ble Supreme Court judgement dated 04.11.2022.
4. In light of the Hon'ble Supreme Court judgement and EPFO circular under reference, following may please be noted:
 - A) Employees who had exited the scheme before 01.09.2014 (i.e. attained age of 58 before 01.09.2014):

As per the aforesaid Circular of EPFO, it is currently addressing employees who have exited the scheme (EPS) prior to 01.09.2014 and had exercised the option for EPS

95 pension on higher salary under para 11(3) of 1995 Scheme and whose application for higher pension was rejected by EPFO.

Accordingly, such ex-employees of BHEL who are meeting the criteria specified in the EPFO circulars, if they so desire, may submit their option to the concerned Regional Office of the EPFO (from where they are drawing Pension under EPS-95) as per the procedure and with the supporting documents specified in para 6 & 7 of the EPFO circular dated 29.12.2022 and corrigendum dated 05.01.2023. As required under clause iv of Para-7, necessary undertaking shall be provided by the concerned BHEL PF Trust.

B) Serving employees OR employees who have exited the Scheme after 01.09.2014 (i.e. who have attained age of 58 after 01.09.2014):

As per the para 44 (iv) of the judgement of Hon'ble Supreme Court, time limit of four months has been given to eligible employees to exercise joint option for contributions to EPS-95 Scheme on actual salary and consequent determination of higher Pension. It is expected that EPFO will issue a separate Circular/ Guidelines for these categories of employees.

Meanwhile, the matter has already been taken up by BHEL with Central PF Commissioner Office as well as respective RPFCS for necessary clarification/ notification.

While details on modalities are awaited from EPFO, BHEL is working on a centralized system for data collation and consolidation for EPS-95. System will also be able to provide likely amount to be remitted towards EPS-95 contributions based on actual salary/wages upon receipt of circular from EPFO.

Update on further course of action about filing of option for higher pension computation and actual remittance etc. shall be shared on receipt of circular from EPFO for employees covered under B above.

Eligible ex-employees are advised to regularly visit the website ecare.bhel.in from time to time for updated information on implementation of the judgement dated 04.11.2022 in BHEL.

Ex-employees/EPS-95 Pensioners may also note that revision in EPS-95 Pension may take time as the pension payment under EPS-95 is done by the concerned office of the EPFO and is not in the purview of PF Trust/Unit of BHEL.

This issues with the approval of Competent Authority.

Handwritten signature and date: 16/1/2023

(M Isadore)
Executive Director (HR)

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