

**Frequently asked questions (FAQs) on
BHEL EMPLOYEES PENSION SCHEME**

Q1: When was BHEL Employee Pension Scheme Introduced?

A1: BHEL Employees Pension Scheme was introduced on 07.06.2012 vide Corporate Circular No. 16/ WLX/2012 and it has been amended on 18.06.2016 vide Corporate HR Circular No. 011/WLX/2016 and as on 20.02.2021 vide Circular HR Circular No. 009/PPX/2021 dated 20.02.2021.

Q2: What are the eligibility criteria to be covered under this scheme?

A2: 1) Eligible:

SL. No.	Eligibility criteria	Conditions	Remarks
01	All regular employees of the company at Board level and below Board level, who superannuate from the company on or after 01.01.2007/ Pre-mature retirement (Company initiated) & Pre-mature retirement (employee initiated) / Compulsory retirement other than as a penalty/ Voluntary retirement & voluntary separation scheme/ Removal from service other than as a penalty.	Minimum 15 years of continuous service rendered in BHEL. w.e.f 01.01.2017, mandatory condition of minimum 15 years of service in the company is dispensed.	Note: Service rendered more than 14 years & 6 months but less than 15 years will not be treated as 15 years. The services rendered as temporary workers against sanctioned vacancy will be counted for 15 years of service.
02	Cases involving Death on or after 01.01.2007.	Minimum 15 years of service not required.	Pension will be start in the name of nominee.
03	Cases of permanent disability and incapacitation on or after 01.01.2007 leading to cessation of service.	With or without 15 years of service required.	
04	Superannuation on account of early retirement by company	Superannuation on or after 01.01.2007 but before 01.01.2017 Minimum 15 years of service required.	w.e.f 01.01.2017, mandatory condition of minimum 15 years of service in the company is dispensed.

SL. No.	Eligibility criteria	Conditions	Remarks
05	Resignation	Employee should be separated on or after 01.01.2017 and have an option for transfer of corpus to NPS.	As per Circular no. 009/PPX/2021 dated 20.02.2021.

2) NOT Eligible:

SL. No.	Eligibility Criteria	Conditions	Remarks
01	Resignation	Resigned prior to 01.01.2017.	Not Eligible
02	Termination		Not Eligible
03	Compulsory retirement	As a penalty.	Not Eligible
04	Dismissal/ Removal from the services	Due to Disciplinary proceeding.	Not Eligible
05	An employee against whom criminal prosecution for moral turpitude is pending on the date of superannuation		Not Eligible
06	Ex-Employee or his/her family residing in Company quarters or not vacating the same.	Not Eligible, till the time Employee/ his/her family vacates the quarters.	Not Eligible

Q3: On vacation of company quarters by the Employee/his / her family, is the pension payable with arrears from the date of superannuation?

A3 : No. BHEL Pension is payable only prospectively from the date of application by the employee/his / her family. No retrospective pension is eligible to employee / family members.

Q4: Is nomination to the BHEL pension scheme mandatory?

A4 : Yes. It is in the interest of Employee and their dependents to have a valid nomination.

Q5: What does continuous service mean?

A5: Service without break is termed as continuous service.

Q6: Is the past experience of lateral entrants/employees joining BHEL on deputation from CPSE immediately before joining will be considered for minimum 15 years of continuous service?

A6: A) Lateral Entrants: Effective from 09.11.2012, in cases of lateral entrants to the company, past service in CPSEs immediately before joining BHEL, will be reckoned for eligibility of minimum 15 years of service but Individual Pension Corpus from BHEL will be only for the entire service rendered in BHEL, on superannuation or death while in service on or after 01.01.2007 upto 31.12.2016. However, w.e.f 01.01.2017, the requirement of minimum 15 years of service in the company is dispensed.

B) On Deputation to BHEL, the period of service rendered in BHEL on absorption alone, will be counted for Pension Corpus. However, for eligibility requirement of minimum 15 years of service, past service in CPSEs immediately before joining BHEL will be reckoned in case of those deputationists who got absorbed in BHEL and superannuated/ retired upto 31.12.2016.

Q7: What is the eligibility of Pension Scheme for BHEL Employees on deputation/ lien to other PSU, Govt. Dept. etc.?

A7: BHEL Employees on deputation / lien to other PSUs, Government Departments etc. when their salary payments are made by the borrowing Organization will be eligible for the period of such deputation / lien provided such employees join back BHEL and superannuate or retire from BHEL.

In event of not receiving payment from the borrowing organization or individual himself/ herself, such period will be treated as “dies –non” for calculating the Pension Corpus of such individual.

Q8: Does Temporary service period qualify as service period for pension?

A8: The services rendered by an employee as casual, contract labour will not qualify for eligibility and calculation of pension corpus.

Q9: What is pension Corpus?

A9: It is the amount paid by the company to the Annuity providers after taking various factors into the consideration eg; Basic pay+ DA, length of service etc. Annuity Providers give monthly/ quarterly/ yearly pay-out as per option selected by beneficiary.

Q10: What is the formula to calculate the corpus?

A10: $[(\text{Last Pay} + \text{D.A.}) \times \text{No. of years of service as regular employee} \times \text{Multiplying Factor}] / 30.$

*Pay includes basic pay and stagnation pay

* Multiplying factor (X factor) for every year is informed by Corp. HR.

Q11: Is any Pension corpus amount deducted from employee salary?

A11: No, the entire pension corpus is contributed by the company.

Q12: Can an Employee invest additional corpus to the pension corpus at the time of purchase of annuity?

A12: Yes, Beneficiary shall have the option to add his / her own contribution directly to the annuity provider while purchasing the annuity out of the pension corpus.

Q13: Can an employee voluntarily contribute while in service in the Pension Corpus?

A13: No. However, additional contribution can be invested by employee directly to the annuity provider at the time of purchase of annuity is permissible.

Q14: Is the pension Corpus transferrable?

A14: Laterally recruited employees in BHEL on or after 01.01.2017 may transfer Pension Corpus from the CPSEs' Superannuation Benefit Scheme (i.e. previous employers) to BHEL ESBF pertaining to past service in CPSEs before joining BHEL. The amount so received from previous CPSE employers will be credited into the account of BHEL ESBF. On separation from the company, the contribution received from CPSEs along with interest earned thereon (as per clause 4.4) in addition to the pension corpus calculated for the tenure in BHEL shall be transferred to the annuity provider selected by the employee.

Q15: Does period of training under Apprentice Act 1961 as ITI Trainee, Diploma & Graduate Trainee and any trainee/apprentice not on regular rolls of company qualify for eligibility and calculation of pension corpus.

A15: No.

Q16: Does Service rendered as FTA qualify for the eligibility and calculation of pension corpus?

A16: No.

Q17: Is employee against whom disciplinary proceeding have been initiated & pending on date of superannuation will be eligible for the scheme?

A17: It will be decided based on the final decision of Disciplinary Proceedings and Company Rules.

Q18: What is meant by annuity?

A18: An annuity is a contract between an individual and an insurance company in which a lump-sum payment is made and, in return, receive regular disbursements, beginning either immediately or at some point in the future.

Q19: Is this annuity fixed or variable?

A19: Annuity is fixed at the time of purchase and will remain same throughout pension pay out period based on the annuity option selected by the Member.

Q20: How is BHEL pension paid?

A20: BHEL Pension is paid by the Annuity provider through NEFT mode based on the payment frequency opted by annuitant (Monthly/ Quarterly/ Half yearly/ Annually) in the beneficiary's bank account provided.

Q21: How many annuity providers are there for EPS?

A21: At present four annuity providers, but it may vary over the years.

Q22: Who are the annuity providers?

A22:

1. M/s Life Insurance Corporation of India
2. M/s Bajaj Allianz Life Insurance Company Ltd.
3. M/s SBI Life Insurance Company Ltd.
4. M/s HDFC Life Insurance Company Ltd.

Q23: Can an Annuitant opt for any other Annuity Provider than the 4 listed above?

A23: No.

Q24: How many annuity providers can an Annuitant opt for?

A24: They can only opt for one or two.

Q25: Does UA, HPL, EOL and LWP have an impact on net corpus?

A25: Yes.

Q26: What are the annuity options for the ex- employees?

A26:

1. **Life annuity with return of capital (LAROC)**- In this option an ex-employee will get the pension till his/her death; afterward nominee will get the corpus from the annuity provider.
2. **Joint Life with return of capital (JLROC)**- in this first ex-employee will get pension and after his/her death spouse will get the pension. After the death of spouse, corpus will be paid to the nominee by the annuity provider.
3. **Annuity for Life (LA)**- In this option the ex-employee will get the pension till his/her life.
4. **Joint annuity for life (JLA)**- in this option first the ex-employee will get the pension and after his/her death, spouse will get the pension till his/her life.

Q27: What do you mean by ROC in BHEL Pension Scheme?

A27: ROC means Return of Corpus in BHEL Pension scheme and it will be applicable to for beneficiary those who have opted for LAROC & JLA ROC option in pension. Pension corpus will be paid to nominee (s) after demise of beneficiary.

Q28: What are the documents required at the time of filling up pension application?

A28:

1. PAN card of the Ex-Employee & Spouse
2. Address proof (DL/Passport/Voter ID/Ration Card/**Aadhaar Card**) of Ex-Employee & Spouse
3. Date of Birth Proof of the Ex-Employee and Spouse/ Nominee
4. Bank Passbook copy/Cancelled Cheque for bank details.
5. Photographs of Ex-Employee & Spouse – 03 Each
6. Details (Address Proof & Date of Birth proof) of Nominee along with 03 photographs.
7. Revenue stamp of Re1/-
8. All documents to be self-attested

Q29: Can an annuitant change the nominee at a later stage?

A29: Yes, to change the nominee the annuitant will be required to contact with the concerned annuity provider.

Q30: Is company contribution reviewed every year?

A30: Yes, it is reviewed after every financial year.

Q31: Is commutation of pension allowed?

A31: No.

Q32: Can the pension corpus transfer once made to Annuity Provider by the company under this scheme be changed by BHEL?

A32: Once the individual corpus is transferred by the company for the annuitant to the Annuity provider it cannot be altered.

Q33: Can BHEL withdraw / discontinue the scheme at any time?

A33: The scheme is in line with DPE guidelines, wherein it is mentioned that scheme should be continued subject to affordability of the company.

Q34: What is the periodicity for submitting Life Certificate of BHEL annuity Pension?

A34:

Annuity Provider	Submission of Existence / Life Certificate (Periodicity in Years)			
	Annuity for Life(LA)	Joint Annuity for Life(JLA)	LA with ROC	JLA ROC
LIC	1	1	5	5
SBI Life	1	1	1	1
Bajaj Allianz	1	1	1	1
HDFC Life	1	1	3	3

Q35: What is the importance of Annuity Certificate? How can the Annuitant get the Annuity Certificate?

A35: Annuity Certificate is the proof of running annuity with the service provider. Annuity certificate carries the information about the amount of annuity and the nominees under the annuity. In case something happens to the Annuitant, the service provider will ask the annuity certificate number to carry the case forward. Beneficiary has to contact concerned annuity provider. Contact details are available on pension portal under ecare.bhel.in website.

Q36: How many times annuity Corpus amount for pension transferred to annuity provider?

A36: 02 times annuity corpus amount transferred to annuity provider.

- 1) Adhoc factor annuity amount
- 2) Final X-factor annuity amount

Note: Fresh application has to be made for Pension Corpus on account of Final X Factor and all the supporting documents are required to be submitted again.

Q37: What are the cases where in legal heirs can claim annuity pension?

A37: 1. In cases where both employee and spouse expired before availing benefits under the scheme and no nomination is available.

2. In case, after death of employee, spouse has also expired before release of pension corpus, the individual pension corpus will be released to legal heirs.

3. In the absence of nomination, the pension corpus will be distributed among the legal heirs as per the Nomination form submitted by the employee under EPF Scheme.

4. In the absence of any nomination under EPF Scheme, the Pension Corpus will be distributed amongst legal heirs as per succession certificate given by competent Court.

Q38: Where I can apply & get the BHEL pension details?

A38: Ex-employee can visit on www.ecare.bhel.in website for pension details.

Q39: Can BHEL Pension be processed in case if employee retains the township quarter after superannuation?

A39: The BHEL Pension is processed only after vacation of Quarter. This condition doesn't apply to CAS Beneficiaries.

Q40. Which all documents are to be submitted for processing of death claims?

A40. The deaths claim formats are available in BHEL eCare Pension portal for all the Annuity providers. The claim documents can be submitted to Unit HR who will forward it to the concerned service provider (SBI, HDFC or Bajaj) directly. However, in case of LIC, Unit HR will forward the death claims to Corporate Office who will in turn route them to LIC.

Disclaimer: In case of any discrepancy, the BHEL Employee Pension Scheme as amended from time to time will prevail.

Beneficiaries should regularly visit <https://ecare.bhel.in> website for updates on BHEL Employee Pension Scheme.