



# भारत हेवी इलेक्ट्रिकल्स लिमिटेड Bharat Heavy Electricals Limited

From: B. Shankar, Executive Director (HR & CC) BHEL Corporate Office

To: Head of HR

(1) Bhopal (2) Trichy (3) HEEP & CFFP H'war (4) R C Puram & PE & SD, Hyderabad (5) Jhansi (6) EDN B'lore (7) ISG B'lore (8) CBU & EPD B'lore (9) Rudrapur (10) Jagdishpur (11) Goindwal (12) Corp. R&D Hyderabad (incl ASSCP Gurgaon & CTI B'lore) (13) Ranipet (14) HERP Varanasi (15) EMRP Mumbai (16) PS-HQ (17) PS-Mktg, PMG (18) PS-PEM (19) PS-TS, SSBG (20) PS- NR (21) PS- ER (22) PS-WR (23) PS-SR (24) Piping Centre, Chennai (25) IS, IO&TBG (26) ROD HQ (27) HRDI (28) Corp. Office (29) CSU & FP J'Pur (30) HPVP (31) PPPU Thirumayam

AA: HR: WLX (BHEL PS)

Dated: 31<sup>st</sup> March, 2015

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## Corporate HR Circular No. 010/WLX/2015

**Subject: BHEL Employees Pension Scheme (Applicable to regular employees of the Company at Board Level and below Board Level, who were/are on the rolls of the Company as on 1.1.2007 and onwards) - A). Release of Provisional Pension Corpus immediately after retirement / death B). Announcement of new empanelment of annuity providers regarding**

- A. So far based on actual RECHS expenditure incurred during the Financial Year, Company's contribution as per approved scheme is received in Pension Fund on annual basis after finalization of Accounts. Therefore the applicable "No. of days" as a factor for computation of pension corpus could be arrived at only on close of annual accounts of the Financial Year (i.e. normally in May/June every year). As such the remittance of pension corpus and issuance of annuity to beneficiaries took place after some lapse of time.

Requests were received from employees for release of provisional pension corpus on retirement so that loss of pension benefits are minimized. Henceforth, in order to enable remittance of provisional pension corpus to insurance companies, immediately after retirement/death of an employee so as to start the annuity a month after retirement/ death, it has now been decided that provisional pension corpus (i.e. part payment) shall be computed taking provisional "X" factor as 2 days less than what was declared in the previous year. This will ensure that the beneficiaries will be issued at least part annuity within one month after the date of retirement/ death. Subsequently, on finalization of "X" factor on close of the annual accounts, balance pension corpus shall be released in respect of such beneficiaries and balance annuity shall be issued accordingly.

Accordingly pending finalization of 'X' factor for the year 2014-15, the provisional factor of "X" for computation of individual pension corpus as per formula in clause 7.3.1 of the Scheme is notified as "7.5 days" for every completed year of service in respect of employees who were separated from the services of the Company during the financial year 2014-15. The same provisional 'X' factor shall also be used in respect of retirement / death cases during the financial year 2015-16, till finalization of 'X' factor for the financial year 2014-15. On notification of finalized 'X' factor for the year 2014-15, provisional 'X' factor for the year 2015-16 will stand revised in respect of those who retire / deaths occurring after such notification.

**B. Further a new panel of Annuity Providers has also been decided and earlier panel of annuity providers will no longer be available for current / left over cases. Beneficiaries may choose annuity options from following panel of FOUR Annuity Providers w.e.f. date of issue of this circular. This panel will be valid for a period of 5 years.**

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

The applications will be processed by Unit HR through pension portal by 09.04.2015 and pension order will be generated on 10.04.2015. Thereafter pension order in respect of employees retiring on 24<sup>th</sup> of the month, will be generated on 05<sup>th</sup> of subsequent month.

The provisional individual pension corpus/ final pension corpus will be disbursed to Annuity Provider by Corporate HR only in respect of those retired employees/ beneficiaries whose application has been verified/ processed by Unit HR in this portal. The url of the site is <http://ecare.bhel.in>. The Unit HR functionaries will be required to sanitize the data of the eligible ex-employees for the year 01.04.2014-31.03.2015 & onwards in the portal. A set of formats for offline application is also enclosed.

This issues with the approval of Competent Authority.



(B. Shankar)

Copy for kind information to:

- Head of Unit,
- CMD, all Functional Directors, CVO

Enclosures: As above