

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT**

LOK SABHA

**UNSTARRED QUESTION NO. 4601
TO BE ANSWERED ON 23.03.2020**

PENSION TO RETIRED EMPLOYEES OF PSUS

†4601. SHRI SANTOSH PANDEY:

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

- (a) the formula for calculating pension of retired employees of Public Sector Undertakings (PSUs) under EPS-95 along with the pay scale as the base on the date of retirement;**
- (b) whether the Hon'ble Supreme Court has issued any order to include basic pay and dearness allowance while calculating/fixing the pension of the said retired employees and if so, the details thereof; and**
- (c) the action being taken by the Government with regard to the aforesaid order?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a): The monthly pension to the members covered under the Employees' Pension Scheme (EPS), 1995 is calculated as per the provision provided in Paragraphs 12 (2) to 12(7) and 12 (7A) of the Scheme. As per sub-para (2) of paragraph 12 of the EPS, 1995, amount of monthly pension is computed as under:

Monthly member's pension = Pensionable salary X Pensionable service
70

The terms 'Pensionable salary' and 'Pensionable service' have been defined under paragraph 11 and paragraph 10 respectively of the EPS 1995.

There is no separate formula for calculating pension of retired employees of Public Sector Undertaking (PSUs) under the EPS, 1995.

(b) & (c): There is no such order of the Hon'ble Supreme Court of India to include basic pay and dearness allowance while calculating / fixing the pension of the retired employees of Public Sector Undertakings (PSUs).
