

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 1323  
TO BE ANSWERED ON 06.12.2021**

**NEW EMPLOYEES PENSION SCHEME, 1995**

**†1323. SHRI KRUPAL BALAJI TUMANE:**

**SHRI OMPRAKASH BHUPALSINH alias PAWAN  
RAJENIMBALKAR:**

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

- (a) the date on which Employees Pension Scheme, 1995 (EPS 95) was introduced and the basis and criteria fixed for it;**
- (b) whether all the members of the old pension scheme, 1971 were transferred to this new EPS 95 without giving them alternative of any type of pension or other social/economic security scheme by transferring corpus fund of old pension scheme 1971 to new EPS 95 after discontinuing the old scheme;**
- (c) if so, the reasons therefor;**
- (d) whether EPS 95 pensioners contributed every month from their salary to get pension facility;**
- (e) if so, the amount of pension being provided to pensioners and the criteria thereof; and**
- (f) the effective steps taken by the Government for providing medical and other facilities to them along with the increased pension?**

**ANSWER**

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT  
(SHRI RAMESWAR TELI)**

**(a) to (c): The Employees' Pension Scheme (EPS), 1995 came into force on 16.11.1995 by subsuming erstwhile 'Employees Family Pension Scheme, 1971' along with this all assets and liabilities were also transferred and merged. The Scheme was envisaged to provide economic sustenance during old age and survivorship coverage to the members and their families.**

**Contd..2/-**

**(d) to (f): The Employees' Pension Scheme (EPS), 1995 is a 'Defined Contribution-Defined Benefit' Social Security Scheme. There is a pooled account for providing pension under EPS consisting of (i) contribution by the employer @ 8.33 per cent of wages; and (ii) contribution from Central Government through budgetary support @ 1.16 per cent of wages, up to an amount of Rs.15, 000/- per month. Thus, there is no contribution from the employees towards EPS, 1995. Amount of member's pension under the Scheme is determined taking into account the pensionable period of service and pensionable salary as per following formula:**

$$\frac{\text{Pensionable Service} \times \text{Pensionable Salary}}{70}$$

**However, the Government, for the first time, provided a minimum pension of Rs.1000/- per month to the pensioners under EPS, 1995 from 01.09.2014 by providing additional budgetary support.**

**Further, the Government has also notified its decision vide G.S.R. 132 (E) dated 20.02.2020 for restoration of normal pension after completion of fifteen years from the date of such commutation, in respect of those members who availed the benefit of commutation of pension under the erstwhile paragraph 12A of the EPS, 1995, on or before 25.09.2008.**

**There is no provision in the Scheme to provide medical facilities to the EPS pensioners.**

**\*\*\*\*\***