

Ministry of Finance

Department of Expenditure

LOK SABHA

UNSTARRED QUESTION NO.215

TO BE ANSWERED ON, MONDAY, JULY 22, 2024/ /31 ASHADHA, 1946 (SAKA)

IMPLEMENTATION OF OLD PENSION SCHEME

QUESTION

215: Ms. Praniti Sushilkumar Shinde :

Will the Minister of *Finance* be pleased to state:

- (a)** whether the Government proposes to implement old pension scheme, if so, the time by which it is likely to be implemented for all those in service after January 1, 2004;
- (b)** whether the Government has any data on pensions provided to unorganized sector workers since 2013, State-wise; and
- (c)** whether the people in the aforementioned sectors are facing significant financial burdens, if so, the details of the remedial measures taken/to be taken by the Government to address this issue?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHOUDHARY)

- (a)** There is no proposal under consideration of Government of India for restoration of Old Pension Scheme in respect of Central Government employees.
- (b) & (c):** There is a scheme called Atal Pension Yojana (APY) which was launched on 09.05.2015, with the objective of creating a universal social security system for all Indians, especially the poor, the under-privileged and the workers in the unorganized sector. It is open to all citizens of India between 18-40 years of age having a savings bank account in a bank or post-office. For better targeting of guaranteed pension to unorganized sector workers, an income tax payer shall not be eligible to join APY from 01.10.2022. The subscriber under APY is required to make a monthly/quarterly/six monthly contribution of an amount determined by the amount of pension chosen and the age of joining the scheme. The subscriber shall receive a government guaranteed minimum pension of Rs. 1000 per month, Rs. 2000 per month, Rs. 3000 per month, Rs. 4000 per month or Rs. 5000 per month, after the age of 60 years until death, depending on the contribution chosen. Further, as per the scheme, subscriber will receive pension benefit on attaining the age of 60 years. Hence, the pension benefit under APY is expected to start from 2035 onwards.

There is also a scheme called Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Pension Scheme launched in 2019 with an objective to provide old age security cover. It provides monthly pension of Rs. 3000/- after attaining the age of 60 years. The workers in the age group of 18-40 years whose monthly income is Rs.15000/- or less and who are not a member of EPFO/ESIC/NPS (Govt. funded) can join the PM-SYM Scheme. Under this scheme 50% monthly contribution is payable by the beneficiary and equal matching contribution is paid by the Central Government. The contribution amount ranges from Rs. 55/- to Rs. 200/- depending upon the entry age of the beneficiary. As the scheme was launched in 2019 the first pay-out will start in 2039.
