

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5899  
ANSWERED ON:03.05.2002  
PENSION SCHEME FOR UNORGANISED SECTOR  
RAMSHETH THAKUR

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

- (a) whether the Government propose to allow the private firms to run unorganised workers` pension schemes;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether any mechanism would be created to keep check on these private firms so that hard money of workers, may not be duped; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) to (d): Pursuant to the Government`s announcement in the Budget 20012002, the Insurance Regulatory and Development Authority (IRDA) has submitted a report, which provides a blueprint for implementing pension reforms in the unorganised sector. The IRDA report has, inter-alia, recommended a regulatory framework for setting up pension funds to enable individuals to subscribe on a defined contribution basis to obtain the benefits of pension on retirement. The report provides that a trustee organization shall approach the regulator for the purpose of participating in the proposed pension system. The said pension provider would be regulated by the pension regulatory authority, whose core functions would be to oversee the functioning of the pension system, resolve problems and make incremental improvement on an on-going and regular basis. The Government has initiated action in the matter