GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT

LOK SABHA
UNSTARRED QUESTION NO. 1025
TO BE ANSWERED ON 17.12.2018

MINIMUM PENSION

1025. SHRI RAJU SHETTY:

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

(a) whether any ceiling has been fixed for the minimum pension to the persons working in private sector and if so, the details thereof;

(b) whether the Government proposes to review the existing pension scheme for the private sector and if so, the details thereof and if not, the reasons therefor;

(c) whether Dearness Allowance is applicable to such pensioners; and

(d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b):   As regards Employees' Pension Scheme (EPS), 1995, a minimum pension of Rs. 1,000/- per month has been prescribed with effect from 01.09.2014 for the pensioners under Employees' Pension Scheme (EPS), 1995.

In the case of Atal Pension Yojana (APY), depending upon the pension plan selected, each subscriber under APY shall receive a guaranteed minimum pension of Rs. 1000 per month or Rs. 2000 per month or Rs. 3000 per month or Rs. 4000 per month or Rs. 5000 per month, after the age of 60 years until his/her death. If the actual returns during the accumulation phase are higher than the assumed returns for minimum guaranteed pension, such excess will be passed on to the subscriber. As such, the minimum pension depending upon the pension plan selected by the subscriber is fixed under the APY.

Under National Pension System (NPS), there is no ceiling fixed for minimum pension.

Further, a High-Empowered Monitoring Committee has been constituted for complete evaluation and review of the EPS, 1995.

(c) & (d):   There is no provision for Dearness Allowance in EPS, 1995, as it is a self-funded scheme with fixed contributions. Further, Dearness Allowance is not applicable under NPS and APY as the pension under both depends upon the accumulated corpus at the time of exit which is market linked.

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