

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
STARRED QUESTION NO. 433
TO BE ANSWERED ON 23.03.2026**

AMENDMENT IN EMPLOYEES' PENSION

***433. SHRI APPALANAIDU KALISSETTI:**

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

- (a) whether the Government has introduced or proposes to introduce any new labour law or amendment under which employees who have completed ten years of service are likely to be eligible for pension benefits;**
- (b) if so, the details of the scheme, including eligibility criteria, pension amount, contribution structure and the date from which it has been proposed to be implemented;**
- (c) whether the said provision is likely to be applicable to private sector employees, contract workers and unorganised sector workers covered under Employees' Provident Fund Organisation (EPFO) or other social security schemes and if so, the details thereof;**
- (d) whether the Government has conducted any impact assessment on the financial and social implications of providing pension after ten years of service and if so, the details thereof; and**
- (e) the details of the steps taken or proposed to be taken by the Government to ensure universal pension coverage and social security for workers under the new labour codes?**

**MINISTER OF LABOUR AND EMPLOYMENT
(DR. MANSUKH MANDAVIYA)**

(a) to (e): A statement is laid on the Table of the House.

*

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 433 FOR 23.03.2026 BY SHRI APPALANAIDU KALISSETTI REGARDING AMENDMENT IN EMPLOYEES' PENSION.

(a): Under the provisions of Employees' Pension Scheme, 1995 (EPS) members of the scheme are already eligible for member pension on completion of 10 years of contributory service. Under the Code on Social Security, 2020 (CoSS), the existing Employees' Pension Scheme, 1995 continues to be in force for a maximum period of one year or until it is replaced by a revised Employees' Pension Scheme formulated under the Code.

(b): In the EPS, the corpus of the Pension Fund is made up of (i) contribution by the employer @ 8.33 per cent of wages; and (ii) 1.16% contribution from Central Government on wages upto Rs.15,000/- per month. All benefits under the scheme are paid out of such accumulations. The fund is valued annually.

A member of the EPS under CoSS will be eligible for superannuation / early pension under the new EPS on fulfilling the following criteria:

- i. Minimum 10 years of contributory service; and**
- ii. Attaining age of 58 years.**

A member can opt for early pension anytime after completing 50 years of age upon cessation of employment subject to discounting factor at the rate of 4% for every year falling short of 58 years.

The family will also be eligible for pension in case of death of a member/member pensioner.

Similarly, the pension will be calculated based on the pensionable service and pensionable salary subject to a minimum of Rs 1000/- for member pension, widow/widower/nominee/dependent parent pension; Rs 250/- for children pension and Rs 750/- for orphan pension.

(c): EPS is mandatory for formal sector workers whose salary at the time of joining is not more than Rs 15,000/- in establishments with 20 or more employees.

(d) & (e): The Code on Social Security, 2020 (CoSS) provides for framing of suitable social security measures for unorganized workers, gig workers and platform workers on matters including those relating to life and disability cover, health and maternity benefits, old age protection, etc.

Further, fourteen (14) schemes of different Central Ministries/Departments have already been integrated/ mapped with the e-Shram to enhance social security coverage to unorganized workers, such as Pradhan Mantri Street Vendors Atmanirbhar Nidhi (PMSVANidhi), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Mahatma Gandhi National Rural Employment Guarantee scheme (MGNREGS), Pradhan Mantri Awas Yojana – Gramin (PMAY-G), Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY), Pradhan Mantri Awas Yojana – Urban (PMAY-U), Pradhan Mantri Matsya Sampada Yojana (PMMSY), Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), One Nation One Ration Card (ONORC) and Pradhan Mantri Matru Vandana Yojana (PMMVY), etc.
