

## Pension Benefits / Business in India.

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### 1. General Definition

- 2.The need of pension
- 3.Providers of pension benefit
- 4.Funding of Pension Benefits
- 5.Pension Benefit Instruments
- 6.Regulation and Supervision
- 7.Scope of pension market in India.

### 1. General Definition

Pension is seen as deferred wage. Features:-

- \*Monetary payment
- \*Specified amount in advance
- \*Unspecified Period of Payment

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### 2.The need of pension

No capacity to earn in old age;  
No financial support since no savings were made during active earning life;  
No financial support from family members;  
No financial support from other sources such as employer and social security benefit from government and society.

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### **3.Providers of pension benefit**

Individuals;  
Self-employed;  
Public Sector employers– incl.  
Central Govt., and State  
Governments;  
Private Sector employers.

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### **4.Funding of Pension Benefits**

**Savings over a period of time;**  
Unfunded amounts—pay as you  
go;  
Funding.

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### **5.Pension Benefit Instruments**

**(a) Insurance Contracts:-**Deferred  
Annuity and immediate annuity  
contracts;  
Various types of annuity  
contracts;  
**(b) Others-** such as long-term  
government paper

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## 6.Regulation and Supervision of pension benefits:

- a) IRDA:
- b) CBDT
- c) proposed PFRDA
- d) Central/State Governments

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## 7.Scope of pension market in India.

- \***Un-organized sector**—  
individuals/self-employed groups
- \***Organized Sector**—private/public  
sector organizations
  - =tax incentives
  - =proposed PFRDA
  - =long-term government paper

**Thank  
You**

