

*Abstract of Doctoral Dissertation*

## **Pension With Parity: An Evaluation of Pension Schemes in India<sup>1,\*</sup>**

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### **Abstract**

India operates under Defined Benefit (DB) plans and Defined Contribution (DC) plans for deferred pension-savings. However, there is low penetration and participation level for DC plans. The problem is to assess existing pension schemes floated in the market and to help modify DC plans based on a detailed study of intentions of consumers, on savings for long-term benefits. The readiness for retirement planning at the beginning of their careers is still a low priority. Income inadequacy as dictated by higher spending on food in relative terms, low awareness, high maintenance cost, lack of marketing of pension products, poor disclosure norms, restrictive investment options, no government guarantee, risk of default, minimum intermediation by plan sponsors, etc. contribute to a low level of acceptance and pension savings. Linking individual savings to variants of savings plans, and revised withdrawal norms may contribute to reaching savings and investment goals.

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**JEL Code :** G10, G11, G18, G22, G41

**Keywords :** Pension; Defined Benefit (DB) plan; Defined Contribution (DC) plans; Actuarial ; Pension Parity; India

### **I. Introduction**

INDIA IS FACING the issues of an increase in longevity, demographic transition, change in labour composition and style, and lack of social security system to financially support the growing needs of individuals mainly the poor, vulnerable and unorganized sector. As per the 2011 census, the population projection is 1.6 bn by 2050 from 1.21 bn at present. As per WHO 2015 data, life expectancy at birth (global level) is 71.4 years and is 68.3 years in India. Less

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