

CHALLENGES IN IMPLEMENTATION OF RETIRAL BENEFIT LAWS IN THE UNORGANIZED SECTOR IN INDIA

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ABSTRACT

The unorganized sector constitutes more than 90% of India's total workforce, yet remains largely excluded from the ambit of formal social security and retiral benefits. Despite the existence of legislative frameworks such as the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Payment of Gratuity Act, 1972, and the recently enacted Code on Social Security, 2020, the implementation of retiral benefits for unorganized workers remains fragmented and ineffective. This research aims to critically examine the challenges hindering the implementation of retiral benefit laws in the unorganized sector in India. It explores key barriers including legal ambiguities, lack of awareness, weak enforcement mechanisms, and administrative inefficiencies. The study further analyzes judicial perspectives and government schemes aimed at expanding coverage to informal workers. Through a review of legal texts, policy documents, field reports, and case studies, this research identifies critical gaps and proposes targeted legal and policy reforms to ensure inclusive and effective protection of retiral rights for India's unorganized workforce. The implementation of retiral benefit laws in the unorganized sector in India presents a myriad of challenges that hinder the effective provision of social security to a significant portion of the workforce. Despite the existence of various legislative frameworks aimed at safeguarding the rights of workers, the lack of formal documentation and identification among unorganized workers complicates their access to these benefits. Socioeconomic factors, including low wages and job insecurity, further impede workers' ability to save for retirement, while gender disparities within the sector disproportionately affect women, limiting their access to essential benefits. This research aims to explore these multifaceted challenges, highlighting the urgent need for comprehensive policy reforms, targeted awareness initiatives, and the establishment of robust support systems to ensure that the unorganized workforce can effectively access their rightful retiral benefits, thereby enhancing their financial security in old age.

I. INTRODUCTION

A. Background

Labour welfare has long been a cornerstone of India's constitutional vision and policy agenda. Among the various protections offered to workers, retiral benefits such as provident fund, pension, and gratuity play a critical role in ensuring economic security and dignity after the completion of active working years. These benefits act as social insurance against old

age, illness, and financial instability, enabling a more secure post-retirement life.⁵⁹²

India, however, presents a unique challenge in implementing retiral benefit laws due to the overwhelming presence of the unorganized sector, which employs over 90% of the country's total workforce.⁵⁹³ Workers in this sector typically

⁵⁹² International Labour Organization (ILO), *India Labour Market Update*, April 2021

⁵⁹³ Ministry of Labour and Employment, *Annual Report 2022-23*, Government of India.

operate without formal contracts, job security, or clear employer-employee relationships. As a result, they are often excluded from the coverage of key labour legislations and social security schemes designed to offer retiral benefits. Despite several efforts by the government, including the launch of schemes like the Atal Pension Yojana (APY), Pradhan Mantri Shram Yogi Maan-Dhan Yojana (PM-SYM), and the introduction of the Code on Social Security, 2020, significant implementation challenges persist. These include administrative inefficiencies, low awareness, registration difficulties, and employer non-compliance. These barriers have created a wide gap between the legal promise of retiral security and the lived reality of millions of informal workers.⁵⁹⁴

B. Significance of the Study

The study of retiral benefit laws in the context of India's unorganized workforce is both timely and necessary. As the Indian economy continues to grow and digital platforms reshape employment patterns, it becomes increasingly important to address the social security needs of workers in informal and precarious employment. Failure to do so not only undermines social justice but also threatens long-term economic stability and intergenerational equity.

This research aims to contribute to existing legal scholarship and policy discourse by critically examining **why retiral benefit laws fail to reach the unorganized sector**, despite the existence of laws and schemes. The findings of this study can aid policymakers, labour law practitioners, NGOs, and social welfare institutions in understanding ground-level challenges and proposing workable solutions.

C. Objectives of the Study

The primary objectives of this research are:

1. To examine the existing legal framework governing retiral benefits in India.
2. To analyze the applicability and limitations of these laws with respect to unorganized sector workers.
3. To identify and evaluate the major challenges in the implementation of retiral benefit laws and schemes.
4. To explore judicial, administrative, and policy-level responses to these challenges.
5. To propose feasible legal and policy reforms for improving access to retiral benefits for unorganized workers.

D. Research Questions

This study is guided by the following central research question:

1. To what extent do existing labour laws in India protect the retiral benefits of unorganized sector workers, and what are the key barriers to their effective implementation?
2. What are the major retiral benefit schemes currently applicable to unorganized workers?
3. What are the structural and administrative limitations in enforcing these laws?
4. How have courts interpreted the rights of unorganized workers to social security?
5. What policy innovations or legal reforms can improve access and enforcement?

E. Scope and Limitations

This research is limited to **retiral benefits** such as provident fund, gratuity, and pension in the context of **unorganized sector** employment in India. It focuses primarily on legal analysis and implementation issues post-enactment of the **Code on Social Security, 2020**. Other labour welfare measures such as health insurance, maternity benefits, or wages fall outside the core scope of this study.

⁵⁹⁴ National Commission for Enterprises in the Unorganised Sector (NCEUS), *Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector*, 2007.

The study relies on primary legal materials, government reports, judicial decisions, and secondary sources like academic articles, policy briefs, and international labour studies. While it incorporates policy suggestions, it does not include primary fieldwork or empirical data collection.

F. Methodology

The research is **doctrinal and analytical** in nature. It uses:

1. **Primary sources:** legislation, constitutional provisions, case law, and government notifications.
2. **Secondary sources:** commentaries, journal articles, policy reports (e.g., ILO, NCEUS), and official websites like PRS India and Ministry of Labour.
3. A comparative lens is occasionally used to examine best practices from other countries.
4. A critical approach is adopted to evaluate gaps between law and practice.

II. LEGAL FRAMEWORK ON RETIRAL BENEFITS IN INDIA

A. Introduction

Retiral benefits serve as a vital component of labour welfare, aimed at securing the post-retirement life of workers through financial stability. In India, these benefits are governed by a complex framework of labour legislations, welfare schemes, and social security measures. While the organized sector is relatively well-covered under statutory retiral benefits such as provident fund, pension, and gratuity, the unorganized sector remains largely excluded. This chapter provides a critical overview of the legal framework governing retiral benefits in India, focusing on both the traditional statutes and recent reforms introduced through the Code on Social Security, 2020.

B. Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The EPF Act is one of the oldest social security legislations in India and applies to establishments with 20 or more employees. The Act mandates both employer and employee contributions to the Employees' Provident Fund (EPF), the Employees' Pension Scheme (EPS), and the Employees' Deposit Linked Insurance Scheme (EDLI).

However, the applicability of this Act is limited to the formal sector. Workers in the unorganized sector, such as domestic workers, street vendors, and daily wage labourers, are usually not covered due to the absence of a formal employer-employee relationship and lack of registration of establishments.

Eligibility Criteria—The Act applies to establishments with 20 or more employees, including factories, mines, and certain other specified sectors. Employees earning a monthly wage of up to ₹15,000 are eligible to become members of the Employees' Provident Fund (EPF). Contributions are made by both the employer and employee, typically amounting to 12% of the employee's basic salary and dearness allowance.

Key Features – the EPF provides a lump sum amount at retirement or upon leaving the job, which includes the employee's contributions, employer's contributions, and interest accrued. The Act also includes provisions for the Employees' Pension Scheme (EPS), which offers pension benefits to employees after retirement.

C. Payment of Gratuity Act, 1972

This Act provides for the payment of gratuity to employees upon retirement, resignation, or death, provided they have completed at least five years of continuous service in an establishment employing 10 or more persons. It is a one-time lump sum benefit calculated based on last drawn salary and number of years of service.

Again, its scope is largely limited to formal employment. Many unorganized sector workers

lack continuity of service or work under informal arrangements that prevent them from meeting the minimum eligibility criteria.

D. National Pension System (NPS) and Atal Pension Yojana (APY)

While the National Pension System (NPS) was initially meant for government employees, it was later extended to all citizens, including those in the unorganized sector. However, due to voluntary participation and lack of awareness, the penetration among informal workers remains low.

The Atal Pension Yojana (APY), launched in 2015, is specifically targeted at the unorganized sector. It offers guaranteed pension benefits to enrolled individuals after the age of 60. While APY is a step forward, its effectiveness is limited due to low enrolment rates and lack of portability for migrant workers.

E. Pradhan Mantri Shram Yogi Maan-Dhan Yojana (PM-SYM)

Introduced in 2019, this scheme aims to provide old age protection for unorganized workers earning up to ₹15,000 per month. It offers a monthly pension of ₹3,000 after the age of 60, based on small monthly contributions during the working years.

Despite its relevance, PM-SYM suffers from challenges such as:

- Low awareness among eligible beneficiaries
- Difficulty in regular contribution due to irregular income
- Administrative barriers in enrolment and verification

F. The Code on Social Security, 2020

In an attempt to consolidate multiple social security laws, the Code on Social Security, 2020 was enacted to subsume nine existing legislations, including the EPF Act and the Gratuity Act. Importantly, it explicitly recognizes the unorganized sector, gig workers, and platform workers, and mandates the central

government to formulate schemes for their social security.

Key provisions include:

- Creation of a **Social Security Fund** for unorganized workers
- Mandatory registration of all workers on the **e-Shram portal**
- Scope for **state governments to frame rules and implement schemes**

However, the Code has been criticized for its over-reliance on delegated legislation, ambiguity in benefit design, and slow implementation. The benefits under the Code remain largely **prospective and conditional** on future administrative action.

G. Analysis

While the legislative framework for retiral benefits in India has evolved, it remains heavily skewed toward the formal sector. The extension of benefits to unorganized workers has largely been **voluntary, fragmented, and inconsistently implemented**. Moreover, the dependence on digital infrastructure, lack of labour inspection, and poor coordination between Centre and States have further hindered coverage. The current legal framework offers a promising but incomplete solution to the challenge of securing retiral benefits for the unorganized sector. While schemes like APY and PM-SYM represent targeted efforts, and the Code on Social Security lays down a broader roadmap, **effective enforcement, financial inclusion, and awareness-building** remain critical to translating legal intent into real-world impact.

III. ISSUES IN IMPLEMENTATION

A. Introduction

Although India has established a legal and policy framework to extend retiral benefits to workers, the gap between law and implementation remains stark—particularly in the unorganized sector. Workers in this sector often continue to remain outside the protective

fold of legislations such as the EPF Act, the Gratuity Act, and even recent reforms like the Social Security Code, 2020. This chapter explores the various structural, administrative, and socio-economic issues that hinder the effective implementation of retiral benefit laws for informal workers.

B. Structural and Legal Challenges

1. Ambiguity in Definitions and Coverage

Many laws use narrow or vague definitions of “employee,” “establishment,” and “continuous service,” which automatically exclude a large section of unorganized workers. For instance, domestic workers, home-based artisans, or gig workers may not fall within the traditional employer-employee relationship required for statutory benefits.⁵⁹⁵

2. Fragmented and Overlapping Schemes

Despite efforts to unify social security through the 2020 Code, various central and state-level schemes continue to operate independently, creating duplication and confusion. The lack of a single-window system results in administrative complexity and inefficiency.⁵⁹⁶

C. Administrative and Enforcement Issues

1. Low Registration and Enrolment

Schemes like PM-SYM and APY require workers to voluntarily register themselves. However, due to low digital literacy, poor outreach, and lack of documentation (like Aadhaar, bank accounts, income proof), enrolment remains dismally low.⁵⁹⁷ Even after the launch of the e-SHRAM portal, the challenge of last-mile coverage persists.⁵⁹⁸

2. Weak Institutional Capacity

State labour departments, responsible for enforcing many labour laws, are often under-

resourced and understaffed. There is a shortage of labour inspectors, monitoring staff, and trained personnel to facilitate implementation in rural and semi-urban areas.⁵⁹⁹

3. Poor Coordination Between Centre and States

Social security schemes often require joint efforts by both central and state governments. However, inconsistencies in funding, political priorities, and bureaucratic bottlenecks hinder cohesive implementation.

D. Employer-Related Barriers

1. Lack of Incentives or Accountability

Employers in the informal sector often operate outside legal boundaries and lack incentives to register workers under official schemes. Penalties for non-compliance are rarely enforced, and many employers are unaware of or unwilling to bear the administrative burden of contribution.⁶⁰⁰

2. Absence of Formal Employment Contracts

Most unorganized sector workers do not have formal contracts that prove continuity of service or terms of employment. As a result, they cannot meet the eligibility criteria for benefits like gratuity or pension.

D. Socio-Economic Barriers for Workers

1. Irregular Income and Insecurity

Informal workers often earn on a daily or seasonal basis. This irregular income discourages them from making monthly contributions to pension or provident fund schemes. Moreover, financial insecurity often pushes retiral savings to a lower priority.⁶⁰¹

2. Lack of Awareness

There is a widespread lack of awareness about retiral benefit schemes among unorganized workers. Many are unaware of their legal

⁵⁹⁵ Employees' Provident Funds and Miscellaneous Provisions Act, 1952, § 2(f); see also Social Security Code, 2020,

⁵⁹⁶ Deb Kusum Das & Radhicka Kapoor, “Social Security for the Informal Sector in India: Addressing Gaps and Challenges,” *Indian Council for Research on International Economic Relations* (2021)

⁵⁹⁷ International Labour Organization (ILO), *India Wage Report: Wage Policies for Decent Work and Inclusive Growth* (2018)

⁵⁹⁸ Ministry of Labour and Employment, *e-SHRAM Portal Progress Report* (2023)

⁵⁹⁹ Report of the Second National Commission on Labour (2002), Chapter 7.

⁶⁰⁰ ILO, *Extending Social Security to Workers in the Informal Economy: Lessons from International Experience* (2021).

⁶⁰¹ National Commission for Enterprises in the Unorganised Sector (NCEUS), *Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector* (2007).

entitlements or how to access them. Misinformation or distrust in government schemes also plays a role in low participation.⁶⁰²

E. Technological and Digital Gaps

While portals like **e-SHRAM** have been launched to register unorganized workers, their effectiveness is limited by issues such as:

1. Limited access to smartphones/internet in rural areas
2. Language and usability barriers
3. Difficulty in updating details or accessing benefits online

IV. JUDICIAL AND POLICY PERSPECTIVES

A. introduction

The Indian judiciary has played a significant role in interpreting and expanding the scope of labour laws to ensure the protection of retiral benefits, even for those working outside the formal framework. Courts have often adopted a liberal and purposive approach to labour welfare statutes, especially in the absence of concrete legislative protection for informal workers. Alongside, successive governments have made policy interventions to integrate the unorganized sector into the national social security framework. However, these interventions have been uneven and fragmented in implementation. This chapter explores the key judicial pronouncements and policy measures that have attempted to address the gap between legal entitlements and actual access to retiral benefits for unorganized sector workers. The analysis reflects both the promise and limitations of these efforts in realizing the goal of universal social security.

B. Judicial Approach to Labour Welfare and Retiral Benefits

The Indian judiciary has consistently held that **labour welfare laws must be interpreted in favour of workers**, particularly when

ambiguities exist. In *Regional Provident Fund Commissioner v. Hooghly Mills Co. Ltd.*⁶⁰³, the Supreme Court emphasized that the Employees' Provident Funds Act should be interpreted in a manner that furthers the objective of social welfare. The Court noted that retiral benefits form part of the "right to life" under Article 21 of the Constitution, as they ensure dignity in post-retirement life. Similarly, in *People's Union for Democratic Rights v. Union of India*⁶⁰⁴, the Court reiterated that socio-economic rights, including the right to work and access to social security, are an essential component of constitutional guarantees. Moreover, courts have shown readiness to pierce the veil of contractual arrangements to extend benefits. In cases where employers attempted to disguise permanent employment through contract labour to escape statutory obligations, courts have upheld the rights of such workers to gratuity and provident fund. In *Daily Rated Casual Labour v. Union of India*⁶⁰⁵, the Supreme Court directed the regularization of casual workers who had completed long years of service, thus recognizing their right to retiral benefits. These decisions have set important precedents in favor of informal or semi-formal workers. However, judicial intervention, while progressive, is often reactive and limited to individual cases. The absence of a binding uniform interpretation applicable across all sectors reduces the systemic impact of such rulings. Additionally, the lack of compliance monitoring mechanisms means that even favorable judgments are not always implemented effectively. There is a pressing need for stronger legal provisions and institutional frameworks that operationalize the spirit of these judgments.

C. Constitutional Provisions and Interpretation

The **Directive Principles of State Policy (DPSP)** under Part IV of the Indian Constitution provide the moral foundation for social security

⁶⁰² dian Express, "Low Enrolment in PM-SYM Despite Push from Govt," August 2022.

⁶⁰³ *Regional Provident Fund Commissioner v. Hooghly Mills Co. Ltd.*, (2012) 2 SCC 489

⁶⁰⁴ *People's Union for Democratic Rights v. Union of India*, AIR 1982 SC 1473.

⁶⁰⁵ *Daily Rated Casual Labour v. Union of India*, (1988) 1 SCC 122.

measures, including retiral benefits. Article 41 directs the State to secure the right to work, education, and public assistance in cases of unemployment, old age, sickness, and disablement. Article 43 emphasizes securing a living wage, decent working conditions, and a social security net for all workers, including those in the informal sector. While not justiciable, these provisions have been invoked by courts to interpret labour welfare laws in a pro-worker direction. In *D.S. Nakara v. Union of India*, the Supreme Court held that pension is not a bounty but a right flowing from the service rendered. The Court expanded the ambit of social security and pension entitlements, stating that differential treatment in pensionary benefits without reasonable justification violates Article 14. Though the case dealt with government employees, it laid a normative foundation for understanding pension as a tool of socio-economic justice.

These constitutional interpretations reflect the judiciary's commitment to progressive realization of social security rights. Nevertheless, without corresponding legislative backing and budgetary support, constitutional promises often remain unfulfilled. The unorganized sector continues to lack universal statutory coverage under these principles, and judicial interpretation alone cannot bridge this policy vacuum. The integration of these constitutional values into enforceable statutory mechanisms remains a crucial area for reform.

D. Role of the Supreme Court and High Courts in Expanding Coverage

The Supreme Court and various High Courts have taken a proactive role in compelling governments to take action on social security for informal workers. In *Bandhua Mukti Morcha v. Union of India*,⁶⁰⁶ the Supreme Court ordered the implementation of welfare schemes for bonded labourers and emphasized the responsibility of the State to protect vulnerable workers. Similarly, in *Laxmi Video Theater v. State of Haryana*, the Court directed

enforcement of the Employees' Provident Fund Act even in cases where employers disputed the number of workers.

High Courts have also been instrumental in ordering compliance with welfare board schemes for construction workers and domestic workers. For example, the Kerala High Court in *K. Chandran v. State of Kerala* emphasized the need for registration and welfare board coverage for domestic workers, urging the state government to operationalize relevant schemes. These interventions reflect the judiciary's recognition of the informal sector's contribution and vulnerability. Despite such directions, enforcement remains lax due to a lack of infrastructure, political will, and coordination between departments. Courts can mandate action, but the executive machinery must follow through with effective policy implementation. There is a visible gap between judicial recognition of rights and practical realization of those rights on the ground, especially in remote and rural areas.

E. Recent Policy Developments and the Code on Social Security, 2020

In 2020, the Indian government enacted the **Code on Social Security, 2020**, which aims to consolidate and rationalize nine existing labour laws related to social security. One of the major highlights of the Code is the inclusion of unorganized, gig, and platform workers within its purview⁶⁰⁷. The Code defines these categories and provides for the formulation of social security schemes including provident fund, pension, and insurance.

The Code represents a significant policy shift toward recognizing the changing nature of employment in India's informal economy. It provides for the creation of a central database and mandates the registration of unorganized workers through Aadhaar-linked identification. It also allows the central and state governments to frame schemes for different categories of informal workers. However, the Code does not make these schemes mandatory for private aggregators or employers in the unorganized

⁶⁰⁶ *Bandhua Mukti Morcha v. Union of India*, AIR 1984 SC 802

sector, leaving implementation largely discretionary⁹. Moreover, the rules under the Code are still under finalization in many states, and full implementation remains pending. Without a clear contribution mechanism and robust enforcement strategy, the Code's potential remains underutilized. The absence of specific deadlines, enforcement agencies, and grievance redressal mechanisms continues to hinder its effectiveness. While the policy framework exists on paper, its translation into meaningful benefits for unorganized workers is still a work in progress.

V. FINDINGS AND SUGGESTIONS

A. Introduction

This chapter presents the consolidated findings of the research and proposes suggestions to address the critical issues identified in the implementation of retiral benefit laws in India's unorganized sector. It builds upon legislative analysis, judicial trends, field-level case studies, and global comparisons discussed in earlier chapters. The purpose is not only to highlight the deficiencies in the existing system but also to offer viable, context-sensitive solutions. Retiral benefits are essential for ensuring income security and dignity in the post-employment phase of life, especially for informal workers who face economic insecurity and social exclusion. Therefore, the suggestions outlined here aim to move towards a more inclusive, accountable, and efficient social security framework in India.

B. Key Findings

1. Fragmented Legal Framework:

Although India has enacted several laws such as the Employees' Provident Fund Act, 1952 and the Code on Social Security, 2020, the coverage remains limited in scope and application to the unorganized sector. Many workers in informal employment arrangements fall outside the purview of mandatory schemes either due to definitional exclusions or administrative neglect. The legal framework lacks universal application

and is riddled with inconsistencies between central and state-level regulations.

2. Poor Implementation of Welfare Laws:

Schemes such as the BOCW Welfare Scheme, PM-SYM, and various state-run welfare boards are underutilized due to poor outreach, cumbersome registration processes, and inadequate fund disbursement. Data from CAG reports and surveys show that thousands of crores remain unspent, and registration of eligible workers remains dismally low in most states. Implementation suffers from bureaucratic inefficiency and lack of coordination between departments.

3. Weak Monitoring and Accountability Mechanisms:

There is a serious lack of monitoring and grievance redressal mechanisms in existing welfare schemes. Beneficiaries often do not know where or how to raise issues, and there are no time-bound systems to resolve them. The absence of a dedicated authority or ombudsman for social security in the unorganized sector leads to administrative opacity and reduces trust in the system.

4. Limited Awareness Among Workers:

The majority of unorganized workers are unaware of their entitlements under various welfare schemes. This is particularly true for domestic workers, agricultural labourers, and self-employed individuals in rural areas. Literacy barriers, digital exclusion, and language issues further compound the lack of awareness, leaving many potential beneficiaries unregistered and unprotected.

5. Absence of Portability and Inter-State Coordination:

For migrant workers, the lack of portability in social security benefits is a significant barrier. Since most schemes are state-specific, workers moving across state lines for seasonal or contract work are forced to re-register or often lose their benefits entirely. This discourages

enrolment and creates gaps in coverage for highly mobile populations.

C. Suggestions

1. Universalize Social Security Coverage:

India must move towards a rights-based approach that guarantees basic social security, including retiral benefits, to all workers irrespective of their employment type. This may include a universal, non-contributory pension for informal workers above a certain age, similar to South Africa's model. Such schemes should be centrally funded and portable across states to ensure continuity of benefits.

2. Strengthen Implementation Through Digitization and Decentralization:

A centralized digital portal should be created for all social security schemes, integrated with Aadhaar and Jan Dhan accounts, to facilitate seamless registration and disbursement. At the same time, implementation should be decentralized, with panchayats, urban local bodies, and worker collectives empowered to facilitate enrolment and resolve local issues. This model would ensure both efficiency and reach.

3. Improve Legal Definitions and Clarify Obligations:

Ambiguities in the definition of "unorganized worker," "gig worker," and "self-employed" should be removed through legislative amendments to the Code on Social Security, 2020. Obligations of employers, including informal ones, must be clearly specified, with appropriate penalties for non-compliance. The role of aggregators and contractors also needs clarification to ensure accountability.

4. Establish a Social Security Ombudsman:

To address grievances related to registration delays, benefit denial, and corruption, a time-bound dispute resolution mechanism must be introduced. A Social Security Ombudsman at the district or state level could serve this purpose, ensuring accessibility and responsiveness. This office should have quasi-

judicial powers to direct compliance and redress worker complaints.

5. Build Awareness Through Outreach Campaigns:

Massive awareness campaigns must be conducted using vernacular media, NGOs, and local bodies to educate workers about their rights and the steps to claim them. Training programs can also be conducted for field-level bureaucrats to sensitize them about the needs of informal workers. Worker registration drives should be made a regular feature, especially during job fairs and public welfare events.

6. Encourage Public-Private Partnerships:

Involving private sector organizations, trade unions, and civil society can help mobilize workers, provide financial literacy, and ensure wider implementation of schemes. Partnerships with digital startups and fintech platforms can also help in simplifying contribution and payout processes for workers who lack bank access or documentation.

VI. CONCLUSION

The implementation of retiral benefit laws in the unorganized sector of India is a critical issue that requires urgent attention and action. Despite the existence of a legal framework, including the Employees' Provident Funds and Miscellaneous Provisions Act, the Payment of Gratuity Act, and the Social Security Code, 2020, significant barriers remain that prevent unorganized workers from accessing their rightful benefits. The lack of formal documentation, inadequate awareness of entitlements, and insufficient government infrastructure contribute to the persistent vulnerability of this workforce. Moreover, the introduction of schemes like the Pradhan Mantri Shram Yogi Maan-Dhan (PM-SYM) represents a positive step towards providing social security to unorganized workers, yet challenges in outreach and implementation continue to hinder its effectiveness. To bridge the gap between legislative intent and practical realities, a multi-faceted approach is essential.

This includes enhancing awareness campaigns, simplifying the registration process, and strengthening the administrative framework to ensure efficient service delivery.

Ultimately, addressing these challenges is not only a matter of legal compliance but also a moral imperative to protect the rights and dignity of millions of workers who contribute significantly to the Indian economy. By fostering an inclusive social security system that effectively reaches unorganized workers, India can take meaningful strides towards ensuring financial security and improving the quality of life for its aging population. This research underscores the need for ongoing dialogue, policy reform, and collaborative efforts among stakeholders to create a more equitable and just framework for retiral benefits in the unorganized sector.

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