

Pradhan Mantri Rojgar Protsahan Yojana

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What is it?

The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme has been designed to **incentivise employers for generation of new employment, where Government of India will be paying the full employer's contribution towards EPF & Employee Pension Scheme (EPS)** both w.e.f 01.04.2018 (earlier benefit was applicable for employer's contribution towards EPS only) for the new employment

Key features of the scheme

- It is implemented by the Ministry of Labour and Employment through the Employees' Provident Fund Organization (EPFO).
- The entire system is online and AADHAR based with no human interface in the implementation of the scheme

Eligibility Criteria for establishments for claiming benefit under the scheme

- Establishment should be registered with EPFO under EPF Act 1952 and have a valid LIN (labour identification number)
- Establishment should have a valid organisational PAN
- Establishment must have a valid Bank Account, the details of which are to be entered and through which payments may be made to the establishment.
- Establishment should have submitted their ECR for the month of March, 2016
- Establishment should have increased the number of

employees on or after 01.04.2016

- For new establishments registered after 01.04.2016, all new employees can be covered subject to meeting of necessary conditions.

Necessary conditions for eligibility of employees under PMRPY

- New employee should have joined in the establishment on or after 01.04.2016 and should not have been a regular employee in any EPF registered establishment prior to this.
- Employer should ensure that the new employee has a valid UAN which is Aadhaar linked. In case it is not available, it may be obtained from the EPFO website. The mobile number and other contact details are to be captured by EPFO.
- The EPS contribution for the new employee will be available for 3 years.
- In case an establishment eligible for a Scheme has a drop/fall in employment from the reference base, the establishment will not be eligible for the scheme in the months where employment is below this reference base

Significance of the scheme

The PMRPY scheme has a dual benefit, where, on the one hand, the employer is incentivised for increasing the employment base of workers in the establishment, and on the other hand, a large number of workers will find jobs in such establishments. A direct benefit is that these workers will have access to social security benefits of the organized sector