



**KAMARAJ IAS ACADEMY**  
Only IAS Academy by Grandson of "Perunthalaivar Kamarajar"

# Pradhan Mantri Viksit Bharat Rozgar Yojana (PMVBRY)

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## Context

- Launched by the Prime Minister.
- Aims to **boost formal employment** in India by providing **direct cash incentives** to eligible employees and employers.
- Target: Creation of **over 3.5 crore jobs in two years**.

## Objective / Aim

- Encourage **first-time employment** in the formal sector.
- Promote **job creation in all sectors**, with a focus on **manufacturing**.
- Support **financial inclusion and savings habit** via part of incentives deposited in savings instruments.

## Key Features of the Scheme

### Part A – Support to First-Time Employees

- Target: **First-time EPFO-registered employees**.
- Incentive: **One month EPF wage up to ₹15,000**, payable in **two installments**.
- Eligibility: Employees with **salaries up to ₹1 lakh/month**.
- Payment Schedule:

**o1st installment:** After **6 months** of service.

**o2nd installment:** After **12 months** and completion of a **financial literacy program**.

- A portion of the incentive is **kept in a savings instrument** for a fixed period to encourage long-term saving.

### Part B – Incentives for Employers

- Target: Employers creating **additional employment**, especially in **manufacturing**.
- Incentive: **Up to ₹3,000 per month** for each additional employee, sustained for **at least 6 months**.
- Special Provision: Manufacturing sector incentives extended to **3rd and 4th years**.
- Eligibility: New employees with salaries **up to ₹1 lakh/month**.

## Payment Mechanism

- **Employees (Part A):** Paid via **Direct Benefit Transfer (DBT)** using **Aadhaar Bridge Payment System (ABPS)**.
- **Employers (Part B):** Paid directly into their **PAN-linked accounts**.

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## Significance

- Promotes **formalization of the labour market**.
- Supports **youth employment** and reduces informal/unorganized sector dependency.
- Encourages **financial literacy and savings habits** among first-time employees.
- Incentivizes **private sector hiring**, especially in **manufacturing**, aiding economic growth.