



Overview of Atmanirbhar Bharat Rojgar Yojna (ABRY): How to Avail It's Benefits and It's Impact on New Employment

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ABSTRACT

The Union Cabinet has given its approval for Atmanirbhar Bharat Rojgar Yojana (ABRY) to boost employment in formal sector and incentives creation of new employment opportunities during the Covid recovery phase under Atmanirbhar Bharat Package 3.0. Under this, Government of India will provide subsidy for two years in respect of new employees engaged on or after 1st October, 2020 and up to 30th June, 2021. 2. Government will pay both 12% employees' contribution and 12% employers' contribution i.e. 24% of wages towards EPF in respect of new employees in establishments employing up to 1000 employees for two years. 3. Government will pay only employees' share of EPF contribution i.e. 12% of wages in respect of new employees in establishments employing more than 1000 employee for two years. To support the Government and give wings to their dream, we, as an Aatmanirbhar Sena, do our best to avail all possible assistance to it. As an Aatmanirbhar Sena, we shall work relentlessly to make people aware of the Scheme's benefits and make them avail of its services. We shall give our best to convert the time of crisis into opportunity by aiding the youths and people in pain. We shall ensure our full-time assistance for those who wish to have their benefits and live their dreams again. We shall strive to provide round-the-clock assistance who wants to join the league of availing the services of the Scheme. Atmanirbhar Bharat Rozgar Yojana is a proper mechanism to boost the employment rate and development in India. Atmanirbhar Bharat Rozgar Yojana is like a rising sun that has come up, spreading its light mitigating the darkness from the lives of our Nation's people. It is no less than a second life for people in distress.

1. INTRODUCTION

The Atmanirbhar Bharat Rojgar Yojana (ABRY) was announced by the Government of India on the 12th of November 2020. Aatmanirbhar Bharat Rozgar Yojana (ABRY) has been launched to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during COVID-19 pandemic. The outlay approved by the Government for the total period of scheme implementation i.e. from 2020 to 2023 is Rs. 22810 Crore.

As part of the Atmanirbhar Bharat 3.0 package, the Central Govt. launched the ABRY to provide assistance to the employers of establishments registered with EPFO to recruiting employed persons including re-

employment of those who were rendered unemployed during the Pandemic. The procedure for availing benefits can be summarized into a stepwise process as follows:-

Step-1: The employer in an eligible establishment shall register the establishment under this Scheme. Disclosing the reference base of employees through a link on the Employer's login page on the EPFO Unified Portal. Prior to registration the employer must ensure that updated ownership returns have been filed with the EPFO.

Step-2: Before taking an employee into employment under this Scheme, the employer must obtain a declaration that affirms their establishment's previous membership under the EPF Scheme and the EPS Scheme. The registration

of new employees must take place during the period from 1-10-2020 to 30-06-2021.

Step-3: The incentive under this Scheme must be claimed through the Electronic-Challan cum Return (ECR). The same must be filed not later than 60 days of the close of a particular wage month.

Step-4: Once the ECR is uploaded in the specified timeframe, the Challan shall show the quantum of employees' and employers' contribution in respect of new employees that shall be provided by the Central Government and any amount payable by the employer. The employer must then remit the payment due and complete the process of ECR filing.

Step-5: Along with ECR to claim subsidy for any wage month, the employer shall be required to upload a certificate/declaration in the format provided under the ABRY scheme Guidelines.

2. SALIENT FEATURES

Government of India will pay both 12% employees' contribution and 12% employers' contribution i.e. 24% of wages towards EPF in respect of new employees in establishments employing up to 1000 employees for two years. Government of India will pay only employees' share of EPF contribution, 12% of wages in respect of new employees in establishments employing more than 1000 employee for two years. Government will pay the subsidy for two years from the date of registration.

a) Eligibility: An employee drawing monthly wage of less than Rs. 15000/- who was not working in any establishment registered with the Employees' Provident Fund Organization (EPFO) before 1st October, 2020 and did not have a Universal Account Number or EPF Member account number prior to 1st October 2020 will be eligible for the benefit,

Any EPF member possessing Universal Account Number (UAN) drawing monthly wage of less than Rs. 15000/- who made exit from employment during Covid pandemic from 01.03.2020 to 30.09.2020 and did not join employment in any EPF covered establishment up to 30.09.2020 will also be eligible to avail benefit.

b) Role of EPFO- Employee Provident Fund Organisation: EPFO will credit the contribution in Aadhaar seeded account of members in electronic manner. EPFO shall develop a software

for the scheme and also develop a procedure which is transparent and accountable at their end. EPFO shall work out modality to ensure that there is no overlapping of benefits provided under ABRY with any other scheme implemented by EPFO

c) Validity of Scheme: The scheme starts from October 1, 2020 and will be open for registration to eligible employers and new employees until June 30, 2021. This benefit will be available for twenty-four months from the new employee's registration date. (In any case not later than 30/06/2023.)

d) Reference Base of Employees:

(i) The number of employees to whom the employer has contributed through the ECR for the pay month of September 2020 will be taken as the reference Aadhaar number to determine the eligibility of an establishment before the commencement of the scheme. . .

(ii) The ECR for the pay month of September, 2020 is filed later than its due date, but the reference base of employees before December 15, 2020 will be the number of employees shown in the ECR for the pay month of September, 2020. , Or the number of employees as of the last ECR which was recorded up to 11.11.2020, whichever is higher.

(iii) For new establishments to be registered in EPFO between 01.10.2020 to 30.06.2021, the reference base of workers will be considered as zero.

3. AMOUNT OF BENEFIT

In respect of ABRY, Central Government will provide 24 months subsidy for eligible new employees on the following scale:

(a) One Thousand (1000) for Establishments Employing and Involving Employees (EPF Members' Contribution with UAN) in the month of September, 2020, the share of contribution as per the statutory rate of employer and employee is maximum 24% of wages. Subordinate establishment. However, these establishments will continue to receive the subsidy of the employer's share even though the number of contributions of EPF members with the UAN during the plan period is more than 1000.

(b) For establishments having more than one thousand (1000) employees (contribution of EPF

members with UAN) in the pay month September, 2020, the share of contribution as per the statutory rate applicable for the establishment under the employees' maximum 12% wage.

4. PROCEDURE AND INSTRUCTIONS FOR AVAILING BENEFITS UNDER ABRY

In respect of any eligible establishment, the employer will first register the establishment under this scheme, which will disclose the employee's reference base through a link in the employer's login on the EPFO Unified Portal. Prior to registration of the establishment under the scheme, the employer shall ensure that the updated ownership return is already registered with the EPFO.

Before employing any employee, the employer shall ensure to receive the same – Declaration as previous membership of Employee Provident Fund Scheme 1952, and Employee Pension Scheme 1995, EPF Member / AC Number / UAN. EPF SCHEME 1952 required previous membership under para 34 of EPF and para 24, EPS SCHEME 1995 maintain such declaration. The employer of the eligible establishment will register new employees under the scheme during the period 01.10.2020 to 30.06.2021.

In respect of any eligible establishment, the employer shall file an electronic Challan cum return (ECR) in respect of all employees for each pay month. No increase in benefits in respect of new employees, any amendment / correction / amendment in such ECR will not be allowed to claim any enhanced benefit at any future date. The eligible Establishment will not be able to claim 40 days after the end of the wage month to get the benefit of any wage month. If such ECR for any month is filed beyond the due date (referred to in para 38 of EPF Scheme, 1952) but within 60 days of pay month, U / S due to EPF & MP Act, 1952 7Q interest liability shall be borne by the employer of such unbridled remittances.

Since the central government is paying EPF of the employee's share, the employer will contribute for the eligible new employees under this scheme. Do not make any deduction for employee's contribution from EPF contribution of

the employee. Paying the monthly wages of any new employee and without salary the deduction to the new employee concerned and filing of declaration in respect of the above along with ECR. Any violation of this condition will be treated as a breach of trust and appropriate legal action in addition to the law will be recovered from the responsible employer.

The benefit received from the Central Government under this scheme will not be booked as expenditure for claiming or receiving any benefit / rebate / concession waiver / relief. Once the ECR is uploaded by the eligible employer for benefits, then the Challan will separately show the amount in respect of the contribution of employees and employers (amount payable by the employer).

In respect of newly eligible employees, the Central Government benefits under this scheme will be credited by the EPFO from the funds allocated by the Central Government to the Aadhaar Seed UAN of new employees.

Wherever the employer has filed ECR for the wage month of October and November, 2020, prior to deployment of the facility for registration under this scheme, the benefits under the scheme which have already been withdrawn through ECR, will be applicable to the employers. The employer will be reimbursed. Future adjustment against employer contributions. The employee's share of the benefit of the newly eligible employee concerned will also be adjusted in their UAN.

Employers and establishments will be responsible for the correctness of all details submitted to claim any benefits under the scheme. Any amount claimed through false or false declaration will be recoverable and other action will be taken under appropriate provisions of law to make such false declaration. With ECR to claim subsidy for any pay month, the employer will need to upload a certificate electronically.

a) Modalities for Implementation of the Scheme: EPFO will develop software to implement this scheme and will also develop a process that is transparent and accountable. Eligibility criteria for employers and employees

must be clearly defined under the software. EPFO will deposit funds electronically in the basic accounts of EPF members.

b) Monitoring Mechanism: EPFO will put in place a robust mechanism to monitor the implementation of the scheme on a weekly basis. EPFO will provide monthly report to Ministry of Labor and Employment (Directorate General of Employment), Government of India for effective monitoring of this scheme.

c) Third Party Evaluation: EPFO will conduct a third party evaluation of the scheme within three months of the closure of the scheme and send a report to DGE, Ministry of Labor and Employment, Government of India. The expenditure incurred for evaluation of the scheme will be borne by the EPFO from its own resources.

5. ILLUSTRATIONS ON ABRY SCHEME GUIDELINES

a) Calculation of Period of 24 Months to Get the Benefit of ABRY Membership (counting period of 24 months for receipt of subsidy benefits)

b) Reference base of employees for ABRY reference base:

(I) Month of salary, for the calculation of employees for the reference base level

Example A

Wage Month, September 2020. ECR filing date 15.10.2020 or earlier

- Number of employees in ECR for pay month September 500. Reference base number of employees 500

Example B

- Wage Month, September 2020
- ECR filing date 16.10.2020 to 15.12.2020
- Number of employees in ECR 500 for the pay scale month September 2020
- The file ECR for September 2020 will be compared with the last ECR recorded till 11.11.2020.
- If the last ECR salary month is Filed 11.11.2020 or earlier of August 2020.
- Number of employees in ECR 510 for salary August 202. The reference base of the employees will be 510.

(ii) Enumeration of employees for reference base of employees.

- M / s XYZ is an installatio. The three EPF codes and Employees in ECR for reference pay month in code number 1111=400, 2222=40, 3333 = 600.

- Total employees of M / s XYZ = 1040. The reference base of employees will be 1040 for the scale of profit for M / s XYZ.

c) Number of New Support Staff for ABRY Eligibility (count of new additional employees for ABRY eligibility)

Example A-1

- M / s XYZ is an establishment.
- Staff in ECR for reference pay month = 50
- Total new employees in October 2020 > = 2
- Total employees in October 2020 > = 52
- Whether eligible for benefits = YES

Example A-2

- M / s XYZ is an installation
- Staff in ECR for reference pay month = 50
- Total new employees in October 2020 > = 2
- Total employees in October 2020 < = 51
- Whether or not eligible for benefits = NO

Example B-1

- M / s XYZ is an installation
- Employee in ECR for Reference Pay Month = 51
- Total new employees in October 2020 > = 5
- Total employees in October, 2020 > = 56
- Whether or not eligible for benefits = YES

Example B-2

- M / s XYZ is an installation. For employees in ECR for reference pay month = 51
- Total new employees in October 2020 > = 5
- Total employees in October 2020 < = 54
- Whether or not eligible for benefits = NO

d) Amount Of Benefits

Example A

- M / s XYZ is an installation. Employee in ECR for reference pay month = 1000
- Total new employees in October 2020 = 5
- Total employees in October 2020 = 1005
- Amount of benefit = 24% of wages

Example B

- M / s XYZ is an installation. Staff in ECR for reference pay month = 1001
- Total new employees in October 2020 = 5
- Total employees in October, 2020 = 1006

- Amount of benefit = 12% of wages.

e) New Employees- Beneficiaries:

Example A-1

- Mr. A left the job on 30.12.2019 from establishment M/sXYZ
- Mr. A joined the establishment M / s PQR on 01.10.2020 with a wage of 14500 /–
- Eligible – no

Example A-2

- Mr. A left the job on 31.08.2020 from establishment M/sXYZ
- Mr. A joined the establishment M / s PQR on 01.10.2020 with a wage of 15000 /–
- Eligible – no

Example B-1

- Mr. A left the job on 30.08.2020 from establishment M/sXYZ
- Mr. A Establishment joins M / s PQR with monthly salary of 12000 /– on 01.10.2020
- Eligible – Yes

Example B-2

- Mr. A left the job on 30.12.2019 from establishment M/sXYZ
- Mr. A joined Establishment M / s RST on 01.02.2020 and left employment on 31.07.2020
- Mr. A Establishment joins M / s PQR with monthly salary of 14000 /– on 01.10.2020
- Eligible – Yes

ABRY impact on their new employment: For establishments having more than 1,000 workers, the reimbursement is restricted to 12% of the employees' contribution. The funds disbursed under the scheme was Rs 1,845 crore, which accounts for only 8% of Rs 22,810 crore earmarked for the period till March 31, 2024. On the number of jobs, 2.56 million formal jobs need to be created before March 2022. On jobs created, while 2.88 million are new employees 0.41 million are re-employed beneficiaries. The flagship scheme was initially announced from October 1, 2020 to June 30, 2021, but was extended till March 31, 2022 after the second wave.

The Economic Times, quoting EPFO data, reported that the total number of jobs created till September this year under ABRY stood at 3.29 million, a year after the scheme was launched. Government reimburses 24%.

Under this scheme, the government reimburses 24%, 12% each for employees and employers for two years for all new formal jobs created in enterprises having up to 1,000 employees. The scheme is applicable for employees earning less than Rs 15,000 per month. Workers who lost jobs during the period between March 1, and September 30, 2020 but later got employed under EPFO-registered establishments after October 1, 2020 are eligible for benefits under the scheme.

For establishments having more than 1,000 workers, the reimbursement is restricted to 12% of the employees' contribution. According to the Centre for Monitoring Indian Economy (CMIE), India had 406.2 million workers till September 2021, which is 2.7 million short of the total workforce in 2019-20.

6. CONCLUSION & SUGGESTIONS

Atmanirbhar Bharat Rozgar Yojana is the Government's positive step towards helping people gets their jobs back. It is a very suitable time for people to get such assistance as the country gets back to business because of Diwali's festive occasion. The Nation had to go through a lot amidst the dark phase of the Pandemic. Now is the time to procure them with employment opportunities and benefits. No other gift can be as great as Atmanirbhar Bharat Rozgar Yojana for the Nation at this point. Amount Reimbursed; Rs.3004.48 Crore Establishment benefited 01,21,819 No. of beneficiaries/ New employees 43,12,834 are some statistics of the scheme.

The Atmanirbhar Bharat Rozgar Yojana was the need of the hour after seeing the trend of jobs and the unemployment rate. Atmanirbhar Bharat Rozgar Yojana is no less than a blessing in disguise for the Nation. The plan has plunged into our lives with new hopes and aspirations.

To support the Government and give wings to their dream, we, as an Aatmanirbhar Sena, do our best to avail all possible assistance to it. As an Aatmanirbhar Sena, we shall work relentlessly to make people aware of the Scheme's benefits and make them avail of its services. We shall give our best to convert the

time of crisis into opportunity by aiding the youths and people in pain. We shall ensure our full-time assistance for those who wish to have their benefits and live their dreams again. We shall strive to provide round-the-clock assistance who wants to join the league of availing the services of the Scheme. Atmanirbhar Bharat Rozgar Yojana is a proper mechanism to boost the employment rate and development in India.

Atmanirbhar Bharat Rozgar Yojana is like a rising sun that has come up, spreading its light mitigating the darkness from the lives of our

Nation's people. It is no less than a second life for people in distress.

The suggestions of this Atmanirbhar Bharat Rozgar Yojana are as follows -

- a) For registration in Atmanirbhar Bharat Rozgar Yojana the salary limit of employees should be more than Rs. 15000.
- b) Publicity of this Yojana should be done better in the institutions.
- c) Employees should be motivated by this Atmanirbhar Bharat Rozgar Yojana. ●

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