HOW TO AVAIL BENEFIT UNDER PMGKY

Eligible employers : Please read this document before filing ECR

The Scheme under Pradhan Mantri Garib Kalyan Yojana (PMGKY) for the upfront benefit to the Employers having employment up to 100 and whose 90% of the employees were getting wages less than 15000 has been issued on 10th April 2020.

Based on the Scheme changes have been made in the Unified Portal so that the eligible employers may avail the benefit of the Scheme.

There is no change in the process of ECR filing or in the format. The eligible employers will only have to submit a declaration before filing the ECR.

The eligible establishments have been identified based on the ECRs filed by them taking into consideration:
- The contributory member count from September 2019 to February 2020.
- If the total number of such UANs has been found to be up to 100 and against these UANs the wages of 90% or more is less than 15000/.

Against each of the eligible establishments, eligible members having less than 15000 wages have also been listed.

When any employer logs into the Unified Portal, if the establishment code is not in the list of eligible establishments, he will not find any change while filing his ECR.

For eligible establishments:

In case an establishment has been identified as eligible, the ECR screen will ask the employer to submit a **declaration**. Before submitting the declaration ECR filing will not be permitted.

The employer will have to declare the total number of employees for the month and the total number of employees getting wages less than 15000.

If the % of employees drawing wages less than 15000 is less than 90%, benefit will not be given.

Since the employer may have several branches and excluded employees, he may also disagree with the declaration. In such case also the benefit will not be given.

Benefit will be given by the system only when:

- The employer declared up to 100 employees as total number of employees.
- The employer has declared such numbers of employees getting less than 15000 wages that the % is 90 or more, and
- He agrees with the declaration.

Please note: Declaration once submitted for a month cannot be edited.

Declaration has to be submitted for the three months that is March, April and May 2020 separately.

After a declaration is submitted there is no change in the ECR filing process. For the establishments that have agreed with the declaration, the system does the following:

Establishment wise validation

- The normal format validation will be run.
- The system will check the count of employees in the ECR file and if more than 100, will not allow benefit.
- The system will calculate the % of employees having less than 15000 wages in the uploaded file and if the % if less than 90, no benefit will be given.

UAN wise validation:

- Wages are below 15000.
- System will calculate the maximum dues and if amount paid is more, it will not allow benefit. (Say for example for wages 10000 if amount of 12% shown is 1210 instead of 1200, no benefit)
- In case the UAN is not validated against Aadhar, system will not give the benefit.

Benefits:

- In rest of the cases the benefit will be given as follows:
- Members eligible for PMRPY, the benefit will be given from PMRPY for the employer share. Employee share will come from PMGKY.
- Member eligible for only PMGKY, both share benefit will be given from PMGKY.
- If member is not member of Employees Pension Scheme, the benefit will be given in both shares in EPF.
- For exempted establishment the upfront benefit will be against the EPS Share.

The total amount of subsidy will be reduced in challan and only the reduced amount will have to be paid by the employer. He will have to pay the EDLI contribution and Administrative charges and the contributions for non-eligible members.

Please also note: Benefit will be given, if eligible, only against the First ECR. Once an ECR is uploaded, second ECR will not be considered for benefit.
The employers have been asked through the Scheme to file only one ECR for the month.