BACKGROUNDERS
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Government of India

# Pradhan Mantri Viksit Bharat Rojgar Yojana (PM-VBRY)

*Expanding Formal Employment, Securing India's Workforce*

01 August 2026

*India's workforce is a catalyst of its journey towards Viksit Bharat 2047. Quality employment is central to inclusive growth. The Pradhan Mantri Viksit Bharat Rojgar Yojana (PM-VBRY) supports this vision by encouraging first-time employment and incentivising employers to create new formal jobs. Through an EPFO-linked, technology-driven framework, the scheme promotes workforce formalisation, expands social security coverage and strengthens financial security for workers. By combining employment generation, financial inclusion, transparent implementation, PM-VBRY is building a skilled, secure, future-ready workforce to support India's long-term economic growth.*

## The Promise of India's Demographic Dividend

India's young and dynamic workforce is one of its greatest strengths. It offers a unique opportunity to drive economic growth and deliverthe vision of **Viksit Bharat 2047**. Millions of young people enter the labour market each year. Expanding formal employment with social security is essential to transform this demographic advantage into sustained and inclusive development.

The **Pradhan Mantri Viksit Bharat Rojgar Yojana (PM-VBRY)** reinforces the national priority by encouraging first-time employment and supporting job creation. Through a transparent, **Employees' Provident Fund Organisation (EPFO)- administrated framework**, it strengthens workforce formalisation while creating opportunities for both employees and employers.

## Turning Opportunity into Employment

Announced in August 2025, PM-VBRY is being implemented over a two-year period from **1 August 2025 to 31 July 2027**, with an outlay of **₹99,446 crore**. On **1 August 2026**, the scheme completes one year of implementation, **marking an important milestone in India's efforts to expand formal employment and social security coverage.**

PM-VBRY aims to generate employment for over **3.5 crore** people, including **1.92 crore first-time employees**. The scheme encourages young people to enter the organised workforce through EPFO registration. It also expands social security coverage across various sectors, particularly labourintensive manufacturing. It **complements the National Manufacturing Mission** by **promoting employment in new and expanding industries**.


## A Win-Win for Employees and Employers

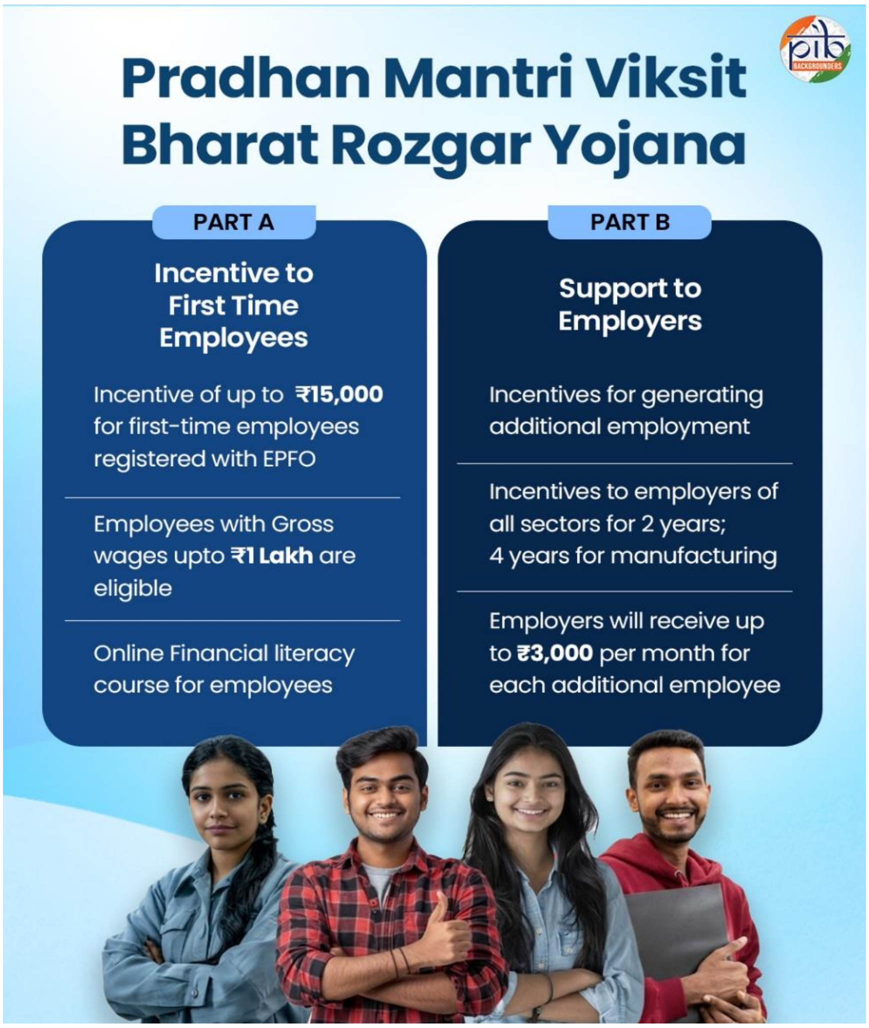
At the heart of PM-VBRY is a **two-part incentive framework**, with distinct provisions for employees and employers.

**Part A: Incentive to First-Time Employees**

- First-time employees earning up to **₹1,00,000 per month** are eligible for this part.
- They receive a **one-time incentive** equivalent to one month's EPF wage, capped at **₹15,000.**
- The incentive is paid in **two instalments**. The first is paid after **six months** of service and the second after **twelve months** of continuous service, following completion of a financial literacy programme.
- A portion of the incentive is invested in a designated savings instrument, encouraging financial security and savings. It can be withdrawn by the employee at a later date.

**Part B: Support to Employers**

- Employers are **eligible for incentives for employees** with salaries of up to ₹1,00,000 per month.
- Employers receive up to **₹3,000 per month** for **two years** for every eligible additional employee retained for at least **six months**.
- The support lowers hiring costs and encourages sustained employment generation.
- For the manufacturing sector, incentives are **extended to the third and fourth years as well**, owing to high employment generation potential.




## PMVBRY's IMPACT

Within its first year, PM-VBRY has strengthened workforce formalisation by encouraging first-time hiring and expanding social security coverage. The scheme is helping bring more workers into the organised sector while encouraging employers to create new jobs across industries.

- **Over 72 lakh first-time employees** have joined the formal workforce since August 2025.
- Nearly **30% of beneficiaries are women**, promoting greater female participation in formal employment.
- **More than 15 lakh beneficiaries** have already received employment-linked incentives under the scheme.
- By linking employment with EPFO registration and direct benefit transfers, PM-VBRY is strengthening India's organised labour market and creating a more secure talent pool.

Source: Ministry of Labour and Employment

## PM-VBRY's Digital Governance and Efficient Delivery

PM-VBRY leverages digital technologies to ensure transparent, efficient and accountable implementation. The scheme enables seamless verification, benefits transfer and real-time monitoring.

- The scheme is implemented through a **fully digital, EPFO-linked platform**, ensuring seamless verification and efficient benefit delivery.
- It uses **Aadhaar-based authentication**, **Universal Account Numbers (UANs),** and regular **Electronic Challan-cum-Return (EC**R) filings. Incentives are available only after the UAN is authenticated through Face Authentication Technology on the UMANG App. This ensures compliance while expanding social security coverage.
- Incentives are transferred directly to Aadhaar-linked bank accounts through **Direct Benefit Transfer (DBT)**, enhancing transparency and accountability.
- **A PM-VBRY portal** facilitates end-to-end scheme implementation and provides real-time monitoring of beneficiaries and sector-wise progress.

Awareness about the scheme and its provisions is promoted through extensive outreach efforts across the country. **Cross-Functional Teams** comprising officials from EPFO, **Employees' State Insurance Corporation (ESIC),** and the **Chief Labour Commissioner (CLC)** support these efforts **by increasing participation at the grassroots level.**

## Empowering India's Workforce

As India advances towards sustained and inclusive growth, quality employment will remain central to improving livelihoods and economic resilience. **By encouraging first-time employment and supporting job creation, PM-VBRY is strengthening India's formal employment ecosystem and expanding social security coverage.** As the scheme completes its first year, it reaffirms the Government's commitment to unlocking the full potential of India's demographic dividend.

### References


**Ministry of Labour and Employment**

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**Others**

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