National Pension Scheme for Traders and Self Employed Persons

Syllabus subtopic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes.

News: National Pension Scheme for Traders, Shopkeepers and Self-Employed Persons (originally proposed name was, Pradhan Mantri Laghu Vyapari Maan-dhan Scheme) has been launched on 12.09.2019

Prelims focus: Key features, eligibility of the scheme.

Mains focus: Need for and significance of the scheme.

About the scheme:

It is a pension scheme for the Vyaparis (shopkeepers/retail traders and self-employed persons) with annual turnover not exceeding Rs 1.5 crore.

- It is a voluntary and contributory pension scheme.
- The enrolment under the scheme is free of cost for the beneficiaries.
- The enrolment is based upon self-certification.
- It has a provision for minimum assured pension of Rs 3,000/- monthly on attaining the age of 60 years.
- The Central Government shall give 50 % share of the monthly contribution and remaining 50% contribution shall be made by the beneficiary.

Eligibility:

1. Beneficiary is required to have an Aadhaar card and a saving bank/ Jan-dhan Account passbook only.
2. He/ She should be within 18 to 40 years of age group.
3. GSTIN is required only for those with turnover above Rs. 40 lakhs.
4. The beneficiary should not be income tax payer and also not a member of EPFO/ESIC/NPS (Govt.)/PM-SYM.
Significance:

This scheme will target enrolling 25 lakh subscribers in 2019-20 and 2 crore subscribers by 2023-2024. An estimated 3 crore Vyaparis in the country are expected to be benefitted under the pension scheme.