Mahatma Gandhi Pravasi Suraksha Yojana

Why in news?

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The Union Cabinet chaired by the Prime Minister has approved closure of the Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY) which was set up in 2012.

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What is the scheme about?

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- Mahatma Gandhi Pravasi Suraksha Yojana is a special social security scheme which includes Pension and Life Insurance, introduced by Ministry of Overseas Indian Affairs.
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- It is for the overseas Indian workers in possession of Emigration Check Required (ECR) passports.
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- It is a voluntary scheme designed to help workers to meet their three financial needs: saving for retirement, saving for their return and resettlement, and providing free life insurance offering coverage for death from natural causes.
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- The subscription under the MGPSY was very low and no new subscription was received for more than a year.
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- Closure of the scheme will, therefore, obviates the avoidable recurring administrative and record-keeping expenditure.
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What are the main attractions of the scheme?

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- Government contribution of Rs.1,000 per annum in line with Swavalamban

platform for all MGPSY subscriber who save between Rs.1,000 and Rs.12,000 per year in NPS-Lite.
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- An additional government contribution of Rs.1,000 per annum by MOIA for the overseas Indian women workers who save between Rs.1,000 to Rs.12,000 per year in NPS-Lite.
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- A special government contribution of Rs.900 by MOIA towards Return and Resettlement (R&R) of the overseas Indian workers who save Rs.4,000 or more per annum.
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Source: PIB, Ministry of External Affairs

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