

## **INSTRUCTIONS FOR USING THE VERSION 6.0 OF THE E-RETURN TOOL**

With the change in the wage ceiling and the new conditions regarding no membership of the Employees' Pension Scheme 1995 in cases where the fresh member joins an establishment on wages above the wage ceiling of Rs 15000/- and that the existing member if any contributing on wages above the ceiling earlier are required to submit a fresh consent letter and have also to pay an amount of 1.16% of wages above Rs. 15000/-, new changes have been brought in the e-return tool.

The changes are listed as follows:

1. For any new member added or uploaded in the tool version 6.0 the date of joining will be mandatory so that the system knows that the date of joining is on or after 01.09.2014.
2. The members for whom the date of joining is already there or for whom the tool has the wage data for the month of August 2014, the software will treat them as existing members who joined before the notification date.

It is advised to add the correct date of joining for the existing members for correctness in the results from the tool.

For the handling of the Pension Contribution and the member share, following has been done in the EMPLOYEE MASTER:

### **For the existing Members:**

- a. In case the contributions under both PF and Pension were up to wage ceiling: no change is required in the Employee Master
- b. In case the PF was on above wage ceiling and the Pension was on up to the wage ceiling, no change.
- c. In case both shares were on above wage ceiling:
  - \_ If the employees has given consent and the Pension Contribution has to continue on the wages above wage ceiling. No change.
  - \_ If the member does not want to pay the amount of 1.16 % on the wage above the wage ceiling, then the Flag for the wages for Pension should be changed to N from Y.

**For employees joining on or after 01.09.2014:**

- a. In case the member is a fresh member and the wages on which he is going to work is below Rs. 15000/-:  
The flags under the PF and EPS will be as follows;  
PF: N (Meaning NO)  
EPS: R (Meaning that when the wages will reach 15000 or cross it the EPS contribution will be restricted to the contribution on wage ceiling)
- b. In case the member is a fresh member as per his declaration in Form 11 and the employer is willing to pay above the wage ceiling:  
The flags under the PF and EPS will be as follows:  
PF: Y (Meaning that the PF contribution will be on wages above the wage ceiling)  
EPS: Z (Meaning that he will not be a Pension Fund Member and the Pension Contribution will be 0)
- c. In case the member joins after the date but was an existing member under EPF Scheme and was contributing for the Pension Fund up to the wage ceiling:  
PF: Y (Meaning that the PF contribution will be on wages above the wage ceiling)  
EPS : R (Meaning that his EPS Contribution will be restricted up to contribution on wage ceiling, and there will not be member share of 1.16%)
- d. In case the member joins after the date but was an existing member under EPF Scheme and was contributing for the Pension Fund above the wage ceiling and is willing to pay the member share of 1.16% on wages above the wage ceiling:  
PF: Y (Meaning that the PF contribution will be on wages above the wage ceiling)  
EPS : E (Meaning that his Pension Contribution will be on wages above wage ceiling and the member share of 1,16 % will also be calculated on the wages above 15000/-)

## For International Workers

### In case a fresh employee who joined on or after 01.09.2014

PF: Y or N as for International Worker the PF Contribution will be on wages entered irrespective for the ceiling.

EPS: Z (Meaning that he will not be a Pension Fund Member and the Pension Contribution will be 0)

| Member Existing/New | PF higher wages | Pension Higher Wage Flag | PF Contribution             | Pension Contribution        | Remarks                                |
|---------------------|-----------------|--------------------------|-----------------------------|-----------------------------|--|
| Existing            | N               | N                        | Up to wage ceiling          | Up to wage ceiling          |  |
| Existing            | Y               | N                        | On wages even above ceiling | Up to wage ceiling          |  |
| Existing            | Y               | Y                        | On wages even above ceiling | On wages even above ceiling | Addl. 1.16% as member share of Pension |
| New Member          | N               | R                        | Up to wage ceiling          | Up to wage ceiling          |  |
| New Member          | N               | Z                        | Up to wage ceiling          | Zero contribution           |  |
| New Member          | Y               | Z                        | On wages even above ceiling | Zero Contribution           |  |
| New Member          | Y               | E                        | On wages even above ceiling | On wages even above ceiling | Addl. 1.16% as member share of Pension |

|                       |          |          |  |                               |  |
|-----------------------|----------|----------|--|-------------------------------|--|
| <b>New<br/>Member</b> | <b>Y</b> | <b>R</b> | <b>On wages<br/>even above<br/>ceiling</b> | <b>Up to wage<br/>ceiling</b> |  |
|-----------------------|----------|----------|--|-------------------------------|--|