

# EMPLOYER SERVICES

## EMPLOYEES' PF ORGANISATION



# **EMPLOYER RESPONSIBILITIES**

## **NEW ESTABLISHMENTS**

- Register establishment with EPFO on crossing the eligibility threshold – 20 or more employees of specified establishment types.
- Other establishments - not statutorily required to register - can register voluntarily.
- Registration is on-line, free of cost and hassle free. No requirement of visiting EPF office.
- PAN is mandatory for registration. Digitally sign and upload requisite documents.

## **EXISTING ESTABLISHMENTS**

- Update establishment/owner particulars – online (FORM 5A).
- Register digital signature for facilitating e-enabled on-line services.
- Visit <http://www.epfindia.gov.in/> → For Employers, for details.

# **EMPLOYER RESPONSIBILITIES –RETURN & REMITTANCE**

- Timely payment of EPF dues is in business interest of establishments.
- Reserve Bank of India had, on 16<sup>th</sup> April 2012 issued direction to all Scheduled Commercial Banks to ensure on an annual basis that “all statutory dues, including EPF dues have been paid by the borrower.”
- Establishments using Bank credit from any Scheduled Commercial Bank are required to furnish an annual certificate to their auditors to this effect.
- EPF compliant status of an establishment aids the business enterprise in Indian as well as overseas business transactions.

# EMPLOYER RESPONSIBILITIES

- EPFO solicits cooperation of all establishments in ensuring a decent post retirement life for all workers.
- EPFO solicits advice and suggestions from employers and establishments in facilitating achievement of this goal.
- Enrolment of all eligible employees on its rolls (regular or contractual) – wages upto Rs 15,000 at the time of joining the establishment.
- New employee already a member of EPF from his/her previous employment would continue to remain EPF member.
- Confirm remittance status of contractual employees belonging to an EPF registered establishment before releasing payment to such contractors.
- Enroll employees drawing wages more than 15,000, if they so desire.
- Verify and confirm that all employees have KYC (Aadhaar, Bank Account, PAN) compliant UAN (Universal Account Number).

# EMPLOYER RESPONSIBILITIES –RETURN & REMITTANCE

- Generate UAN for new employee and upload KYC information.
- Update family particulars and nomination of all employees who are EPF members.
- Deduct employee share from employee wages, add matching employer contribution, EDLI contribution and administrative charges and remit to EPF along with prescribed return immediately after disbursement of salary. (last date 15<sup>th</sup> of the month).
- Before making payment to contractor, Principal Establishment should verify whether EPF remittances have been made by contractors ([www.epfindia.gov.in](http://www.epfindia.gov.in)-->Our Services → For Employers → Important Links → Establishment Search)
- If remittance is not made, deduct the amount from payments being made to contractors and pay to EPFO {Section 8A, EPF & MP Act 1952}

# **DIGITAL INDIA & EASE OF DOING BUSINESS**

- Filings for establishments have been simplified through a single window.
- On-line services facilitate convenience, reduce cost, make transactions rule based and eliminate arbitrary response to establishments' service requests.
- EPF establishment services are all on-line, digitally enabled and without an human interface.
- Establishments' filing of their employees' EPF claims are presently paper based.
- Employees' member accounts transfer claims are digitally enabled.

# EPF EXPECTATIONS FROM EMPLOYERS

- For all new employees joining an establishment ascertain if s/he is having an UAN.
- If yes, whether UAN is KYC enabled? If yes then collect the KYC furnished earlier by employee to previous employer and confirm the same to EPFO.
- If employee is having UAN but no KYC, collect and upload KYC.
- If employee not having UAN then certify the same for generation of UAN by EPFO, collect KYC and upload.
- If contractor establishments are engaged by the Principal establishment, ensure that EPF dues for all contractual employees are paid.
- If not paid by contractor, deduct the amount from dues payable to contractor.

## **PF EXEMPTED ESTABLISHMENTS**

- Statutory EPF contribution should be deducted from all eligible employees.
- EPF contribution deducted should be transferred to the Trust well in time and it should not be kept with the PF exempt establishments.
- The amount transferred to the Trust should be invested by the Trust in accordance with prescribed pattern of investment.
- No investible amount should be lying un-invested with the Trust.
- Settlement of claims and benefits disbursement by the Trust should be in accordance with conditions of exemption.



## **“EXCLUDED” ESTABLISHMENTS RESPONSIBILITIES**

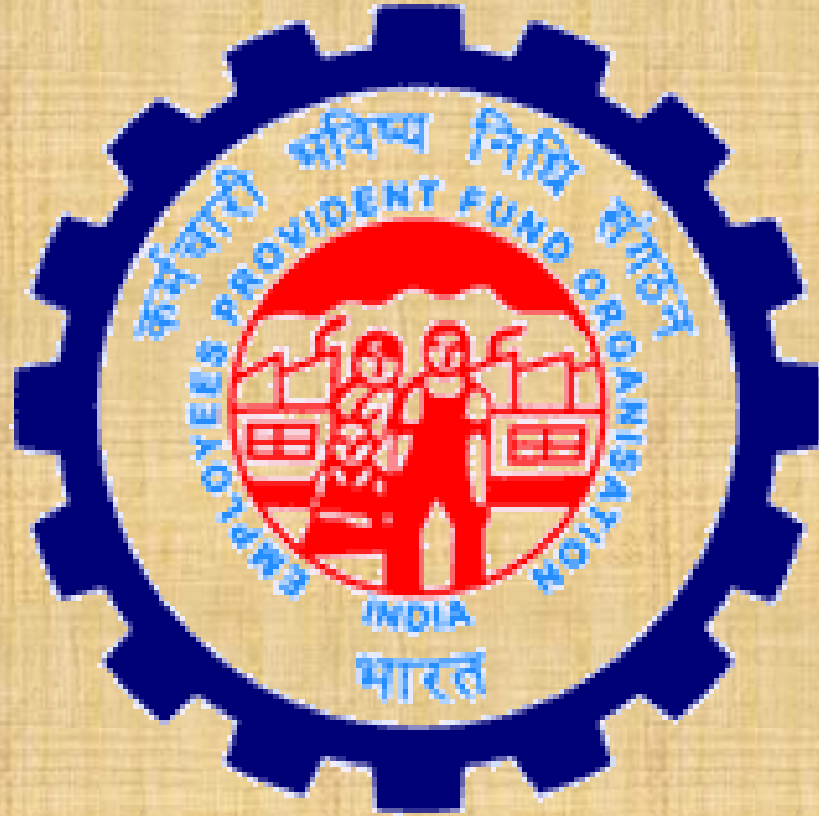
- Section 16 of the EPF & MP Act 1952 excludes certain classes of establishments from EPF.
- These primarily include establishments:-
  - i. belonging to or under the control of the Central Government or a State Government AND
  - ii. **WHOSE EMPLOYEES ARE ENTITLED TO THE BENEFIT OF CONTRIBUTORY PROVIDENT FUND OR OLD AGE PENSION IN ACCORDANCE WITH ANY SCHEME OR RULE FRAMED BY THE CENTRAL GOVERNMENT OR THE STATE GOVERNMENT GOVERNING SUCH BENEFITS;**
- Establishments having employees not covered by (ii) above are required to be enrolled under EPF.

## **“EXCLUDED” ESTABLISHMENTS’ RESPONSIBILITIES**

- Excluded establishments having contractual employees employed directly or through a contractor, or both, are required to be enrolled under the EPF & MP Act, 1952.
- Contract details are to be furnished by all Principal employers to EPFO to ascertain & follow up compliance status of all contractual employees.
- Government of India CPWD Works Manual 2012 specifies “ Responsibilities of Contractor” in Section 34.5 as under:-

***“(1) The contractor shall comply with all the provisions of the Minimum Wages Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970 and rules framed there under, and other labour laws affecting contract labour that may be brought into force time to time.”***

- All establishments following the above Manual may ensure payment of EPF dues in respect of all such establishments.



***THANK YOU***