

Office of the National Provident Fund Commissioner, U.P.

Registered A/11

Sub-Regional Office 2nd Floor, M.D.A. Building

Civil Lines, Meerut.

No.
To

CL/UP/13278-1/18718

Dated 17.8.82

M/s Saraswati Engineering Agency
C-7, Industrial & Estate
B. B. Road, Saharanpur

Sub: - Employees' Provident Funds and Misc. Provisions Act, 1952 and the schemes framed thereunder.
Applicability of Allotment of Code Number-regarding.

Sir (s),

Enquiries made by this office/information available on records of this office reveal that Employees' Provident Funds and Misc. Provisions Act, 1952 and the Schemes framed thereunder applicable to your factory/establishment including all its branches/departments, if any, with effect from 1-4-86 provisionally, subject to further verification of your records for the prior period because.

- (a) (i) It is factory engaged in the industry of E.M. G.E., which is specified in schedule 1 of the Employees' Provident Funds Act, 1952.
- (ii) It is an establishment of class of establishments of T to which the said Act has been made applicable by Notification No. G. S. R. No. Dated issued under section 1(3)(b) of the Employees' Provident Funds Act, 1952.

(b) It has completed 1/5 years from the date of its set up as required under section 16 (1) of the Act on or before 1-4-86.

(c) It has employed 20/50 and more person on 1-4-81.

2. Accordingly a Code No. "UP/13278" is hereby allotted to your factory/establishment together with its branches and you should make compliance of the provisions contained in the E. P. F. & Misc. Provision Act, 1952 and also the Employees' Family Pension Scheme, 1971, from the date the Act is found applicable to your establishment as stated above, under this code No. UP/13278 which should invariably be quoted in all Provident Fund returns and correspondence with this office.

3. You should submit in duplicate a return in Form-9 prescribed under the Employees' Provident Funds Scheme, 1952 showing all the employees of your establishments employed by you or through contractor entitled to become members of the Employees' Provident Funds on the date of commencement of the Scheme in your establishment, viz 1-4-86 within 15 days from the date of receipt of this communication.

4. As provided in paragraph 26 of the Employees' Provident Funds Scheme, the following employees working in or in connection with the work of your establishment shall be eligible for membership of the fund and be so enrolled.

- (a) Every employee who on the date mentioned in paragraph 3 above has put in three months continuous service or has actually worked for 60 days in a period of 3 months or less in your establishment or in any other establishment of yours to which the Act applies or partly in one and partly in the other or has been declared permanent whichever is the earliest.
- (b) Every employee who is a subscriber to a Provident Fund maintained in respect of your said establishment or in respect of any other establishment of yours to which the Act applies.

NOTE: The following category of employees will not be eligible for such membership-even if they fulfil the conditions (a) and (b) above.

- (i) Those who are drawing more than Rs. 1600/- per months at the time of commencement of the scheme or on their becoming eligible for membership. But an employee, who has already been enrolled as a member while his pay was less than Rs. 1600/- will continue to be member and will contribute to the Fund even after his pay increases to more Rs. 1600/- but the employer's contribution would be restricted to that due on Rs. 1600/- If, however, both the employees and employers desires to contribute on the pay in excess of Rs. 1600/- they would be permitted to do so on a joint request to that effect (prior to 11-12-1976, the above said limit was Rs. 1000/-).
- (ii) Those who are employee after withdrawing their Provident Fund accumulations on retirement from service after attaining the age of 55 years.
- (iii) Apprentices appointed under the standing orders duly certified by a competent authority if declared as such by an authority specified in this behalf.

5. Every employee, who has completed the qualifying service of 60 days or three months as mentioned above is eligible for membership from the first of the month following that in which he completed the said service. Particulars of such employees should be furnished in Form No. 5 within twenty five days of the close of each month alongwith the monthly statement of contribution in Form 12-A referred to in paragraph 18 below if not such person becomes eligible for membership in a month a return be submitted by the due date.

NOTE (i) For the purpose of determining the 60 days of actual work of any employee mentioned in

- paragraphs 4 and 5 above.
- (a) Period of voluntary unemployment caused by a cessation of work due to shortage of raw material or other similar cause.
- (b) Period of authorised leave.
- (c) Sundays and other holidays intervening the days of actual work shall be deemed to be days on which the employee has worked in the factory or other establishment.
- (d) In the case of female employees, periods of maternity leave for any number of days not exceeding twelve weeks shall also be deemed to be days on which the employee has worked in the establishment. (The attendance of a worker for half a day would be one day a. Work for the purpose)
- (ii) Continuous service mentioned in paragraph 4 above shall mean uninterrupted service but would include service which is interrupted by sickness, accident, authorised leave, strike which is not illegal or involuntary unemployment. Provided that an illegal strike shall not constitute a break in the service of an employee where his employer has condoned the break in continuous service due to such illegal strike or where an employee is continued in employment without prejudice to this continuity of service, either as a result of a settlement between him and the employer or an award.

6. Every excluded employee as mentioned at Note No. (i), (ii) and (iii) under paragraph 4 above employed in or in connection with the work of your establishment shall be eligible for membership from beginning of the month following that in which he ceased to be such an excluded employee provided he has completed the required qualifying service.
7. Notwithstanding the general rule stated above, on joint request made in writing by any employee who is not otherwise eligible for membership and his employer, the Commissioner may allow him to become a member of the fund provided the employer gives an undertaking in writing that he shall pay necessary administrative charges at the prescribed rates and comply with all the statutory provisions in respect of such employee.
8. Every employee who has been enrolled as a member is required to make a nomination in Form-2 conferring the right to receive the amount standing to his credit in the fund in the event of his death. All such nomination forms should be filled in accordance with the instructions in paragraph 61 of the Scheme and be submitted to Regional Provident Fund Commissioner in duplicate along with Form 9 or 5 above as the case may be mentioned in paragraphs 3 and 5 above. Any subsequent change in Form 2 is to be notified in Form 8 which is also required to be submitted in duplicate.
9. In respect of seasonal factory or seasonal establishment under paragraph 2 (kk) and 2 (kkk) of the Scheme, every employee who has actually worked for not less than 2/3rd of the period, the seasonal establishment was in operation during 3 month subject to maximum 60 days shall be deemed to have completed 3 months continuous service.
10. You are also required under paragraph 34 of the Scheme to obtain a declaration in Form-11 from every employee's before taking him into employment whether or not he was employed in an establishment covered under the Act before and was already a member of fund or an exempted provident fund. His eligibility to membership of the fund may be determined accordingly. If any employee is found to be having membership in any of the said Funds, that is to say, if he has not fully and finally withdrawn his provident fund, membership from the date of his joining your establishment.
11. The declaration in Form 11 may also be obtained from the employee's who are not found eligible for the membership of the fund on the date of coverage of your establishment.
12. The names of persons who leave service in a month should be shown in the prescribed form No 10. This return should be submitted before the 25th of the month following that to which it relates along with the monthly statement of contributions in Form 12 A referred to in paragraph 5 above. Even if no persons leaves your service in a month a 'NIL' return shall be submitted, by the due date.
13. As provided under paragraph 29 of the Employee's Provident Funds Scheme 1952 the contributions payable by the employers will be at the rate of 6 1/4% of basic wages dearness allowance (including cash value of food concession every month, and retaining allowance if any) payable to each employee every month. The contributions by the employees shall be equal to the contribution payable by employer. An employee desiring to contribute at a rate higher than 1 1/4% may be allowed to do so provided prior permission is obtained from the Regional Provident Fund Commissioner for contributing at the higher rate. An employee desiring to contribute at the rate higher 6 1/4% must send application in triplicate (in Form No 4) to this office two months before. The beginning currency period, i. e. 1st February. A member will be Permitted to alter the rate payable by the employee only once in year.

NOTE.: Or your employing 50 person on any day you will be liable to pay contributions at the rate of 8% from the last of the moth in which your strength of employment reaches 50.

14. For the purpose of calculating contributions, the wages paid for each wage period should be first rounded off to the nearest rupee i. e. 50 paise or more to be taken as one rupee and less than 50 paise to be ignored. The contributions should be calculated to the nearest 25 paise and less than 12 5 paise to be ignored.
15. The employer should in the first instance pay both the employer should in the first instance pay both the contributions payable by himself and also on behalf of the member employed by him directly or by or through a contractor, before the 15th of the month following that to which they relate. The payment of contributions to the Employee's Provident Fund should not, therefore, be delayed for reasons of non disbursement of pay to the members of even of non withdrawal of pay by them.
16. Under paragraph 38 of the Scheme, you should before paying member his wages, deduct from his

25. In case of delay in payment of Employee's Provident Fund or Family Pension dues, you are liable to pay damage at the rate ranging upto 100% of the arrears as provided under section 14-B of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952, on all delayed credits of Provident Fund contributions, administrative charges and Family Pension contributions, into the Employee's Provident Fund Account No. 1, 2 & 10 respectively, which may please be noted carefully.
26. If some of the employees shown in Form-9 were member of a Provident Fund of the establishment at the commencement of the Employee's Provident Funds Scheme, the accumulations in the Private Provident Fund standing to the credit of such employees should be remitted into State Bank of India to the credits of Employee's Provident Fund Account No. 1 in separate challans and the triplicate copy of challan be sent to this office. All the accounts relating the Provident Fund accumulations lying invested in securities should be transferred to the Employee's Provident Fund by having the securities duly terms served favor of General Board of Trustees, Employee's Provident Fund and the securities thus transferred should be sent to this office. Detailed instruction, if required in this connection will be given on request. The nature of securities should invariably be given before seeking instruction.
27. The members are normally required to submit their applications in the prescribed forms for change in rate of contribution, for grant of advance for construction, purchase of dwelling house/sites, payment of Insurance premia, purchase of shares of cooperative societies etc., and claims from refund of final dues on cessation of service to the Regional Provident Fund Commissioner through you. In all such cases, you are required to ensure that these documents are purely completed in all respects and supported with all relevant documents are forwarded to this office as expeditiously as possible. Specially in the case of final payment of claims it should be ensured that documents like Form 5, 3-A, 10 and 12-A have been submitted in respect of outgoing members in question. If not these should be sent along with claim application to enable this office to settle the final claim expeditiously. In case of deceased member where the claim is preferred by the nominee/heirs, please ensure that the claim application in prescribed form is accompanied by the death certificate.
28. All the various forms prescribed under the various Schemes, framed under the Act are available in this office of the Provident Fund Inspector *S. Ananthpur* and will be supplied free of cost to these forms is enclosed for ready reference and doing needful. Any clarification regarding calculating had direct from this office or that of the Area Provident Fund Inspector.
29. Printed copies of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952, the Employee's Provident Funds Scheme, 1952 are available with the Manager, Government of India Publication, Delhi and may be had from him direct against cost payment.
30. In all your correspondence with this office, the number and date of your previous reference/letter of atleast the Code number allotted to your establishment vide paragraph 2 above should invariably be quoted. In matters relating to individuals members reference to the account number allotted to them in the Form-9 will be very essential.
31. An Inspector appointed under section 13 of the Act will be visiting your establishment for checking of Provident Fund accounts from time to time and you are requested to afford him all facilities and cooperation in the discharge of his statutory duties. An inspection book maintained in the following proforma be produced to him for recording his observations. His observations should be complied with promptly and intimation of such compliance be given to both, the concerned Inspector as well as to this office.

PROFORMA OF THE INSPECTION NOTE BOOK

- (1) Name of the Inspector.
- (2) Date of visit.
- (3) Period for which accounts are checked.
- (4) Observation.

32. Please comply with the above instructions and submit your compliance report within 15 days of receipt of this letter.
33. Further consequence upon the introduction of Employee's Family Pension Scheme with effect from 1st March, 1971, relevant blank forms are also enclosed herewith for your doing the needful. You should also remit the Family Pension Fund contributions at prescribed rates to the credit of Employee's Provident Fund Account No. 10 maintained in the State Bank of India before the 15th of the following month through challans prescribed for the purpose.
34. Please acknowledge receipt of this communication.

Encls : As above

Yours faithfully,

K. B. YADAV
(K. B. YADAV)

REGIONAL PROVIDENT FUND COMMISSIONER, U. P.

Copy forwarded to :-

- (1) Provident Fund Inspector *L. S. Ananthpur* with the advice to finalise the date of coverage early.
- (2) Accounts Section Group No.
- (3) Arrear Cell.
- (4) The Chief Inspector of Factories, Kanpur.
- (5) The Regional Director, Employee's State Insurance Corporation, Sarvodaya Nagar, Kanpur.