

06 MAR 1999

REGISTERED A.D.

GRAM : BHAVISHYANIDHI :



TELEPHONE : 7544949, 7542818
7542087, 7542084

EMPLOYEES' PROVIDENT FUND ORGANISATION

REGIONAL OFFICE :

Bhavishyanidhi Bhavan, Adjacent to Reserve Bank of India, Near Income - Tax Circle,
Ashram Road, AHMEDABAD - 380 014

No : GJ./PFC/AHD/ 27675 / ENF/II/1725

Dated : 26/2/99

To,

CODE NO. GJ/AHD/27675

Bhalati Consultants
524/1 Sector 8
Crunchinagar-
382008

Subject : **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Schemes framed thereunder - applicability thereof - Allotment of Code Number.**

Sirs,

1. Your factory / establishment with all its branches and departments is brought within the purview of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Schemes framed thereunder with effect from 18/12/98 (Provisionally). The information made available by you and the inquiry made by area Enforcement Officer reveals that :-

- (i) Your factory is engaged in Trading & Commercial Export Services of the Industries specified in Schedule I to which the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is applicable under Section 1 (3) (a) of the Act. 1(3)(a)
- (ii) Yours is an establishment classified as _____ to which the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 has been made applicable by the Government of India by a Notification issued under Section 1 (3) (b) of the Act.
- (iii) The activities carried on by your establishment/factory are neither the specified industry in Schedule I nor the class of establishment under Section 1 (3) (b) of the Act. Your establishment/factory is therefore held as non-specified.

1-A The coverage is provisional on the basis of enquiries made/information available and is subject to further verification of your records for prior periods.

1-B With reference to your application No. _____ dated _____ received for extension for Employees' Provident Funds and Miscellaneous Provisions Act, 1952 under Section 1 (4) of the Act, on a voluntary basis, a Code Number is hereby allotted to your establishment namely GJ/AHD/_____ provisionally covering your establishment with effect from _____ pending issue of a Notification by the Govt. of India/ Central Provident Fund Commissioner in exercise of the powers conferred on them by sub-section (4) of Section 1 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

1-C The Code No. GJ / AHD / 27675 is allotted to you for the purpose of making compliance the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Scheme framed thereunder. This Code number should invariably be quoted in all the correspondence with this office.

2. You are required to implement the provisions of the Employees' Provident Fund Scheme w. e. f. 18/12/98 Pension Scheme w. e. f. 18/12/98 and Deposit Linked Insurance Scheme, w. e. f. 18/12/98 if not already done.

3. As provided in para 26 of the Employees' Provident Fund Scheme, 1952 every employee including trainee working in or in connection with the work of the Factory/establishment shall be eligible for membership of the fund from the date of joining of the service.

4. (i) The contribution payable by the employer shall be at the rate of 10% & 12% of basic wages, dearness allowance (including cash value of food concession) and retaining allowance, if any, payable to each employees, every month. The contribution payable by the employee shall be equal to the contribution payable by the employer.
- (ii) The contribution shall be calculated on the basic wages, dearness allowance etc. actually drawn during the whole month whether paid on daily, weekly, fortnightly or monthly basis.
- (iii) Each contribution shall be calculated on the nearest rupee. (i. e. 50 Paise or more to be counted as the next higher rupee and fraction of a rupee less than 50 Paise to be ignored.
- (iv) For the contribution of calculation of contribution, the wages may be rounded off to the nearest rupee i. e. 50 Paise or more being taken as one rupee and less than 50 paise ignored.

NOTE : On your employing 20 or more than 20 Persons on any day, you will be liable to pay contributions @ 12%

- (v) The employer shall in the first instance, pay both contributions payable by himself and also on behalf of the members.
- (vi) In respect of employees employed by or through a contractor, the contractor shall recover the contribution payable by such employees and shall pay to the principal employer the amount of members' contribution so deducted together with an equal amount of contributions and administrative charges.
- (vii) It shall be the responsibility of the principal employer to pay both the contributions payable by himself in respect of employees employed by him and also in respect of employees employed by or through a contractor and also administrative Charges.
5. Before paying the member his wages, you shall deduct the employee's contribution from his wages and together with your own contribution and administrative charges shall, within 15 days of the close of every month, be paid in the Accounts of the Fund maintained by the State bank of India by separate challans in the following manner :

- (a) **P. F. Contributions (both employees' and employer's)**
To be deposited in Employees' Provident Fund Account No. 1.
- (b) **Administrative Charges.**
To be deposited in Employees' Provident Fund Account No. 2.
- (c) **Pension Contribution (w.e.f.16/11/1995 8-1/3% out of employer's contribution only).**
To be deposited in Employer's Pension Fund Account No. 10.

- NOTE:(i) The Family pension Contribution (upto 15/11/95) is to be segregated from P. F. Contribution @ 1-1/6% of the basic wages, D. A. (including Cash value of any food concession and retaining allowance, if any). The contribution in Employees' Pension Fund w. e. f. 16-11-1995 shall be 8-1/3% out of employers' contribution only.
- (ii) The rate of Administrative Charges is 0.65% of pay i. e. wages, dearness allowance including cash value of any food concession and retaining allowance, if any, subject to minimum Rs. 5/- per month.
- (iii) It may be noted that if timely deductions are not made from the members wages, the employer will have to pay both the shares himself, as the recovery of arrears contributions for back period from the subsequent wages of the employee is prohibited.
- (iv) All the contributions and Administrative Charges for the period from

- (v) The relevant challans for the purpose of remittance can be had from Regional Office/Provident Fund Inspectorate offices.
- (vi) Cheque/Demand Draft be deposited to E. P. F. Account No. 1, 2, 10, 21 and 22 respectively alongwith quadruplicate copies of Challans in any branch of State bank of India convenient to your establishment/factory.
6. Besides making deposits in Account Nos: 1,2 and 10 (as explained above), you are also required to deposit the amounts in Account No. 21 and 22 under the Employees' Deposit Linked Insurance Scheme, 1976 in the manner indicated below within 15 days of the close of each month.
- (i) **Deposit Linked Insurance Fund Account No. 21.**
To this account will be deposited the Contribution @ 0.5% which will be the aggregate of the basic wages, dearness allowance (including the cash value of food concession) and retaining allowance, if any, payable to the employees by employer.
- (ii) **Regional Insurance Fund Administration Account No. 22.**
To this account will be deposited the Administrative charges @ 0.01% which will be the aggregate of the basic wages, dearness allowance (including the cash value of food concession) and retaining allowance, if any, payable to the employees by employer. Subject to minimum of Rs. 2/- per month.
7. The deposit in the above Account viz. no., 1, 2, 10, 21 and 22 are to be made by separate challan and a copy of the challan as receipted by the Bank may be forwarded to this office duly attached with Form 12-A (explained below).
8. You are required to maintain/forward the following Returns:
- (i) **Form No.9 (Revised) under the EPF Scheme, 1952.**
This is to be submitted to this office once in respect of those employees, who are required or entitled to become members on the date of the factory/establishment is covered under the Scheme.
- (ii) **Form No. 2 (Revised) under the EPF Scheme, 1952 and E. P. Scheme, 1995.**
This form is to be obtained from every member for submission to this office.
- (iii) **Form no. 5-A. (Revised)**
This is to be submitted to this office. Any subsequent change in ownership is also be notified to this office through this Form.
- (iv) **Form No. 3-A. (Revised)**
This is to be maintained at the Factory/establishment in respect of every employees, who is a member.
- (v) **Form No. 6-A. (Revised)**
This is the Annual Return of contributions and is to be submitted alongwith Form 3 - A (R) to this office within 30 days of the close of the financial year.
- (vi) **Form No. 12-A. (Revised)**
This is the monthly Return of contributions and is to be submitted to this Office by 25th of next month alongwith triplicate copies of challan, in support of the deposits made in the State Bank of India should be attached with this.
- (vii) **Form No. 5 & 10.**
These are the Returns of employees who have become new members or have left the service in the month and are to be submitted to the Office by the 15th of the next month.
9. All the forms prescribed under the Employees' Provident Fund Scheme, the Employees' Pension Scheme and the Deposit Linked Insurance Scheme are available in the Regional Office/ Provident Fund Inspectorate office and will be supplied on receipt of your indent.
10. Besides, you should also obtain a Declaration in Form No. 11 from every employee at the time of his first appointment in your establishment as to whether

INSPECTION NOTE BOOK

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|---|------------------|
| 1. Name of the E. O. | 2. Date of Visit |
| 3. Period for which accounts are checked. | 4. Observations. |

You should report the compliance on the Enforcement Officer's remarks within 15 days unless otherwise noted in the Inspection Book by the Enforcement Officer.

12. It is important to ensure that the amount due is paid within the prescribed time limit. Delayed remittances are dealt in the manner as provided under Section 14-B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, in addition to the levy of damages for the pre-discovery period. Besides, prosecution could also be launched for non-payment of dues and for non submission of Returns. Also action under Sec. 406/409 of I.P.C. can be initiated for non payment of employees share of cont. deducted but not paid.

13. Individuals working in the Head Office/branch of an establishment (factory/non factory) doing the job of Maintenance of accounts, sale and purchase which are incidental to manufacturing activity, are also coverable by virtue of Section 2-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. You are, therefore, requested to furnish the names and detailed address of such Branches or Departments or Head Office within 15 days. If you have no such Department or branches, sales office etc. a "NIL" report may be sent to this Office.

14. Please intimate, if you have any existing Provident Fund in your Factory/ establishment. Please transfer, to the Employees' Provident Fund, all accumulations standing to the Credit of the covered employees' as required by Section 15 of the Act and Para 28 of the Employees' Provident Fund Scheme within 10 days from the date the Act has become applicable to you. If you have no Provident Fund in existence, please send a "NIL" report.

15. Please also submit Return in Form No. 5-A (Revised) (Specimen enclosed) showing the particulars of ownership immediately.

16. In case you find any difficulty in implementing any of the provisions of the Schemes, you may send one of your responsible representatives to this office who will be guided in the matter.

17. Copies of instructions issued by this Office from time to time are sent separately for guidance.

18. Please acknowledge receipt of this communication.

Encl. :

- (1) Sample copy of Challans.
(2) Form No. 5-A

Yours faithfully

[Handwritten Signature]

REGIONAL PROVIDENT FUND COMMISSIONER
REGIONAL OFFICE, AHMEDABAD

Copy to :

1. Section Supervisor, A/c. Gr 30 to watch the compliance.
(a) The maximum number of employees in the factory are 20
(b) If the establishment fails to comply with the Provisions, default may be intimated to Enf. Section immediately.

2. Shri S.S. Bhatti Enforcement officer
with reference to his Report dated 9/2/99 for information and necessary action. He is advised to visit the establishment and afford necessary guidance to the employer in the matter of complying with the statutory provisions. He should also submit his recommendations for finalising the coverage of this establishment within 3 months.