

## Labour Laws

### **Employees' Provident Funds and Misc. Provisions Act, 1952**

The Act extends to the whole of India except the State of J&K. It is applicable to:

- every factory engaged in any industry specified in Schedule I in which 20 or more persons are employed.
- Contract labour is included but casual labour is excluded for counting the strength of employees.
- An apprentice is only a learner and not an employee. Trainees cannot be taken as employees. Sweepers and Chowkidars drawing paltry sums per month and not borne on the regular staff sheet are to be excluded from the employment strength.
- A newly set-up estt for an initial period of 3 years from the date on which such estt. Is, or has been set up.

**Salary Limit:** Rs.6500/- (inclusive of all allowances getting thro salary slip)

**Date of Eligibility:** From the Date of joining onwards irrespective of whether he is already member or not.

**Contribution:** The employer is required to contribute:

- a) in case of estt. Employing less than 20 persons – 10% of the basic wages, dearness allowance and retaining allowance, if any
- b) in case of all other establishments employing 20 or more persons –12% of the wages, DA, etc.

Once EPF Act is applicable, automatically, Employees Pension Scheme, 1995 and Deposit-Linked Insurance Fund are also applicable.

#### **Obligation of Employers:**

- To pay the employer's and employees' contributions and admn. Charges as required under the Act.
- Return of ownership in Form No.5A within 15 days of the applicability of the Scheme.
- Return of Membership of employees First in Form no.9 and then in Form No.5 together with Declaration in Form No.2) within 15 days of close of every month.
- A return in the prescribed form in respect of employees leaving the service during the month, within 15 days of close of every month. Where there is no employee becoming a member of the fund or leaving service during the month, the employer shall send a 'Nil' Return.
- Return of Contributions with copis of challans within 25 days of close of each month.
- Annual Return of Contribution in Form No.6-A.-within one month of the close of each year.

Records to be maintained: Contribution Cards, Eligibility Register, PF Register, PF Ledger, Inspection Book.

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Obligation of Employees:

- to furnish Declaration and Nomination form at the time of employment or joining the fund.
- Allow the employer to deduct the employee's contribution every month and deposit the same with the PFCommissioner.

For FPF and EDLI Schemes, you can refer the same to the EPF Rules Books published from time to time.