

The Employees Provident Fund & Miscellaneous Provisions Act was come into force from 4th March, 1952. The EPF was instituted by an Act for providing Social Security benefits to the work force engaged in non-government sector. The EPF & MP Act, 1952 and the scheme framed there under have been structured as self applying and the employees of the establishment are responsible to report compliance of their own. Presently the following three schemes are in operation under the Act:

Employees Provident Fund Scheme (EPF), 1952

Employees Pension Scheme (EPS), 1995

Employees Deposit Linked Insurance Scheme (EDLI), 1976.

Applicability of Act	<ul style="list-style-type: none"> ❖ It applies to every establishment which is a factory engaged in any industry specified in Schedule I and in which 20 or more person employed ❖ Any establishment employing 20 or more person of such establishment may by notification in the official gazette specify in this behalf. ❖ Any establishment employing even less than 20 persons can be covered voluntarily under section 1(4) of the Act. <p>Section 2A: Establishment to include all department and branches for the removal of doubts it is hereby declared that where any establishment consist of different department or has branches whether situated in the same place or in different places all such department or branches shall be treated as parts of the same establishment.</p>
<u>Employees under EPF Scheme 1952 para 26 (2)</u>	<p>Every employee employed in or in connection with the work of the factory or establishment other than excluded employees shall entitled and required to become a member of the fund from the date of joining the factory or establishment.</p> <p>Employed by or through the contractor in or in connection with the work of the establishment.</p>
<u>Who is eligible to become a member of the Fund?:</u>	<p>Every employee employed in or in connection with the work of a factory or other establishment covered by the scheme other than an excluded employee is entitled and required to become a member of the Fund from the date of joining the factory or establishment. {Para 26}</p> <p>Employed by or through the contractor in or in connection with the work of the establishment.</p>
<u>"Excluded employee?:"</u>	<ol style="list-style-type: none"> an employee who, having been a member of the Fund, has withdrawn the full amount of his contribution in the Fund (a) on retirement from service after attaining the age of 55 years (b) before migration from India for permanent settlement abroad; or for taking employment abroad; an employee whose pay at the time he is otherwise entitled to become a member of the Fund, exceeds Rs. 15000.00 per month; a person who, according to the Certified Standing Orders, is an apprentice, or who is declared to be an apprentice by the authority specified in this behalf by the appropriate Government. {Para 2(f)} Form 11 is used for the declaration of an employee for both provident fund and pension scheme. Any individual joining a new organization that comes under the Employees' Provident Fund and Family Pension Scheme has to fill this form as a mandate.

CONTRIBUTIONS

Table gives the rates of contribution of EPF, EPS, EDLI, and Administrative Charges:

Scheme Name	Employees Contribution	Employer Contribution	Total
Employees PF Scheme (A/c.1)	12%	3.67%	15.67%
Employees Pension Scheme (EPS) A/c. 10	0	8.33%	8.33%
EDLI Scheme (A/c. 21)	0	0.5%	0.5%
EPF Admin. Charges (A/c. 2)	0	0.5%	0.5%
Total	12%	13.00%	25.00%

INTEREST & DAMAGES ON DELAYED PAYMENT	
Interest U/S 7-Q	12% per annum
DAMAGES (PENALTY) U/S 14-B	
Delay less than 2 months	5% per annum
Delay above 2 months but less than 4 months	10% per annum
Delay above 4 months but less than 6 months	15% per annum
Delay above 6 months and above	25% per annum
Penal Provision <ul style="list-style-type: none"> • Liable to be arrested without warrants being a cognizable offence. • Defaults by employer in paying contributions or inspection/administrative charges attract imprisonment up to 3 years and fines up to Rs. 10,000.00 {Section 14} • For any retrospective application, all dues have to be paid by employer with damages upto 100% of arrears. 	

PENSION	
Monthly members Pension	On attending the age of 58 years
Invalidity Pension	Permanent and total disablement during the course of employment
Widow Pension	On death of member whether in service or after exits from employment or after retirement
Children Pension	Payable to two children at a time of the deceased member upto the age of 25 years in addition to widow pension
Nominee Pension	In case of unmarried member, a person nominated by the member will get pension equal to widow pension
Withdrawal benefit: if the member render less than 10 years pensionable service on the date of exit or an attaining the age of 58 years whichever is earlier, member is entitled for withdrawal benefits or member may opt for scheme certificate	

Benefit of Non-refundable Advances:

Non-refundable advances from the amount standing to the credit of a member in the Fund can be sanctioned for the following purposes:

- **purchase of a house, {Para 68B}**
- **repayment of a loan, for housing, {Para 68BB}**
- **unemployment due to lock-out or temporary closure, {Para 68H}**
- **unemployment due to illness, {Para 68J}**
- **marriage of a self or of daughter, son, sister or brother, {Para 68K}**
- **education of son or daughter, {Para 68K}**
- **exceptional calamity, etc. {Para 68L}**
- **withdrawal for investment in Varishta Pension Bima Yojana. {Para 8NNN}**

WITHDRAWALS

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
The purchase of site for construction of house	5 Years of membership of the Fund (Minimum balance in member's a/c should be Rs. 1000/-) * The purchase should be in favour of member or member & spouse.	1 24 months wages (Basic & DA) OR 1 Member's own share of contribution + Company's share of Contribution with interest thereon	No.31	A declaration from the member that, dwelling site or dwelling house/flat or the house under construction is free from encumbrances and the same is under the title of the member or the spouse (notification dated 25.2.2000)
The Construction of House	5 Years of membership of the Fund	1 36 months wages (Basic+DA) OR	No.31	A declaration from the member that, dwelling site or dwelling house/flat or the house under construction is free from

	(Minimum balance in member's a/c should be Rs. 1000/-) * The purchase should be in favour of member or member & spouse.	I Members own share of contribution + Company's share of contribution with interest thereon		encumbrances and the same is under the title of the member or the spouse (notification dated 25.2.2000)
The purchase of dwelling flat	5 Year of membership of the Fund (Minimum balance in member's a/c should be Rs. 1000/-) * The purchase should be in favour of member or member & spouse.	I 36 months wages (Basic+DA) OR I Members own share of contribution + Company's share of contribution with interest thereon	No.31	A declaration from the member that, dwelling site or dwelling house/flat or the house under construction is free from encumbrances and the same is under the title of the member or the spouse (notification dated 25.2.2000)
Additions, Alterations or improvements to the dwelling house	5 years from the date of completion of dwelling house	12 months basic or members own share of contribution with thereon.	No.31	

68 BB : REPAYMENT OF LOAN

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
Advance from the fund for repayment of loan	10 years membership of the fund & member should have taken loan from Govt. Body	36 month wages (Basic + DA) OR Members own share of Contribution + Company's share of Contribution with interest thereon.	No.31	A certificate from the lending authority furnishing the details of loan and outstanding amount.

68 J : ADVANCE FROM FUND FOR ILLNESS

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
Advance from the fund for illness viz. hospitalisation for more than a month, major surgical operation or suffering from TB, Leprosy, Paralysis, Cancer, Heart ailment etc.	Stay in Hospital at least for a month	6 moths wages (Basic + DA)	No.31	A certificate from the Medical Practitioner for hospitalisation or operation.

68 K : ADVANCE FROM THE FUND FOR MARRIAGE

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
I Advance from the fund for Marriage of self/son/daughter/sister/brother etc. I Advance from the fund for education of Son/Daughter	I 7 years membership of the fund & minimum balance in member's account should be Rs. 1000/-	I 50% of member's own share of contribution	No.31	Declaration by the member which is attested by the employer.

68L : ADVANCE IN ABNORMAL CONDITIONS

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
Grant of advance in abnormal conditions, Natural calamities etc.	I Certificate of damage from appropriate authority. I State Govt. declaration.	I Rs. 5000/- or 50% of member's own share of contribution (To apply within 4 months)	No.31	I Certificate from the Appropriate Authority.

68 M : ADVANCE TO MEMBER AFFECTED BY CUT IN THE SUPPLY OF ELECTRICITY

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
Grant of advance to members affected by cut in the supply of electricity	I The advance may be granted only to a member whose total wages for any one month commencing from the month of January 1973 were 3/4 th or less than 3/4 th of wages for a month	I Wages for a month OR I Rs.300/-	No.31	Certificate from State Govt. regarding cut in the supply of electricity.

68 N : GRANT OF ADVANCE TO MEMBERS WHO ARE PHYSICALLY HANDICAPPED

Types of Benefit	Eligibility	Eligible Amount	Form	Documentary Support
To Physically Handicapped member for purchase of an equipment required to minimize the hardship on account of handicap.	Production of medical certificate from a competent medical practitioner to the effect that he is physically handicapped	Basic wages+ DA for six months or own share of contribution with interest or cost of equipment which ever is least.	No.31	Certificate from the Medical practitioner to the effect that the member is physically handicapped..

Note: For calculation/ computing the period of membership U/P 68B, 68BB, 68K, total service exclusive of periods of break under the same employer before the scheme is applied to him, as well as period of membership of the fund is always included.

Family means

For Provident Fund

- in case of male member, his wife, his children whether married or unmarried, his dependent parents and his deceased son's widow and children
- in case of female members, her husband, her children whether married or unmarried, his dependent parents and his deceased son's widow and children

For Pension Fund (EPS) para 2(g)

- wife in case of male member
- Husband in case of female member
- Son's & Daughters includes child legally adopted by the member below 25 years

Withdrawal from the PF

- On retirement
- On retirement on account of permanent and total incapacity for work due to bodily or mental infirmity
- On termination of service
- On termination of services under Voluntary Retirement Scheme
- After 2 months from resignation in case of no employment

Disbursement of Monthly Pension

The following Nationalised Banks are Authorised to disburse Pension. Member or Pensioner has to open account in any of following Banks

State/Region	Nominated Bank	State/Region	Nominated Bank
Andhra Pradesh	Andhra Bank & SBI	Maharashtra	Bank of India/SBI & PNB
Bihar	PNB & SBI	Assam	PNB & SBI
Delhi	PNB & SBI	Orrisa	Bank of India & SBI
Gujrat	Dena Bank & SBI	Punjab	PNB & SBI
Haryana	PNB & SBI	Rajasthan	State Bank of Bikaner & Jaipur & PNB
Karnataka	Canara Bank	Tamilnadu	Indian Bank & SBI
Madhya Pradesh	PNB & SBI	West Bengal	PNB & Union Bank of India
Himachal Pradesh	PNB & SBI	In addition to above: HDFC, Axis Bank, ICICI Bank for all Regions	