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Principal Employer Engaging Contractors

A Principal Employer who engages contract employees through a third-party contractor should ensure the contract agreement with the respective contractor follows all the requirements as per the law. The Principal Employer is ultimately responsible for the contract employees working in the establishment. Therefore it is of utmost importance and is critical for the Principal Employer to ensure compliance from the respective contractors on regular basis. There should not be any direct supervision or control by the Principal Employer to ensure that the contract employees fulfil their obligations as per the contract terms. The Contractor should appoint supervisor at the Principal Employer's premises to ensure the same for each contract employee. The Principal Employer's direct supervision of the contract employees regarding their promotions, increment of wages, compensation and benefits etc. may establish the employer-employee relationship. A contract enables both parties to execute the contract terms and conditions independently. (as per Indian Contract Act 1872).

Some of the basic requirements regarding such contractual engagement to be considered by the Principal Employer are:

- The Principal Employer should scrutinize the compliances for the Contractor who has deployed the contract employees in connection with work related to the establishment.
- As per the CLRA (Rule 63, & 74-82), the Contractor shall be responsible for fixing the wages, working hours, approval of leaves for their respective employees. The Contractor shall be responsible for maintaining the registers and returns as prescribed in the Act.
- As per the Contract Labour Act 1970 (Rule 72 73), the Principal Employer shall be responsible to certify the registers and records of the contractors including certification of wages disbursed by the contractor to their respective employees. Therefore, the Principal Employer should not be involved directly or indirectly in preparing the compliance documents on behalf of any such Contractor or maintaining the wage registers, leaves, working hours etc. for a Contractor engaged by him. The Principal Employer should ensure one's responsibility is limited to certifying the registers and returns maintained by the respective Contractor.
- It must be ensured that the nature of work of the contract employees should not be same as the core nature of the establishment (Principal Employer). In the event of any core job being executed by a contract employee, such contract workers wages, leaves, working hours, and other social security benefits should be at par with the direct employees having similar nature of work. Supreme Court judgments on "Equal pay for Equal Work" to contract workers further emphasizes this requirement.
- There should not be any direct supervision or control by the Principal Employer to ensure contract employees fulfil their obligations as per the contract terms. The Contractor should appoint supervisor at the Principal Employer's premises to ensure the same.
- The discipline of the contract employees in discharging their duties should be regulated by the contractor and not by the Principal Employer.



- Leaves to the contract employees should be sanctioned by the contractor and not by the Principal Employer. Advance payment of salary, bonus, etc. to contract employees should be undertaken only by the contractor.
- The contractor should submit all the compliance documents concerning the employees deployed at the Principal Employer premises under various labour laws regularly to the authorized person of the Principal Employer.
- While awarding the contract for any ad-hoc work (such as civil/construction or fit-out work etc.), the company should ensure that the Purchase Order/Contract agreement should be bifurcated into Material & Labour Cost as this will reduce the liability under PF & ESIC on account of Contractors.
- In the event of termination of a contractor the contract employees should not be transferred to the new entity to whom the contract is being issued, This kind of move has been identified as sham contract and Courts have come down heavily over this issue.
- Please note that the relationship of a principal employer and a contract employee is not just based on the agreement terms drafted by the organisation or the vendor.
- The Principal Employer is wholly responsible for the total number of employees deployed at the establishment (whether Direct or through a Contractor). If the contractor fail to comply with the requirement then the Government may even abolish the Contract Labour in the establishment.



Given the above, the onus is on the Principal Employer to ensure that even the contractors in the establishment are compliant.

Revised Wage Rate Index Likely Next Month; Base Year to Be 2019

The government will soon revive the wage rate index and change its base year to 2019 from 1965. The revised index will capture the impact of inflation on wages and form the basis for determining the statutory national floor-level minimum wage, said officials. "Work is in the final stages. The index with revised base year could be launched next month," said a senior labour ministry official, who did not wish to be identified. "The appreciation in the index till 2019 will be used to determine the minimum wages in the country."

The labour codes provide for a statutory national floor-level minimum wage for all workers in the country. A committee has been formed to determine the national floor-level minimum wage, based on which minimum wages in different categories of states and skillsets will be determined. Once implemented, no state will be allowed to give wages below the minimum wage



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In 2014, the average daily absolute wage rate in the country stood at ₹272.19 while the all-India index number of wage rates appreciated 6.35% compared to that in 2013. The current minimum wages in India, determined based on Consumer Price Index for Industrial Workers (CPI-IW), stands at ₹178 per day and is not binding on states.

Wage rate under the index is the sum of basic wage and dearness allowance in respect of workers who receive both these components while for other workers the actual consolidated amount of earnings represents this wage rate.

“The government should not only revise the base year but also expand the coverage of the index to include more establishments so that it can be used as one of the critical inputs for determining the national floor-level minimum wage,” said labour expert KR Shyam Sundar.

Source: Economic Times

EPFO Is Likely to Credit 8.5% EPF Interest by The End of This Month

The Employees' Provident Fund Organization (EPFO) is expected to credit Employees' Provident Fund or EPF interest for FY 2020-21 against the Provident Fund deposits done by EPFO subscribers. The EPFO is likely to credit 8.5% EPF interest by the end of this month. The retirement fund regulatory body kept the EPF interest rate unchanged for FY 2020-21 as there was more withdrawal than deposits during the entire financial year. After the Covid-19 outbreak in 2020, the EPFO had reduced the PF interest rate in March 2020 to 8.5% for FY 2019-20 – 7 years' low EPF interest rate. For FY 2018-19, the EPF interest rate was 8.65%. For FY 2017-18, the EPF interest rate being given to the EPFO subscribers was 8.55% while for FY 2016-17, the EPF interest rate given to EPF account holders was 8.65%.

How to check PF balance: So, near 6 crores EPFO subscribers are advised to keep checking their PF balance next week as the retirement fund regulator may credit EPF interest of 8.5% on any of the working days. The EPF account holders can check their EPF balance through SMS and a missed call.



PF balance check through SMS: An EPFO subscriber can check its EPF account balance by sending an SMS. The PF balance check number is 7738299899 and the text of the SMS format is "EPFOHO UAN ENG." So, an EPF account holder, who has its UAN number, is advised to send SMS in this format to 7738299899. On receipt of the SMS, the EPFO will reply to that SMS with the senders' PF account balance details.

PF balance check through missed call: The EPFO is running missed call service through its given number 011-22901406. To know one's PF balance, the EPFO subscriber is advised to give a missed call on this number from the registered mobile number. However, one can avail of this service only if the EPFO member has seeded its UAN with the KYC details.

Source: www.livemint.com



Urban Joblessness Rate

Annual Periodic Labour Force Survey (PLFS) on employment and unemployment is conducted by the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation. As per the PLFS Quarterly Bulletin April-June, 2020, quarterly unemployment rate (in %), as per Current Weekly Status (CWS) in urban areas for persons of age 15 years and above in the country to the extent available for the quarter ending July-Sep 2019, Oct-Dec 2019, Jan-March 2020 and April-June 2020 were 8.3%, 7.8%, 9.1% and 20.8% respectively.

The complete picture of the employment/unemployment situation in the country can be assessed only from survey data for an entire year covering both rural and urban areas. The annual PLFS data is available up to 2018-19. As per the results of annual PLFS, the unemployment rate for persons of 15 years and above on the usual status (principal status + subsidiary status) basis in the country to the extent available during 2017-18 and 2018-19 was 6.0% and 5.8%, respectively.

The Government of India has taken several initiatives for promoting employment generation in the country. Aatmanirbhar Bharat Rojgar Yojana (ABRY) has been launched w.e.f. 1st October 2020 to incentivize employers for the creation of new employment along with social security benefits and restoration of employment. This scheme implemented through EPFO seeks to reduce the financial burden of the employers and encourages them to hire more workers. Under ABRY, the Government of India is providing for a period of two years, both the employees' share (12% of wages) and employers' share (12% of wages) of contribution or only employees' share of contribution depending on employment strength of the EPFO registered establishments, for new employees whose monthly wage is less than Rs. 15,000 per month.



The new employees under the scheme include those who have lost their employment during the Covid-19 pandemic and did not join any EPF covered establishment up to 30.09.2020. The terminal date for registration of beneficiaries under the scheme has been extended from 30th June 2021 to 31st March 2022.

Under Pradhan Mantri Garib Kalyan Yojna (PMGKY), the Government of India has contributed both 12% employer's share and 12% employee's share under Employees Provident Fund (EPF), totalling 24% of the wage for the wage month from March to August 2020 for the establishments having 100 employees with 90% of such employees earning less than Rs. 15,000. This has helped in providing employment in EPFO registered establishments during post Covid period.

Earlier Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) was launched to incentivise employers for the creation of new employment. Under the scheme, the Government of India is paying the Employer's contribution i.e., 12% for three years to the new employees earning up to Rs. 15,000 through EPFO. The terminal date for registration of beneficiaries through establishment was 31st March 2019. The beneficiaries registered up to 31st March 2019 will continue to receive the benefit for 3 years from the date of registration under the scheme i.e., up to 31st March 2022.

PM- SVANidhi Scheme has facilitated collateral-free working capital loans up to Rs.10,000 for one-year tenure to street vendors, to help them resume their businesses during the post Covid period.

Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government inter alia, for facilitating self-employment. Under PMMY collateral-free loans up to Rs. 10 lakhs, are extended to micro/small business enterprises and to individuals to enable them to set up or expand their business activities.

Besides the above to enhance the employment generation, the Government is encouraging various projects involving substantial investment and through public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Deendayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) and Pradhan Mantri Kaushal Vikas Yojana (PMKVY) run by Ministry of Micro, Small & Medium Enterprises, Ministry of Rural Development, Ministry of Housing & Urban Affairs and Ministry of Skill Development & Entrepreneurship (MSDE), respectively.

Besides these initiatives, flagship programmes of the Government such as Make in India, Digital India, Swachh Bharat Mission, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure development and Industrial corridors have the potential to generate productive employment opportunities. This information was given by Union Minister for Labour & Employment Shri Bhupender Yadav in Lok Sabha.

Source: Press Information Bureau

Labour Codes: Keen on October Rollout, Govt. May Address Employers' Concerns

The labour ministry is considering fine-tuning some contentious provisions and rules concerning the four labour Codes passed by Parliament recently, to ensure that these reformist laws take effect from October 1 throughout the country. A source in the government said all the four labour codes - Code on Wages, Industrial Relations, Social Security and Occupational Safety & Health will be implemented in one go.

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The wage code proposes universalisation of minimum wages; while the social security code proposes to bring all workers under some sort of social security

Since the new labour minister, Bhupender Yadav, has taken charge, the draft rules under the codes will be reviewed, but that does not mean an overhauling," another source said. One of the contentious provisions that might be reviewed is the definition of wages which proposes to cap allowances at 50% of the wages. This means if the allowances exceed 50%, then the employer will have to pay social security, including gratuity, on the excess amount. This will lead to an increased social security burden and hence, the financial burden of the employers through an increase in the salary cost. Employees' take-home salaries will also come down.

Currently, employers enjoy flexibility in calculating the compensation package by reducing the components liable for social security and increase the allowances. Employers' bodies were arguing that the 50% threshold for basic pay plus dearness allowance should be brought down to 20-30% of the total package. While the trade unions are for implementing the labour code on wages and labour code on social security, industry bodies want sufficient preparation time for adhering to the new rules.

The labour code on wages was passed in August 2019, Parliament approved three other codes on Industrial Relations, Social Security and Occupational Safety & Health on September 23 last year. The Centre had earlier put on hold the original plan to roll out the codes from April 1, 2021, citing the dithering displayed by several states. The wage code proposes universalisation of minimum wages; while the social security code proposes to bring all workers, including gig and platform workers, under some sort of social security. The industrial relations code raises the threshold to 300 workers from 100 earlier for establishments to resort to lay-off, closure and retrenchment without government permission.

Source: *Financial Express*

Gratuity Nomination: Who You Can, Cannot Nominate and How to Do It

If you are a salaried person, it is important to make sure you nominate the right beneficiaries for your gratuity proceeds. Usually, gratuity is payable to an employee if he/she leaves an organisation after the completion of five years of continuous service. However, in case of a death of an employee, the gratuity amount will be payable to the nominee irrespective of whether the five years have been completed or not. Here is a look at what the law states about, who can be nominated in case of gratuity, how the nomination must be made and when a nominee will not be entitled to receive the gratuity proceeds.

When are you supposed to file a nomination for gratuity?

"Under the Payment of Gratuity Act, 1972, a nomination is required to be made by an employee within 30 days of the completion of one year of service. This would mean that the law specifies that once an employee completes one year of service, he/she must make the nomination within 30 days," said Sowmya Kumar, Partner, Induslaw. However, in practice, this is not the case. "In practice, employers require an employee to submit the nomination form at the time of joining the organisation. Thus, if you are not sure about submitting the nomination form, then you may check with your employer on the same," said Saraswathi Kasturirangan, Partner, Deloitte India.

Who can you nominate to receive your gratuity proceeds?

An employee can nominate only 'family members and if there is no 'family' member, only then can he/she nominate anyone else. As per the Gratuity Act, 'family' in the case of the male member is defined as wife, children (irrespective of whether they are married or unmarried), dependant parents, dependent parents of his wife, and the widow and children of his predeceased son if any.

For a female employee, the definition of 'family' is her husband, her children (married or unmarried), her dependant parents, dependant parents of her husband and widow and children of her predeceased son, if any. Kumar said, "Unlike under the Employees' Provident Fund Scheme (EPF), where a female employee has an option to remove her husband and his dependant parents from the list of nominees, such an option is not available under the Gratuity Act.

The option to remove the husband from the definition of family has been deleted vide an amendment in 1987." "Do keep in mind that, unlike EPF, gratuity nomination does not get cancelled automatically after marriage. Thus, if you had nominated anyone else other than the defined 'family' members (presuming that you did not have any 'family'), then you must file a fresh nomination after marriage as then you would have acquired a spouse who would then qualify as family. However, if you have nominated your dependant parents before marriage, the same will be valid even after marriage, and the employer will be bound to pay the gratuity benefits to the nominated person in the event of the untimely death of the employee," says Kasturirangan.

How to nominate someone for your gratuity?

The nomination in Form F is required to be submitted by a person with his/her employer. "Where the employee does not have 'family' as defined under the Gratuity Act at the time of initialling of the nomination and has subsequently acquired a family, then the fresh nomination will need be filed using Form G," said Kasturirangan. It will be good practice for companies to require their employees to review their gratuity nomination after their marriage, she added. Once the fresh nomination is filed, the earlier nomination filed (i.e., before acquiring family) will become invalid.

Can gratuity nomination override beneficiary mentioned in the will?

In the event of the demise of an employee, the rules relating to gratuity payments are broadly similar to those governing payment of EPF benefits. If you will (i.e., bequeath) your EPF proceeds to anyone other than the defined 'family' members, then it is unlikely that they would be entitled to the proceeds as that is not contemplated under the EPF Scheme.

With regards to the gratuity proceeds, Kumar said, "Where a nomination is validly made, the nominee only holds the funds on behalf of the legal heirs of the deceased employee - therefore, upon receipt of gratuity funds, the nominee is legally bound to pay the same in accordance with a will or general succession laws. However, in the event a person nominates someone who is not 'family' (as defined under the Gratuity Act), such nomination will be invalid, and the person would not be entitled to receive the gratuity proceeds even if they are a beneficiary under a will."

For instance, let us assume you have nominated your wife to receive the gratuity proceeds but bequeathed the gratuity proceeds to your dependant parents in your will. In such a situation, the gratuity would be paid to your wife as she is the nominee, but she will be legally bound to transfer the gratuity proceeds to your dependant parents as they are the beneficiaries under the will/your legal heirs.

However, if you have mentioned anyone else in your will, say your brother, to receive the gratuity proceeds, then your wife (as the nominee) may not be legally bound to transfer gratuity proceeds to your brother, as he is not part of 'family' for the Gratuity Act. It is unlikely that a will can override the express framework of the Gratuity Act.

Source: Economic Times

Maternity Benefit Law Has Supremacy Over Service Regulations: HC

The Punjab and Haryana High Court has held that Maternity Benefit Act, 1961, will have supremacy over service regulations of a financial institution if the same conflicts with each other. "Section 27(1) specifically provides that the provisions of the Maternity Benefit Act will affect anything inconsistent therewith contained in any other law or the terms of any award, agreement or contract of service whether made before or after the coming into force of this Act," the court said, referring to the provisions of law and adding that the bank regulations being inconsistent with the provisions of the law, the provisions of the Maternity Benefit Act would have an overriding effect.

The HC was dealing with the plea of Bank of India, which has challenged labour commissioner order to vide which the bank was told to allow maternity leave in place of sick leave for 58 days availed by a woman working in the Gurugram branch of the bank. The woman had her second child in 2019 and had availed of maternity leave. However, of total leaves availed, 58 days were converted into sick leave by the bank citing banking regulations. The woman had challenged the same before the labour commissioner, which had ruled in her favour.

It was against this order that the bank had approached the HC arguing that banks are governed by the Bank of India (Officers') Service Regulations, 1979 and that these regulations have been made in exercise of the powers under Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 by the board of directors in consultation with the Reserve Bank of India (RBI) with the previous sanction of the central government and have the force of law. The service regulations will have precedence over the provisions of the maternity law, the bank had argued.



"It is social welfare legislation under which every woman employee is entitled to and her employer is liable to pay the maternity benefits. The bank has not been able to show as to how it does not apply to the petitioner bank," the bench of justice Alka Sarin said, adding that the regulations may have been framed in consultation with the RBI, but a statutory regulation, is subject to the provisions of a Parliamentary Act.

Subordinate legislation must be made in conformity with the Parliamentary Act, the court said, adding that the bank regulations do not provide the same maternity leave and other benefits to which a woman employee would be entitled to in terms of the law. To the argument that the bank is not covered under the Punjab Shops And Commercial Establishments Act, 1958, the court said the definition of commercial establishment in the 1958 law specifically includes banking, making it clear that it is covered by the Establishment Act. "Once the petitioner bank is covered within the definition of commercial establishment, the provisions of the Maternity Benefit Act will clearly apply to the petitioner bank as well," the court said, dismissing the plea.

Source: www.hindustantimes.com

Centre to Apply Inter-State Migrant Workmen Act After 42 Years

Migrant labourer Raja Kumar's lockdown-induced miseries in successive years may have been less acute if the country's governments had not sat on a 42-year-old legal provision that the Centre is now set to implement under a Supreme Court nod. Kumar, 25, who worked in Noida for a paltry Rs 225 a day, had to return home to Sameswari village in Bihar's Banka district in April when work became unavailable amid the second wave of Covid. But the labour contractor who engages him did not give him a transport allowance. "I had to borrow money to go home," Kumar said. Had the government implemented the Inter-State Migrant Workmen Act, 1979, Kumar would have been able to register himself as a migrant labourer in his home state and in any state where he chose to work and claimed social security.

Registration under the act would have ensured his protection under the labour laws relating to minimum wage, safety and accident coverage. His labour contractor would have had to pay him a transport allowance for the journey back home. An additional benefit of the registration would be that during crises like the pandemic, state governments looking to provide free rations or meals and other help to stranded migrants would be easily able to identify and reach them all. After the Covid outbreak last year, an out-of-work Kumar had been forced to stay back in Mumbai where he worked then running up debts to feed himself. Unorganised-sector workers like Kumar may now hope for easy registration and government welfare, thanks to a June 29 directive from the Supreme Court. The apex court which had taken up the matter on its own criticised the delay over the database and directed the labour ministry to finalise and implement the portal by the end of July. (The 1979 act has now been subsumed under new labour law, the Code on Occupational Safety, passed by Parliament last year.)

On July 19, the Centre told Parliament that an Aadhaar-seeded National Database for Unorganised Workers would become operational from August. To a question from Congress member Suresh Kudikonnal, labour minister Bhupender Yadav said his ministry was developing a portal for the database in collaboration with the National Informatics Centre. A dry run and a security audit were underway. "The project is expected to commence the registration work by August 2021 after addressing all critical technical issues. Thereafter, the state governments are to populate the data on the portal through mobilising the unorganised workers," Yadav said in a written reply. Workers will be able to register themselves free of cost at nearly 4 lakh "common service centres" and select post offices, Yadav said. The apex court has also directed the enrolment of more beneficiaries under the National Food Security Act, which provides for up to 75% of rural people and 50% of urban residents to be brought under the subsidised food programme. With the rural-urban population ratio being 70:30, about 67-68% of Indians should be covered under the programme. But the government's list of beneficiaries, based on the National Statistical Office's household consumption survey report for 2011-12, covered barely 60% of the population. The apex court has directed a list revision. A survey of 8,023 migrant labourers by the civil society group Stranded Workers Action Network (SWAN) between April 21 and May 31 showed that about 82% of these workers had at best two days' worth of rations left. Seventy-six% had Rs 200 or less left with them. "I feel the government should increase our wages and provide subsidised rations at the workplace as well as medical insurance," Kumar said.

Source: www.telegraphindia.com

Tax only on employee PF share over ₹2.5L

As per the Finance Act, 2021, the interest accrued on contributions in excess of ₹2.5 lakh per annum made by an employee to the employees' provident fund from FY22 onwards shall now be taxable

I work in an IT company, and my contribution to PF is ₹10,000, which is matched by my employer. If I want to contribute more towards PF, will that be capped at ₹10,000 per year? Will tax exemption be given only for PF investments up to ₹2.5 lakh? Will voluntary provident fund (VPF) contributions up to ₹2.5 lakh per year also be tax-exempt?

As per the Finance Act, 2021, the interest accrued on contributions in excess of ₹2.5 lakh per annum made by an employee to the employees' provident fund from FY22 onwards shall now be taxable. An employee's contribution would include both normal PF and VPF contributions. Further, there is no cap on VPF contribution subject to net salary. The employee may choose to contribute higher VPF subject to EPF wages. However, the interest on employee PF contribution in excess of ₹2.5 lakh shall be subject to tax. In the instant case, as the employee's annual normal contribution is ₹1.2 lakh, the employee's VPF contribution up to ₹1.3 lakh will not trigger income tax on interest income. The income tax on interest income shall be triggered only on an employee's contribution amount exceeding ₹2.5 lakh. Furthermore, for computing ₹2.5 lakh, only the employee's contribution (normal + VPF) is required to be evaluated and not the employer's contribution. Please note that the rules governing the manner and timing of computation of such taxable interest have not yet been prescribed.

I work as a research assistant for a reputed institution in India. The emolument for the same is ₹50,000 per month for a period of six months, extendable up to 1 year. However, I am unsure whether a research emolument requires payment of income tax. I have not been able to find information offering clarity on the matter. Kindly clarify.

According to the Income Tax Act, 1961, any income received by a person is taxable unless a specific exemption or provision is prescribed in this regard. Depending on the contractual arrangement between you and the institution, in case it is established that there is an employer-employee relationship between you and the institution, the emoluments received by you shall be chargeable to tax as salary income. However, in case the contractual arrangement is like professional fees, the emoluments received by you shall be taxed as professional income (i.e., under income from business or profession).

In such a case, depending on the gross receipts or income of the business or profession applicability of tax rates (normal or presumptive tax rates), the applicability of GST and compliance thereunder, the applicability of maintaining books of accounts and conducting tax audit would need to be evaluated. Further, in case it can be established that the emoluments received by you are like scholarships granted to meet the cost of education, the emoluments may be considered exempt from income tax.

Source: www.livemint.com

EPFO: Get Rs 1 Lakh in Just One Hour During Medical Emergency

The government has come up with a new service, that will help you if there is a sudden need for money in the event of the coronavirus pandemic or any kind of medical emergency. The members of the Employees' Provident Fund (EPF) can now withdraw an advance of Rs 1 lakh from their PF balance immediately in case of any sudden medical emergency. To avail of this facility, they will not need to give any kind of cost estimate. On June 1, EPFO had issued a circular, in which it has been told that this medical advance of Rs 1 lakh will be given in case of sudden hospitalization for the treatment of any deadly disease including coronavirus. Earlier EPFO had allowed advance to be taken from EPF account for a medical emergency. But this amount was available based on cost estimates or only after reimbursement of medical bills. However, this medical advance is completely different from this and the EPF member does not need to show any bill or estimated expenditure, just apply and the amount will be transferred to the account.

There are some guidelines for how EPF members can take this advance in case of emergency, which will be given to the member or his family in case of hospitalization.

1. The patient should be admitted to Government/Public Sector Unit/CGHS Panel Hospital for treatment. If he has been admitted to a private hospital in an emergency, then an officer will investigate and then his medical advance will be issued.
2. The employee or any family member will have to submit an application giving details of the hospital and the patient, mentioning that there is no estimate of the cost and a medical advance should be issued.
3. This amount is received within one hour of application from the member or any of his family members for help in hospitalization.
4. This is completely different from the COVID-19 Advance of EPFO Board in May. In this, you can get 75% of the total fund, and it is non-refundable.

Source: DNA India



UCSCompliTool is a technology to ease the complexities of navigating through the changing Labour laws. With our past experiences and feedbacks, we have developed an in-house Software solution and have created this robust mechanism which represents our motto – Compliance simplified. It provides a real time and 360-degree view of compliance status for the Principal employer (Complitol - Compliance) and with risk matrix to monitor the contractors (Complitol - Audit). We have developed a Role Based Access Control model and being a cloud-based system, we are offering an absolute security and protection of data.

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