

# COVID-19: Government to contribute PF, Labour ministry issues scheme guidelines (1/3)

The Ministry of Labour has, on 10 April 2020, issued a special scheme under Pradhan Mantri Garib Kalyan Yojana (PMGKY) to implement the package announced by the Union Government on 26 March 2020.

The scheme specifies the objective, eligibility criteria, validity period, process, and manner to avail the relief by specified employers with respect to employees' and employers' share of contribution under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952 (EPF Act). The key points of the scheme are as follows:

**Validity** - The scheme shall remain valid for three wage months i.e. March, April and May 2020.



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### Eligibility for availing benefits - For establishments (Employers)

- The establishment or factory should already be covered and registered under the EPF Act; and
- Total number of employees of the establishment should be up to 100, with 90% or more of such employees drawing monthly wages less than INR 15,000.

### Eligibility for availing benefits - For employees

- Those employed in any eligible establishment and earning monthly wages of less than INR 15,000.
- Employee's Universal Account Number (UAN) should be seeded with his/her Aadhaar.

- Employee should be a member of EPF Scheme, 1952 and Employees' Pension Scheme, 1995, whose contributions are received for any period during last six months (September 2019 to February 2020) in the Electronic Challan cum Receipt (ECR) filed by any eligible establishment. Such contribution should have been received on a monthly wage of less than INR 15,000.
- In case of employee being a registered beneficiary under EPF Act and his/her employer is already availing benefits of payment of employer's share by Central Government under (Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) 2016 – the employee shall not be eligible to avail the benefit under this scheme.

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### Procedure for availing benefit

- The employer shall disburse wages for the month to all employees of the establishment without deducting employee's share of EPF contributions and file ECR online to avail the benefit.
- Employer shall file only one valid ECR for each of the months with the certificate/declaration, as notified under the scheme, to avail the benefit.
- The ECR will separately show amount of employees' and employers' contributions as Central Government relief due under this scheme in respect of eligible employees.
- **It should be noted here that the charges, if any, under the Employees' Deposit Linked Insurance Scheme, 1976 and EPF administrative charges in respect of all employees shall be payable by the employer.**
- The employer shall be fully responsible for the information furnished electronically. To this end, the employer is also required to submit an undertaking that he shall be liable for penal and coercive consequences, together with interest, for submitting any incorrect or false information/declaration.