

# PRESENT RATES OF CONTRIBUTION

BY	CONTRIBUTION ACCOUNTS			ADMINISTRATION ACCOUNTS	
	EPF	EPS	EDLI	EPF @@	EDLI @@
<b>EMPLOYEE</b>	<b>12% / 10% ##</b>	0	0	0	0
<b>EMPLOYER</b>	Difference of EE share and Pension Contribution	8.33% ##	0.5% ##	1.1% !!	0.01% \$\$

## **10% rate is applicable for**

- Any establishment in which less than 20 employees are employed.
- Any sick industrial company and which has been declared as such by the Board for Industrial and Financial Reconstruction
- Any establishment which has at the end of any financial year, accumulated losses equal to or exceeding its entire net worth and
- Any establishment in following industries:-
  - (a) Jute (b) Beedi (c) Brick (d) Coir and (e) Guar gum Factories.

**## Contribution is rounded to the nearest rupee for each employee, for the employee share, pension contribution and EDLI contribution. The Employer Share is difference of the EE Share (payable as per statute) and Pension Contribution.**

**!! Monthly payable amount under EPF Administrative charges is rounded to the nearest rupee and a minimum of Rs 5/- is payable.**

**\$\$ Monthly payable amount under EDLI Administrative charges is rounded to the nearest rupee and a minimum Rs 2/-is payable.**

- @@ In case Establishment is exempted under PF Scheme, Inspection charges @0.18%, minimum Rs 5/- is payable in place of Admin charges.**  
**In case the Establishment is exempted under EDLI Scheme, Inspection charges @ 0.005%, minimum Re 1/- is payable in place of Admin charges.**

**Notes:**

**UNDER EPF**

- The contributions are payable on maximum wage ceiling of Rs 6500/- by employee and employer.
- The employee can pay at a higher rate and in such case employer is not under any obligation to pay at such higher rate.
- To pay contribution on higher wages, a joint request from Employee and employer is required [Para 26(6) of EPF Scheme]. In such case employer has to pay administrative charges on the higher wages (wages above 6500/-)
- For an International Worker, wage ceiling of 6500/- is not applicable.

**UNDER EPS**

- Contribution is payable out of the employer's share of PF and no contribution is payable by employee.
- Pension contribution not to be paid:
  - When an employee crosses 58 years of age and is in service (EPS members ceases on completion of 58 years).
  - When an EPS pensioner is drawing Reduced Pension and re-joins as an employee.

In both the cases the Pension Contribution @8.33% is to be added to the Employer Share of PF. (Pension contribution is not to be diverted and total employer share goes to the PF).

- In all other cases Pension Contribution is payable. A member joining after 50 years age, if not a pensioner does not have choice of not getting the Pension Contribution on grounds that he will not complete 10 years of eligible service. The social security cover is applicable till he/she is a member.
- For International Worker, higher wage ceiling of 6500/- is not applicable from 11-09-2010.

### **UNDER EDLI:**

1. Contribution to be paid on up to maximum wage ceiling of 6500/- even if PF is paid on higher wages.
2. Each contribution is to be rounded to nearest rupee. (Example for each employee getting wages above 6500, amount will be 33/-)
3. EDLI contribution to be paid even if member has crossed 58 years age and pension contribution is not payable. This is to be paid as long as the member is in service and PF is being paid.

<b>RATE OF PF CONTRIBUTION SINCE 1952</b>			
<b>Period</b>		<b>Rate</b>	<b>Payable on</b>
01.11.1952	to	1 anna per rupee	Total basic wages, DA and Food concession by both employers & employee
31.03.1956			

01.04.1956 31.03.1971	to	6.25%	Total basic wages, DA and Food concession by both employers & employee
01.04.1971 to 31.07.1988		6.25%,  Enhanced rate 8%	Total basic wages, DA and Food concession by both employers & employee  As on 31st March 1972, the enhanced rate of 8 per cent 'was applicable to the establishments employing 50 or more persons.
01.08.1988 31.05.1990	to	8.33%	Total basic wages, dearness allowance (including the cash value of any food concession) and retaining allowance (if any) payable to each employee who is a subscriber.
01.06.1990 08.04.1997	to	8.33%,  Enhanced rate 10%	Total basic wages, dearness allowance (including the cash value of any food concession) and retaining allowance (if any) payable to each employee who is a subscriber.  As on 31 <sup>st</sup> March 1991, the enhanced rate of 10 per cent 'was applicable to the establishments employing 50 or more persons.
09.04.1997 21.09.1997	to	8.33%,  Enhanced rate 10%	Notification dated 9th April, 1997 was issued enhancing Provident Fund contribution rate from 8.33% to 10%. With this 172 categories of industries/establishments out of 177 categories notified were to pay Provident Fund contribution @ 10% w.e.f. 1.5.1997.
22.09.1997 onwards		10%,  Enhanced rate 12%	a) Establishment paying contribution @ 8.33% to 10% b) Establishment paying contribution @10% to 12%

<b>EPF ADMINISTRATIVE CHARGES PAYABLE BY THE EMPLOYERS OF UN-EXEMPTED ESTABLISHMENTS</b>		
<b>Period</b>	<b>Rate</b>	<b>Reckoned on</b>
01.11.1952 31.12.1962	to 3%	Total employers' and employees' contributions.
01.01.1963 30.09.1964	to 3%	Total employer's and employees' contributions payable @ 6.25%.
	2.4%	Total employer's and employees' contributions payable @ 8%.
01.10.1964 30.11.1978	to 0.37 %	On total pay on which contributions are payable.
01.12.78 to 30.09.1986	0.37 %	On total pay on which contributions are payable. Minimum Administrative charges payable per month per establishment was Rs. 5/-.

01.10.1986 31.07.1998	to 0.65 %	On total pay on which contributions are payable. Minimum Administrative charges payable per month per establishment was Rs. 5/-.
01.08.1998 onwards	1.10 %	On total pay on which contributions are payable. Minimum Administrative charges payable per month per establishment is Rs. 5/-.

<b>EPF INSPECTION CHARGES PAYABLE BY THE EMPLOYERS OF EXEMPTED ESTABLISHMENTS</b>		
<b>Period</b>	<b>Rate</b>	<b>Reckoned on</b>
01.11.1952 31.12.1962	to 0.75%	On total employees' and employer's contributions payable @ 6.25%.
01.01.1963 30.09.1964	to 0.75%	On total employees' and employer's contributions payable @ 6.25%.
	0.60%	On total employees' and employer's contributions payable @ 8%.
01.10.1964 to 31.07.98	0.09%	On total pay on which contributions are payable.
01.08.1998 onwards	0.18%	On total pay on which contributions are payable.