

Circular No -070/2023

Date: 05.06.2023

To

All Members of the Association

**EPFO STREAMLINES THE PROCEDURE FOR JOINT REQUEST UNDER
PARAGRAPH 26(6) OF THE EPF SCHEME**

1. The EPF Scheme applies to those employees whose pay as per the present coverage limit of Rs.15,000/- per month. Pay for the purpose of the scheme is basic wages + dearness allowance + retainers allowance + cash value of food concessions admissible thereon. The basic wages means as defined under Section 2(b) of the EPF Scheme.
2. The employers are not required to contribute to the provident fund beyond the statutory ceiling limit of Rs.15,000/-. However paragraph 26(6) is an exception to this.
3. Paragraph 26(6) of the EPF Scheme provides that an employee who is a member of the scheme, whose monthly pay is more than statutory monthly wage ceiling i.e. who is excluded from the mandatory membership of the EPF scheme may contribute on actual (higher) pay in the manner specified therein. The paragraph requires that a joint option to contribution on actual (higher) pay may be exercised by the





- employer and the employee and with the permission of the EPF concerned may make higher contribution to the provident fund.
4. EPFO have issued the following guidelines in the matter of submitting joint request by the employer as well as the employee to the EPFO.
 - a. Any employee who intends to become a member of the scheme and contribute to it on actual (higher) pay exceeding the statutory limit (presently Rs.15,000/ per month) shall submit a joint request with his employer in the attached pro-forma application.
 - b. The said joint request will be made through the employer to the jurisdiction Regional Office.
 - c. The employer shall, further, undertake in the attached pro-forma application to pay the administrative charges as payable on actual (higher) pay and to comply with all statutory provisions in respect of such employee.
 5. The EPFO have also stipulated guidelines for receiving and maintaining the joint request received from the establishment by the EPFO Field Office and the guidelines provide as under:
 - a. The employer shall submit the joint request and the undertaking in the pro-forma application duly signed by the employee and the employer to the jurisdictional Regional Office digitally. The Regional Office will inform to the establishments under its jurisdiction about such a digital channel.





- b. All such joint requests and undertakings received by the jurisdictional Regional Office shall be expeditiously processed.
 - c. An officer not below the rank of Assistant Provident Fund Commissioner will allow such member to contribute on actual (higher) pay or enroll such an employee as a member of the scheme, as the case may be under intimation to the employer and the employee within 7 days of receipt of such joint request.
6. The above instructions would come into force with immediate effect and the following employees will be covered under the above guidelines.
 - a. The employees who become the members of the EPF scheme hereafter.
 - b. The employees who are at present members of the EPF Scheme and who may intend to contribute on actual (higher) pay in future when their wages exceeds the then existing statutory wage ceiling.
7. The guidelines further stipulate that existing member who are already contributing on actual (higher) pay if they have not submitted their joint request and undertaking of the employer can submit the same at the time of final claim settlement.
8. Copy of the internal circular No.WSU/2023/19/Para 26(6)(E-108547) dated 02.06.2023 is enclosed.





9. Though the guidelines stipulate that the existing members if they have not exercised the option referred to above, they may exercise such option at the time of final claim settlement, it is suggested that the member establishment may ensure that the requirement of paragraph 26(6) of the EPF Scheme are complied with in case of those employees who are contributing over and above the current statutory salary limit of Rs. 15,000/- per month submit the joint option and the permission of the EPFO is held on record. The same would facilitate any delay in the final settlement of the EPF claim and also transfer of the outstanding in the PF account to the PF code of another employer in the event the employee is transferred from one establishment to another.

For KARNATAKA EMPLOYERS' ASSOCIATION

**Sd/
[B C Prabhakar]
President**



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MINISTRY OF LABOUR & EMPLOYMENT, GOVERNMENT
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No. WSU/2023/19/Para 26(6)(E-108547)

Date: 02.06.2023

To,
All ACCs (Zones)
All RPFC-Is/ OIC
Sub: Instructions for regulating joint request under paragraph 26(6) of EPF Scheme 1952- reg.

Madam / Sir,

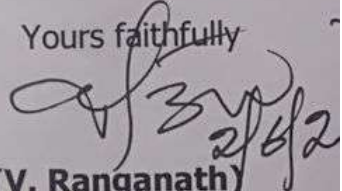
Please refer to the above subject.

- Paragraph 26 (6) of the Employees' Provident Funds Scheme, 1952 ("Scheme", hereafter), provides for the enrolment of an employee as a member of the Scheme whose monthly pay is more than the statutory wage ceiling (presently Rs.15,000/- per month), i.e. who is excluded from the mandatory membership of the Scheme. The paragraph also enables a member of the Scheme to contribute on actual (higher) pay in a specified manner.
- Joint requests under Paragraph 26 (6) will henceforth be made and allowed as follows:
 - Any employee who intends to become a member of the Scheme and contribute to it on actual (higher) pay exceeding the statutory limit (presently Rs. 15,000/- p.m.) shall submit a joint request with his employer in the attached *pro forma* application.
 - The said joint request will be made through the employer to the jurisdictional Regional Office.
 - The employer shall, further, undertake in the attached *pro forma* application to pay the administrative charges as payable on actual (higher) pay and to comply with all statutory provisions in respect of such employee.
- The manner in which such joint requests will be received and maintained by the EPFO Field Office is as follows:

- a. The employer shall submit the joint request and the undertaking in the *pro forma* application duly signed by the employee and the employer to the jurisdictional Regional Office digitally. The Regional Office will inform to the establishments under its jurisdiction about such a digital channel.
 - b. All such joint requests and undertakings received by the jurisdictional Regional Office shall be expeditiously processed.
 - c. An officer not below the rank of Assistant Provident Fund Commissioner will allow such member to contribute on actual (higher) pay or enroll such an employee as a member of the Scheme, as the case may be under intimation to the employer and the employee within 7 days of receipt of such joint request.
4. The above instructions are henceforth applicable in respect of the following employees:
- a. who will be enrolled in the Scheme hereafter,
 - b. existing members of the Scheme who may intend to contribute on actual (higher) pay in future when their wages exceed the then existing statutory wage ceiling.
5. All existing members who are already contributing on actual (higher) pay, if they have not submitted their joint requests and undertaking of the employer, can submit the same at the time of final claim settlement.

(This issues with the approval of CPFC)

Yours faithfully


(V. Ranganath)
ACC (WSU)

Copy to-

1. All CBT members for kind information please.
2. PS to CPFC
3. Shri Samir Kumar Das, Under Secretary to Government of India, Ministry of Labour and Employment for kind information
4. FA & CAO, CVO, Director (PDUNASS) & ZTIs
5. All ACC (HQs) and ACCs at HO for information and necessary action
6. Rajbhasha section for providing Version in Hindi

**PRO FORMA FOR JOINT REQUEST UNDER PARAGRAPH 26(6) OF THE EPF
SCHEME 1952**

To,

The Regional Provident Fund Commissioner

Regional Office...

Iam an existing member of the EPF Scheme, 1952, having UAN I have read and understood the provisions of paragraph 26(6) as well as the definition of 'pay' under paragraph 2 of the Scheme. I wish to contribute towards my EPF on actual (higher) pay exceeding the statutory wage ceiling (presently Rs 15,000/ per month) w.e.f.and accordingly, submit my option to contribute on my actual (higher) pay

OR

I..... having read and understood Para 26(6) and the definitions of 'pay' and 'excluded employee' as mentioned under Para 2 of EPF Scheme, 1952, hereby declare that I am an 'Excluded Employee' as per Para 2(f)(ii) of the Scheme and am not enrolled as a member of the Scheme as my 'pay' from the date of joining my establishmenthaving PF Code.....has been above the statutory wage ceiling (presently Rs. 15,000/- per month). Now, I wish to become a member of the EPF Scheme, 1952 w.e.f.....and accordingly hereby exercise my option for the same. I undertake to contribute to the Employees' Provident Fund on actual (higher) pay.

I,....., being the employer as per the provisions of Section 2(e) of the EPF & MP Act 1952, in respect of the above-mentioned employee and am submitting a joint request for the purpose of enrolling the member/ existing member who has been paying contribution on actual pay exceeding statutory wage ceiling/ existing members whose actual pay exceeds statutory wage ceiling.

Place:

Signature of Employer

Name, Designation of the employer

Name & Signature of the employee

UNDERTAKING BY THE EMPLOYER

I....., being the employer as per the provisions of Section 2(e) of the EPF & MP Act 1952, in respect of the above-mentioned employee, hereby undertake to pay the administrative charges payable at prescribed rates towards EPF contribution made by/ in respect of the said employee, including his/ her contribution on pay exceeding the statutory wage ceiling.

I further undertake to comply with all the statutory provisions under EPF & MP Act, 1952 and Schemes framed there under in respect of such employee with effect from.....

Place:

Date:

Signature of Employer

Name, Designation of the Employer

(For Office use)

OFFICE OF THE REGIONAL PROVIDENT FUND COMMISSIONER

The above Joint Request is accepted with effect from _____ with a direction to make necessary entries in the records of the establishment and the Account of the Employee/Member.

DA

AO

APFC

To

The Employer (Establishment) for information to member