

Government allows bulk transfer of provident Fund from exempted establishments

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In a move aimed at improving the ease of doing business, government has allowed bulk transfer of provident fund from exempted establishments to the Employees' Provident Fund Organisation in one go. The move is expected to benefit 1500 exempted establishments of EPFO.

Till now exempted establishments had to approve and transfer the funds one-by-one for each member. Consequently, larger establishments requiring to transfer the funds of many employees each day, found the process very cumbersome and time taking.

Under the new facility, exempted establishments can bulk upload data and transfer the funds for large number of members, through a single payment.

"This will enhance ease of doing business by increasing the speed of funds transfer for exempted establishments," EPFO said in a statement.

Exempted establishments are those establishments which have been granted exemption under **section 17 of EPF & MP Act, 1952** and manage the provident fund of members themselves under over all supervision of EPFO. On change of employment for a member from exempted to unexempted establishment, his past accumulations are transferred to EPFO.

All transaction between EPFO and exempted establishments have already been made electronic, thereby eliminating issues regarding delay and reconciliation of funds transferred.

In case of member shifting job from un exempted to exempted establishment, EPFO electronically transfer the funds in the bank account of the exempted establishment and the details of the transaction is made available in the login of the establishment. This has enabled faster crediting of funds in the account of the member maintained by exempted establishment, it said.

Further, exempted establishments have earlier been provided the facility to file their monthly returns and electronic challan-cum-return (ECRs) for remittance of pension fund contribution electronically, thereby facilitating compliance in a hassle free manner.

Besides, government has enabled EPFO members to apply for obtaining scheme certificate under Employees' Pension Scheme, 1995 through Umang App. Scheme Certificate is issued to members who withdraw their EPF contributions but wish to retain their membership with EPFO, to avail pension benefits on attainment of retirement age. The facility shall benefit over 5.89 crore subscribers "The ease of applying for scheme certificate through this app will help members to avoid unnecessary hardship of physically applying for it, especially during COVID-19 pandemic times," labour secretary Apurva Chandra said.