



September 2020



### Relaxation of Unemployment Allowance Benefit under ESIC

ESIC under “Atal Bimit Vyakti Kalyna Yojna” had been paying unemployment benefit of 25% of average wages to the workers covered under ESI Scheme until 30 June 2020. Under the current socio-economic situation, the Corporation has decided to extend the scheme for one more year i.e. up to 30 June 2021. Along with such extension, it has been decided to relax the existing conditions and the amount of relief for workers who have lost employment during the Covid-19 pandemic.

#### The new rules for imparting such benefit during this extended period are:

1. The payment of relief would now be made @ 50% of average of wages (earlier 25% of average wages payable) up to a maximum of 90 days of unemployment.
2. The relief has now become payable 30 days after unemployment, it was earlier payable after 90 days of employment.
3. The Insured Person can now directly submit the claim to ESIC Branch Office through online mode, instead of applying through the last employer. Also, the money will be transferred directly to the bank account of the IP.

#### The eligibility criteria are:

- The Insured Person should have been under insurable employment for a minimum period of 2 years immediately before his/her unemployment and should have contributed for not less than 78 days in the contribution period immediately preceding to unemployment and minimum 78 days in one of the remaining 3 contribution periods in 2 years prior to unemployment.

**Please note:** The enhanced relief under the relaxed conditions will be payable during the period of 24 March 2020 to 31 December 2020 and thereafter the scheme will be available with original eligibility condition during the period 01 January 2021 to 30 June 2021.

#### To read further please refer the official link:

<https://www.esic.nic.in/attachments/pressfile/f55817d023386fd44da8b8064414a142.pdf>

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## ESIC mandates mobile and bank details for generating Insured Person and to fill contribution details

As per the latest circular issued in June 2020, Employers are required to update mobile numbers and bank account details of new as well as existing employees registered under the ESI Scheme for generating the Insured Person (IP) number.

These procedural changes have been made effective from the 1 July 2020.

**Please note:** All Cash benefits/Claim reimbursements (for hospitalization and related monetary benefits) will be settled only if the correct bank account details of the beneficiary are available in the system.

**To read details of the official notification please refer the below link:**

<https://www.esic.nic.in/attachments/circularfile/a4bc6f76be243d6427196f6e8d2a3787.pdf>

**To go through the guidelines and process of seeding, please refer the official link:**

[http://imagesbu.adpinfo.com/Web/ADPBUServices/%7B09f440f4-7e4f-4acc-9c0e-147d46d8ea41%7D2\\_ESIC-Mobile\\_and\\_Bank\\_Account\\_Details\\_update\\_process\\_guidelines.pdf?elq\\_mid=6887&elq\\_cid=4952718&cid=elq\\_BUServices&assetid=6887](http://imagesbu.adpinfo.com/Web/ADPBUServices/%7B09f440f4-7e4f-4acc-9c0e-147d46d8ea41%7D2_ESIC-Mobile_and_Bank_Account_Details_update_process_guidelines.pdf?elq_mid=6887&elq_cid=4952718&cid=elq_BUServices&assetid=6887)

## Provident Fund reduced rate of 10% will no longer apply

The reduction in statutory rate of contributions from 12% to 10% for wage months May 2020, June, 2020 and July 2020 for all class of establishments covered under the EPF & MP Act, 1952 announced on 13.05.2020 by the Central Govt. as part of Atma-Nirbhar Bharat package has been notified vide SO 1513 (E) dated 18.05.2020, published in the Gazette of India.

EPFO had also clarified that the reduced rate of contribution (10%) is the minimum rate of contribution during the period of the package. The employer, employee or both can contribute at higher rate also.

The above package period ends after the wage month of July 2020. Hence the original PF Deduction / Contribution of 12% for both employee and employer, is to be restored with effect from the wage month of August 2020.

**This communication is a gentle reminder** for the clients to be prepared for the additional financial / cash flow impact for employee and employer starting August 2020 as compared to the previous 3 months.

**Kindly note** that the Ministry of L&E / EPFO has not issued any circular till date on the extension of the package of the reduced rate of 10% PF contribution.

## Maharashtra LWF due date extended

In the current increasing COVID situation, to help companies to be compliant and avoid any hardship the Maharashtra Labour Welfare Board **has once again extended** the last date for half yearly online remittance of LWF dues for all the companies to 15 September 2020 (earlier the due date was 15 July 2020 and then extended to 15 August 2020).

## Webinar Recording on: Filing your Income Tax Returns – AY 2020 – 2021

Due to the Covid-19 pandemic's impact, the Indian government, on May 13, 2020, announced the extension of income tax return (ITR) filing deadline for Individuals, for FY 2019-20 to November 30, 2020 from July 31, 2020. When income tax is deducted by the employer from an employee's salary and deposited with the government, the employer issues Form 16 which is a certificate of proof of such deductions. To file income tax returns before the deadline, it is very important for the employee to understand a few documents such as "Tax deduction certificate" more commonly known as "Form 16" and "summary of tax deduction" called as "Form 26AS".

**ADP has hosted a webinar to brief you and your employees, the process of filing their ITR for the financial year 2019 – 2020.** The

webinar will cover:

- Who should file it?
- Why should you file it?
- When should you file it?
- Which ITR should you file?
- How should you file it?

**To Register and view:**

<https://event.on24.com/wcc/r/2604673/C51D617DC5CB6C8B9F91B31A60F7ACCC?partnerref=ADPClient>

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## Monthly Calendar

TDS	
Particulars	Due Date
TDS payment for August	7 September 2020

Provident Fund	
Particulars	Due Date
Payment for August	15 September 2020

Employee State Insurance	
Particulars	Due Date
Payment for August	15 September 2020

Professional Tax	
State	Payment Due Date
Andhra Pradesh, Madhya Pradesh & Telangana	10 September 2020
Assam, Odisha, Maharashtra	30 September 2020
Gujrat	15 September 2020
Karnataka	20 September 2020
West Bengal	21 September 2020
Tamil Nadu (half yearly)	15 September 2020

Labour Welfare Fund (LWF)	
State	Payment Due Date
Kerala (For S&E)- (Worker Welfare Fund)	5 September 2020
<b>Maharashtra extended</b>	15 September 2020

Other Due Dates	
Item	Due Date
International Worker return under PF	15 September 2020

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