

MONTHLY WEBINAR

Relativity
The Compliance Experts

Payroll | Taxation | Compliance | Accounting
December 2022

Speaker: **Padmajothi N**



THE COMPLIANCE EXPERTS

- ✓ Payroll Processing / Audit
- ✓ Q-ETDS Compliance / Audit
- ✓ Statutory Compliance / Audit
- ✓ CA & RoC Compliance
- ✓ Tax Compliance / Audit
- ✓ Digital Form-16

Our Values

Quality

- Accuracy
- On-time delivery
- Up-to-date information
- Apt Advice

Integrity

- Data confidentiality
- Compliance

Excellence with a passion

- Organizational culture
- Client focus

Functional Expertise

Chartered
Accountants

Payroll
Specialist

Taxation
Experts

Labour Law
Advocates

Audit
Practitioners



Team of Professionals

Here are some of our key clients



Relativity's Solutions to Large Enterprises

- End to End ETDS Compliance & Audits
- End to End Management of Payroll Lodgement Services
- Form 16 Audit, Digitalization & Distribution
- Provident Fund Management & Compliance
- Industry Standard Self Service Portal for Management of Reimbursements & Tax Proofs
- Establish, Build, Operate & Transfer of India Payroll Shared Services
- GST Advisory, Compliance & Filings

Relativity's Solutions to Mid Sized Enterprises

- End to End Payroll Processing
- Statutory Compliance & Benefits Management
- End to End ETDS Compliance & Audits
- End to End Management of Payroll Lodgement Services
- Form 16 Audit, Digitalization & Distribution
- Payroll Process, Compliance & Integrity Audit

Relativity's Solutions to Small Companies

- Payroll Processing including ETDS Compliance & Statutory Benefits Management
- Advisory & Implementation for HR Policy Framework, processes, procedures
- Advisory & Implementation for Finance Policy Framework, processes, procedures
- India Entity Advisory & Setup
- Book-Keeping & Accounting for Businesses
- CFO Advisory



Some Facts

13

Years & young

153

Clients & counting

12L

transactions / Q

99.49

Accuracy rates

16

Cities

4.76L

Form 16's issued¹³

TOPICS FOR TODAY

1

How Employers have to be prepared on the EPS verdict of the Hon'ble Supreme Court

2

Latest updates / Amendments



NEXT



WHAT IS IT?

Employees Pension Scheme, 1995 (Amendment) in 2014 capped the maximum pensionable salary at Rs.15000

Option to opt pension on **Actual Salary** and not on Pensionable salary (15K)

Contribute **additional 1.16%** on salary exceeding Pensionable salary (15K)

Excercise the option within 6 months. Default was pension capped at 15K





WIDESPREAD CHAOS

Civil suits filed against the EPFO in
Delhi, Rajasthan and Kerala High Courts
against these amendment

Right to Social Security
Lack of Transparency / Clarity
Issue of non-parity

All Courts ruled against EPFO





EPFO GOES TO



SUPREME COURT OF INDIA



NEXT



SC VERDICT

Employees Pension Scheme, 1995 (Amendment) in 2014 capped the maximum pensionable salary at Rs.15000

UPDATED

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UPDATED



SC VERDICT

Employees Pension Scheme, 1995 (Amendment) in 2014 capped the maximum pensionable salary at Rs.15000

UPDATED

Option to opt pension on **Actual Salary** and not on Pensionable salary (15K)



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UPDATED

Contribute **additional 1.16%** on salary exceeding Pensionable salary (15K)

REJECTED

Excercise the option within 6 months. Default was pension capped at 15K

REJECTED
15



SC VERDICT

EPFO's Circular regarding No pension to exempted establishments also squashed





SC VERDICT

4 months from 04 October 2022
time to Opt for pension on actual
salary if a member of EPS scheme
as on 01.09.2014



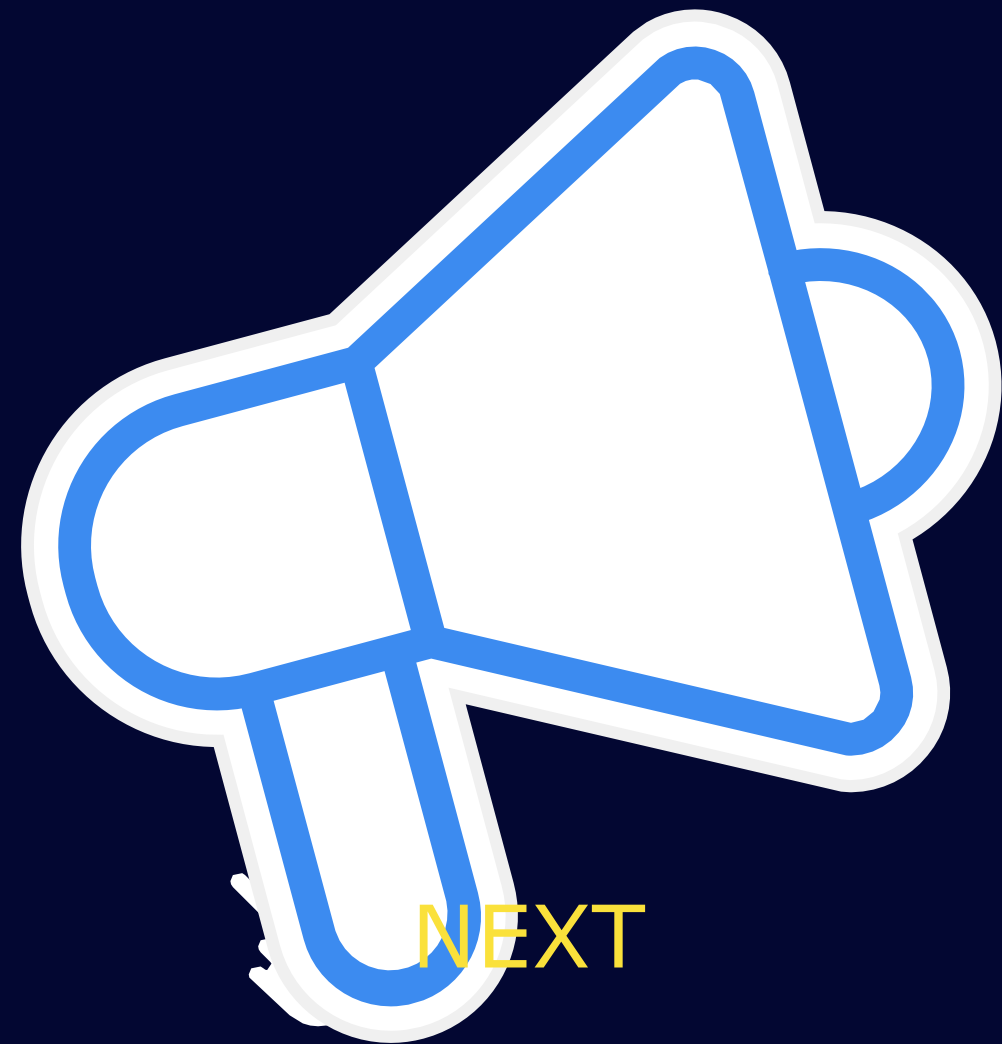
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EMPLOYERS DO WHAT?

1) **Sensitize Employees** who have joined on or before 01.09.2014 regarding this change

2) Once option is enabled by EPFO, make the **joint declaration** without fail



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LWF Contribution

For Tamil Nadu, LWF contribution of EE increased from Rs 10 to Rs. 20. For Employer increased from Rs. 20 to Rs. 40





EPFO - CONTRIBUTIONS

Particulars	Monthly	Annual
Basic Salary	2,00,000	24,00,000
Special Allowance	24,200	2,90,400
Contribution to PF (12% of basic)	24,000	2,88,000
Total CTC	2,50,000	30,00,000

The taxable PF Contribution is Rs. 38,000



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EPFO – PASSBOOK

Particulars	Non Taxable	Taxable
Opening Balance	5,50,000	0
Non Taxable Contribution	2,50,000	0
Taxable Contribution	0	38,000
Total Balance before interest	8,00,000	38,000
Interest Income	68,000	3,230





SEZ – WORK FROM HOME

Applicable till 31st December 23

List of Employees to be shared with Development commissioner before 31st Jan 23

Maintain a list of Employees working from home or outside the SEZ





ESIC INSPECTION DRIVE

ESIC is carrying out random inspection drives on units that are not registered and non compliance





YEAR END COMPLIANCE

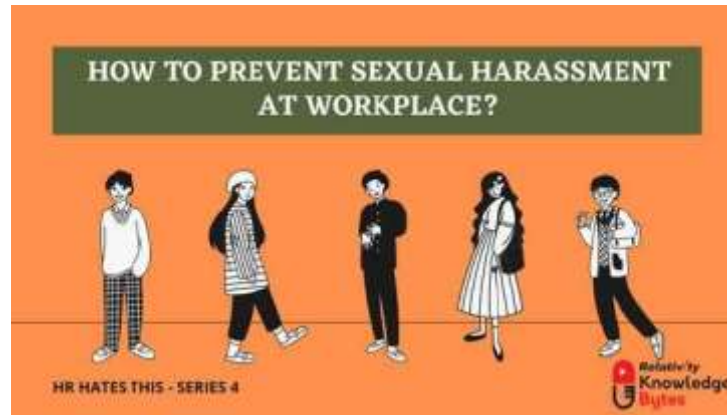
Labour welfare deduction

Submission of holiday list

Annual returns and renewal



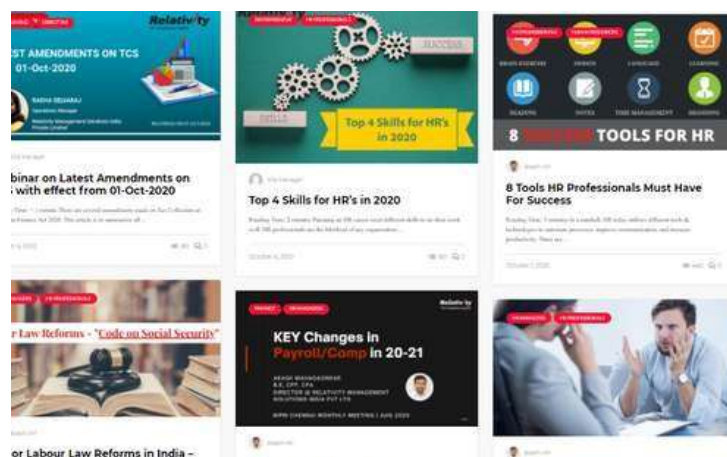
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Let's
make the
right one!