

HR VIDYALAYA

HR VIDYALAYA CORPORATE SERVICES LLP

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Claim"We are A Legally Complied Company"- Be Proud of yourself

January 1, 2021

Are you ready?

A single deviation can cost the Company badly - Financial, Reputational

Let's Start!
Be complied
to avoid

- Stocks down in the market
- Blacklist by Government
- Badmouth by Media



Do not get swayed away with the Messages / Write-ups on WAGES DEFINITION under Labour code..... PF, Gratuity, Bonus, everything has a CEILING.....

5 States completed stipulated reforms in Ease of Doing Business

The Ease of Doing Business is an important indicator of the investment friendly business climate in the country. The States completed such reforms so far (as on 20th December 2020), are

1. Tamilnadu
2. Andhra Pradesh
3. Telengana
4. Karnataka
5. Madhya Pradesh

The reforms stipulated in this categories includes, elimination of the requirements of renewal of registration / approvals / licenses in,

1. S&E Act
2. Factories Act
3. CLRA Act
4. Legal Metrology Act
5. ISMW Act
6. Trade Licenses issued by Municipal Corporation
7. Drug manufacturing / selling / storage licences.

HEADLINES-1

The Department of Expenditure, Ministry of Finance, has extended the deadline for the States to complete citizen centric reforms in various sectors. Upto 15th February, 2021 Such reform includes EASE OF DOING BUSINESS.....

HEADLINES-2

EODB, includes implementation of computerised central random inspection on the businesses, where the allocation of Inspector is also done centrally.

HEADLINES-3

EPFO is likely to credit 8.5 percent interest on EPF for 2019-20 by December, 2020

International Worker (IW under EPF Act) special

Various Types of Workers
under EPF Act

**Domestic Worker
(01)**

**Nepalese
Bhutanese
(02)**

**International Worker from
SSA
(with CoC)
(03)**

**International Worker from
SSA
(without CoC)
(04)**

**International Worker from
Non-SSA countries
(05)**

**Singapore Citizens /
Nationals
(06)**

Domestic Worker as IW (07)

**There are
3 (sl.no.3,4 & 5)
+ 1 (sl.no.7) types of
International Workers**

Employee who is employed in an EPF covered establishment

1 & 2

1. Who holds only Indian Passport (or Indian, having no Passport)
2. Who is either Nepalese national (Treat of Peace and Friendship, 1950) or Bhutan National (India Bhutan Friendship Treaty, 2007)

Are called as Domestic Workers under EPF & MP Act

**(3) International Worker from SSA
(with CoC)**

Eg.. A person comes from Germany or Japan **with** "Certificate of Coverage" and going to be engaged in an Indian Company covered under EPF & MP Act... IW, but no need to deduct & pay PF

**(4) International Worker from SSA
(without CoC)**

Eg.. A person comes from Germany or Japan **without** "Certificate of Coverage" and going to be engaged in an Indian Company covered under EPF & MP Act... IW--need to deduct/pay PF (on gross-HRA)

**(5) International Worker from
Non-SSA countries**

Eg.. A person comes from USA, Sri Lanka or England, etc., and going to be engaged in an Indian Company covered under EPF & MP Act... .. IW - need to deduct and pay PF (on gross-HRA)..... There is no COC concept for Non-SSA Countries...

**(6) Singapore Citizens /
Nationals**

Singapore Nationals or Citizens, who come to India on a short-term Employment Visa are Excluded from coverage of PF (CECA – Comprehensive Economic Cooperation Agreement)

Any person who is holding an OCI Status, whether he/she has an AADHAR card or not shall be considered as an International Worker (PIO was abolished on 1-9-2015)

Major Benefits of SSA

Effective with 18 countries with major Benefits of

- 1. Detachment
2. Portability
3. Totalization

On what contribution is made

- total salary (excluding HRA & OT if any) payable on account the employment of the employee employed for wages establishment covered
in India even for responsibility outside India also

Pay means :

Gross Wages excluding HRA & and Overtime Allowance paid monthly

- HRA (to the maximum as applicable to the City in which the employee is employed)
Overtime Allowance which is not paid across the board to all employees in a particular category or were being paid especially to those who avail the opportunity. And extra amount beyond the normal work which he was otherwise required to put.

ESSENTIALS OF SSA

01

Labour Mobility has enhanced

02

Avoid double coverage of Migrant workers

03

Exportability of benefits

04

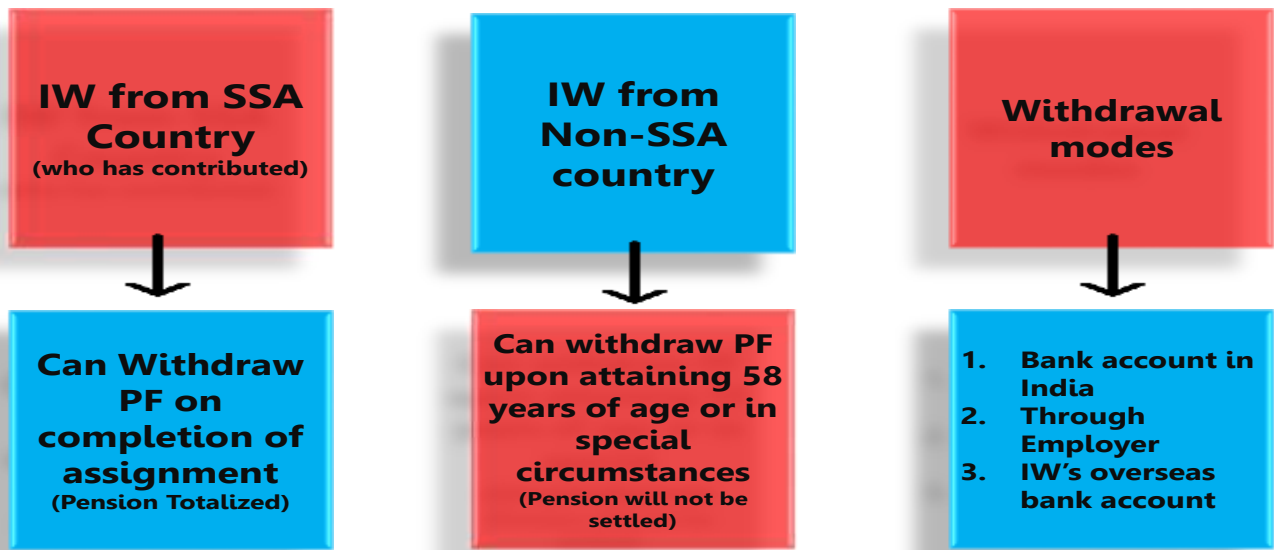
Contribution exemption in host country

- 1. DETACHMENT: The "Detached worker" is an individual who is posted by their Employer to work in another Country, on their rolls, for a limited period. Where worker is exempted from contribution in the country where he/she is going to perform duty
2. PORTABILITY: Benefits from the other country can be availed by beneficiaries in the home country
3. TOTALISATION: It refers to the total period of contributory service rendered by a PF member and benefits arising out of the same

SSA Signed Countries

- 1. Australia
2. Austria
3. Belgium
4. Canada
5. Czech
6. Denmark
7. Finland
8. France
9. Germany
10. Hungary
11. Japan
12. Luxembourg
13. Netherlands
14. Norway
15. Portugal
16. Sweden
17. Switzerland
18. South Korea

Withdrawals for IW



As per the new Social Security Code

The International Worker also needs to Obtain AADHAR to become a Member of PF (still to be notified)

Duties of Employer

1. Identify IW @ the time of employing
2. Deduct & Pay on Gross (minus HRA & OT, if any)
3. File monthly IW Returns
4. Do not engage International Workers who do not possess Employment Visa (except OCI or Sri Lankan refugees or any other country nationals to whom where employment visa is not required)
5. Sri Lankan Nationals are IW's

(7) Domestic Worker who is considered as International Worker

An Indian Domestic worker, who is an employee in an Indian Company, (covered under EPF Act) and goes to SSA Country on "Employment Visa" and performs duty in the Host country (still be on the rolls of the Indian Company).

Until such time he/she works in the SSA Country, he/she will be considered as an International Worker (all rules of IW applicable)

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Wishing the Readers
A Merry Christmas