**ESI & PF Compliance – Simplifying Statutory Returns for Growing Businesses**

In today’s competitive business landscape, staying compliant with labour laws is not just a legal obligation—it’s a mark of a responsible and trustworthy employer. The **Employees’ State Insurance (ESI)** and **Employees’ Provident Fund (EPF)** are two vital pillars of employee welfare in India, offering social security, medical benefits, and retirement savings to your workforce.

However, managing ESI and PF registrations, monthly returns, timely payments, and employee claims can be complex and time-consuming.

As your dedicated **Chartered Accountant partner**, we simplify this process for you. Our expert team ensures **accurate return filing**, **timely compliance**, and **complete advisory support**, allowing you to focus on growing your business while we handle the statutory requirements.

Whether you are a startup, MSME, or a growing enterprise—**we make your ESI & PF obligations effortless, efficient, and penalty-free**.

**✅ Overview**

Employers registered under **Employees’ State Insurance (ESI)** and **Employees’ Provident Fund (EPF)** are legally required to file periodic returns with the respective authorities. These returns ensure transparency and compliance with employee welfare regulations.

As your trusted CA service provider, we help businesses stay compliant by handling all aspects of ESI and PF return filing accurately and on time.

🧾 **What Are ESI & PF Returns?**

|  |  |
| --- | --- |
| Type | Description |
| ESI Return | A periodic filing by employers to the **ESIC (Employees’ State Insurance Corporation)** showing contributions deducted and deposited for employee medical and social security benefits. |
| PF Return | A monthly and annual filing to the **EPFO (Employees’ Provident Fund Organization)** reflecting PF contributions made by employer and employee for retirement savings. |

**Complete Guide: ESI & PF Returns, Tax Liability, Benefits, and Claims**

**🔍 1. Tax Liability under ESI & PF**

**💼 For Employers:**

* **PF: Employer must contribute 12% of employee’s basic salary + DA.**
* **ESI: Employer must contribute 3.25% of gross salary (if employee earns ≤ ₹21,000/month).**

**✅ Tax Benefit: Employer contributions to PF and ESI are allowed as business expenditure under the Income Tax Act, thus reducing taxable income.**

**👨‍💼 For Employees:**

* **PF: Employee contributes 12% of basic salary.**
* **ESI: Employee contributes 0.75% of gross salary.**

**✅ Tax Benefit: Employee’s PF contribution qualifies for Section 80C deduction (up to ₹1.5 lakh/year).**

**👷‍♂️ 2. ESI Benefits for Employees**

|  |  |
| --- | --- |
| Benefit Area | Description |
| Retirement Security | Monthly PF contributions accumulate into a retirement corpus, earning interest (currently ~8%). |
| Pension Scheme (EPS) | Lifelong pension after 58 years of age (if service ≥10 years). |
| Medical Coverage (ESI) | Free treatment for employee and family in ESIC hospitals, sickness benefit, maternity leave, disability benefits. |
| Insurance (EDLI) | In case of employee’s death during service, nominee gets up to ₹7 lakh insurance. |
| Loan & Withdrawal | Partial PF withdrawals for housing, education, marriage, illness, etc. |

**🏢 3. ESI Benefits for Employers / Companies**

|  |  |  |  |
| --- | --- | --- | --- |
| Benefit |  |  | Description |
| ✅ Legal Compliance |  |  | **Avoid penalties, inspections, and license-related issues.** |
| ✅ Tax Deduction |  |  | **Employer contributions reduce overall income tax liability.** |
| ✅ Employee Retention |  |  | **Contributing to PF and ESI builds employee trust and job satisfaction.** |
| ✅ Government Subsidies |  |  | **Eligible under schemes like PMRPY, where govt pays part of PF contribution.** |
| ✅ Better Reputation |  |  | **Enhances the company’s image as a compliant and employee-friendly organization.** |

**📋 4. PF Returns & Filing Process**

**📅 Monthly Returns (Due by 25th of each month):**

* **Form 5 – New joiners**
* **Form 10 – Exited employees**
* **Form 12A – Monthly contribution summary**
* **ECR (Electronic Challan-cum-Return) – Uploaded via EPFO portal**

**📅 Annual Returns (Due by 30th April):**

* **Form 3A – Individual employee-wise contributions**
* **Form 6A – Summary of all employees’ contributions**

**💡 We handle monthly and annual PF returns filing, ensuring timely compliance and avoiding penalties.**

**💳 5. PF Withdrawal Process**

**Eligible Situations:**

* **Resignation/retirement**
* **2 months of unemployment**
* **Partial withdrawal allowed for home purchase, medical treatment, marriage, etc.**

**🔁 Claim Procedure:**

1. **Login to EPFO Member Portal**
2. **Update KYC (Aadhaar, PAN, Bank)**
3. **Submit claim via Form 19 (final PF), Form 10C (pension), or Form 31 (advance)**
4. **Track through UMANG app or EPFO portal**
5. **Settlement within 7–15 working days**

**📝 Note: No need for employer signature if KYC is verified and linked with Aadhaar.**

**🏥 6. ESI Returns & Filing Process**

**📅 Monthly Returns (Due by 15th of each month):**

* **Uploaded through ESIC portal**
* **Includes details of employee wages and contributions**
* **Payment through E-challan**

**✅ Benefits under ESI Scheme:**

* **Medical treatment for employee & dependents**
* **Sickness Benefit: 70% of wages for 91 days/year**
* **Maternity Benefit: Full salary for 26 weeks (for insured women)**
* **Disablement Benefit: 90% of salary in case of permanent disability**
* **Dependents’ Benefit: For family in case of death during service**

**❌ 7. Penalty for Non-Compliance**

| **Delay** |  |  | **Penalty** |
| --- | --- | --- | --- |
| **ESI Delay** |  |  | **Interest @ 12% p.a. + penalty up to ₹5,000** |
| **PF Delay** |  |  | **Interest @ 12% + Damages from 5% to 25% depending on delay period** |

**🛠️ Services We Offer**

**✅ New ESI / PF registration  
✅ Monthly and annual return preparation & filing  
✅ Calculation of contributions (employer & employee)  
✅ Timely reminders to avoid delays  
✅ Assistance in inspections or notices  
✅ Record maintenance and audit support**

**📅 Return Filing Due Dates**

| **Return Type** | **Due Date** |
| --- | --- |
| **PF Monthly Return (Form 12A, 5, 10)** | **25th of every month** |
| **PF Annual Return (Form 3A & 6A)** | **30th April** |
| **ESI Monthly Return (online portal)** | **15th of every month** |

**🧑‍💼 Why Choose Us?**

* Expert CA-led team with labor law compliance knowledge
* Transparent and affordable pricing
* Personalized support for small and medium businesses
* 100% digital and paperless process