

## **UNDERSTANDING THE EMPLOYEES' PROVIDENT FUND**

### **What is the Provident Fund and why is it important to me?**

The Employees' Provident Fund is a Social Security benefit for associates, offering the opportunity to save for retirement. Contributions to the fund are matched by Cognizant. Employees' Provident Fund participants are automatically eligible for pension and insurance benefits without making additional contributions.

The Employees' Provident Fund Organization (EPFO), a statutory body under the Ministry of Labour, Government of India, administers three schemes: the Provident Fund Scheme, Pension Scheme and Insurance Scheme. The Regional Provident Commissioners maintain the Provident Fund / Pension Fund / Insurance Fund accounts and are extending various entitled benefits to Employees / Family members / Nominees under the three schemes of Provident Fund, Pension Fund and Insurance Fund. These benefits cannot be assigned or charged and shall not be liable to attachment under any decree or order of any court.

### **Who will be covered under the Provident Fund Membership?**

All new joiners of Cognizant will be enrolled as a Provident Fund member from the date of joining. Further, these new joiners are also automatically eligible for membership under the Pension Scheme (subject to certain conditions) and Insurance Scheme. You are also expected to submit a nomination in the prescribed Form 2 (Revised) for transmission of the same to the Regional Provident Fund Commissioner.

In the nomination form (Form 2), you'll provide details of your nominee for the Provident Fund and a list of Family members / Nominee for the Pension Fund. There is no separate nomination required for Insurance Scheme, as the beneficiary is the same as specified for the Provident Fund.

**Note:** We have automated the filling of Form 2 during the pre-onboarding process to ensure the better benefit is provided / passed on to family members / nominees as per the provisions available in the three schemes referred above. Page 2 of 3

### **What if I have two different account numbers for EPF and EPS?**

A certain category of establishments have been classified as "EXEMPTED ESTABLISHMENT" by the Employees' Provident Fund Organization. These organizations have their own Provident Fund recognized by the Income Tax Act, 1961, and the Provident Fund will be maintained by their own trust. However, such exempted establishments will maintain the Pension Fund with the respective Regional Provident Fund Commissioner, and the Insurance Fund is either maintained with the respective Regional Provident Fund Commissioner or with any of the Insurance Provider approved by the EPFO. Hence, please note that the Provident Fund members of the Provident Fund Trust may have two separate Account Numbers for Provident Fund and Pension Fund, i.e., a Provident Fund Account Number issued

by the Provident Fund Trust and Pension Fund Account Number issued by the EPFO who is the administering authority of the Pension Fund. Any Provident Fund member is entitled to transfer their Provident Fund money from their earlier Provident Fund Accounts maintained either by the Provident Fund Trust or Regional Provident Fund Commissioner to his / her present Provident Fund Account (and vice-versa) by applying through the UAN PORTAL meant for this purpose by the EPFO.

## **What should I do before my official join date?**

As a future employee of Cognizant, at the time of joining, we ask that you submit / declare in Form – 11 the details of your Universal Account Number (UAN) and Provident Fund Account Number and other particulars including your Aadhaar Number & KYC details as required therein. It is therefore necessary to ensure that your Aadhaar Number contains the correct information of your biographical details, i.e., Name, Date of Birth (DD/MM/YYYY), Gender, etc. Any incorrect or incomplete information in Aadhaar, - such as specifying only your Year of Birth (YYYY) instead of your complete Date of Birth (DD/MM/YYYY) -- will have an impact on your future Provident Fund transactions, especially through UAN, transfer of Provident Fund money from your current (employer) Provident Fund Account to the Provident Fund account allotted to you upon joining Cognizant. Hence, it is advisable to contact your current or previous employer before joining Cognizant and ensure your UAN and Aadhaar details are matched before you initiate pre-onboarding formalities (“OneCognizant Onboarding” Applications / Forms / Submissions). This will ensure faster and simple “AUTO TRANSFER” of your Provident Fund money standing in the credit of your current Provident Fund Account. Page 3 of 3

**Note:** If Cognizant is your first employer, you’ll need to follow the procedures prescribed above for your Aadhaar number only. You do not need to take any action related to “UAN” & “AUTO TRANSFER” as these are not applicable to you.