

# Mandatory Aadhaar seeding with EPF kicks in; N-E states exempted

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Companies need to seed the 12-digit Aadhaar number with each of their staff's employees' provident fund (EPF) account and validate it with the employers' record, the Union labour ministry told its more than 120 regional and zonal offices on Monday. The companies will otherwise not be able to submit statutory provident fund deductions from this month, the ministry said.

However, the Employees' Provident Fund Organisation (EPFO), which comes under the labour ministry, has given seven north-eastern states, left wing extremism-hit areas and some specific sectors such as construction and plantation including the coffee, jute, and rubber sub segments, till 31 December 2021 to comply with the requirements.

Matching of the Aadhaar details such as name, age, and date of birth of subscribers with the records of employees will reduce payroll fraud such as impersonation, the authorities



North-eastern states have been given time till 31 Dec to comply with the requirements. HT

believe.

Several industries and workers representatives had reached out to EPFO for an extension of the deadline for complying with the mandatory seeding of Aadhaar with universal account number (UAN) of workers.

"The representations for extension of time beyond September have been considered, and it is noted that overall about 94% of the contributory EPF members' UANs have Aadhaar seeding. However, there is less percentage of Aadhaar seeding in UANs of...EPFO's

administrative zone of north-eastern regions and in certain class of industries such as...building and construction and plantations," EPFO wrote to its field offices.

"Considering the low Aadhaar penetration in the EPFO administrative zone of north-east region, comprising Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura, time for mandatory seeding of Aadhaar in UAN for filing electronic challan-cum receipt (ECR) is extended till 31 December 2021," the EPFO headquarter in Delhi said in the circular to regional and zonal offices.

Every month contribution and a matching contribution is made by employers, who submit the monthly statutory deductions at EPFO through ECR.

The mandatory seeding of Aadhaar with UANs for submitting contributions was to be effective from 1 June. However, both employees and employers had reservations on the move and demanded an extension as the contributions of several EPF subscribers could not be submitted.