

# Gujarat Chamber of Commerce & Industry



ગુજરાત વેપારી મહામંડળ ૧૯૫૯ થી કાર્યરત.

30<sup>th</sup> April, 2020 /6237

**Smt. Nirmala Sitharaman**

Hon'ble Union Minister of Finance,  
Ministry of Finance,  
Government of India,  
North Block,  
New Delhi - 110 001

**Sub: Request for removal of restricting conditions regarding PF contribution payment by Government**

Respected Madam,

Greetings from Gujarat Chamber of Commerce and Industry (GCCI).

At the outset, we appreciate the relief measures undertaken by your good self in view of the financial crisis being faced by the business fraternity and the society at large, due to the COVID-19 pandemic. We especially acknowledge and applaud the support package of Rs. 1.7 lakh crore announced by you within just 36 hours of imposition of lockdown in the country, with the objective of providing relief and financial safety to the poor.

Madam, under this package, one of the important measures to support the organized sector was the announcement that government would pay the entire provident fund contribution of those who earn less than Rs. 15,000 per month. However, it was announced that this contribution would be paid subject to the following two conditions:

1. It would be available only to companies which employ upto 100 people
2. 90% of the employees should be drawing salaries of less than Rs. 15,000 per month

Madam, payment of PF contribution by the government is indeed a welcome step and is the need of the hour. It is a big relief for the organized sector, especially the small and medium enterprises, that are struggling to survive, while also trying to prevent job cuts. However, the above two conditions are proving a deterrent for the labour-intensive small and medium enterprises and is preventing them from taking advantage of this much-needed support.

In order to ensure that a large number of companies can be benefitted from this step, we request you to consider relaxing the 100 workers' limit or at least raising it substantially. Further, we request you to consider removal of the condition that 90% of the employees should be drawing salaries of less than Rs. 15000 per month. This will provide the much-needed impetus to the organized sector and will help the sector regain normalcy faster after the lockdown.

We look forward to your early positive consideration of our request in the larger interest of the nation's economy.

With Regards,

**Durgesh Buch**  
President

**Durgesh V. Buch**  
President

**Natubhai Patel**  
Sr. Vice President

**Bhargav Thakkar**  
Vice President

**Sanjeev Chhajjer**  
Secretary

**Dilip M. Padhya**  
Secretary (R)

**Pathik S. Patwari**  
Treasurer