



Payroll Processing

By: I S Techspace Services India Pvt. Ltd.

I S Techspace

ISTS provides end-to-end business solutions with its experienced staff in the field of Payroll processing, PF Trust Accounting, Software development and other IT Services. ISTS works on proven delivery model which help to synchronize seamless and cost-effective solutions with assured quality.

ISTS is one of the leading service providers with proven expertise in the areas of Finance, HR Administration & Payroll for clients include medium and large companies of various industry verticals namely Engineering, Pharmaceutical, Healthcare, Financial services, Retail, Print & Publishing, etc.

ISTS also provide solutions by offering services of highly skilled, trained and experienced Professionals.

Payroll Processing

Payroll process activity is one of the HR processes which on outsourcing help the HR professionals to free themselves from the daily routine work and take part in the strategic level processes.

Payroll outsourcing involves an external organization performing all the activities related to payroll management, HR Consultancies, etc.

The subsequent section of this presentation will explain various aspects of this activity.

Payroll Processing

Monthly Processing

- Collect Payroll related data by email as per the monthly processing schedule.
- Enter data into the system, Validate and Tally control figures.
- Execute Payroll Calculations and Establish Controls.
- Generate Statutory & General Reports.
- Create other files for uploading in SAP or other applications of Clients.
- Maintain Data & program files for contingency.
- Preserve data for annual processing.
- Process Settlements.
- Computation of Settlement.

Annual Processing

- Consolidate the data for the financial year.
- Reconcile data with monthly figures and Tally for the financial year.
- Generate statements like form24 (Quarterly TDS Return),form 16,12 BA etc.

Payroll Processing

Generate Statutory Reports

- Income Tax Deduction Report
- Provident Fund Contribution Report
- Professional Tax deduction Report
- ESIC Deduction Report
- Labor Welfare Fund Report (6 monthly)

Computation of Settlement includes

- Prepare settlement details
- Include settlement data in Pay-data for Annual jobs.
- Form – 16 & Form 12 BA for settled employees.

Generate other Reports

- Check list for all inputs
- Salary Register Report
- Pay Slip Comparison Report
- Control Summary Report
- Bank Transfer Report
- DD Payable Report
- PAY Slips
- Income Tax Projections
- Division wise & State wise (Detail & Summary) Reports

Create other files for uploading

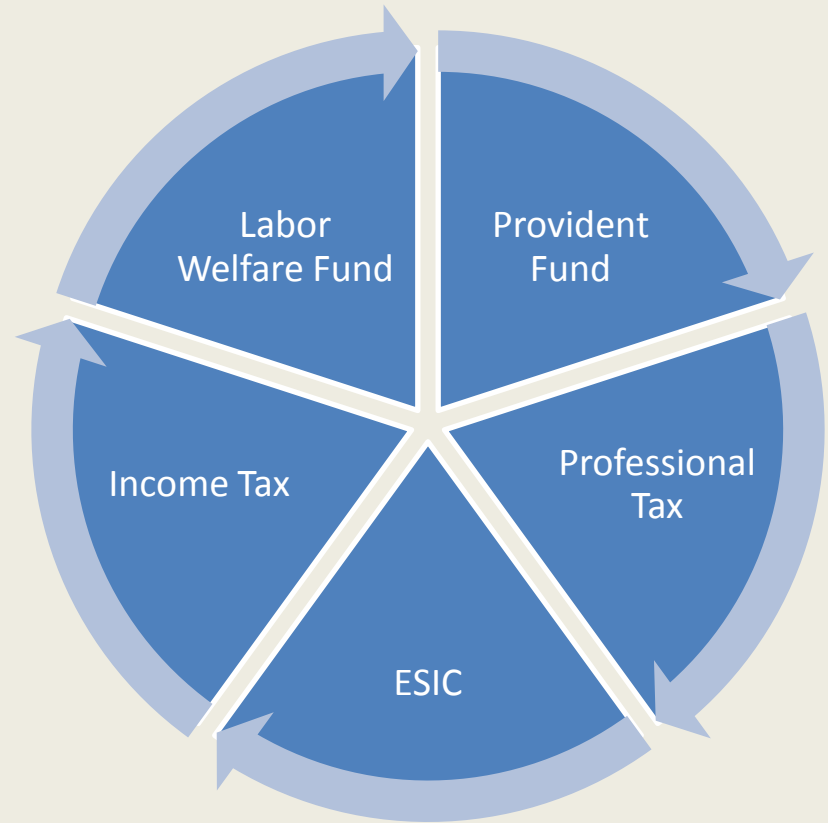
- Bank files for salary upload.
- Journal Voucher for SAP upload

Statutory Payments & Compliance

The payments made to Government on behalf of employees & employer are referred as “Statutory Payments” .

Prerequisites

- All the statutory payments through cheques along with Challan and other documents need to be given in one time and well in advance to ISTS.
- These documents in turn to are to be dispatched to assigned persons of client at different locations before due dates.



Provident Fund

Monthly remittance

- Preparing and sending Challans (Form 12A) to Clients as per RPFC requirement.
- Collection of cheques from Clients of required challan amount.
- Depositing Challan along with cheque in PF office and collecting receipt
- Sending receipt to Clients

PF Settlements (Withdrawal)

- Collecting dully filled Provident Fund Withdrawal forms (Form 19 & 10C) from Clients.
- Verification of PF forms dully filled by Clients employees.
- Submission of PF forms in RPFC.
- Follow up with RPFC for PF clearance.

PF Transfer-out

- Collecting dully filled Provident Fund Transfer-in forms (Form 13) from Clients.
- Verification of PF forms dully filled by Clients employees.
- Submission of PF forms in RPFC.
- Follow up with new employer for resigned employee & RPFC for PF Clearance.

Provident Fund

PF Transfer in

- Collecting dully filled Provident Fund Transfer-in forms (Form 13 – New employer’s copy) from Clients.
- Verification of PF forms dully filled by Clients employees.
- Submission of PF forms in RPFC.
- Regular Follow up with Previous employer of New Joinees & RPFC for PF clearance.

PF Annual Processing

- Preparation of annual reconciliation of dues & payment of PF after reconciling all employee wise data.
- Preparation of month wise employees cards.
- Preparation of form 5A.
- Preparation of PF Annual return.

PF other activities

- Maintaining PF register as required by PF authorities.
- Preparing Monthly PF Statement of New joinees (Form 5).
- Preparing Monthly PF Statement of resigned employees (Form 10).
- Preparing Monthly Statement of Non PF members (Form 11).
- Processing of PF nomination forms of employees.

Professional Tax

For Maharashtra State:

- Preparing challan as per PT regulations.
- Preparing annexure containing summary/details of PT remittance.
- Collection of cheque from Clients of required challan amount.
- Depositing the PT amount into Bank notified by Clients.
- Sending Acknowledgement to Clients.
- Note: Professional Tax will be remitted for Client's employees of Maharashtra State only.

For Non Maharashtra State:

- Preparing location wise challans as per PT regulations.
- Preparing annexures containing summary/details of PT remittance.
- Collection of check from Clients of required challan amount.
- Dispatching Challan along with annexures & cheque to a
- Representative appointed by Clients at different locations.
- Sending Acknowledgement to Clients.

Prerequisites:

- Guidelines need to be provided to ISTS for remitting Profession Tax at different locations of Clients.
- A contact person at locations to be assigned by client to whom "Challans along with annexures and cheque" are to be dispatched for depositing the same to PT authority.

ESIC

ESIC Remittance

- Maintaining register of ESIC contribution as required by Law.
- Preparing location wise challans as per ESIC regulations.
- Preparing annexures containing summary/details of ESIC remittance.
- Collection of check from Clients of required challan amount.
- Dispatching Challan along with annexures & cheque to a Representative appointed by Clients.
- Sending Acknowledgement to Clients.
- Bi-Annual return filing after reconciling the dues and payment of ESIS contribution.

Other Activities

- Help extended in processing ESIS registration form.
- Help extended in solving queries of employees.
- Attending ESIS inspection with the help of company representative.

Prerequisites

- Guidelines need to be provided to ISTS for remitting ESIS at different locations of Clients.
- A contact person at locations to be assigned to whom “Challans along with annexures and cheque” are to be dispatched for depositing the same to ESIS authority.

Income Tax

TDS

- The details of investments declaration from Employees need to be provided to ISTS and based on which Tax liability will be calculated and tax will deducted as per IT regulations.
- Note: Circulation of Income Tax notifications, Request for asking Investments declaration and proofs will be the responsibility of CLIENT.

Employees query on Income Tax

- ISTS will give support in resolving employees queries on Income Tax deduction.

Prerequisites

- Guidelines need to be provided to ISTS for which type of IT related queries to be addressed or handled.
- Note: The communication on all queries will be done through email only, by ISTS and Clients authority/employee.

Labour Welfare Fund

LWF remittance

- Preparing location wise challans as per LWF regulations.
- Preparing annexures containing summary/details of LWF remittance.
- Collection of check from Clients of required challan amount.
- Dispatching Challan along with annexures & cheque to a Representative appointed by Clients.
- Sending Acknowledgement to Clients.

Prerequisites

- A list of eligible employees need to provided to ISTS for whom LWF remittance to be made.
- Guidelines need to be provided to ISTS for remitting LWF at different locations of Clients.
- A contact person at locations to be assigned by client to whom “Challans along with annexures and cheque” are to be dispatched for depositing the same to LWF authority.

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