



**युनाइटेड इंडिया इन्श्यूरेन्स कं. लि.**  
**UNITED INDIA INSURANCE COMPANY LIMITED**  
(Registered & Head Office: 24, Whites Road, Chennai - 600 014)  
**ESTABLISHMENT DEPARTMENT**

Ref No: HO/ESTB/2023-24

Date: 03/07/2023

Re: Clarification in Form 16

In respect of Form 16, we would like to clarify as under:

The difference between Part A and Part B is due to the fact that Part A is downloaded from Traces and issued. Part B is taken from SAP (Salary Module). You are aware that on exit from the company a separation action is done in SAP (Salary Module) and after this no entry into the employee code is permitted. Hence, Part B contain only salary and other components paid as and upto the date of separation action initiated in SAP. However, all payments effected after separation forming part of wage revision has been included as Income and tax deducted accordingly and returns are filed by the company with IT authorities. The same is appearing in Part A which has been downloaded from IT. Hence the difference which would be appreciated.

In respect of Contribution towards PF from Arrears:

It has been clarified by CFAC Department (Taxation) that 80C benefit cannot be given by the Company, as the amount deducted under the head PF has been returned to the retirees along with salary arrears and there is no actual remittance. Even though it is claimed that notional entries are passed, the actual credit to the employee code cannot be made as they are no longer members of the PF in view of their exit from the fund due to superannuation or otherwise. Hence the same could not filed to IT authorities as PF contribution.

It has been suggested that due to the entry as PF contribution is shown in Wages Arrears Sheet, the retiree may claim directly whilst filing their return which may be accepted by IT authorities and credit given for the same under Section 80.

Hope we have clarified the position and would be appreciated.

ESTABLISHMENT DEPARTMENT