

## HR Law Hotline

May 13, 2019

### PF JUDGMENT : 5 IMPORTANT LESSONS

This article was originally published in the May 2019 edition of



In the recent provident fund (PF) judgment, the Hon. Supreme Court (SC) upheld the test of 'universality'. However, that did not seem to create any new jurisprudence - it basically and correctly reiterated the position taken in some of the previous case laws on this issue, including as far back as 1963.

Hopefully, the PF judgment, which was keenly awaited, should lay to rest the prevailing confusion and ambiguity in the industry while interpreting basic wages. It should now be abundantly clear as to salary components on which employers need to contribute PF. Unfortunately, there were higher expectations, given the potential impact an adverse decision would have had on all industry sectors covering a majority of India's working population.

Analyzing the PF judgment has in a way helped all of us learn several important lessons, some of which are indicated below:

For the complete article, please click [here](#).

Vikram Shroff

### DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

## Research Papers

### Clinical Trials and Biomedical Research in India

April 22, 2025

### Structuring Platform Investments in India For Foreign Investors

March 31, 2025

### India's Oil & Gas Sector— at a Glance

March 27, 2025

## Research Articles

### 2025 Watchlist: Life Sciences Sector India

April 04, 2025

### Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

### INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

## Audio

### CCI's Deal Value Test

February 22, 2025

### Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

### Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

## NDA Connect

Connect with us at events, conferences and seminars.

## NDA Hotline

[Click here to view Hotline archives.](#)

## Video

Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia |

**Vaibhav Parikh, Partner, Nishith  
Desai Associate on Tech, M&A, and  
Ease of Doing Business**

March 19, 2025

**SIAC 2025 Rules: Key changes &  
Implications**

February 18, 2025

