

**Tika Ram Chaudhary's**  
**Gratuity Trust Fund Consultant**

(Corporate Consulting Firm providing Actuarial, Legal, Insurance and Investment Solutions for Employee Benefits (i.e. Gratuity, Leave Encashment, Pension, PRMB etc.) Trusts in compliance of the Payment of Gratuity Act, 1972, The Payment of Gratuity (Central) Rules, 1972, CCS Pension Rules, 1972, AS 15 (Revised 2005), IndAS 19, IAS 19 (Revised 2011) – IFRS, Part C of Schedule IV of Income Tax Act, 1961 & Rule 98-111 of Income Tax Rules to Indian and Multinational Companies)

**Registered Office Address - R-11, First Floor, Vikas Nagar, Uttam Nagar, New Delhi - 110059 (India)**

**Correspondence Address – Plot Number 16, Fourth Floor, Prem Nagar, Uttam Nagar, New Delhi – 110059 (India)**

Mobile Number: 9211637063, Landline Number : 011-45261651

E-mail: [tikaramchaudhary@gratuitytrustfund.com](mailto:tikaramchaudhary@gratuitytrustfund.com), [tikaramchaudhary@gmail.com](mailto:tikaramchaudhary@gmail.com)

Website: [www.gratuitytrustfund.com](http://www.gratuitytrustfund.com)

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**Profile of Our Firm - "Gratuity Trust Fund Consultant"**

Our Firm **Gratuity Trust Fund Consultant** is an MSME Registered with Ministry of Micro, Small and Medium Enterprise with Registration Number UDYAM-DL-11-0013795. Our Consulting Firm is headed by Mr. Tikaram Chaudhary, he has almost **15 years of experience and specialization** in providing **Consultation** for Actuarial, Legal, Insurance and Investment matters related to Old and New Gratuity Trusts as **per various provisions of Accounting Standards (i.e. IndAS19, AS 15 (Revised 2005), IAS 19 (Revised 2011) & USGAAP ASC 715) Indian Trust Act 1882, The Payment of Gratuity Act, 1972, The Payment of Gratuity Rules, 1973, Income Tax Act 1961, Income Tax Rules, 1962, Fourth Schedule of Income Tax Act, 1961 & relevant Acts/Rules.**

Generally, Gratuity Trusts are formed by the **most reputed Indian & Multinational Companies** as per provisions of in terms of Part C of Fourth Schedule of Income Tax Act, 1961 in irrevocable System for compliance of **Section 4A of the Payment of Gratuity Act, 1972** and getting the **Tax Benefits** available under **Section 36 (i) (v) and 10 (25) (iv) of Income Tax Act, 1961.**

**Gratuity Trust Fund Consultant** is a Leading Corporate Consulting Firm served more than 1000 Most Reputed **Indian & Multinational Companies** with Actuarial Valuation, Legal, Gratuity Insurance and Gratuity Trust Investment Solutions for Employee Benefit (i.e., Gratuity, Leave Encashment, Pension, PRMB etc.).

**GTFC** is actively involved in providing End to End Consultation for effectively implementing Accounting, Actuarial and Legal compliances of the Payment of Gratuity Act, 1972, The Payment of Gratuity Rules, 1973 & Accounting Standards (AS 15 Revised 2005, IndAS 19 & IAS 19-IFRS) applicable on Indian & Multinational Establishments. The details of Actuarial, Legal, Insurance and Investment Compliances related to Gratuity Benefits and other Defined Benefits are as under: -

**1. Gratuity Trust Solutions**

The Payment of Gratuity Act, 1972 is applicable to all establishments (i.e. MNC's, Schools, Hospitals, NGO's, Trust's and other business entities) having more than 10 employees in past 12 months before Balance Sheet date. For the purpose of effectively implementing the Payment of Gratuity Act, 1972, the following compliances and penal provisions (i.e. Refer Section 9 in the Payment of Gratuity Act, 1972) are imposed on Establishments by the Competent Authority (i.e., Deputy Labor Commissioner) regulating the Provisions of the Payment of Gratuity Act, 1972: -

- a. **Registration of Establishment** (i.e., Submission of Form A – Notice of Opening in DLC Office)
- b. **Maintenance of Records Nominees of Employees in Form F** (i.e., For payment of Death Gratuity)
- c. **Maintenance of Records other Forms** as prescribed in Rule 3 to 6 of the Payment of Gratuity Rules
- d. **Compulsory Gratuity Insurance** – Compulsorily applicable to Indian, US, UK, UAE, Japanese, European, Asian Companies registered with DLC Offices in jurisdiction of Karnataka, Telangana and Andhra Pradesh.
- e. **Establishment of the CIT Approved Gratuity Trust for Compulsory Gratuity Insurance.**
- f. **Investment of Gratuity Trust Money into Compulsory Gratuity Insurance through Group Gratuity Schemes of Insurance companies such as:**
  - a. **SBI Life Insurance Company Limited**
  - b. **Life Insurance Corporation of India**
  - c. **Pramerica Life Insurance Limited**
  - d. **Bajaj Allianz Life Insurance Co. Ltd**
  - e. **ICICI Prudential Life Insurance Company Limited**

**g. The Process of Establishment of Gratuity Trust for Compulsory Gratuity Insurance requires Establishment to Involve in following process: -**

- I. Vetting of Board Resolution for Gratuity Trust Formation,
- II. Vetting of Gratuity Trust Deed,
- III. Vetting of Gratuity Trust Rules &
- IV. Vetting of Application under Section 9 for Approval from CIT in terms of Rule 109 of Income Tax Rules, 1962

**Furthermore, if there is any amendment happened in changes indicated below then Vetting of Deed of Variations and Applications to CIT are required by Trustees/Companies for taking Approvals from CIT for retention of CIT Approval for Gratuity Trust in terms of Part C of Schedule IV of Income Tax Act, 1961 for getting the tax benefits under Section under Section 36 (i) (v) and 10 (25) (iv) of Income Tax Act, 1961 even after the following changes: -**

- a) Change in Name of Trust,
  - b) Change in Address of Trust,
  - c) Change in Trustees,
  - d) Change in Investment Pattern of Gratuity Funds from 1 Insurer to another
  - e) Change in Benefit Formulae for Gratuity Benefits
  - f) Change in Retirement Age of Employees
  - g) Change in Object of Trust
  - h) Change in Trust Rules
  - i) For winding up of Trust due to **winding up of the Company**
  - j) For Transfer of Gratuity Fund from one Trust to another in Event of **Merger or De-merger**
- h. All matter related to Old Gratuity Trusts and Group Gratuity Schemes such as Vetting work of Deed of Variations, Application, Board Resolution and Application to Bank, LIC & CIT in various events such as Merger, De-merger, Acquisitions etc.**

## **2. Actuarial Valuation Solutions**

**As per provisions of Section 129 of the Companies Act 2013, Indian and Multinational Companies Operating India needs to prepare the Financial Statement such as Balance Sheet & Profit/Loss Accounts at the closure of each financial year in compliance of Accounting Standards as stipulated in Section 133 of the Companies Act 2013, so that they can give a true and fair view of state of affairs of the company. Accounting and Disclosure requirements for Employee Benefits Plans is laid down in the following 2 Accounting Standards as issued by The Institute of Chartered Accountants of India (ICAI): -**

**A. Indian Accounting Standard for Accounting of Employees Benefits**

**INDIAN GAAP- AS-15 (Revised 2005)  
IndAS-19**

**B. Global Accounting Standard for Accounting of Employees Benefits**

**International Accounting Standard (IAS-19 Revised 2011) of the IFRS  
US GAAP – (FAS-87, 88 & 158) etc.**

**Generally, Actuarial Valuations for compliance above Accounting Standards are required for following Employee Benefit Plans under: -**

- a. **Actuarial Valuation for Gratuity Plans,**
- b. **Actuarial Valuation for End of Service Benefit Plan,**
- c. **Actuarial Valuation for Earned Leave Plan,**
- d. **Actuarial Valuation for Sick Leave Plan,**
- e. **Actuarial Valuation for Defined Benefit Pension Plans,**
- f. **Actuarial Valuation for Post-Retirement Medical Benefit Plan,**
- g. **Actuarial Valuation for Settlement Allowances on Retirement,**

- h. **Actuarial Valuation for Long Service Award Plans/Incentive Plans,**
- i. **Actuarial Valuation for Interest Rate Guarantee for Exempted Provident Funds,**
- j. **Actuarial Valuation for other Defined Benefit,**

**The Actuarial Valuations are required by the Indian Companies in following events :-**

1. For making **the Initial & Annual Contribution** into **Gratuity Trust Account** for Investment in Compulsory Gratuity Insurance.
2. Annually, Half Yearly and Quarterly for making provision of Gratuity Liability in BS as Accounting Standards (i.e. AS 15 Revised 2005) and IndAS 19) per Section 133 of the Companies Act, 2013
3. On The Date of Transfer of Employees from One Company to Another
4. On the Date of Acquisition
5. On the Date of De-merger
6. For Submission of Actuarial Reports of last 5 year in SEBI for Listing on Share Market
7. For assessment of Actuarial Liability for Taking Grant from any Ministry

**Our Team** – We have a team of highly skilled personnel equipped with the expertise-statistical, actuarial and analytical essential to meet the changing needs of **Accounting Standards**. Our human resources is our strength and asset. We have a office with **adequate Infrastructure (Computer Hardware)**. We also have a team of **Legal Consultants, Taxation Consultants, Actuarial Valuation Consultants & Merchant Bankers Consultants to attend all critical case related to Employee Benefits Actuarial Valuations and Trust Formation.**

**Our Clients:** - We have more than 1000 clients spread in all sectors of the **Indian Economy in the Public & Private Sectors which covers areas of Manufacturing, Software, Technology, Electricity, Electronics, Call Centers, Banks, Schools, Universities, Educational Institutes, IIT's, Hotels, Hospitals, Hospitality Companies** etc. etc. The names of few of them are as under :-

- a. Compact India Pvt Ltd
- b. Pillar Power India Pvt Ltd
- c. Blaser Swiss lube India Pvt Ltd
- d. Tally Solutions Ltd
- e. NABARD Consultancy Services Pvt. Ltd (NABCONS) -A wholly owned subsidiary of NABARD
- f. NNE Pharma Tech
- g. Capsitech IT Services Pvt Ltd
- h. Toppan Aditya Infotech Ltd
- i. Toppan Speciality Films Pvt Ltd
- j. Rehabilitation Council of India & more than 1000 companies.

Tika Ram Chaudhary  
Founder

**An MSME Registered with Ministry of MSME with Registration Number - UDYAM-DL-11-0013795**

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Website - [www.gratuitytrustfund.com](http://www.gratuitytrustfund.com)

LinkedIn Profile - <https://www.linkedin.com/in/tika-ram-chaudhary-a5727848/>

Ca-club-india Profile - [https://www.caclubindia.com/profile.asp?member\\_id=1446582](https://www.caclubindia.com/profile.asp?member_id=1446582)

Tax Guru Profile - <https://taxguru.in/author/tikaramchaudhary@gmail.com/>

Website - [www.gratuitytrustfund.com](http://www.gratuitytrustfund.com)

Blog - <http://gratuitytrustfundconsultant.blogspot.com>

Google Business Listing - <https://gratuitytrustfund.business.site/>

**Our Terms & Conditions:** - All services provided by him are subject to **terms & conditions** stated when a job is accepted.