



कर्मचारी भविष्य निधि संगठन

Employees Provident Fund Organisation

(श्रम एवं रोजगार मंत्रालय, भारत सरकार)

(MINISTRY OF LABOUR & EMPLOYMENT, GOVERNMENT OF INDIA)

मुख्य कार्यालय/Head Office

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No. BSC-1(1)2025-26/Main_File **13/344**

Date: **16 APR 2026**

To,

The ACC-HQ/ACC of the Zonal Office/
Director PDNASS/
RPFC-I/RPFC-II
In-charge of the Regional Office/PDNASS Campus/
ACC (ASD), Head Office.

Subject: Instructions on Schedule of Fixed Assets, Classification of Assets and Rates of Depreciation- regarding.

Madam/Sir,

Circular No. BSC-12(3)2014-15 dated 24.06.2016 and BSC-6(1)2020-21/AssistdeputCAG/11279 dated 10.10.2022, whereby the schedule of fixed assets was provided for seeking information from ROs along with the instructions, has been reviewed in detail.

Since in the Financial Year 2025-26 the sub-heads of the Schedule of Fixed Assets have been aligned in accordance with Head Office Circular No. BUDGET/RE_2024-25 & BE_2025-26/E-885482/5637 dated 14.11.2024, the Rates of depreciation have also been realigned accordingly.

In supersession of Circular no. Budget/45/2016-17/2017-18/Main/12073 dated 08 September 2017, the Revised Explanatory Notes and Depreciation Rate chart are enclosed. All the Offices are requested to compile the details of Fixed Assets in the Schedule enclosed with this letter as Annexure I by referring to the instructions attached herewith.

This issues with the approval of the Competent Authority.

Yours Faithfully

(G. R. SUCHINDRANATH)
ACC (F&A)

[A] Explanatory Notes: For compilation of Schedule of Fixed assets

1. Up to 2015–16, Land and Buildings were presented together. In the revised format (from 2015–16 onwards), Land is shown separately and classified as **Freehold Land** and **Leasehold Land**.
2. Expenditure on items costing more than ₹5,000 and having a useful life of more than one year shall be capitalised as assets. Depreciation on such assets shall be treated as expenditure for the year.
3. Expenditure on assets costing less than ₹5,000 shall be treated as revenue expenditure.
4. All fixed assets (except Land and Buildings) acquired prior to 01.04.2015 are valued at a nominal value of ₹1 per item. Accordingly, for such assets, the number of items under each head as on 01.04.2015 shall be considered as their opening value for the year.

For Calculation of Depreciation:

1. Depreciation on fixed assets shall be provided using the **Straight-Line Method** as per the provisions of the Companies Act, 2013 (as amended).
2. Full depreciation shall be charged on assets used for more than 180 days during the year, and half depreciation shall be charged where the asset is used for 180 days or less. Accordingly, the date of purchase and period of use during the financial year must be considered.
3. No depreciation shall be charged on Freehold Land.
4. Leasehold Land: The lump sum lease premium shall be amortised proportionately over the lease period. If the asset is used for more than 180 days in the year of acquisition, full amortisation shall be charged; otherwise, half the rate shall apply.
5. Freehold Buildings: Depreciation shall be provided as per the normal prescribed rates.
6. Leasehold Buildings: In case of buildings acquired on lease (e.g., from government agencies) against lump sum payment for a specified lease period, depreciation shall be provided on a Straight-Line Method over the lease period, similar to leasehold land.
7. Gross Block:
 - The opening balance represents the cost/valuation of assets at the beginning of the year.
 - Additions during the year shall include the cost of assets acquired under respective heads.
 - Depreciation shall be applied on such additions as per the prescribed rates.
8. Upon expiry of its useful life, the asset shall be depreciated to a residual value of ₹1 and shall continue to be carried in the books at ₹1 until it is disposed of or scrapped.
9. Transfer of Fixed Assets:
 - In case of transfer of assets between Regions, the transferring office must provide complete details, including date of purchase, cost, accumulated depreciation, and book value.
 - For assets received from other Regions:
 - The original cost shall be recorded under “**Additions during the year**” in the Gross Block.
 - The accumulated depreciation shall be recorded under “**Depreciation of Fixed Assets Transferred from Other Regions.**”

[B] Detailing of Heads of Schedule of fixed Assets:

For the heads mentioned below, separate account heads shall be maintained in the ledgers and reconciled with the Fixed Assets Registers:

1. **FURNITURE and FIXTURES:** This sub-head shall include items such as:
 - (a) Cabinets/Almirahs/Filing Racks
 - (b) Air-conditioners/Air Conditioning Plants
 - (c) Air Coolers
 - (d) Water Coolers
 - (e) Tables/Chairs/Sofas/Carpets
 - (f) Wooden partitions/temporary structures
 - (g) Voltage Stabilizers and UPS systems
 - (h) Other similar items
2. **MACHINERY & EQUIPMENT (OFFICE EQUIPMENT AND INSTALLATIONS):** This sub-head shall comprise the following minor-heads:
 - i. **OFFICE EQUIPMENT:** Items such as Typewriters, Photocopiers/Duplicators, Fax Machines, Telephones, etc.
 - ii. **ELECTRIC INSTALLATIONS:** Items such as Electrical machinery, Electric lights/fans, Switchgear instruments, Transformers, Electrical wiring and fittings, and Power backup systems.
3. **COMPUTERS HARDWARE:** This sub head shall comprise following two minor heads:
 - i. Servers and networks
 - ii. End user devices, such as, desktops, Laptops, printers and other peripherals, etc.
4. **INFRASTRUCTURAL ASSETS:** This sub-head shall include infrastructural projects such as rainwater harvesting systems, solar systems, tube wells, water supply systems, etc.
5. **LIBRARY BOOKS:** In cases where the volume of library books is significant or a formal library exists, such books may be disclosed as a separate category of assets. This shall include books, journals, and information stored in digital formats such as CD-ROMs.
6. **CAPITAL WORK-IN-PROGRESS:** Fixed assets under construction shall be shown under this head until they are ready for their intended use.

Note:

- Advances paid to agencies/contractors for capital works shall be recorded under the head **"Advance to Agencies/Contractors (Capital Work)"** in the Receipts & Payments Account (R&P A/c-2).
- Upon certification by the agency/contractor that a portion of the work has been completed, the corresponding amount shall be transferred and recorded under the head **"Advance to Agencies/Contractors (Capital Work) transferred to Capital Work-in-Progress during the year"** in the Annexure.
- On completion of the entire project, upon taking possession and completion of registration/signing of lease of the building/structure, the asset shall be capitalised by

recording the total cost under the head **"Amount of Capital Work-in-Progress capitalised during the year"** in the Annexure.

Disclosure of information under the above sub-heads is encouraged, for material amounts.

[C] Depreciation Rate Chart as per Part" C" of Schedule II of the companies Act 2013- Extract

Nature of Assets	Useful Life	Rate (SLM)
Building		
(a) Building (other than factory building) RCC Frame Structure.	60 Years	1.58%
(b) Building (other than factory building) other than RCC Frame Structure.	30 Years	3.17%
(c) Other (including temporary structure, etc.)	3 Years	31.67%
Furniture and Fixtures		
(a) General furniture and fittings	10 Years	9.50%
Motor Vehicles		
(a) Motor cars and motor taxies	8 Years	11.88%
(b) Electrically operated vehicles including battery powered or fuel cell powered vehicles.	8 Years	11.88%
* Machinery & Equipment (office equipment and installations)		
(a) Office Equipment	5 Years	19.00%
(b) Electrical Installations	10 Years	9.50%
Computer Hardware		
(a) Servers and Networks	6 Years	15.83%
(b) End User devices	3 Years	31.67%
# Infrastructural Assets	5 Years	19.00%
Library Books	2.5 Years	40.00%
Computer Software	2.5 Years	40.00%

Note: * The earlier heads of *Plant & Machinery*, *Office Equipment*, and *Electrical Installations* have been consolidated under the head "**Machinery & Equipment (Office Equipment and Installations)**" with effect from the financial year 2025–26, in accordance with Head Office Circular No. BUDGET/RE_2024-25 & BE_2025-26/E-885482/5637 dated 14.11.2024.

Further, as depreciation rates were not defined for the *Plant & Machinery* head, assets previously classified under this category are required to be reclassified under the sub-heads *Office Equipment* or *Electrical Installations*, as the case may be.

While preparing the Details of Fixed Assets, all such assets (i.e., Office Equipment and Electrical Installations) should be recorded under the major head "**Machinery & Equipment**

(Office Equipment and Installations)". However, the applicable depreciation rates shall be applied as per their respective sub-head classifications.

Note: # The earlier head of Tube Wells and Water Supply has been renamed as **Infrastructural Assets** with effect from the Financial Year 2025-26, in accordance with Head Office Circular No. BUDGET/RE_2024-25 & BE_2025-26/E-885482/5637 dated 14.11.2024.