

DSIDC LTD EPF TRUST
UDYOG SADAN BUILDING PLOT NO.419 PATPARGANJ IND. AREA DELHI-110092

No.DSIDC EPF Trust/Circular for EPF compliance/


Dated: 10-8-2019

CIRCULAR

**Sub: Observations/Advise of EPF department, relating to EPF compliance
Under EPF funds and Miscellaneous Provisions Act 1952.**

Please find enclosed herewith , an extract of observations made by the EPF Department, while inspecting/auditing the records relating to various divisions particularly work division relating to EPF compliance, for the year 2017-18.

All the Divisional heads are requested to take appropriate action to ensure compliance of EPF funds and Miscellaneous Provisions Act 1952.


(P.U.BHAT)
CAO(CPF CELL)

To

- 1)All the Divisional Heads/Superintend Engineers/Executive Engineers
- 2)All the Associate Finance Works Division.

Copy to:

- 1.Chairman, Secretary, Trustees, DSIIIC EPF Trust.
- 2.DM(Personnel)/DAO(CAS) for ICSIL staff
- 2.DM(IT) with the request to display the circular in the DSIIIC Web site.

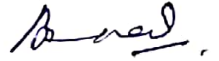
DSIIDC EPF TRUST

Sub: EPF compliance audit observations, raised by EPF department.

S.No	Observations/advise of EPF Department	Action to be taken by
1	<p>The Establishment is obtaining a copy of paid challans alongwith ECR from the contractors to ensure extension of salary & PF. benefits to the contractor's employees. However the establishment is further required to obtain a statement from each contractor under para 368 of the EPF Act showing the recoveries of contribution in respect of Employees employed by or through the contractor. It is observed that the establishment has failed to obtain the certified statement of recoveries U/P 368 of the Act from its contractors.</p> <p>However it s seen that the Establishment is only collecting but not putting these documents to a counter check by referring to the EPFO website.</p>	<p>Executive Engineer/Associate Finance</p>
2	<p>Further , it is also advised that Principal Employer should obtain copies of Salary/wages register dully signed by employees indicating PF account number of Contractor employees along with soft copy of ECR and ask contractors to deposit separate e-challans in respect of employees employed through contractors. Depositing one challans for labor suppliers at various establishments keeps Principal employers dark and gives opportunity to contactors to cheat both Principal employer and employees both. Many contractor show copy of one consolidated challans to several principal this regard following instructions employers without linking it with ECR advisories are also issued to the establishment for strict compliance</p> <p>A. Contractor is required to submit the list of employees and dues details to the principal Employer by 5th of the following month (Para 36B). The Principal Employer is required to maintain the said details of contractor employees and produce before the E.P.F, Authority as and when demanded</p> <p>B. Principal Employer is required to remit the dues by 15th of the following month [Para 30(3)]</p> <p>C. In case, the contractor fails to pay, principal, employer to deduct the dues from the bills of contractors (Section 8A(1).</p> <p>D. The names, P.F. wages, P.F, contribution as salary/wages records with attendance are compared with the details in the ECR's.</p> <p>E. The P.F. dues deposit by the contractor may be verified from the EPF website with reference to the TRRN No. to rule out the submission of fake challans.</p> <p>The establishment may insist upon submission of separate e-challans and ECR's for employees deployed at their department.</p>	<p>Executive Engineer/Associate Finance</p> <p>DM(Personnel) DAO(CAS)for ICSIL staff</p>

Cost-2

S.No.	Observations/Advise of EPF Department.	
3	It is also advised that work contract should have specific clauses regarding PF compliance of the workers.	Executive Engineer/Divisional Accountant
4	The EPF Trust rules and EDLI rules are required to be displayed at a prominent place where majority of employees have access (as per condition no.8 of the appendix A of Para 27AA of the EPF scheme 1952.)	AAM(CPF)/DM(IT)
5	Establishment is advised to seed the KYC with UAN in respect of all the employees of the Establishment and upload the same through web portal as well as digital and Form No. 5A etc. immediately.	AAM(CPF)/R.K.(DEO)
6	Further the following advisories have been issued to the establishment for incorporation in the tender documents The tender document and the agreement to contain clauses for PF compliance and also deterrent clauses specifying action u/s 406/409 of prior IPC. Contractors be asked to submit copy of salary/wages register duly signed by all employees indicating there PF account numbers The agreement should indicate the bifurcation of the contract price (CF) clearly indicating the various components of the rate viz wages, PF contribution (employer), ESIC contribution, service charges and other charges etc . Where contract price is on per sq meter the pairs of such price may also clearly indicate material and various components as mentioned above	Executive Engineer / Associate Finance



CAO
CPF Cell