



कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
(श्रम एवं रोजगार मंत्रालय, भारत सरकार)
(MINISTRY OF LABOUR & EMPLOYMENT, GOVT. OF INDIA)
मुख्यालय HEAD OFFICE, भविष्य निधि भवन BHAVISHYA NIDHI BHAWAN
भीकाजी कामा प्लेस, नई दिल्ली-110066 14-BHIKAJI CAMA PLACE, NEW DELHI-110066

No. C-III/4(25)2006/DL/NZ/

Dated: 02.11.2015.

To

All Additional Central Provident Fund Commissioner (Zones)
All Regional P.F. Commissioners,
In-Charge of Regional / Sub Regional Offices

Sub: Levy of Penal Damages under Section 14B and Interest U/S 7Q of the EPF & MP Act, 1952.

Ref: 1.This office Letter No.C-III/4(25)2006/DL/NZ/14591 dated 04 Sep. 2014
2.This office Letter No.C-III/4(25)2006/DL/NZ/15253 dated 25 Nov. 2013

Sir,

Please refer to this office letters cited above on the captioned subject matter. Vide the letter cited second, the you were requested to generate Penal Damages Reports upto 31-12-2013 based on functionality provided in the new application software and levy penal damages under Section 14B and interest under Section 7Q of the EPF & MP Act 1952. Vide letter cited first you were required to furnish monthly report on progress achieved in levy of Penal Damages U/S 14B and Interest U/S 7Q of the Act.

2. It is seen that as per the information available in this office that while some offices have promptly initiated action for levy of Penal Damages and Interest for further period from 1.1.2014 onwards, many offices have not taken this activity on regular monthly basis as required. In this connection, you may note that interest under Section 7Q is towards making good the loss incurred by the Fund due to belated remittances while Penal Damages under Section 14B is a deterrent on employers from recurrence of belated remittances. Prompt remittance of dues by employers ensures timely credit of accumulations to member's accounts and facilitates timely settlement of claims. Any delay in action in this regard by field offices results in further loss to the Fund by way of interest on investible funds and leads to ineffective client service in terms of resultant loss of distributable interest to members.

3. You are advised to ensure that the application software functionality is put to effective use and the reports are generated on a monthly basis without fail for big defaulters involving probable penal damages of more than Rs.1 lakh. In any case levy of Interest under Section 7Q and Penal Damages under Section 14B of the Act in

Website : www.epfindia.gov.in

respect of any defaulting establishment should not be delayed beyond 6 months. You are also advised to ensure that no undue adjournments are allowed and cases are promptly disposed and dues recovered without any delay. Monthly progress achieved by your office may be furnished to this office in the attached format by email so as to reach this office on or before 5th of the following month without fail to Additional Central Provident Fund Commissioner of Zone. Reports for all ROs/SROs will be sent by ACCs of Zones to Head Office.

4. The Additional Central Provident Fund Commissioner in charge of Zone is requested to monitor this activity on a regular basis and ensure prompt action by all offices under their jurisdiction.

Yours faithfully,


(K.L. TANÉJA)

ADDITIONAL CENTRAL P.F. COMMISSIONER (COMPLIANCE)

Copy to:

1. The Director, NATRSS
2. All Internal Audit Parties, Zonal Vigilance Directorates, Zonal Training Institutes
3. All officers in Head Office
4. DD OL for Hindi version.
5. Guard File

Name of RO/SRO

Proforma for details of notices issued for levy of Penal damages and 7Q interest, upto the month from 01.01.2014 to 30.09.2015

| (1) Categories of establishments based on probable amount of damages / 7Q interest | (2) No. of establishments where notices were to be issued for the period 01.01.2014 to 30.09.2015 | (3) Amount involved in such notices | | (5) No. of notices issued upto the month | (6) Amount involved in notices issued | | (8) No. of cases where enquiries have been finalized | (9) Amount levied | | (11) Amount recovered | | (13) Reasons for non-issue of notices / non-conclusion of inquiry / non-recovery of amount levied |
|---|--|-------------------------------------|----|--|---------------------------------------|----|--|-------------------|----|-----------------------|----|---|
| | | 14B | 7Q | | 14B | 7Q | | 14B | 7Q | 14B | 7Q | |
| Rs. 1 to Rs. 25000/- | | | | | | | | | | | | |
| Rs. 25001/- to Rs. 50,000/- | | | | | | | | | | | | |
| Rs. 50,001/- to Rs. 1,00,000/- | | | | | | | | | | | | |
| Rs. 1,00,001/-to Rs. 2,00,000 | | | | | | | | | | | | |
| Above Rs. 2,00,000/- | | | | | | | | | | | | |
| Total | | | | | | | | | | | | |

Amount Rupees in "Lacs"

Signature:

Name:

Designation of OIC: