

ईमेल / email: acc.compliance @epfindia.gov.in

टेलीफोन / Telephone: 011 26172672



कर्मचारी भविष्य निधि संगठन  
श्रम एवं रोजगार मंत्रालय, भारत सरकार  
**Employees' Provident Fund Organisation**  
**Ministry of Labour & Employment, Government of India**

मुख्य कार्यालय / Head Office

भविष्य निधि भवन, 14- भीकाजी कामा प्लेस, नई दिल्ली - 110066  
Bhavishya Nidhi Bhawan, 14-Bhikaji Cama Place, New Delhi-110066  
[www.epfindia.gov.in](http://www.epfindia.gov.in)

No. MIS-2(4)CAIU/Web Portal/2014-15/

Dated: 26-06-2014

To,

Additional CPFCs in charge of Zones  
Regional PF Commissioners in-charge of ROs/SROs

**Subject: Inspection Scheme of the Employees' Provident Fund Organization**

Sir,

With a view to simplify business regulation, a transparent Inspection Policy with system driven triggers equipped with relevant norms and criteria have been formulated for ensuring more accountability, transparency and for minimizing frequent inspections of same unit. The details of the Inspection Policy as approved by the Chairman, CBT, EPF are mentioned below:-

2. **Objective:** The Inspection Scheme aims to achieve the objective of simplifying business regulations and bring in transparency and accountability in labour inspections. It envisages objective criteria for selection of units for inspection.

3. **Criteria of Inspections**

a. **Mandatory inspections:-**

1. In the following cases, the inspections will be mandatory for all units:-

- i. All new coverages;
- ii. All establishments registered on ECR portal, not marked as closed and not complying; and
- iii. Establishments reported for closure.

b. EPFO would set up a Central Analysis and Intelligence Unit (CAIU) for collecting and analysing field level data for a transparent and accountable labour inspection system. The cases forwarded through Central Analysis & Intelligence Unit (CAIU) of EPFO will be based on



data and evidence. EPFO will formulate an objective methodology for selection criteria of the cases by the CAIU keeping in view its priorities and the provisions of ILO C-81.

c. **Optional inspections:-**

In following cases, the inspections would be generated through computer using pre-decided number tables taking into account the drop in remittance/membership as compared to last quarter as per following parameters:-

- i. Remittance drop in excess of ₹ 10,000/- and 15% (weightage of 1:1)[40%]
- ii. Membership drop in excess of 50 members and 15% (weightage of 1:1)[40%]
- iii. All other Units [20%]
- iv. Normally not to be repeated in the same year as far as possible.


4. **Methodology:**

- i. Employers to feed master data and periodical returns.
- ii. Inspectors to feed detailed inspection report.
- iii. Computer programme to be provided by NIC taking into account the criteria.
- iv. Computerized generation of inspection programme and communication to the inspecting staff keeping in view the confidentiality aspects.

5. **General Instructions:**

- i. The Inspecting Officer has to maintain registers of the establishments.
- ii. He has to record the statement of workers present at the time of inspection.
- iii. In case of contradiction in the statements of employer's, worker and entries in the record, the inspecting officer will seize the relevant records.
- iv. Inspection report should always be prepared on the work-spot by the inspecting officer himself and handover to the employer's representative.
- v. The inspection should be carried out during the normal working hours as far as possible.
- vi. The inspection report is being simplified and under review/revision.
- vii. The inspection report should be uploaded within 3 days by the inspector.
- viii. In case of violations by the inspecting staff, entries shall be recorded in APAR.

Yours sincerely

  
(Navendu Rai)

Regional Commissioner-II

Copy for information and necessary action to:

1. FA & CAO
2. ACC(IS)
3. CVO
4. ACC(HR)
5. ACC(P)
6. ACC(C)
7. ACC(CSD)
8. Director (NATRSS)/RPFCs in-charge of ZTIs
9. CE (PFD)
10. All RPFCs/APFCs
11. PS to CPFC for information.
12. DD(OL) for providing Hindi version



26/6/14

(Navendu Rai)  
Regional Commissioner-II





कर्मचारी भविष्य निधि संगठन  
(श्रम मंत्रालय भारत सरकार)  
Employees' Provident Fund Organisation  
(Ministry of Labour, Govt. Of India)

मुख्य कार्यालय / Head Office  
भविष्य निधि भवन, 14-भीकाजी कामाप्लेस, नई दिल्ली-110066  
BhavishyaNidhiBhawan, 14- BhikajiCama Place, New Delhi - 110066  
[www.epfindia.gov.in](http://www.epfindia.gov.in); [www.epfindia.nic.in](http://www.epfindia.nic.in)

No. C-III/110001/4/2(25)2014/HQRS/Web Portal/10398

Date: 30.07.2014

To

All Regional Provident Fund Commissioners  
In-Charge of Regional/Sub Regional Offices

**Subject : Instructions on Inspection Scheme and new proforma for inspection of covered un-exempted establishments - regarding.**

Sir,

The Employees Provident Funds & Miscellaneous Provisions Act 1952 (Act) is applicable on its own accord to all the eligible establishments which are statutorily coverable. However, certain other establishments can enroll voluntarily. For administrative reasons, every establishment is allotted a registration number (EPF Code number).

2. Once an establishment enrolls under the Act, it is statutorily required to remit dues regularly in Electronic Challan cum Returns (ECR). It is the duty of PF Inspectorate to ensure that compliance is regular and complete. The powers for inspection are provided under Section 13 of the Act and can be exercised by officers of the organization notified as Inspectors by appropriate Government in the Official Gazette.
3. It has been desired that these inspections should be systematic. The inspectorate staff should not select the companies on their whims and fancies. The methodology of selection should be transparent and objectively determined.
4. It has been seen that the inspectorate staff need to inspect the establishments in following cases:
  - a) Post coverage visit to establishment for collection and verification of documents. This visit is also used for educating the employer/establishment for compliance under the Act.
  - b) Periodic inspection at periodic interval to ensure proper compliance as required under the Act.
  - c) Inspection as a follow up of a complaint received by the compliance functionaries.



5. In this regard, attention is drawn to the circular dated 26.06.2014 (placed at Sl. No. 220 in the circular segment of the official website for the year, 2014-15) which speaks about the inspection scheme approved by Hon'ble Chairman, Central Board of Trustees, EPF.

6. Inspections shall be Mandatory and Optional. Mandatory inspection shall be resorted to in the following contingencies :

- a) All new coverage;
- b) All establishments registered on ECR portal, not marked as closed and not complying; and
- c) Establishments reported for closure.

7. Inspections of establishments other than above shall be based on data and evidence. The inspection shall be optional in the following contingencies:

- a) Remittance drop in excess of Rs. 10,000/- and 15% (weightage of 1:1)[40%]
- b) Membership drop in excess of 50 members and 15% (weightage of 1:1)[40%].
- c) All other Units [20%].
- d) Normally not to be repeated in the same year as far as possible.

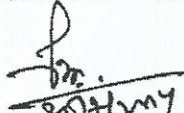
For this purpose, the list of establishments will be generated through a computerized system taking into account the drop in remittance/membership as compared to last quarter.

8. The inspecting officers shall upload the inspection report within three days from the date of inspection. Inspection will be counted only when the report is uploaded. If it is found that even after inspection, no report is uploaded, appropriate disciplinary action will be initiated against the erring Inspector.

9. Taking in to account the above, a simple proforma of inspection has been devised and is enclosed herewith . The said proforma is mandatory for submitting all inspection reports.

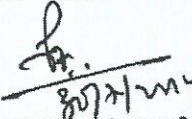
Enclosures : As above

Yours faithfully,

  
(P.K. Udgata)

**Addl. Central PF Commissioner-I (Compliance)**

CC to : All Additional Central Provident Fund Commissioners(Zones) for information and with a request to ensure the compliance of the above directions by the offices under their jurisdiction.

  
(P.K. Udgata)

**Addl. Central PF Commissioner-I (Compliance)**



EMPLOYEES' PROVIDENT FUND ORGANISATION  
REGIONAL/SUB REGIONAL OFFICE \_\_\_\_\_

INSPECTION PROFORMA (UNEXEMPTED ESTABLISHMENTS)

DATE OF INSPECTION: (dd/mm/yyyy)  
PERIOD OF INSPECTION: (mm/yyyy to mm/yyyy)

PART-A- OPTIONAL INSPECTIONS (Para 3 c) of Inspection Scheme)

1. LIN :

2. Number of employees engaged by the establishment:

- a) Engaged directly: \_\_\_\_\_
- b) Engaged on contract or through a contractor: \_\_\_\_\_
- c) Excluded employees: \_\_\_\_\_

3. Number of employees in respect of whom remittance is made in the month of report :

- Total: \_\_\_\_\_
- a) Engaged directly \_\_\_\_\_
- b) Engaged on contract or through a contractor: \_\_\_\_\_

4. Drop in Remittance:

- a) Average drop in amount remitted in □ : \_\_\_\_\_
- b) Percent drop in remittance : \_\_\_\_\_
- c) Reasons for drop in remittance \* : \_\_\_\_\_

\* Add detailed explanatory sheet if required.

5. Drop in Membership:

- a) Average reduction in membership : \_\_\_\_\_
- b) Percent drop in membership : \_\_\_\_\_
- c) Reasons for drop in membership \* : \_\_\_\_\_

\* Add detailed explanatory sheet if required

6. Declaration Form in accordance with Para 34 of the EPF Scheme 1952) not furnished in respect of following members:

Sl No.	Name of the employee	Date of Birth	Date of Joining
1.			
2.			

Add separate list, if required

7. Workers whose statement are recorded during inspection:-

<u>Name of the Worker</u>	<u>EPF Account No./UAN</u>	<u>Whether agreed to reasons mentioned in para 4 &amp; 5 above (Y/N)</u>

i) In case of disagreement submissions/ documentary evidence submitted:

ii) In case of disagreement, list of record (s) seized by the Inspector:

8. Any other point which the Inspector desires to bring to the notice of RPFC:

#### PART-B- MANDATORY INSPECTIONS (Para 4 a) of the Inspection Scheme)

9. Whether the establishment to be inspected is :

- a) New coverage- Y/N
- b) Establishment registered on ECR portal, not marked as closed and not complying – Y/N
- c) Establishments reported for closure- Y/N



10. Number of employees eligible but not enrolled as members of the Fund:

Sl No.	Name of the employee	Date of Birth	Date of Joining
1.			
2.			

Add separate list, if required

11. List of pending Recovery Certificates against the establishment : Y / N / NA (If Y attach details)

12. List of pending assessment cases (Section 7A/14B of the Act):: Y / N / NA (If Y attach details)

13. List of pending court cases-court wise and periodicity-wise:: Y / N / NA (If Y attach details)

14. List of pending prosecution cases:: Y / N / NA (If Y attach details)

15. Whether there is any short /excessremittance in establishment ledger : YES/NO  
If yes, Details: :

16. Whether any member/representative of the Workers Union of the Factory/Establishment were contacted?. If so:  
a) Brief description of the points discussed: \_\_\_\_\_  
b) Name (s) of the Union(s) : \_\_\_\_\_  
c) Name of the Office Bearer (s): \_\_\_\_\_

17. Declaration Form in accordance with Para 34 of the EPF Scheme 1952 not furnished in respect of following members:

Sl No.	Name of the employee	Date of Birth	Date of Joining
1.			
2.			

Add separate list, if required

18. Any other point which the Inspector desires to bring to the notice of RPFC:

Name of the Enforcement Officer: ..... Signature: .....

Date of last inspection :

Name of the Enforcement Officer who conducted the last inspection :



**WEB CIRCULATION**



कर्मचारी भविष्य निधि संगठन  
(श्रम मंत्रालय भारत सरकार)  
Employees' Provident Fund Organisation  
(Ministry of Labour, Govt. Of India)  
मुख्य कार्यालय / Head Office  
भविष्य निधि भवन, 14-भीकाजी कामाप्लेस, नई दिल्ली-110066  
BhavishyaNidhiBhawan, 14- Bhikaji Cama Place, New Delhi - 110066  
[www.epfindia.gov.in](http://www.epfindia.gov.in); [www.epfindia.nic.in](http://www.epfindia.nic.in)

No. C-III/110001/4/2(25)2014/HQRS/Web Portal/

Date: 31.07.2014

31 JUL 2014

To

**All Regional Provident Fund Commissioners  
In-Charge of Regional/Sub Regional Offices**

**Subject : Instructions on Inspection Scheme and new proforma for  
inspection of covered un-exempted establishments - regarding.**

Sir,

I am directed to refer to the instructions earlier issued vide circular dated 26.06.2014 (placed at Sl. No. 220 in the circular segment of the official website of the year, 2014-15) by which the Inspection Scheme for carrying the inspections was brought to your notice.

2. I am also directed to bring to your notice the subsequent instructions have been issued vide circular dated 30.07.2014 (placed at Sl. No. 307 in the circular segment of the official website of the year, 2014-15) by which it has been mandated that no inspection will be considered as legitimate unless uploading it on the Unified Single Web Portal and the Web Portal of EPFO. Instructions will be separately issued as to how the inspection reports will be uploaded to these portals.

3. It is also made clear that the inspection will have to be done in the revised proforma which has been sent to you vide circular dated 30.07.2014 (placed at Sl. No. 307 in the circular segment of the official website of the year, 2014-15). The inspections should be done in this proforma starting from 19<sup>th</sup> August, 2014 onwards.

4. To start with, these should be uploaded in EPFO website. Hon'ble Union Minister for Labour & Employment will launch the Unified Single Web Portal on 1<sup>st</sup> of September, 2014 and from then onwards, the inspections will be uploaded on the Unified Web Portal. It is also mandated vide the instructions contained in circular dated 30.07.2014 that all inspections, mandatory or otherwise, will have to be uploaded and any failure on this account will be viewed seriously

Yours faithfully,



**(Dr. Ved Prakash)**  
**Regional PF Commissioner-I (Compliance)**

CC : All Additional Central PF Commissioner (Zones) with a request to see that the above instructions are followed by the Regional/Sub-Regional offices under their jurisdiction.



**(Dr. Ved Prakash)**  
**Regional PF Commissioner-I (Compliance)**