



कर्मचारीभविष्यनिधिसंगठन
श्रममंत्रालयभारतसरकार

**Employees' Provident Fund Organisation
(Ministry of Labour, Govt. Of India)**

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Date:

To

All Addl. Central P.F. Commissioner (Zones),
All Regional P.F. Commissioner/OIC of Regional Offices,
All Regional P.F. Commissioner/OIC of Sub Regional Offices.

13 JUN 2017

**Subject :- Physical Verification of the Securities during the Compliance Audit –
Regarding.**

Sir,

In the various reviews of EPF exempted establishments, it has been found that violation of Condition No. 17 of Appendix – 'A' to Para 27AA of the EPF Scheme, 1952 is most frequent. The establishment are violators of Condition No. 17 for many consecutive years. The main reasons behind this violation can be attributed to following :-

- i) Low rate of levy of surcharge, which has not been proved to be deterrent enough.
- ii) The physical inspection of securities (both in DEMAT and physical format) is not conducted during the compliance audit.

2. It is due to these reasons, the competent authority has decided that from now physical inspection of securities (both in DEMAT and physical format) will be conducted during the compliance audit. A separate report under the signature of the members of the squad shall be submitted to the RPFC concerned alongwith the compliance auditreport. In the said report the members of the squad shall certify that the investments made by the BoT in the securities have been physically verified by the squad.

Yours faithfully

(K. L. Goyal)

Addl. Central PF Commissioner-I (Exemption)

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