



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 कामा प्लेस, नई दिल्ली-110066
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Date: 23.02.2015

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CIRCULAR

23 FEB 2015

To

All the Regional PF Commissioners – In-charge,
Regional Offices/ Sub-Regional Offices.

Subject : Proposals for voluntary coverage under Section 1(4) of Employees' Provident Funds & Miscellaneous Provisions Act, 1952.

Section 1(4) of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 (the Act) provides:

"Notwithstanding anything contained in sub-section(3) of this section or sub-section (1) of Section 16, where it appears to the Central Provident Fund Commissioner, whether on an application made to him in this behalf or otherwise, that the employer and majority of employees in relation to any establishment have agreed that the provisions of this Act should be made applicable to the establishment, he may, by notification in the Official Gazette, apply the provisions of this Act to that establishment on and from the date of such agreement or from any subsequent date specified in such agreement."

2. You are aware that the establishments which are not coverable either under Section 1(3)(a) or Section 1(3)(b) of the Act, can apply for coverage under Section 1(4) of the Act. Coverage made under Section 1(4) of the Act are considered as voluntary coverage. In all cases of establishments so covered under Section 1(4) of the Act notification is required to be issued for application of the Act to the establishment by the Central Provident Fund Commissioner in the Official Gazette.
3. As per existing instructions issued from Head office, after issue of code number under Section 1(4) of the Act, Regional/Sub-Regional Offices are required to send proposal to Head Office through the Additional Central PF Commissioner (Zones) for approval of Central Provident Fund Commissioner. Once the proposal is approved by Central Provident Fund Commissioner, necessary approval is conveyed to Additional Central PF Commissioner (Zones) for arranging notification in the Official Gazette at their level.
4. This has not been done in all cases of Section 1(4) coverage. In the Internal Audit and the AG (Central) Audit observed that in majority of cases proposals have not been forwarded by Regional/Sub-Regional Offices to Head Office through Additional CPFC (Zones) for approval of Central Provident Fund Commissioner and issue of notification. This has been adversely commented by C&AG of India.

5. In order to clear the backlog, the following time-frame is prescribed.

Activity	Timeline
For processing of all pending proposals of Section 1(4) coverage by Regional/Sub-Regional Offices and transmission of the same to the office of Additional CPFC (Zones).	15 th March 2015.
Scrutiny of the proposals received from Regional/Sub-Regional offices by Additional CPFC (Zones) and transmission of the same to Head Office.	31 st March 2015
Processing of proposals and approval by Head Office	15 th April 2015
Issue of notification by Additional CPFC (Zones) after approval by CPFC	30 th April 2015

6. Now since the employers have been given the facility to register their establishments and obtain code number through Online Registration of Establishments (OLRE) portal, there may be a number of proposals under Section 1(4) of the Act. It has already been instructed that all the establishments registered through OLRE portal need to be visited within one month from the date of registration to collect the required documents. During such visits, they should also obtain the documents required, in case of 1(4) coverage for issue of notification with the approval of Central Provident Fund Commissioner during their post coverage visits.

7. In the new cases of Section 1(4) coverage through OLRE which has started from 01.07.2014, the required documents be collected from the establishments who have taken code number under Section 1(4) suo moto for completing the proposals for submission to the Additional CPFC (Zones) for scrutiny and onward transmission to Head Office. In these cases of Section 1(4) coverage for the period from 01.07.2014 to 31.01.2015, the timelines shall be as under:


Activity	Timeline
For processing of proposals of Section 1(4) coverage by Regional/Sub-Regional Offices and transmission of the same to the office of Additional CPFC (Zones) from 01.07.2014 to 31.01.2015.	15 th March 2015.
Scrutiny of the proposals received from Regional/Sub-Regional offices by Additional CPFC (Zones) and transmission of the same to Head Office.	31 st March 2015
Processing of proposals and approval by Head Office	15 th April 2015
Issue of notification by Additional CPFC (Zones) after approval by CPFC	30 th April 2015

8. For all coverages under Section 1(4) of the Act from February 2015 onwards. It shall be ensured by the Regional /Sub-Regional Offices that during the post coverage visit by the Enforcement Officers to all such establishments all the documents required for processing the proposals shall be collected in the first visit itself. This task should not be left to the mercy of the Enforcement Officers. Wherever it comes to the notice of the Regional /Sub-Regional Offices that establishments are not submitting all the required documents, action shall be initiated as provided under the Act. In order to avoid adverse comments from various corners, it has been decided that the following timelines shall be adhered to by the Regional/Sub-Regional offices unflinchingly.

Activity	Timeline
For collection of requisite documents in order to process the proposals of establishments covered under Section 1(4) coverage by Regional/Sub-Regional Offices and transmission of the same to the office of Additional CPFC (Zones).	Within one month from the date of generation of Code Number.
Scrutiny of the proposals received from Regional/Sub-Regional offices and transmission of the same to Head Office by Additional CPFC (Zones).	Within 15 days from the date of receipt of the proposal from Regional/Sub-Regional Offices.
Processing of proposals and approval by Head Office.	Within 15 days from the date of receipt of the proposal from Additional CPFC (Zones).
Issue of notification by Additional CPFC (Zones) after approval by CPFC.	Within 15 days from the date of receipt of the approval from Head Office.

9. Any laxity on this count will be viewed seriously and it shall be the responsibility of concerned Officers to see that the above timelines are followed.

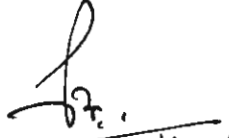
Yours faithfully,


 23/02/2015
 (P.K. Udgate)

Additional C.P.F.C. - I (Compliance)

Copy to:

Additional CPFC (Zones) with a request to ensure timely transmission of the proposals received from Regional/Sub-Regional Offices after proper scrutiny to Head Office so as to avoid delay in getting the same approved by the Competent Authority and to see that appropriate notification be carried out on receipt of approval of the Competent Authority.


 23/02/2015
 (P.K. Udgate)

Additional C.P.F.C. - I (Compliance)