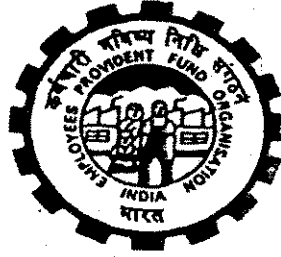


EMPLOYEES' PROVIDENT FUND ORGANISATION



AGENDA BOOK

34th Meeting of the Sub- Committee of Central Board of Trustees, (EPF) on Exempted Establishments

Date : 23.04.2013 (Tuesday)

Time : 02:30 PM

**Venue : Memories Hall, Hotel The Grand
Bhagawati (TGB), Dumas Road, Surat,
Gujarat**

**34th Meeting of the
Sub-Committee on Exempted Establishments**

Date: 23.04.2013 (Tuesday)

Time: 02: 30 PM

INDEX OF ITEMS

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2.	Status Report on the Exempted Establishments of Ahmedabad, Surat, Vadodara & Indore (Annexures A to G)	4-19
3.	Any other item with the permission of Chair.	

Item No 1: Action Taken statement in respect of 33rd meeting of the sub- committee of CBT, EPF on Exempted establishments

Sl No.	Decision / Recommendations of the committee	Action Taken/ Status
1.	Proposal for levy of surcharge to be imposed by CPFC on the BOT of the exempted /relaxed establishment, fail to adhere to the pattern of investment prescribed by Ministry of Labour & Employment, Government of India	Sub-Committee recommended the proposal. Action taken is under process.

Item No 2: Review of the Exempted establishments under Regional office Ahmedabad, Surat, Vadodara & Indore Regions

Ahmedabad :-

Regional Office, Ahmedabad has three sub-regional offices Naroda, Rajkot and Vatwa. Total number of exempted establishments under the Ahmedabad Region are 59 having 94192 (Annexure A).

Compliance:- Compliance status of the exempted establishments are following

		Ahmedabad Region
1	Establishments in default of payment of dues	1
2	Establishments violating the conditions of exemption	5
3	Relaxed Establishments	3
4	Relaxation withdrawn/Exemption cancelled	0

Out of 5 cases of violation of condition of exemption, in 1 case there is violation of investment pattern and in 4 cases there is violation of conditions No. 25 on account of consecutive loss to the establishment for three years (Annexure C & F).

Grant of Exemption:-

Presently only three establishments are relaxed which are pending for exemption (Annexure E).

Cancellation of Exemption:-

Ahmedabad Region has no case of cancellation of exemption (Annexure D).

Vadodara :-

Vadodara Region has 33 exempted establishments with membership of 91932 (Annexure A).

Compliance: Compliance status of the exempted establishments are following

		Vadodara Region
1	Establishments in default of payment of dues	0
2	Establishments violating the conditions of exemption	17
3	Relaxed Establishments	1
4	Relaxation withdrawn/ Exemption cancelled	4

Out of 17 cases of violation of condition of exemption, in 4 cases there is violation of investment pattern, in 1 case there is violation of conditions No. 25 on account of consecutive loss to the establishment for three years and in 12 cases establishments are in violation of failure of audit accounts (Annexure C & F).

Grant of Exemption:-

Presently only 1 establishment is relaxed which is pending for exemption for want of notification by the Appropriate Government (Annexure E).

Cancellation of Exemption:-

Vadodara Region has 4 cases of cancellation of exemption (Annexure D).

Surat :-

Regional Office, Surat has two Sub-Regional Office Vapi & Bharuch. There are 35 exempted establishments in Surat Office having membership of 12320 (Annexure A).

Compliance: Compliance status of the exempted establishments are following

		Surat Region
1	Establishments in default of payment of dues	4
2	Establishments violating the conditions of exemption	5
3	Relaxed Establishments	3
4	Relaxation withdrawn/ Exemption cancelled	3

There are 5 cases of violation of condition of exemption, 2 cases pertaining to violation of investment pattern and 2 cases pertaining to violation of condition no. 24 for failure to audit accounts (Annexure C & F).

Grant of Exemption:-

Presently only 3 establishments are relaxed which are pending for exemption at Regional Office level. (Annexure E).

Cancellation of Exemption:-

Surat Office has 3 cases of cancellation of exemption (Annexure D).

Indore:-

Regional Office, Indore has five Sub-Regional Office, Jabalpur, Bhopal, Gwalior, Sagar & Ujjain. There are 44 exempted establishments in Indore Region have membership of 49230 (Annexure A).

Compliance: Compliance status of the exempted establishments are following

		Indore Region
1	Establishments in default of payment of dues	3
2	Establishments violating the conditions of exemption	4
3	Relaxed Establishments	7
4	Relaxation withdrawn/ Exemption cancelled	0

Out of 4 cases of violation of condition of exemption, in 1 cases there is violation of investment pattern and in one case the establishment is in violation of conditions No. 25 on account of consecutive loss to the establishment for three years and violation of transfer of fund to BOT. In 1 case there is violation of condition no. 16 for non-submission of return and in 1 case there is violation of condition no. 29 regarding amalgamation. (Annexure C & F).

Grant of Exemption:-

Presently only 7 establishments are relaxed which are pending for exemption (Annexure E).

Cancellation of Exemption:-

Indore Region has no case of cancellation of exemption. However, Indore Region has reported 3 cases for cancellation of exemption are under process (Annexure D).

GENERAL STATUS OF EXEMPTED ESTABLISHMENTS

Sr No	Region	Total exempted estt	Exempted u/s 17	Exempted u/p 27	Exempted u/p 27A	No of estt Relaxed u/p 79	No of defaulting Estt	No of Estt violating conditions of exemption	No of Members
1	AHMEDABAD	59	48	3	5	3	6	5	94192
2	Vadodara	33*	25	3	1	1	0	12	91932
3	Surat	35	26	6	3	0	0	12	12320
4	M.P.	44	27	0	9	8	5	5	49230

* 3 No. of estt. Permitted to comply for P.F. with main trust

STATUS REPORT

Sl No.	Region	Establishments in default of payment of dues	Establishments violating the conditions of exemption	Relaxed Establishments	Relaxation withdrawn/ Exemption cancelled
1	Ahmedabad	1	5	3	0
2	Vadodara	0	17	1	4
3	Surat	4	5	3	3
4	Indore	3	4	7	0

TYPES OF VIOLATIONS OF CONDITIONS OF EXEMPTION

Sr No	Region	Non Maintenance of Investment Pattern (Condition No 17)	Default in transfer of dues to BOT/EPFO (Condition No 5)	Non Enrollment of all eligible employees (condition No 3)	Consecutive loss to the estt for 3 years or erosion in its net worth (Condition No 25)	Failed to recoup losses of the trust (Condition No 28)	Failure to audit Accounts (Condition No 24)
1	AHMEDABAD	1	0	0	4	0	0
2	Vadodara	4	0	0	1	0	12
3	Surat	2	1	0	0	0	2
4	Madhya Pradesh*	1	1	0	1	0	0

*In 2 cases there is violation of condition no. 16 and 29.

LIST OF CASES OF CANCELLATION OF EXEMPTION

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	STATUS
1	M/s.GEA Process Engineering (India)P.Ltd.	GJ/BD/21006	Vadodara	Exemption cancelled with effect from 31.01.2013 vide Notification No. S35017/3/2011-SS-II dated 31.12.2012.
2	M/s.Yesha Electricals Pvt.Ltd.	GJ/BD/4475	Vadodara	The establishment has violated the condition No. 24 (c) by appointing the one and same Auditor for consecutive two years and therefore, exemption granted u/p 27 of the EPF Scheme,1952 has been withdrawn by RPF, Vadodara with effect from 01.04.2013.
3	M/s.Fag Bearing India Ltd.	GJ/BD/4536	Vadodara	The establishment has violated the condition No. 24 (c) by appointing one and same Auditor for consecutive two years and therefore, exemption granted u/p 27 of the EPF Scheme,1952 has been withdrawn by RPF, Vadodara with effect from 31.03.2013. Ø The establishment has challenged the order of RPF, Vadodara and filed a Special Civil Application before the Hon'ble High Court of Gujarat. Matter is now subjudice.
4	M/s.The Dahod Co.Op.Bank Ltd.	Urban GJ/BD/20210	Vadodara	The establishment has violated the condition No. 24 (c) by appointing one and same Auditor for consecutive two years and therefore, exemption granted u/p 27 of the EPF Scheme,1952 has been withdrawn by RPF, Vadodara with effect from 01.04.2013. Ø The establishment has challenged the order of RPF, Vadodara and filed a Special Civil Application before the Hon'ble High Court of Gujarat. Matter is now subjudice.
5	M/s. Neutral Glass & Allied Ind. Ltd.	GJ/23662	Surat	Exemption Cancelled vide letter no.-GJ/23662/RO/SRT/EXEM/3877, dated:- 24/02/2010.

LIST OF CASES OF CANCELLATION OF EXEMPTION

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	STATUS
6	M/s. Niranjan Mills	GJ/325	Surat	Proposal for cancellation/ Withdraw of exemption forwarded to ACC (GJ & MP) vide letter no-GJ/SRT/RO/325/CANCEL/EXEM /62 ,dt. 26-07-11 and forwarded to Head office, New Delhi vide ACC letter no.-ACC/(GJ&MP)/EDLI EXEM/1(36)/679, dated:-10/08/2011.
7	M/s. Gadat V.V.K.S.K.M. Ltd.	GJ/8001	Surat	Estt. has started complying as un-exempted estt. under Code No. GJ/8001 and are complying the various provision of the Act w.e.f-01/04/2010. The estt. has requested to cancel the exemption. Cancellation of Exemption is under process.
8	S.R.D.Gwalior :- M/s. Gwalior Forest Product, Shivpuri	MP/1904	Madhya Pradesh	Letter forwarded to R.O.Indore;
9	R.O.Indore :- M/s. Nepa Limited, Nepanagar	MP/201	Madhya Pradesh	The proposal recommending cancellation of exemption forwarded to Head Office vide letter dt.11.07.2012 and subsequent reminder dtd.24.09.2012 and dtd.17.12.2012 issued
10	S.R.O.,Ujjain :- M/s. Modern Food Industries, Ujjain	MP/1221	Madhya Pradesh	Amalgamated with other unit. So, process for automatic cancellation is being initiated.

LIST OF RELAXED CASES

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	STATUS
1	M/s Institute of Rural Management Anand	GJ/13777	AHMEDABAD	Under Correspondence
2	M/s Gujarat Heavy Chemicals Limited	GJ/19861	AHMEDABAD	Proposal has been forwarded to Central Government by CBT notification awaited
3	M/s Reliance Group Support Services Pvt. Ltd.	GJ/40551	AHMEDABAD	Proposal has been forwarded to Central Government by CBT notification awaited
4	M/s. Alembic Pharmaceuticals Ltd.	GJ/BD/66926	Vadodara	Proposal for grant of exemption u/s 17(1)(a) of the EPF & MP Act, 1952 was sent to Head Office, vide this office letter No. GJ/RPFC/BRD/EXM/ENF.II/66926/648 dtd. 24.01.2012. But Notification of the same is awaited from Appropriate Government/ Head Office.
5	M/s. Theis Precision Steel India Pvt. Ltd.	GJ/6131	Surat	Actionable
6	M/s. Reliance Ind.	GJ/17132	Surat	Code no. allotted for pension
7	Asian Paints.	GJ/9715	Surat	Code no. allotted for pension
8	M/s. J.P. Rewa Cement SRO, Jabalpur	MP/6446	Madhya Pradesh	Pending with Head Office.
9	M/s. Hindustan Electric Graphite Ltd., Mandideep, S.R.O. Bhopal;	MP/3448-A	Madhya Pradesh	Pending with Head Office.
10	M/s. Narmada Hydro Electric Dec. Corp. Ltd., Bhopal S.R.O. Bhopal	MP/13163	Madhya Pradesh	Pending with Head Office.
11	M/s. J.K. Laxmi Cement Ltd., Bhopal S.R.O. Bhopal	MP/3154	Madhya Pradesh	In the matter of surrender of Trust and withdrawal of relaxation guidance has been sought from R.O., Indore.
12	M/s. Perfect Pottery, Ratlam S.R.O., Ujjain	MP/88	Madhya Pradesh;	Establishment closed and the reopened- disputed applicability.
13	M/s. Modern Food Industries, Ujjain S.R.O., Ujjain	MP/1221	Madhya Pradesh	Amalgamated with Hindustan Liver Ltd.,
14	M/s. Burman Laboratories Ltd.,	MP/7413	Madhya Pradesh	Closed

LIST OF CASES OF DEFAULT AND NON-ENROLLMENT

SI No	Name of the Establishmen	Code No	Region	Nature of Default	Action Taken/Status
1	M/s Tata Chemicals Limited	GJ/1061	AHMEDABAD	Non remittance of dues on arrears paid	7A inquiry is under process.
2	M/s. Gwalior Sugar Mills Dabra S.R.O., Gwalior	MP/40	Madhya Pradesh	Non-payment of dues	Inquiry u/s.7A in process.
3	M/s. Nepa Limited, R.O.Indore.	Nepanagar MP/201	Madhya Pradesh	As per squad inspection Note dt.10.04.2013 the estt. is default in following counts :- A. Non transfer of P.F.contribution to the BOT in prescribed time limit. B. Investment is not made in accordance with pattern of investment C. Establishment Born Losses for three consecutive years, however, Balance Sheets could not made available before the squad as the same is with auditor. D. The contractor employees not benefited under GIS of LIC taken in lieu of EDLI Scheme. E. BOT meetings not conveyed at regular interval during 2011-12.	The proposal recommending cancellation of exemption forwarded to the Head Office vide letter dtd.11.07.2012 and subsequent reminder dtd.24.09.2012 and dtd. 17.12.2012 issued.
4	M/s. Perfect Pottery Ltd., Ratlam	MP/88	Madhya Pradesh	Not submission of statutory returns	Proposal sent to R.O.Indore for cancellation of exemption dated 23.08.2004.

LIST OF VIOLATION OF CONDITIONS OF EXEMPTION

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	VIOLATIONS	ACTION TAKEN
1	M/s M. H. Mills & Industries Ltd.	GJ/308	AHMEDABAD	CONDITION NO. 25	Sealed by Hon'ble Court & Draft Show Cause Notice forwarded to H.O. vide letter No. 333 dated 29/08/2011
2	M/s Ahmedabad Textile Industry's Research Association	GJ/2650	AHMEDABAD	CONDITION NO. 25	Papers forwarded for cancellation through Addl. CPFC (GJ & MP)
3	M/s Gujarat Dairy Development Corporation Ltd.	GJ/3566	AHMEDABAD	CONDITION NO. 25	Correspondence with the estt.
4	M/s Gujarat Composite Limited	GJ/3951	AHMEDABAD	CONDITION NO. 25	Draft Show Cause Notice forwarded to H.O. vide letter No. 499 dated 25/10/2011
5	M/s Rajkumar College	GJ/13148	AHMEDABAD	Not investing PF monies as per pattern prescribed by Govt. of India	Show Cause Notice issued. The establishment is directed to surrender exemption
6	M/s.GEA Process Engineering (India)P.Ltd.	GJ/BD/21006	Vadodara	Condition No.25 of Para 27-AA of the EPF Scheme,1952	The establishment was in loss for three consecutive years and according to condition No. 25 of Para 27AA of the EPF Scheme, 1952 Appropriate Govt. has cancelled the exemption granted under Section 17(1)(a) of the EPF & MP Act, 1952 with effect from 31.01.2013 vide Notification No. . S35017/3/2011-SS-II dated 31.12.2012.

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	VIOLATIONS	ACTION TAKEN
7	M/s.Yesha Electricals Pvt.Ltd.	GJ/BD/4475	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	The establishment has violated the condition No. 24 (c) by appointing the one and same Auditor for consecutive two years and therefore, exemption granted u/p 27 of the EPF Scheme,1952 has been withdrawn by RPFC, Vadodara with effect from 01.04.2013.
8	M/s.Fag Bearing India Ltd.	GJ/BD/4536	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	The establishment has violated the condition No. 24 (c) by appointing one and same Auditor for consecutive two years and therefore, exemption granted u/p 27 of the EPF Scheme,1952 has been withdrawn by RPFC, Vadodara with effect from 31.03.2013.
9	M/s.The Dahod Urban Co.Op.Bank Ltd.	GJ/BD/20210	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	The establishment has violated the condition No. 24 (c) by appointing one and same Auditor for consecutive two years and therefore, exemption granted u/p 27 of the EPF Scheme,1952 has been withdrawn by RPFC, Vadodara with effect from 01.04.2013.
10	Gujarat Alkalies & Chem.Ltd	GJ/BD/10042	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.

ANNEXURE G

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	VIOLATIONS	ACTION TAKEN
11	Gujarat Ind.Power Co.Ltd	GJ/BD/20601	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government
12	Pragati Sahakari Bank Ltd.	GJ/BD/20370	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.
13	Panasonic Energy (I) Pvt.Ltd.	GJ/BD/7342	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.
14	Paushak Limited	GJ/BD/6851	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.
15	The Panchmahal Dist.Co.Op. Milk Producers Union Ltd.	GJ/BD/3574	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.
16	Jyoti Limited	GJ/BD/74	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	VIOLATIONS	ACTION TAKEN
17	Alembic Limited	GJ/BD/1053	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.
18	Shreno Limited	GJ/BD/981	Vadodara	Condition No. 24 (c) of Para 27-AA of the EPF Scheme,1952	Proposal for cancellation of exemption has been sent to Head Office. Notification for cancellation of exemption is awaited from HO/Appropriate Government.
19	M/s Baroda Rayon Corporation Ltd	GJ/1383	Surat	Conditions 2, 12, 13, 14, 15, 16, 20	Proposal for cancellation of exemption forwarded to State Govt. vide letter no.-GJ/EPFO/RO/SRT/1383/EXEM/ 19, 21, 22, 36, 54,78, 07, dated:-24/07/2012, 27/07/2012, 03/09/2012, 19/10/2012, 22/11/2012, 01/01/2013,16/04/2013 respectively
20	M/s Amalsad V.V.K.M Ltd. Navsari	GJ/4865	Surat	Conditions 18,17,19	Show Cause notice issued
21	M/s Gandevi Taluka K.S.S Ltd., Navsari	GJ/8002	Surat	Conditions 13,17,18,	Show Cause notice issued
22	M/s Gandevi V.V.K.M Ltd., Navsari	GJ/6792	Surat	Conditions 13,18,24©,19	Show Cause notice issued
23	M/s Gadat V.V.K.S.K.M Ltd, Navsari	GJ/8001	Surat	Conditions 13,18,24©	Estt. has started complying as un-exempted estt. under Code No. GJ/8001 and are complying the various provision of the Act w.e.f-01/04/2010. The estt. has requested to cancel the exemption. Cancellation of Exemption is under process.

SR NO	NAME OF THE ESTABLISHMENT	CODE NO	REGION	VIOLATIONS	ACTION TAKEN
24	M/s. Maihar Cement S.R.O., Jabalpur	MP/4767	MADHYA PRADESH	Non-investment of surplus amount	Show Cause Notice issued.
25	M/s. Nepa Limited, Napanagar, R.O. Indore.	MP/201	MADHYA PRADESH	As per squad Inspection Note dt.10.04.2013 the esttt. is default in following counts :- A) Non transfer of P.F.contribution to the BOT in prescribed time limit. B) Investment is not made in accordance with pattern of investment. C) Establishment Born Losses for three consecutive years, however, Balance Sheets could not made available before the squad as the same is with auditor. D) The contractor employees not benefited under GIS of LIC taken in lieu of EDLI Scheme. E) BOT meetings not conveyed at regular interval during 2011-12	The proposal recommending cancellation of exemption forwarded to the Head Office vide letter dtd.11.07.2012 and subsequent reminder dtd.24.09.2012 and dtd. 17.12.2012 issued.
26	Perfect Pottery Ltd., Ratlam, S.R.O., Ujjain	MP/88	MADHYA PRADESH	Non-submission of statutory returns	Proposal for cancellation of exemption sent to R.O.
27	Modern Food Industries, Ujjain S.R.O., Ujjain	MP/1221	MADHYA PRADESH	Amalgamated with other establishment	Action for automatic Cancellation being Initiated.



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
Bhavishya Nidhi Bhawan, 14- Bhikaji Cama Place, New Delhi - 110066
www.epfindia.gov.in ; www.epfindia.nic.in

No. E-III/18(1)2004/Sub-Committee/

Date: 05.05.2013

To

- 16054-59
1. Shri Shankar Saha, Chairman, Sub-Committee on Exempted Establishments, Secretary, All India Committee United Trade Union Centre, Lenin Sarani, 77/2/1, Lenin Sarani (1st Floor), Kolkata - 700013.
 2. Shri Babulal B. Todl, Managing Director, M/s Todl Estate, Sun Mill Compound, Lower Parel, Mumbai - 400013.
 3. Shri M. Jagadishwara Rao, National Executive Member, BMS, D. No. 31-3-3/2, Gowri Nagar, Opp. All India Radio Station, Kurmannapalem, Visakhapatnam - 530046(A.P.).
 4. Shri B.P. Pant, Secretary, All India Organisation, Of Employers Federation House, V/10, NCERT Campus, Aurobindo Marg, New Delhi - 110016.
 5. Joint Secretary (Social Security), Ministry of Labour & Employment, New Delhi.

Subject:- Minutes of the 34th Meeting of the Sub-Committee on Exemption, CBT, EPFO held on 23.04.2013 at Conference Hall "Essar Guest House," Surat.

Sir,

Kindly refer to EPFO Letter No. E-III/18(1)2004-Sub-Committee/953-58 dated 18.04.2013 on the above subject.

A copy of approved Minutes of 34th Meeting of Sub-Committee of CBT on exempted establishment held on 23.04.2013 at Surat is enclosed herewith for your kind information

Yours faithfully

Animesh Mishra

Encl.: As above

(Animesh Mishra)
Regional P.F. Commissioner-I (Compliance)

Copy to:

6. Sh. P.K. Udgata ACC(C), Head Office.
7. Sh. M.P. Sinha ACC (GJ & MP).
8. Sh. P.U. Kulkarni RPF-C-I, R.O., Indore.
9. Sh. Ved Prakash RPF-C-I, Vadodara.
10. Sh. D. Remmi RPF-C-I (Ahmedabad)

o/c जारी किया
ISSUED

**MINUTES OF THE 34TH MEETING OF THE SUB-COMMITTEE ON
EXEMPTION, CBT, EPFO HELD ON 23RD APRIL, 2013 AT CONFERENCE
HALL "ESSAR GUEST HOUSE", SURAT**

Present:-

- 1) Shri Shankar Saha – Chairman.
- 2) Shri Babulal B. Todi, Employers' Representative.
- 3) Shri B.P. Pant, Employers' Representative.
- 4) Shri Jagadishwara Rao, Employees' Representative.
- 5) Shri P.K. Udgata, Addl. CPFC (Comp) & Convener.
- 6) Shri M.P. Sinha, Addl. CPFC (Gujarat & Madhya Pradesh).
- 7) Shri P.U. Kulkarni, RPFC-I, RO, Indore.
- 8) Dr. Ved Parkash, RPFC-I, RO, Vadodara.
- 9) Shri D. Remmel, RPFC-I, RO, Ahmedabad.
- 10) Shri R.K. Pal, RPFC-II (Exemption), Head Office.
- 11) Shri P.K. Sinha, RPFC-II, RO, Surat.
- 12) Shri P.K. Tiwari, RPFC-II, SRO, Vapi.
- 13) Shri Krishna Shanker, RPFC-II, SRO, Bharuch.

At the outset, Shri M.P. Sinha, Addl. CPFC (Gujarat & Madhya Pradesh), welcomed the Committee to Surat and expressed the gratitude of the host regions, for according them the privilege and honor of hosting the meeting.

Shri P.K. Udgata, Addl. CPFC (Compliance) being the Convener of the committee welcomed the Chairman, members of the committee and in his welcome address, touched upon; the role of the Sub-Committee in making suggestions to improve the performance in the exemption area and to set

guidelines for granting exemption to establishments under relaxation. He has also presented the current scenario regarding the grant of exemption to the establishments covered under the Act.

And, requested the chairman to assume the chair and preside over the meeting.

Shri Shankar Saha, Chairman, Sub-Committee welcomed all the members of the committee and officers of the host regions and appealed to contribute their wisdom and engage in productive deliberations.

Shri M.P. Sinha, Addl. CPFC (Gujarat & Madhya Pradesh), presented the overall performance of host Regions and apprised to the members that presently both the states settling claims at the 98% within 30 days. Even most of the offices are settling large number of cases within 5 days. He also presented the details of these Regions of which members of the Committee appreciated the performance and suggested that rejection ratio must be brought down. Thereafter, the agenda items were taken up for discussion:

Item no. 1:- Confirmation of the minutes of the last meeting:

The draft minutes of the last meeting were circulated. Some of the members of the Sub-Committee, pointed out that the minutes of the last Sub-Committee were received late of which Shri P.K. Udgate, Addl. CPFC (Comp) & Convener ensured that in future the minutes of the Sub-Committee will be circulated in time. With this deliberation the Committee has confirmed the minutes of the last meeting.

Item no. 2:- Status of exemption in Host Regions, Ahmedabad, Surat, Vadodara & Indore:

Addl. Central P.F. Commissioner (GJ & MP) presented overall status of exempted establishments then after Regional P.F. Commissioner-3 of the

concerned Region presented the Regionwise status of the exempted establishments in respect of exemption proposals, cancellation and compliance status.

1. Ahmedabad:-

Sh. D. Remmi, Regional P.F. Commissioner-I presented the status of exempted establishments and he has submitted that total numbers of establishments under the Ahmedabad Region are 59 out of 5 cases of violating of condition of exemption, in 1 case there is violation of investment pattern and in 4 cases there is violation of Conditions No. 25 on account of consecutive loss to the establishment for three years.

2. Surat:-

Shri P.K. Sinha, Regional P.F. Commissioner-II presented the status of exempted establishments and he has submitted that total numbers of establishments under the Surat Region are 35. There are 5 cases of violation of condition of exemption, 2 cases pertaining to violation of investment pattern and 2 cases pertaining to violation of Condition no. 24 for failure to audit accounts.

3. Vadodara:-

Dr. Ved Parkash, Regional P.F. Commissioner-I presented the status of exempted establishments and he has submitted that total numbers of establishments under the Vadodara Region are 33. Out of 13 cases of violation of Condition of exemption, in 4 cases there is violation of investment pattern, in 1 case there is violation of Conditions No. 25 on account of consecutive loss to the establishment for three years and in 12 cases establishments are in violation of condition no.24 (c), of failure of audit of accounts as per condition.

Shri B.P. Pant, Employers' Representative objected that he is not agreeing with the violation of condition no. 24(c) as there may be many reason and

unforeseen circumstances that establishment or trust may be bound to depute same auditor.

Shri Jagadswara Rao, Employees' Representative suggested that if the employer has accepted the condition they have to follow.

Shri Babulal B. Todi, Employers' Representative suggested "let a committee be formed and that should decide the modalities".

At this time Shri Shankar Saha – Chairman of Sub- Committee intervenes and apprises that "We are not here to decide modification of Scheme but to follow the compliance of rule framed under the Act or Scheme. If establishment is making default why establishment want to continue exemption.

The RPFC, RO, Vadodara was suggested to look into the violation of such Conditions by the large number of such establishment and submit a action taken report.

4. Indore:-

Shri P.U. Kulkarni, Regional P.F. Commissioner-I presented the status of exempted establishments and he has submitted that total numbers of establishments under the Indore Region are 44. Out of 4 cases of violation of Condition of exemption, in 1 case there is violation of investment pattern and in one case the establishment is in violation of Condition No. 25 on account of consecutive loss to the establishment for three years and violation of transfer of Fund to BOT. In 1 case there is violation of Condition no. 16 for non-submission of return and in 1 case there is violation of Condition no. 29 regarding amalgamation.

During discussion the RPFC, Indore apprised the members about difficulties of the processing some of the cases which are relaxed earlier and also

proposal of cancellation and exemption are pending because of non availability of required documents being the either very old establishment or closed and taken over by other establishment.

Sh. B.B. Todi expressed his reservation on relaxed establishment: to M.P. Region. The RPFC, RO, Indore ensured to the members that he will personally look into the matter and action taken report will be submitted as early as possible.

During discussion of overall performance Chairman Sub-Committee raised the issue of contractor workers engaged in exempted establishments. He said that in Surat also there are many big establishments which are engaging contractor workers and they may be without any Social Security.

Shri Jagadiswara Rao, Employees' Representative suggested that on account of violation notices to all the Trustees must be sent and also a meeting with the representative of EPFO and Board of Trustees must be held once in a year regularly. He also suggested that every exempted establishment should take 'sub code' exclusively for its contractor workers.

After deliberation of the agenda items, while concluding the meeting, the Chairman thanked the members for their cooperation for successful conduct of the meeting. He thanked the organizers of the meeting, the host regions, for the excellent arrangements made for reception of members and providing excellent logistic and trajectory support to the committee.

It was proposed to hold the next meeting of the committee at Goa during September, 2013.

The meeting ended with vote of thanks to the chair.

c/c