



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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No. C-II/MISC/02/06/EX/VOL-I/

Dated : 24.07.2012

To

24 JUL 2012

All Regional P.F. Commissioners
In charge of Regional/Sub Regional Offices

Subject : Withdrawal of power delegated to RPFCS In-charge of Regional/Sub Regional Offices to grant relaxation under Para 79 of the Employees' Provident Funds Scheme, 1952-regarding.


Sir,

The Government of India has brought out an amendment in the Finance Act, 2006 introducing clause 56 making it mandatory for all the Provident Fund Trusts recognized under Income Tax Act, 1961 to obtain exemption under Section 17 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the recognition to such fund shall be withdrawn if the conditions set out in the said clause are not satisfied on or before the 31st day of March, 2013. The amendment has, in reality, conferred upon Employees' Provident Fund Organisation the status of a regulator of all Provident Funds. Consequent upon such amendment, grant of relaxation under Para 79 of the Employees Provident Fund Scheme, 1952 has become redundant.

2. Ministry of Labour & Employment has directed to consider withdrawing the power of relaxation granted to RPFCS In-charge of Regional/Sub Regional Offices since such relaxation will not enable the Trusts to claim any benefits under the Income Tax Act, 1961 without being exempted under Section 17 of the Act. Further it may also open the door for future litigation in the matter. It was also pointed out that in a majority of cases relaxation is granted by the concerned Provident Fund Offices for years together without referring the matter to the Appropriate Government.

3. In view of above, powers delegated to RPFCs In-charge of Regional Offices/Sub-Regional Offices to grant relaxation to any establishment under Para 79 of the Employees' Provident Funds Scheme, 1952 stands withdrawn with immediate effect. This supersedes the instructions contained in circular No. C-II/Misc./2(06)/Ex/EZ/88651 dated 09/3/2007(copy enclosed) and instructions issued vide letter No. C-II/Misc/02/06/Exem/Vol-I dated 27.04.2009 stands amended to that extent accordingly.


Yours Faithfully.


24/7/2012
(P.K. UDGATA)

Addl. Central Provident Fund Commissioner (Compliance)

Copy to:

- 1) All Additional Central P.F. Commissioners (Zones) for information.
- 2) FA & CAO/All ACCs in Head Office/ CVO
- 3) Director(Audit)/Zonal Audit Officers
- 4) Director, NATRSS / All ZTIs
- 5) All RPFCs/APFCs in Head Office including NDC
- 6) All Dy. Directors (Vigilance)
- 7) Hindi Cell for Hindi Translation


24/7/2012
(P.K. UDGATA)

Addl. Central Provident Fund Commissioner (Compliance)