

Ref. No. 106/R-37/8874

03/12/10

To,

Shri Samirendra Chatterjee, IAS,  
Central P.F. Commissioner,  
Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place,  
New Delhi-110066.

**Subject: - Proposal for One time waiver of Damages charged on EPF arrears.**

Sir,

Indian Industries Association (IIA) is an apex body of SME's in India having more than 7000 members. IIA founded in 1985 has been actively involved in Industrial Policy formulations both at National as well as State level. President IIA has been a member of PM's task force on MSME which has submitted its recommendations in the recent past for the development of this sector.

We have been informed by few of our members that they are getting the notices for payment of the EPF which they have not deposited earlier and they are issued show cause notices to explain why. Damages for the default also imposed on them.

We have spoken to other MSME Associations all over the country and we are informed that there are large no. of such cases wherein the employers are ready to deposit the arrears however they are not in a position to bear the damages. As such on one hand large amounts of the employees provident fund is not being deposited and on the other the employers who are ready to deposit the amount without damages are not able to do so.

Similar situation had been encountered in ESIC also and the Government had come out with one time "Nayi Aam Mafi Yojana"

IIA do not favour the defaulters yet keeping in view the situation that employers though are ready to deposit the arrear amounts of EPF with interest but are not in a position to bear the burden of damages. We request EPFO to announce one time waiver of the damaged if the employers deposit arrears of EPF in a stipulated time in line as has been done in ESIC cases.

We hope you will be kind enough to consider our proposal in the interest of both i.e. the employees as well as employers.

Thanking You,

Yours Truly,

D.S. Verma  
Executive Director