



GOVERNMENT OF PUNJAB
DEPARTMENT OF LABOUR
(LABOUR BRANCH)
(Punjab Civil Secretariat-II, Sector 9, Chandigarh)



Speaking Order

M/s. Wahid Sandhar Sugar Limited (PN/17254) is an establishment covered under Employees' Provident Fund and Miscellaneous Provision Act 1952. This establishment was granted exemption under Section 17(1) (a) of the Act subject to certain terms and conditions regulating grant of such exemption by the Government vide notification no. 3362-V-Lab-II-60/15284 dated May 1960.

2. Where a squad of Officers of Jurisdictional Regional Fund Commissioner, Jalandhar visited the establishment for conducting compliance audit of the provident Fund Trust to confirm compliance with the various terms and conditions governing grant of exemption.

3. Where it is observed from the report furnished by the Jurisdictional Regional Fund Commissioner, Jalandhar to the Additional Central Provident Fund Commissioner (PB&HP) that the following violations of the terms & conditions of Para 27 AA of EPF Scheme, 1952 governing grant of exemption have been committed by the establishment/Board of Trustees.

1. The exemption was granted to M/s the Jagatjit Sugar Mills Co. Ltd dated 05/05/1960 vide notification No. 3362-V-Lab-II-60/15284 but absorbed by the M/s Wahid Sandhar Sugar Limited w.e.f 01.04.2001. Therefore, it is evident that the establishment has violated condition no. 29 of the Para 27 AA of the scheme of the EPF & MP Act, 1952.

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2. The establishment has failed to dematerialize securities and further securities have also not been lodged in the safe custody of depository participants, which is violation of Condition No. 18 and 19 governing grant of exemption.
3. Compliance in respect of contractual employees not made available by establishment for verification, which is violation of Condition No. 26 governing grant of exemption.
4. The establishment has violated condition 24 (c) of Para 27 AA of EPF Scheme, 1952 as Sh AK Sood had been appointed auditor for more than 2 year in last 6 years as per observation memo dated 02.03.2017.
5. The establishment has failed to follow the investment pattern as prescribed by the Government of India there by violating Condition No. 17.
6. The establishment has failed to settle the claim within prescribed the limit of 30 days, thereby violating Condition No. 12.
7. The establishment has failed to transfer PF accumulations within stipulated time period to the Board of Trustees thereby violating Condition No. 25.
8. The establishment has failed to make necessary provision to enable all the members to see their account balance from the computer terminal as and when requested by them, there by violating Condition No. 15.

9. The Board of Trustees has failed to submit Balance Sheet for FY 2008-2009 as per observation memo 17.11.2009, thereby violating Condition No. 24 (b) governing grant of exemption.

4. And whereas observation memo dated 04.06.2007 and 15.12.2017 and Show Cause Notice dated 16.02.2021 were issued by Regional Fund Commissioner, Jalandhar to the establishment and the establishment submitted their reply dated 17.07.2007 and 02.04.2022. Additional Central Provident Fund Commissioner (Exemption) in their letter dated 13.02.2023 said that establishment has failed to substantiate the reasons for non compliance.

5. Accordingly, Jurisdictional Regional Provident Fund Commissioner, Jalandhar vide their letter dated 12.12.2019 and Zonal Additional Central Provident Fund Commissioner Punjab & Himachal Pradesh vide letter dated 05.08.2020 proposed cancellation of exemption to the establishment.

6. After that in the 50th meeting of Exempted Establishment Committee (EEC) held on 21.07.2022, the committee recommended the proposal for cancellation of Exemption of the establishment.

7. As per the recommendation of Exempted Establishments Committee (EEC), Central Board of Trustees, EPF has forwarded the proposal to the Government of Punjab for cancellation of exemption of M/s. Wahid Sandhar Sugar Limited (PN/17254) under section 17 (4) of EPF & MP Act, 1952 which was granted to the establishment vide notification no. 3362-V-Lab-II-60/15283 dated May 1960, as per the decision taken in their 232th meeting held on 31.10.2022 & 01.11.2022.

8. Sub section (1) and (4) of Section 17 of the EPF & MP Act, 1952 states as under:-

"Sub section (1) the appropriate Government may, by notification in the Official Gazette and subject to such conditions as may be specified in the notification, exempt, whether prospectively or retrospectively, from the operation] of all or any of the provisions of any Scheme and

sub section (4) Any exemption granted under this section may be cancelled by the authority which granted it, by order in writing, if an employer fails to comply."

Now therefore I, Manvesh Singh Sidhu, IAS, Secretary, Labour, in view of the position explained above and in exercise of powers under section 17 of The Employees' Provident Fund and Miscellaneous Provision Act, 1952 and as per the recommendation of the Central Board of Trustees, hereby cancel the exemption granted under Section 17 (4) of the EPF & MP Act, 1952 to the M/s. Wahid Sandhar Sugar Limited (PN/17254). The Zonal Additional Central Provident Fund Commissioner Punjab & Himachal Pradesh and Regional Provident Fund Commissioner Jalandhar are directed to proceed in the matter as per act and rules ibid.

Dated, Chandigarh, the 13.04.2023

Manvesh Singh Sidhu, IAS
Secretary to Government of Punjab,
Department of Labour

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Secretary
Labour Branch

Endst. No. Labour-Lab0MISC/17/2023-3L/333 Dated, Chandigarh, the 17/4/23

A copy of the above is forwarded to the following for information and necessary action:

1. Additional Central PF Commissioner (Exemption), Ministry of Labour & Employment, Government of India Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place, New Delhi with reference to their letter no. EXEM/23(1)/2010/CANCEL/PN/NZ/16221 Dated 13.02.2023.
2. The Labour Commissioner, Punjab.
3. M/s. Wahid Sandhar Sugar Limited, Village G.T Road, Phagwara, Distt Kapurthala.

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Superintendent