

Relief to establishments covered under EPF and MP Act, 1952 from levy of penalty for delayed deposit of dues during lockdown

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Due to prolonged lockdown announced by the Govt. to control the spread of COVID-19 and other disruptions due to pandemic, establishments covered under EPF & MP Act, 1952 are distressed and unable to function normally and pay the statutory contributions in time.

Considering the difficulty faced by the establishments in timely deposit of contributions or administrative charges due for any period during lockdown, the EPFO has decided that such delays due to operational or economic reasons shall not be treated as default and penal damages should not be levied for such delay.

Circular dated 15.05.2020 has been issued to Field Offices of EPFO containing instructions to the effect that no proceeding shall be initiated for levy of penal damages in such cases which is available under TAB "COVID-19" on home page of EPFO website.

The aforesaid step shall ease the compliance norms for 6.5 lakhs EPF covered establishments and save them from liability on account of penal damages.

RCJ/SKP/IA

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