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कर्मचारी भविष्य निधि संगठन  
**Employees' Provident Fund Organisation**

(श्रम एवं रोजगार मंत्रालय, भारत सरकार)

Ministry of Labour & Employment, Govt. Of India

(मुख्य कार्यालय)/ Head Office

भविष्य निधि भवन, 14-भीकाएजी कामा प्लेस, नई दिल्ली- 110066.

Bhavishya Nidhi Bhawan, 14-Bhikaiji Cama Place, New Delhi-110066

No. Bkg/Fraud/05/

39906

To

**All Regional Provident Fund Commissioners-In-Charge,  
Regional/Sub-Regional Offices.**

**Subject: Fraudulent withdrawals from the Accounts of EPFO through fake cheques-  
instructions to avoid fraudulent payment- reg.**

Sir,

Instructions were issued vide this office circular No. Bkg/Fraud/05/18210 dated 22/11/2011, posted at Sl. No. 405 of the official website of the organization under Office Orders & Circulars for the year 2011-12 to avoid fraudulent withdrawals.

2. References are received from various field offices pointing out that implementation of the instructions contained in the circular referred in Para 1 above will lead to return of claims already received in the office wherein the benefits payable are more than Rs. 10,000/-. This will lead to undue hardship to the PF beneficiaries.

3. After examining the references received from various field offices, Head Office issued revised instructions vide circular No. No. Bkg/Fraud/05/15614 dated 24/11/2011, posted at Sl. No. 408 of the official website of the organization under Office Orders & Circulars for the year 2011-12 and thereby revised the limits of issuing cheques in Account Nos. 1,10 and 21, only in cases where the payments are not possible through NEFT. The said limits are as under :

- i) Account No. 01 : Upto Rs. 1,00,000/-
- ii) Account No. 10 : Upto Rs. 50,000/-
- iii) Account No. 21 : Upto Rs. 1,30,000/-

4. The enhanced limits resolved the problems to a great extent but field offices pointed out following problems which still remained unresolved.

- a) There is no facility provided in the Application Software for remitting provident fund monies in death cases (Form-20) through NEFT.
- b) There is no facility provided in the Application Software for remitting provident fund monies to the Exempted Trusts through NEFT.

20 DEC 2011

Dated: 20.12.2011

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- c) Payment of provident fund monies(Form-19) beyond Rs. 1,00,000/- through NEFT are not possible in the cases where the members maintain accounts with Co-operative Banks, Regional Rural Banks and Post Offices.
- d) Pension payments going through BRS involves amount beyond the limit of Rs. 50,000/- and there is no provision in the Application Software for remitting the same through NEFT.

5. Earlier instructions at Para 2(v) of the circular No. Bkg/Fraud/05/18210 dated 22/11/2011 stipulate that all payments on account of Pension to other Banks, all inter-regional transfers and transfers from EPFO to Exempted Trusts shall be made through NEFT/RTGS only. Keeping in view the references received from the field offices and in partial modification to the instructions issued earlier the fresh instructions are issued as under :

**A. Payment of Pension through designated Banks :**

As usual the Bank Reconciliation Statements shall be generated. While generating the forwarding letter, system will prompt to select the cheque number. The cheque serial number so prompted by the system in sequence shall be selected and the same shall be printed. Having printed the cheque, the same shall be cancelled. In place of the forwarding letter so generated with cheque number by the system, a letter of authority to the State Bank of India shall be prepared vide that number(number of the cancelled cheque) with a direction to credit the amount involved in the cheque to the account of the Pension Paying Banker by debiting respective account of EPFO. Copy of the letter of authority shall be sent to the designated banks alongwith BRS. The cancelled cheque and the system generated forwarding shall be attached to the office copy of the letter of authority issued to the State Bank of India for office record and reconciliation. Specimen of the letter of authority to State Bank of India is enclosed herewith.

**B. Payment to Exempted Trusts on account of transfer(Form-13) :**

While generating the forwarding letter, system will prompt to select the cheque number. The cheque serial number so prompted by the system in sequence shall be selected and the same shall be printed. Having printed the cheque, the same shall be cancelled. In place of the forwarding letter so generated with cheque number by the system, an authority letter to the State Bank of India shall be prepared vide that number(number of the cancelled cheque) with a direction to prepare Account Payee Demand Draft/Bankers' Cheque in the name of the Trust on account of the member by debiting respective account of EPFO. On receipt of the Account Payee Demand Draft/Bankers' Cheque for the like amount (involved in the cheque),the same shall be dispatched to the Trust with a forwarding letter and Annexure-K. The cancelled cheque and the system generated forwarding letter shall be attached to the office copy of the authority letter issued to the State Bank of India for office record and reconciliation. Specimen of the letter of authority to State Bank of India is enclosed herewith.


**C. Payment of Provident Fund to members in case of Form-19/nominees of the deceased members in case of Form-20 where amount involved is more than Rs. 1,00,000/- and where bank accounts of the member/nominees of the member are in Co-operative Banks and Regional Rural Banks :**

While generating the forwarding letter, system will prompt to select the cheque number. The cheque serial number so prompted by the system in sequence shall be selected and the same shall be printed. Having printed the cheque, the same shall be cancelled. In place of the forwarding letter so generated with cheque number by the system, a letter of authority to the State Bank of India shall be prepared vide that number(number of the cancelled cheque) with a direction to prepare Account Payee Demand Draft/Bankers' Cheque in the name of the member/nominee of the deceased by debiting respective account of EPFO. On receipt of the Demand Draft/Bankers' Cheque for the like amount (involved in the cheque),the same shall be dispatched to the member/nominee of the deceased with a forwarding letter. The cancelled cheque and the system generated forwarding letter shall be attached to the office copy of the letter of authority issued to the State Bank of India for office record and reconciliation. Specimen of the letter of authority to State Bank of India is enclosed herewith.

- D.** The instructions issued on inter-regional transfers vide this office circular No. Bkg/Fraud/05/18210 dated 22/11/2011 shall continue to be in force and followed unflinchingly.
- E.** No charges will be payable to State Bank of India for issuing the Bank Draft/Bankers' Cheque.

Enclosures : As above

Yours faithfully,



**(RAJESH BANSAL)**

**Financial Advisor & Chief Accounts Officer**

Copy to :

The Chief General Manager, SME Business Unit, State Bank of India, National Banking Group, Corporate Centre, Floor-5, State Bank Bhawan, Madam Cama Road, Mumbai - 400021 with a request for issue of instructions to all the Link Branches of State Bank of India at 120 locations which deal with EPFO funds at Regional/Sub Regional levels to issue Account Payee Demand Draft/Banker's Cheque without any charges as discussed over phone..



**(RAJESH BANSAL)**

**Financial Advisor & Chief Accounts Officer**

Copy Communicated for information and necessary action to :

1. Chief Vigilance Officer, Head Office.
2. All Additional CPFCs, Zones .
3. Director(Audit),Head Office.
4. All DD(Vig.),Zones.
5. All Zonal Audit Parties.
6. DD(OL) for Hindi translation.
7. RPFC,NDC for uploading in the official website.

  
20/12/201  
**(P.K.UDGATA)**  
**RPFC-I(Finance & Accounts)**



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Ministry of Labour & Employment, Govt. Of India

..... Office

**( SPECIMEN )**

No. .... / .... / .... / .....

Date :

**( Cancelled Cheque No.)**

To  
The Branch Manager,  
State bank of India,  
\_\_\_\_\_ Branch,  
\_\_\_\_\_.

**Subject** : Issue of Account Payee Demand Draft/Banker's Cheque.

Sir,

Please issue an Account Payee Demand Draft/Banker's Cheque for Rs. .... /-  
(Rupees ..... only) in favour of Shri.....  
Account No..... maintained with ..... Bank payable at  
.....

I being the authorized signatory of EPFO hereby authorize you to debit Rs.  
..... /- (Rupees..... Only) to our Account No.  
..... maintained with you.

Yours Faithfully,

(Authorised Signatory)  
**APFC(CASH)**



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Ministry of Labour & Employment, Govt. Of India

..... Office

**( SPECIMEN )**

No. .... / .... / .... / .....  
**( Cancelled Cheque No.)**

Date :

To  
The Branch Manager,  
State bank of India,  
\_\_\_\_\_ Branch,  
\_\_\_\_\_.

**Subject** : Authorization for Debit of Our Account No. ....maintained  
with you.

Sir,

I being the authorized signatory of EPFO hereby authorize you to debit Rs.  
...../- (Rupees..... Only) to our Account  
No..... and credit the same to Account No. .... of  
..... Bank, ..... Branch through electronic mode like  
NEFT/RTGS/ECS etc. A copy of this authorization which I have signed is endorsed to  
..... Bank, ..... Branch.

Yours Faithfully,

(Authorised Signatory)  
**APFC(CASH)**