

24/02/2022



ईपीएफओ, मुख्य कार्यालय  
श्रम एवं रोज़गार मंत्रालय, भारत सरकार  
भविष्य निधि भवन, 14, भीकाजी कामा प्लेस, नई दिल्ली 110066



EPFO, HEAD OFFICE

MINISTRY OF LABOUR & EMPLOYMENT, GOVERNMENT OF INDIA  
BHAVISHYA NIDHI BHAWAN, 14, BHIKAJI CAMA PLACE, NEW DELHI 110066

[www.epfindia.gov.in](http://www.epfindia.gov.in)

To

ACC (HQ)/ACC  
All ZOs

**Sub: Clarification on NEEM Trainees-Reg**

Sir/Madam,

Several representations have been received in Head Office for seeking clarification whether NEEM Trainees are exempted from the EPF & MP Act, 1952 in the light of Regulation 15.2 of the AICTE (NEEM) Regulation, 2017. The matter was examined in detail and it is clarified that:

- a. The NEEM trainees are not exempted from the definition of "employee" under section 2(f) of the EPF & MP Act, 1952 and the Regulation 15.2 of the NEEM Regulation, 2017 is *ultra vires* to the provisions of the Act.
- b. However certain criteria have been laid down in HO circular dated 12.10.2015 (copy enclosed) to distinguish a student-trainee from an employee engaged by an establishment covered under the Act. EPF Scheme, 1952 after ascertaining the facts and circumstances of each case on merit.
- c. Further a mechanism under para 26B of the EPF Scheme has already been provided whereby a Regional PF Commissioner has been vested with power to decide a question whether an employee is entitled to, or required to become a member of the scheme. after ascertaining the facts and circumstances of each case on merit.
- d. Cases of subterfuge shall be distinguished from genuine arrangements for training

2. Hence, any question whether a person is a trainee or employee may be decided as per law and considering the circular dated 12.10.2015.

(This issues with the approval of CPFC.)

Yours faithfully,

Encl: As above

  
(Jag Mohan)  
Additional CPFC (HQ)