

76

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 87  
TO BE ANSWERED ON 01.08.2011**

**UNCLAIMED EPF AMOUNT**

**87. DR. JYOTI MIRDHA:  
SHRI JOSE K. MANI:  
SHRI ABDUL RAHMAN:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether there is a large amount of money lying unclaimed with the Employees' Provident Fund Organisation (EPFO);**
- (b) if so, the details thereof, State-wise alongwith the steps to ensure that these funds reach their legitimate owners;**
- (c) the reasons for poor statement record of EPF claim;**
- (d) the total surplus available with EPFO in their suspense account till date;**
- (e) whether this amount is not pertaining to the PF account holders whose account was not credited; and**
- (f) if so, the corrective measures taken in this regard?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

- (a): There is no unclaimed money lying with the Employees' Provident Fund Organisation. These accounts are actually inoperative accounts and all these accounts have a definite claimant or their legal heirs or nominees, if any.**
- (b): State-wise details of funds lying in Inoperative Accounts as per the consolidated audited Annual Accounts of the Employees' Provident Fund Organisation for the year 2009-10 is enclosed at Annexure.**

**Contd..2/-**

To ensure correct identification and genuineness of the beneficiary alongwith correct amount for settlement of claims out of Inoperative accounts, the Central Board of Trustees, Employees' Provident Fund approved the following modalities:

(i) In all such cases where the establishment is functioning and employer is available, the attestation of claim forms by the authorized signatory should be mandatory

(ii) In those cases where employer is not available to identify the member, the attestation by Bank authorities should be insisted alongwith at least one of the documents as required under KYC (Know Your Customer) towards identity proof and proof of residence

iii) A multilevel verification / counter checking should be done to ensure correct identification and genuineness of the beneficiary alongwith correctness of the amount. Taking this into account, the following delegation of power to authorize/settle claims out of Inoperative accounts has been made:

a) The Accounts Officer in charge of Accounts Groups may authorize claims upto Rs. 50,000/- out of Inoperative Accounts provided the same is counter checked by another Accounts Officer.

b) The Assistant Provident Fund Commissioner may authorize claims for Rs. 50,000/- and above out of Inoperative accounts provided the same is counter checked by another Assistant Provident Fund Commissioner or by an Accounts Officer in absence of an Assistant Provident Fund Commissioner.

Publicity though print media and electronic media is also made to educate the members to file their claims for settlement. Similarly, the employers' and employees' unions have also been requested to advise the members to file their claims for settlement.

c) With regard to the status of Employees Provident Fund claims in respect of Inoperative Accounts, it is stated that the settlement of Provident Fund accumulations are made under para 69 & 70 of the Employees' Provident Fund Scheme, 1952 which require filing of claim by the member or his dependent. Unless the claim is filed in the said manner no settlement of Provident Fund money can take place. Moreover, the members due to following reasons, do not prefer settlement of their Provident Fund accounts:

- (i) The interest earned on such deposits is exempt from Income Tax.**
- (ii) Such deposits are safe investments and cannot be attached even by decree of any court.**
- (iii) The rate of interest on Employees Provident Fund deposits is higher than other comparative investment in the market.**
- (iv) The members after switching over from one covered establishment to another do not transfer their accumulations to new account as they do not get any incentive for it and continue to get same rate of interest.**

**However, the Employees' Provident Fund Organisation is constantly trying through print and electronic media to educate the members to file their claims for settlement. Similarly, the employers and employees union have also been requested to advice the members to file their claims for settlement.**

**(d): According to the consolidated audited Annual Accounts of the Employees' Provident Fund Organisation for the year 2009-10, an amount of Rs. 16,998.78 Crore is available in the "Interest Suspense Account" as on 31.03.2010.**

**(e): The amount referred to in reply to part (d) above also includes the interest pertaining to the Provident Fund account holders whose accounts were not credited.**

**(f): Does not arise in view of reply to part (e) above.**

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ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 87 FOR 01.08.2011 BY DR. JYOTI MIRDHA, SHRI JOSE K. MANI AND SHRI ABDUL RAHAMAN REGARDING UNCLAIMED EPF AMOUNT.

**INOPERATIVE ACCOUNTS FOR THE YEAR 2009-10**

(Rupees in Lakhs)

Andhra Pradesh-Hyderabad	71,028.87
Andhra Pradesh -Guntur	25,895.16
Andhra Pradesh -Nizamabad	9,223.92
Bihar-Patna	20,420.94
Chattisgarh-Raipur	35,996.73
Delhi-North	366.12
Delhi-South	299.74
Goa-Panji	1,699.13
Gujarat-Ahmedabad	201.45
Gujarat-Vadodara	26.05
Gujarat-Surat	15,690.07
Haryana-Faridabad	129.44
Haryana-Gurgaon	187.30
Himachal Pradesh -Shimla	15,027.48
Jharkhand-Ranchi	5.03
Karnataka-Bangalore	9,871.97
Karnataka -Mangalor	2.49
Karnataka -Gulbarga	1.13
Karnataka -Peenya	39,708.36
Kerala-Trivendrum	19.19
Madhya Pradesh-Indore	11,273.02
Maharashtra- Bandra	789.58
Maharashtra-II Thane	-
Maharashtra -Kandivali	12,447.37
Maharashtra -Nagpur	25,293.83
Maharashtra -Pune	194,518.92
North East Region -Guwahati	5,490.03
Orissa -Bhubaneswar	28,249.38
Punjab-Chandigarh	446.49
Punjab-Ludhiana	815.06
Rajasthan-Jaipur	115.47
Tamil Nadu-Chennai	44,753.42
Tamil Nadu -Coimbatore	10,238.84
Tamil Nadu -Madurai	26,551.52
Tamil Nadu -Tambaram	11,698.05
Uttarakhand -Dehradun	5,819.55
Uttar Pradesh-Kanpur	88,865.26
Uttar Pradesh-Meerut	51,532.24
West Bengal-Kolkata	57,621.31
West Bengal-Jalpaiguri	9,549.09
<b>TOTAL</b>	<b>831,869.03</b>

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**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 206  
TO BE ANSWERED ON 01.08.2011**

**NEW PENSION SCHEME**

**206. SHRI MADHU GOUD YASKHI:**

**SHRI B. B. PATIL:**

**SHRI EKNATH M. GAIKWAD:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Government has come across constraints to attract the unorganized sector workers under the New Pension Scheme;**
- (b) if so, the details thereof and the reasons therefor;**
- (c) whether the Government has received the Bajpai Committee report in this regard;**
- (d) if so, the details of the recommendations/suggestions made by this Committee;**
- (e) whether the Government has accepted the recommendations; and**
- (f) if so, the details thereof and if not, the reasons therefor?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) & (b): The Government has not come across any constraint to attract the unorganized sector workers under the New Pension System (NPS). However, to encourage workers from the Unorganized Sector, Government has started a co-contributory Pension Scheme called "Swavalamban" from 2010-11 onwards under which Government contribute Rs. 1,000/- per annum for each New Pension System opened with the minimum contribution of Rs. 1,000/- per annum.**

**(c) to (f): The report of Bajpai Committee was received in July, 2011 and is under examination.**

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72 ✓

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 114  
TO BE ANSWERED ON 01.08.2011**

**CONTRIBUTION TO PROVIDENT FUND**

**†114. SHRI JEETENDRA SINGH BUNDELA:  
SHRI SHRIPAD YESSO NAIK:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the management of the public schools in the country including that of Madhya Pradesh are getting the provident funds deposited;**
- (b) if so, the details thereof;**
- (c) if not, the action taken against the managements of those schools which are not depositing the provident funds;**
- (d) whether various Private Provident Fund Trusts are not willing to give more interest on deposit despite having surplus fund; and**
- (e) if so, the details thereof and the reasons therefor?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a): Yes, Madam. However some school managers are in default in depositing the P.F. dues.**

**(b): In respect of Madhya Pradesh, 2776 Public Schools are depositing P.F regularly in respect of 213699 members.**

**(c): In Madhya Pradesh, 157 Schools found in default in depositing P.F dues. Inquiry under Section 7A has been initiated to assess dues against such defaulting schools.**

**All coercive actions are being taken as per Section 8B to 8G of the Act for recovery of dues.**

**(d) & (e): Condition No. 9 of para 27AA of the Employees Provident Funds Scheme, 1952 stipulates that the Provident Fund trusts exempted from the Employees Provident Funds Scheme under Section 17 of the Employees Provident Funds and Miscellaneous Provisions Act, 1952, have to declare and credit interest to the accounts of their members at a rate not lower than that declared by the Central Government under the Employees Provident Funds Scheme, 1952.**

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68

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1172  
TO BE ANSWERED ON 08.08.2011**

**EPF DEFAULTERS**

**1172. SHRI P. VISWANATHAN:  
SHRI S.S. RAMASUBBU:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) the number of units, establishments and employers who have defaulted in depositing the provident fund collected from the workers and employees during each of the last three years alongwith the total amount involved therein, separately, State-wise;**
- (b) whether the Government has taken any action to recover the amount which was not remitted to the concerned authorities but remained with the defaulters;**
- (c) if so, the details thereof alongwith the amount recovered from them during the said period, separately, State-wise and year-wise;**
- (d) whether the Government proposes to take stringent action against such defaulters; and**
- (e) if so, the details thereof and if not, the reasons therefor?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

- (a) The total number of defaulting establishments during the year 2010-2011 is 1,61,756 and total arrears during the year 2010-2011 is Rs. 4,62,084.38 lakhs. The State-wise details of defaulting establishments for the last three years i.e. 2008-09, 2009-10 & 2010-2011 are as follows:**

include cases where employees' share was deducted by the employers but was not deposited with the Employees' Provident Fund Organisation.

(b) Yes, Sir.

(c) The actions taken against the defaulters under the Act are:

- Initiation of inquiry under section 7A of the Act for assessment of dues.
- Levy of Damages under section 14B for belated remittances.
- Recovery measures under section 8 of the Act/provisions of the Second and Third Schedules to Income Tax Act, 1961 which includes:
  - Attachment of movable and immovable property
  - Appointment of receiver.
  - Arrest of defaulters.
- Filing of Prosecution cases under section 14 of the Act.

The amount recovered from the defaulting establishments during the last three years is as below:

Year	Establishments	Amount recovered (Rs. in lakhs)
2008-09	68,422	91,815.70
2009-10	73,169	1,20,830.63
2010-11	83,539	1,63,870.54

The State-wise details of amount recovered for the last three years i.e. 2008-09, 2009-10 & 2010-2011 is given in Annexure-I. The arrears recovered include the cases where employees' share was deducted by the employers but was not deposited with the Employees' Provident Fund Organisation.

(d) Yes, Sir.

Contd... 3 | -



**(e): (i) Action is taken against defaulters after detection of default and proper show-cause as per penal provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 as follows:**

**(A): FIR under section 406/409 of the IPC is filed with the Police in respect of Employees' share in default.**

**(B): Complaint under section 110 Cr. P.C. is lodged for filing applications before Executive magistrate against persistent defaulters to execute bond for rendering good behavior.**

**(ii) The FIR under section 406/409 of the IPC initiated during the last three years against the employers who have defaulted in depositing the fund collected from the employees is given below:**

<b>Year</b>	<b>FIR under section 406/409 of the IPC</b>
<b>2008-09</b>	<b>251</b>
<b>2009-10</b>	<b>662</b>
<b>2010-11</b>	<b>475</b>

**(iii) The State-wise details of FIR under section 406/409 initiated during the last three years is given in Annexure-II.**

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STATEMENT REFERRED TO IN REPLY TO PART (a) and (c) OF THE LOK SABHA UNSTARRED QUESTION No. 1172 for 08.08.2011 BY SHRI P. VISWANATHAN AND SHRI S.S. RAMASUBBU.

Recovery Position

(Amount in Lakhs)

States	2008-09				2009-10				2010-11			
	Total Workload		Realised		Total Workload		Realised		Total Workload		Realised	
	Estt.	Arrears	Estt.	Arrears	Estt.	Arrears	Estt.	Arrears	Estt.	Arrears	Estt.	Arrears
Delhi	1178	8577.17	540	860.40	1359	10638.95	730	2811.98	1124	15507.54	509	6195.38
Haryana	4234	11213.67	2130	4694.10	4267	8365.92	2162	1852.26	4497	8563.37	2125	3511.27
Himachal Pradesh	604	1182.63	438	271.78	729	1084.85	625	341.87	658	882.14	504	580.78
Punjab	10812	9059.91	4115	1816.88	12138	10089.07	5406	2202.15	11204	10126.13	4330	2170.12
Uttar Pradesh	5418	22416.49	1382	2854.96	8335	26734.04	3912	6209.65	7737	33933.20	3473	6776.97
Uttarakhand	404	2079.06	53	82.87	1321	7020.71	849	682.31	4682	5554.39	3566	825.56
<b>NORTH ZONE</b>	<b>22650</b>	<b>54528.93</b>	<b>8658</b>	<b>10580.99</b>	<b>28149</b>	<b>63933.54</b>	<b>13684</b>	<b>14100.22</b>	<b>29902</b>	<b>74566.77</b>	<b>14507</b>	<b>20060.08</b>
Bihar	1894	7182.53	162	786.24	1970	7261.34	323	1391.24	1994	6903.36	365	2495.31

64

West Bengal	5195	36614.37	2562	6347.09	4484	38133.84	2020	8420.83	4076	40595.22	1720	9143.85
Jharkhand	1135	14332.56	614	1289.63	1888	13765.18	1248	774.91	6725	16390.14	4769	683.36
Orissa	3858	22859.83	1097	3454.99	3262	21600.49	646	2647.52	3355	27005.65	797	6043.00
North East Region	1262	3567.26	484	1036.38	1204	3134.18	465	852.62	1040	3638.64	372	1935.45
<b>EAST ZONE</b>	<b>13344</b>	<b>84556.55</b>	<b>4919</b>	<b>12914.33</b>	<b>12808</b>	<b>83895.03</b>	<b>4702</b>	<b>14087.12</b>	<b>17190</b>	<b>94533.01</b>	<b>8023</b>	<b>20300.97</b>
Karnataka	10333	30152.74	5178	11869.18	10541	33257.77	5189	15547.36	10703	41963.79	5842	24437.26
Andhra Pradesh	16830	19605.12	5513	6084.51	16164	24348.12	5885	10386.52	15721	29431.22	5123	11885.86
Kerala	10019	21902.18	6185	6320.18	10433	22112.58	5950	5229.81	12318	22695.73	7936	5523.82
Tamil Nadu	36652	38007.27	19052	10648.19	37551	40311.25	19841	12871.08	35614	48627.09	19217	20534.08
<b>SOUTH ZONE</b>	<b>73834</b>	<b>109667.31</b>	<b>35928</b>	<b>34922.06</b>	<b>74689</b>	<b>120029.72</b>	<b>36865</b>	<b>44034.77</b>	<b>74356</b>	<b>142717.83</b>	<b>38118</b>	<b>62381.02</b>
Chhattisgarh	1498	5019.48	850	2052.24	898	3519.05	321	683.87	1093	3379.54	581	704.42
Goa	1510	923.63	1223	579.98	1651	887.94	1368	375.65	1101	834.02	811	296.81
Gujarat	12755	29510.80	8765	4906.46	8613	41688.19	5071	25585.65	6556	33546.22	3284	22049.27
Maharashtra	9570	64086.27	3757	11966.02	10569	60096.44	4854	10120.14	10854	69932.97	5792	21791.93

<b>Madhya Pradesh</b>	7542	34726.44	3547	10941.15	8006	28414.14	4534	5062.05	6054	32554.40	3301	10487.6
<b>Rajasthan</b>	5650	8108.61	775	2952.47	6845	10680.99	1770	6781.16	14650	10019.62	9122	5798.3
<b>WEST ZONE</b>	<b>38525</b>	<b>142375.23</b>	<b>18917</b>	<b>33398.32</b>	<b>36582</b>	<b>145286.75</b>	<b>17918</b>	<b>48608.52</b>	<b>40308</b>	<b>150266.77</b>	<b>22891</b>	<b>61128.4</b>
<b>TOTAL</b>	<b>148353</b>	<b>391128.02</b>	<b>68422</b>	<b>91815.70</b>	<b>152228</b>	<b>413145.04</b>	<b>73169</b>	<b>120830.63</b>	<b>161756</b>	<b>462084.38</b>	<b>83539</b>	<b>163870.5</b>

\* Data for the year 2010-11 is provisional.

**Annexure-II**

STATEMENT REFERRED TO IN REPLY TO PART (e) OF THE LOK SABHA UNSTARRED QUESTION NO. 1172 FOR 08.08.2011 BY SHRI P. VISWANATHAN AND SHRI S.S. RAMASUBBU.

**FIR U/S 406/409 OF IPC INITIATED DURING THE YEAR**

**(CASES ACTUALLY REGISTERED, IE WHERE CR NUMBER IS RECEIVED ONLY BE REFLECTED)**

State	2008-09	2009-10	2010-11
Delhi	3	10	8
Haryana	2	3	0
Himachal Pradesh	0	0	1
Punjab	0	4	4
Uttar Pradesh	16	9	8
Uttrakhand	0	0	0
<b>NORTH ZONE</b>	<b>21</b>	<b>26</b>	<b>21</b>
Bihar	0	1	0
West Bengal	13	66	90
Jharkhand	4	2	0
Orissa	0	0	5
North East Region	6	1	6
<b>EAST ZONE</b>	<b>23</b>	<b>70</b>	<b>101</b>
Karnataka	55	41	16
Andhra Pradesh	22	10	20
Kerala	7	60	34
Tamil Nadu	111	242	145

<b>SOUTH ZONE</b>	<b>195</b>	<b>353</b>	<b>215</b>
Chhattisgarh	1	0	0
Goa	0	121	122
Gujarat	3	66	4
Maharashtra	8	19	9
Madhya Pradesh	0	3	2
Rajasthan	0	4	1
<b>WEST ZONE</b>	<b>12</b>	<b>213</b>	<b>138</b>
<b>TOTAL</b>	<b>251</b>	<b>662</b>	<b>475</b>

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1267  
TO BE ANSWERED ON 08.08.2011**

**CLOSING EPF ACCOUNTS**

**1267. SHRI MADHU GOUD YASKHI:  
SHRI EKNATH M. GAIKWAD:  
SHRI B.B. PATIL:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Government has a proposal to close the inoperative Employees Provident Fund (EPF) accounts;**
- (b) if so, the details in this regard and the funds deposited in these accounts;**
- (c) whether the Government has also chalked out any scheme to return the money deposited in these inoperative accounts to their holder; and**
- (d) if so, the details thereof and if not, the reasons for the same?**

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a):** There is no such proposal to close the inoperative Employees Provident Fund accounts. However, from 1<sup>st</sup> April, 2011, interest is not being credited to the account of a member from the date on which it has become inoperative account.

**(b):** As per un-audited Annual Accounts of the Employees' Provident Fund Organisation, an amount of Rs. 14,914.81 Crore is lying in Inoperative Accounts of the Employees' Provident Fund Organisation as on 31.03.2011.

**(c) & (d):** Regarding returning the money in Inoperative accounts to their account holder, publicity through print media and electronic media is made to educate the members to file their claims for settlement or transfer to their existing account. Similarly, the employers' and employees' unions have also been requested to advise the members to file their claims for settlement.

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1341  
TO BE ANSWERED ON 08.08.2011**

**HURDLE IN EXISTING PENSION RULES**

**1341. SHRI S. ALAGIRI:  
SHRI KABINDRA PURKAYASTHA:  
SHRI MANSUKHBHAI D. VASAVA:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) the percentage of organised/unorganised sector workers not covered by the Public Provident Fund (PPF);**
- (b) the reasons for the same;**
- (c) whether retired employees in the country including Tripura State Government undertaking are getting fixed pension;**
- (d) whether the pensioners appealed to the Government for sanctioning of Pension at par with the rate of Central Government employees; and**
- (e) if so, the reaction of the Government in this regard?**

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) to (e): The information is being collected and will be placed on the Table of the House.**

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**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1354  
TO BE ANSWERED ON 08.08.2011**

**SOCIAL SECURITY TO MILL WORKERS**

**1354. SHRI M.B. RAJESH:  
SHRI MAHENDRA KUMAR ROY:  
SHRIMATI SUSMITA BAURI:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether there has been a failure in extending social security benefits to the worker of jute mills;**
- (b) if so, the details thereof;**
- (c) whether the Government does not have exact record of the statutory dues of these workers;**
- (d) if so, the reasons therefor;**
- (e) whether the Government is formulating any scheme/mechanism to provide soft loan to the mill workers; and**
- (f) if so, the details thereof alongwith the steps taken/proposed to be taken by the Government to resolve the issue?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a): Social security benefits (Provident Fund, Employees' Pension Scheme & Employees' Deposit Linked Insurance) are being extended to eligible workers of Jute Mills. However, some establishments are in default of payment of contribution for eligible employees.**

**Contd.....2/-**

**(b): In special inspections conducted about 30,000 employees were detected who were not extended the Provident Fund benefits. Action under section 7A of the Act has already been initiated to assess the Provident Fund dues for such employees. After assessment of the dues, further recovery and legal actions would be taken against the employers such as filing of prosecution complaints, attachment/sale of property of establishment, imprisonment/detention of employers. As on 31.05.2011 there are 38 Jute Mills in default to the tune of Rs.271.88 crores.**

**(c) The record of statutory dues is being maintained in the Employees' Provident Fund Organisation.**

**(d): Does not arise in view of reply to part (c) above.**

**(e): There is no provision under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 to provide such soft loan to mill workers.**

**(f): Does not arise in view of reply to part (e) above.**

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46

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 4359  
TO BE ANSWERED ON 29.08.2011**

**DELAY IN PF RETURNS**

**4359. SHRI DHRUVA NARAYANA:  
SHRI GURUDAS DASGUPTA:  
SHRI SAMEER BHUJBAL:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the management of various companies are not submitting their PF returns in time due to which the workers become the victims as they do not receive the receipt for the contributions;**
- (b) if so, the details thereof alongwith the action taken against the erring companies;**
- (c) the details of complaints received by the Government on inordinate delay in EPF distribution to beneficiary families;**
- (d) the reasons for continuing with a higher rate of interest on the PPF under EPFO; and**
- (e) whether the Government plans to decrease the rate of interest on PPF and if so, the details thereof?**

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a): Yes, Madam. As per the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, it is mandatory for the establishments covered under the Act to submit the Provident Fund returns as per the time stipulated in this respect. However, there are cases where the management of various companies do not submit returns or submit the returns after due dates. As a result, the workers become victims as they do not get up-to-date statement of their Provident Fund accounts in the form of account slips in time.**

**Contd...2/-**

**(b): The details are given at Annexure-I.**

**As per section 14(2) of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 read with para 76 of the Employees' Provident Fund Scheme, 1952 default in submission of return is a punishable offence and liable for prosecution.**

**The number of prosecution cases filed against chronic defaulting establishments including non-submission of returns are mentioned in Annexure-II.**

**(c): During the year 2010-11, 1,56,578 complaints were received of which 1,38,745 complaints were disposed off.**

**(d) & (e): The Employees' Provident Fund Organisation deals with the Employees Provident Fund (EPF) and not PPF. Rate of interest is declared on the basis of earnings and balance available in the Interest Suspense Account. Since balance in the Interest Suspense Account was sufficient to allow 9.5 percent rate of interest, hence 9.5 percent rate of interest was declared for the year 2010-11.**

**\*\***

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STATEMENT REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION NO.4359 FOR 29.08.2011 BY SHRI DHRUVA NARAYANA, SHRI GURUDAS DASGUPTA AND SHRI SAMEER BHUJBAL REGARDING DELAY IN PF RETURNS.

**LIST OF COMPANIES (STATE-WISE) WHERE PF RETURNS ARE PENDING**

S. No.	Name of the State	No. of establishments defaulted in submission of PF returns
1.	Andhra Pradesh	20213
2.	Bihar	927
3.	Chhattisgarh	570
4.	Delhi	11842
5.	Goa	500
6.	Gujarat	6165
7.	Haryana	4508
8.	Himachal Pradesh	1230
9.	Jharkhand	1573
10.	Karnataka	8068
11.	Kerala	3696
12.	Madhya Pradesh	3489
13.	Maharashtra	18666
14.	North East Regions	78
15.	Orissa	1780
16.	Punjab	7285
17.	Rajasthan	2237
18.	Tamil Nadu	13734
19.	Uttar Pradesh	8757
20.	Uttaranchal	638
21.	West Bengal	4209
<b>TOTAL</b>		<b>120165</b>

STATEMENT REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION NO.4359 FOR 29.08.2011 BY SHRI DHRUVA NARAYANA, SHRI GURUDAS DASGUPTA AND SHRI SAMEER BHUJBAL REGARDING DELAY IN PF RETURNS.

PROSECUTION CASES – AS ON 31.03.2010

Region	Employees' Provident Fund Scheme, 1952	Employees' Pension Scheme, 1995	Employees' Deposit Linked Insurance Scheme, 1976
Dehradun	4	4	4
Delhi – North	382	264	210
Delhi – South	300	130	181
Chandigarh	424	251	452
Ludhiana	498	306	319
Shimla	75	0	0
Kanpur	152	45	40
Meerut	55	55	55
Patna	1546	1336	1336
Faridabad	334	302	296
Gurgaon	187	177	186
Jaipur	334	80	85
Ahmedabad	1419	216	203
Baroda	489	346	442
Indore	1378	1013	1412
Surat	369	161	167
Kandivali	517	77	76
Mumbai- I Bandra	657	327	344
Mumbai- II Thane	70	70	70
Nagpur	202	172	77
Pune	1270	1252	1272
Raipur	516	283	356
Bangalore	491	436	400
Gulbarga	549	370	353
Mangalore	561	243	248
Panaji	168	178	153
Peenya	178	178	175
Bhubaneshwar	906	477	617
Guntur	344	326	317
Hyderabad	2219	1780	1343
Nizamabad	178	149	139
Chennai	270	233	250
Coimbatore	640	303	306
Madurai	467	321	237
Tambaram	223	227	226
Thiruvananthapuram	1318	954	759
Guwahati	647	470	589
Jalpaiguri	838	838	838
Kolkata	1746	431	417
Ranchi	856	854	726
<b>TOTAL</b>	<b>23777</b>	<b>15635</b>	<b>15676</b>

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42

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 4291  
TO BE ANSWERED ON 29.08.2011**

**UPDATION OF EPF ACCOUNTS**

**4291. SHRI YASHVIR SINGH:  
SHRI GURUDAS DASGUPTA:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether Employees Provident Fund (EPF) accounts are not updated;**
- (b) if so, the reasons therefor and the steps taken for updation of these accounts;**
- (c) the number of member's accounts and establishments covered under the EPF Act; and**
- (d) the number of accounts with huge negative balances and erroneous credit balances alongwith the details of action proposed to be taken for fixing responsibility in this regard?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) & (b): The Employees' Provident Fund accounts are updated on the basis of the following:**

- (i) Deposit of contribution by employers; and**
- (ii) On receipt of annual statutory returns in the prescribed formats.**

**Updation of accounts is a continuous process. But at times delay/pendency in updation of accounts occur because of the following reasons:**

- 1. Non-deposit of contribution by the employers in time;**
- 2. Short-remittance of contribution by the employers; and**

**3. Delay as well as non-submission of statutory returns in prescribed formats.**

To overcome the problems standing in the way of updation of accounts, special drives are carried out periodically for collection of contribution which are defaulted by the employers and also for collection of statutory returns. Appropriate penal actions are regularly taken against defaulting employers in accordance with the provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 to ensure deposit of contribution/arrear contributions and submission of statutory returns.

**(c): As per Annual Report of the Employees' Provident Fund Organisation, 6,13,152 establishments and 539.33 Lakh members are covered under the Employees' Provident Fund Scheme, 1952 as on 31.03.2010.**

**(d): Negative Balances and erroneous credit balances are available establishment-wise/member-wise in the field offices and constantly keep changing on updation of members' accounts. These are due to various reasons like wrong debit, short credit by the establishment, wrong payment, over payment etc.**

Since most of the members' accounts have been updated, most of the cases are likely to be removed by reconciliation. In case of over payment, recovery is made from:

- (i) Establishment**
- (ii) Beneficiary**
- (iii) Officer/staff responsible as the case may be.**

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40

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 4332  
TO BE ANSWERED ON 29.08.2011**

**PENDING EPF CASES**

**†4332. SHRI VISHWA MOHAN KUMAR:  
SHRI SHIVKUMAR UDASI:  
SHRIMATI DEEPA DASMUNSI:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) the total number of cases pending for settlement of Employee's Provident Fund all over the country during the last three years and the current year, State-wise;**
- (b) the reasons for pendency of such cases;**
- (c) whether the Government has taken/proposes to take steps for speedy disposal of such claims;**
- (d) if so, the details thereof; and**
- (e) the time by which these are likely to be settled?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a): State-wise data on Employees Provident Fund claims (final withdrawals and partial withdrawals) for the year 2008-2009, 2009-2010 and 2010-2011 and April 2011 to June 2011 is given at Annexure-I.**

**Data for last day i.e., for 31.07.2011 is given at Annexure-II.**

**It is clarified that the settlement of claim is a continuous process. Claims are required to be settled within 30 days. Pending claims shown in Annexure I and Annexure-II include claims received upto 31<sup>st</sup> March of the respective year and pending for less than 30 days.**

**(b): The reasons for pendency of claims is due to receipt of higher number of claims over the previous year due to which there is corresponding increase in disposal as well as pendency.**

**(c) & (d): The following steps have been taken for speedy disposal of claims and reduce pendency:-**

**(i) By upgradation of existing offices and by opening new offices having regard to the workload.**

**(ii) Computerization of settlement process and by monitoring by the Regional Provident Fund Commissioners in-charge. All the 119 offices have been computerized during the year 2010-2011.**

**(iii) Recruitment of staff to meet shortage in offices.**

**(e): Settlement of claims is a continuous process. Claims which are pending in a month are settled in the subsequent cycle of claim settlement.**

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STATEMENT REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO.4332 FOR 29.08.2011 BY SHRI VISHWA MOHAN KUMAR, SHRI SHIVKUMAR UDASI AND SHRIMATI DEEPA DASMUNSI REGARDING PENDING EPF CASES.

EPF CLAIMS PENDING (FINAL SETTLEMENT + PARTIAL WITHDRAWALS)

REGIONS	2008-09	2009-10	2010-11	2011-12 (April to June)
Delhi	32079	29737	58741	105905
Haryana	24586	48121	25529	53066
Himachal Pradesh	2523	0	1251	2570
Punjab	5301	2458	5781	13709
Uttar Pradesh	1843	1201	12172	26515
Uttarakhand	1521	4103	1584	7799
<b>NORTH ZONE</b>	<b>67853</b>	<b>85620</b>	<b>105058</b>	<b>209564</b>
Bihar	195	45	1444	2367
West Bengal	10530	7361	13634	28688
Jharkhand	1064	1345	728	6040
Orissa	1197	2145	401	5050
North East Region	806	95	1093	3912
<b>EAST ZONE</b>	<b>13792</b>	<b>10991</b>	<b>17300</b>	<b>46057</b>
Karnataka	57503	18620	49309	139479
Andhra Pradesh	10472	20406	6483	37050
Kerala	765	1587	5600	11690
Tamil Nadu	31249	43224	28391	78590
<b>SOUTH ZONE</b>	<b>99989</b>	<b>83837</b>	<b>89783</b>	<b>266809</b>
Chhattisgarh	3	25	30	52
Goa	537	180	4407	3695
Gujarat	5479	19058	17786	36551
Maharashtra	63670	76652	38842	225229
Madhya Pradesh	153	1238	1256	12427
Rajasthan	0	4951	2385	7307
<b>WEST ZONE</b>	<b>69842</b>	<b>102104</b>	<b>64706</b>	<b>285261</b>
<b>TOTAL</b>	<b>251476</b>	<b>282552</b>	<b>276847</b>	<b>807691</b>

\* Data for the years 2010-2011 and 2011-2012 (April to June) is provisional.

STATEMENT REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO.4332 FOR 29.08.2011 BY SHRI VISHWA MOHAN KUMAR, SHRI SHIVKUMAR UDASI AND SHRIMATI DEEPA DASMUNSI REGARDING PENDING EPF CASES.

**STATUS OF PENDING CLAIMS (ALL CLAIMS)**

(As on 31.07.2011)

REGIONS	Opening Balance	Receipt during the period	Workload	Total Claims	Claims Rejected	Total Settled	Total Pending
Delhi	124406	253967	378380	378380	26931	88141	263304
Haryana	56054	236555	292883	292883	46327	130551	115901
HP	2874	31638	34466	34466	8598	20377	5481
Punjab	11670	136734	148711	148711	26146	94116	28275
UP	27809	184666	211813	211813	50504	108738	52229
Uttarakhand	3683	44485	48251	48251	8399	23593	16248
<b>NORTH ZONE</b>	<b>226496</b>	<b>888045</b>	<b>1114504</b>	<b>1114504</b>	<b>166905</b>	<b>465516</b>	<b>481438</b>
Bihar	3782	12777	16558	16558	1540	5187	9820
West Bengal	39107	124732	144321	144321	13958	53041	77103
Jharkhand	3377	35326	38705	38705	7671	17654	13372
Orissa	1730	46067	46744	46744	10931	25388	10418
NER	3110	17588	20684	20684	3735	6931	10008
<b>EAST ZONE</b>	<b>51106</b>	<b>236490</b>	<b>267012</b>	<b>267012</b>	<b>37835</b>	<b>108201</b>	<b>120721</b>
Karnataka	131843	561267	693086	693086	75400	229984	387630
AP	19693	320950	341824	341824	63201	187293	91072
Kerala	13339	114314	127639	127639	28173	72770	26634
Tamil Nadu	72165	526058	598093	598093	89464	288067	220444
<b>SOUTH ZONE</b>	<b>237040</b>	<b>1522589</b>	<b>1760642</b>	<b>1760642</b>	<b>256238</b>	<b>778114</b>	<b>725780</b>
Chhattisgarh	67	29873	29941	29941	7109	20390	2433
Goa	9643	21667	31302	31302	5421	20038	5841
Gujarat	40156	233510	273680	273680	52108	151511	70037
Maharashtra	99661	980261	1080395	1080395	104385	321863	654053
MP	3365	92290	95625	95625	20742	55090	19744
Rajasthan	6636	94181	100791	100791	24972	59142	16656
<b>WEST ZONE</b>	<b>159528</b>	<b>1451782</b>	<b>1611734</b>	<b>1611734</b>	<b>214737</b>	<b>628034</b>	<b>768764</b>
<b>TOTAL</b>	<b>674170</b>	<b>4098906</b>	<b>4753892</b>	<b>4753892</b>	<b>675715</b>	<b>1979865</b>	<b>2096703</b>

\* As per EPFO Dashboard in website.

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37

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 4357  
TO BE ANSWERED ON 29.08.2011**

**INCREASE IN PENSION AMOUNT**

**4357. SHRI CHARLES DIAS:  
SHRI P. LINGAM:  
SHRI FRANCISCO SARDINHA:  
SHRI ARJUN MEGHWAL:  
SHRI RAJU SHETTI:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether recommendations by expert committee on various issues pertaining to Employees Pension Scheme (EPS) 1995 has not been accepted by the Government;**
- (b) if so, the reasons therefor;**
- (c) whether the Government proposes to revise, increase or amend the PF slab or pension amount;**
- (d) if so, the details thereof;**
- (e) whether the EPFO has decided to give monthly updates of contributions instead of annual statement; and**
- (f) whether the employees and workers covered by EPF are getting pensions now a- days from EPF fund?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) & (b): The report of the Expert Committee on Employees' Pension Scheme is under consideration of the Central Board of Trustees, Employees Provident Fund Organisation.**

**(c): At present, there is no proposal under consideration of the Government.**

**(d): Does not arise in view of reply to part (c).**

**(e): No, Madam.**

**(f): Employees and workers covered by the Employees' Provident Fund (EPF) are getting pension from the Employees' Pension Fund created under the Employees' Pension Scheme, 1995.**

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**GOVERNMENT OF INDIA**  
**MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**STARRED QUESTION NO. 458**  
**TO BE ANSWERED ON 05.09.2011**  
**EMPLOYEES PENSION SCHEME**

†\*458. **SHRI ARJUN MEGHWAL:**  
**SHRI BAL KUMAR PATEL:**

Will the Minister of **LABOUR AND EMPLOYMENT** be pleased to state:

- (a) whether the **Employees Pension Scheme (EPS), 1995** provides for revising it after ten years;
- (b) if so, whether such revisions were undertaken and if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether any representations seeking amendments to the scheme have been received from various organisations/quarters;
- (e) if so, the details thereof during the last three years; and
- (f) the action taken/proposed to be taken by the Government in this regard?

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT**  
**(SHRI MALLIKARJUN KHARGE)**

(a) to (f): **A statement is laid on the Table of the House.**

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**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 458 FOR 05.09.2011 REGARDING EMPLOYEES PENSION SCHEME BY SHRI ARJUN MEGHWAL AND BAL KUMAR PATEL.**

**(a): No, Madam.**

**(b) & (c): Does not arise in view of reply to part (a) above.**

**(d) to (f): During the last three years, several representations have been received demanding increase in benefits by modifying the provisions of the Employees' Pension Scheme, 1995 (EPS, 1995). The suggestion/representations/complaints received primarily cover the following:**

- **Increase in minimum pension.**
- **Increase of rate of contribution of employers and Government towards Employees' Pension Scheme, 95.**
- **Grant of Additional Relief regularly.**
- **Increase in the maximum salary limit.**
- **Pension at par with Central Government.**
- **Restoration of provisions of Commutation and Return of Capital.**
- **DA to pensioners linked with cost of index.**

**The Central Government had constituted an Expert Committee for reviewing the EPS, 1995. The Expert Committee submitted its report to the Central Government on 5<sup>th</sup> August, 2010 and the recommendations of the Committee were placed before the Central Board of Trustees, Employees' Provident Fund [CBT (EPF)] for consideration on 15<sup>th</sup> September, 2010. The CBT (EPF) directed that the report be first considered by the Pension Implementation Committee (PIC). The PIC has since finalized its report and sent it to Employees' Provident Fund Organisation for placing it before the CBT (EPF) for taking a final decision in the matter.**

**\*\*\*\*\***

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 4336**

**TO BE ANSWERED ON 29.08.2011**

**EPF ACCOUNTS**

**4336. SHRI E.T. MOHAMMED BASHEER:**

**ADV. GANESHRAO DUDHGAONKAR:**

**SHRI GADHVI MUKESH BHAIKAVADANJI:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Employees Provident Fund Organisation (EPFO) has updated all the Provident Fund (PF) accounts before declaring the higher rate of interest;**
- (b) whether the Government has propose to invest EPF in the Equity/sharemarket;**
- (c) if so, whether the Government proposes to allow the EPFO to invest in the Government securities only; and**
- (d) if so, the rate of return of the invested fund?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a): Updations of annual accounts are done after receiving contribution and statutory returns from the employers and it is a continuous process. At times delay/pendency in updation of accounts slows down because of the following reasons:**

- 1. Non-deposit of contribution by the employers in time;**
- 2. Short-remittance of contribution by the employers;**
- 3. Delay as well as non-submission of statutory returns in prescribed formats; and**
- 4. Delay in declaration of rate of interest by the appropriate Government.**

**Contd..2/-**

**A special drive has been undertaken for updating the members' accounts for the period upto the year 2008-09, 2009-10 and 2010-11. Due to constant monitoring at Zonal level and Head Office level, sizeable quantum of members' accounts could be updated which includes the updation for the year 2010-11 for which rate of interest i.e. 9.5 percent was declared.**

**(b): No, Madam,**

**(c): The funds of the Employees' Provident Fund Organization are at present being invested as per the Pattern of Investment notified by the Ministry of Labour and Employment.**

**(d): Rate of return of the invested fund during the past three years is higher than the benchmark rate of earning determined by CRISIL rating agency which is 8.52%.**

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**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
LOK SABHA  
UNSTARRED QUESTION NO. 5134  
TO BE ANSWERED ON 05.09.2011**

**BENEFITS OF PENSION SCHEMES**

**†5134. SHRIMATI MEENA SINGH:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state the policy in regard to providing pension benefits to those who were not the member of Family Pension Scheme, 1971 and 1995 after they are made the members of the said scheme?**

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**Members of the Employees' Provident Fund Scheme, 1952, who were not the members of the Employees' Family Pension Scheme, 1971, can exercise the option to become member of the Employees' Pension Scheme, 1995 before completion of 58 years of age as per the provisions of the scheme.**

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**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
LOK SABHA  
UNSTARRED QUESTION NO. 5225  
TO BE ANSWERED ON 05.09.2011**

**EPF CONTRIBUTION**

**5225. SHRI MANICKA TAGORE:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Government has any proposal to include employee benefits while computing the Employees Provident Fund (EPF) contributions;**
- (b) if so, the time by which the same will be implemented;**
- (c) if not, the reasons therefor;**
- (d) whether the Government has a proposal to wider the amount of EPFO and to the have the threshold limit for the organisations covered under the fund scheme from twenty employees at present; and**
- (e) if so, the details of the decision taken in this regard?**

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) to (c): At present, the contribution paid by the employer to Employees Provident Fund @ 12% for employees' share consists of basic wages, dearness allowance and retaining allowance if any.**

**(d) & (e): A proposal to reduce the threshold limit from 20 to 10 number of employees for the purpose of coverage of establishments under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 is under consideration.**

**\*\*\*\*\***

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
LOK SABHA  
UNSTARRED QUESTION NO. 5279  
TO BE ANSWERED ON 05.09.2011**

**RAISING RETIREMENT AGE**

**5279. SHRI P. VISWANATHAN:**

Will the Minister of **LABOUR AND EMPLOYMENT** be pleased to state:

- (a) whether the Government proposes to raise retirement age and retirement pension in private sector in the country;
- (b) if so, the details thereof;
- (c) whether the Government has issued any directions to implement the above recommendations;
- (d) if so, the details thereof; and
- (e) the time by which the above proposals are likely to be implemented?

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

- (a) & (b): There is no such proposal at present.
- (c) to (e): Do not arise in view of the reply given above.

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79

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**STARRED QUESTION NO. 11  
TO BE ANSWERED ON 01.08.2011**

**DEFICIT ON PENSION SCHEME**

**\*11. SHRI B.B. PATIL:  
SHRI MADHU GOUD YASKHI:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the existing pension scheme under the Employees Provident Fund is non-sustainable and has incurred a huge deficit of Rs. 54,000 crore at the last count;**
- (b) if so, the details thereof;**
- (c) whether the Government has sought the assistance/expertise of the World Bank to make the scheme sustainable;**
- (d) if so, the details thereof; and**
- (e) the corrective steps taken by the Government in this regard?**

**ANSWER  
MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) to (e): A statement is laid on the Table of the House.**

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 11 FOR 01.08.2011 REGARDING DEFICIT ON PENSION SCHEME BY SHRI B.B. PATIL AND SHRI MADHU GAUD YASKHI.**

**(a) to (e): The Central Government appoints Valuer under paragraph 32 of the Employees' Pension Scheme, 1995 for annual valuation of the Employees' Pension Fund. The last 9<sup>th</sup> and 10<sup>th</sup> (combined) valuation conducted by the Valuer appointed by the Central Government for the year ending 31<sup>st</sup> March, 2005 and 31<sup>st</sup> March, 2006 respectively has revealed an actuarial deficit of Rs. 22, 659 crores.**

**The 'Pension Reform Options Simulation Toolkit' (PROST) Model prepared by the World Bank has also been used for special valuation of the Employees' Pension Fund. The Employees' Provident Fund Organisation was directed by the Central Government to study the long-term financial sustainability of the Employees' Pension Scheme, 1995 with help of the 'PROST Model' of the World Bank by a Valuer appointed by the Central Government.**

**Central Government has taken the following corrective steps to reduce the deficit in the pension fund:**

- (i) The reduction factor for early pension has been increased.**
- (ii) Withdrawing option for commutation and return of capital.**

**The Central Government had also constituted an Expert Committee for reviewing the Employees' Pension Scheme, 1995. The Expert Committee submitted its report to the Central Government on 5<sup>th</sup> August, 2010, which is under consideration of the Central Board of Trustees.**

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57

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 38  
TO BE ANSWERED ON 01.08.2011**

**INTEREST RATE ON EPF**

**38. SHRI RUDRA MADHAB RAY:  
SHRI HANSRAJ G. AHIR:**

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Government is contemplating to increase the interest rate to 9.5 percent on deposits with Employees Provident Fund Organisation (EPFO);**
- (b) if so, the details thereof;**
- (c) if not, the reasons for not adhering to the increase in interest rates;**
- (d) whether the Government has any proposal to check and restrict the early withdrawal of Employees Provident Fund (EPF); and**
- (e) if so, the details of the said proposal?**

**ANSWER**

**MINISTER OF LABOUR AND EMPLOYMENT  
(SHRI MALLIKARJUN KHARGE)**

**(a) & (b): The Central Government has declared 9.5 percent rate of interest for Employees' Provident Fund subscribers for the financial year 2010-11. The rate of interest for the year 2011-12 has not been declared.**

**(c): Does not arise in view of reply to part (a) & (b) above.**

**(d): There is no such proposal before the Employees' Provident Fund Organisation to check and restrict the early withdrawal of the Employees' Provident Fund.**

**(e): Does not arise in view of reply to part (d) above.**

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