

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR & EMPLOYMENT**

LOK SABHA

**UNSTARRED QUESTION NO. 531
TO BE ANSWERED ON 13.08.2012**

EPF PENSIONERS REPRESENTATION

531. SHRI P. KARUNAKARAN:

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

- (a) whether the Government has received any representation from the Employees Provident Fund (EPF) Pensioners association;**
- (b) if so, the decision taken by the Government on their demands;**
- (c) whether the Government considers to change the norms prescribed in 1994 Pension Act, which denies minimum pension to the large number of employees in the country; and**
- (d) if so, the details thereof?**

ANSWER

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

(a): Yes, Madam. Several representations have been received from various Pensioner's Associations demanding increase in benefits by modifying the provisions of the Scheme.

(b) to (d): The Central Government had constituted an Expert Committee for reviewing the Employees' Pension Scheme (EPS), 1995. The recommendations of the Expert Committee were considered by the Pension Implementation Committee (PIC), a Sub-Committee of the Employees' Provident Fund Organisation (EPFO). The PIC has since finalized its report and recommended that a minimum monthly pension under EPS, 1995 be increased to Rs.1000/- per month as an interim measure. The recommendations of the PIC are under consideration of the Central Board of Trustees, Employees' Provident Fund. An inter-ministerial consultation in this regard has also been initiated.

**GOVERNMENT OF INDIA
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LOK SABHA

**UNSTARRED QUESTION NO. 497
TO BE ANSWERED ON 13.08.2012**

EXPLOITATION OF WORKERS BY PRIVATE SECURITY AGENCIES

†497. SHRI PRADEEP KUMAR SINGH:

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

- (a) whether the private security service companies are bluntly exploiting the workers and security guards and indulging in irregularity in the Provident Fund (PF), Employees State Insurance (ESI) of these workers and guards;**
- (b) if so, the number of such companies that have been found to be violating Labour and Social Security Laws during each of the last three years and the current year, State-wise; and**
- (c) the action taken by the Government against such erring companies?**

ANSWER

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

(a): The general compliance of depositing the Provident Fund (PF) and Employees' State Insurance (ESI) dues by private security services/agencies covered under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF&MP Act, 1952) and Employees' State Insurance Act, 1948 (ESI Act, 1948) in respect of their workers/guards is satisfactory. However, in some cases, irregularities in remittances of PF and ESI dues have been noticed.

(b): The details regarding number of companies violating provisions of EPF&MP Act, 1952 and ESI Act, 1948 during each of the last three years and the current year, State-wise, is at Annex-I and II.

(c): In all such cases of violation, necessary investigations are conducted and action as provided under the EPF & MP Act, 1952 and ESI Act, 1948 are taken.

Annex-I

STATEMENT REFERRED TO PART (b) of LOK SABHA UNSTARRED QUESTION NO.497 FOR 13.08.2012 BY SHRI PRADEEP KUMAR SINGH REGARDING EXPLOITATION OF WORKERS BY PRIVATE SECURITY AGENCIES.

List of private security service companies found violating Employees' Provident Funds & Miscellaneous Provisions Act, 1952

Sl. No.	Name of the State	No. of companies			
		2009-10	2010-11	2011-12	2012-13 [As on 09.08.2012]
1.	Andhra Pradesh	57	53	51	23
2.	Bihar	1	2	12	0
3.	Chhattisgarh	0	1	2	4
4.	Delhi	20	17	14	5
5.	Goa	5	6	4	2
6.	Gujarat	39	31	27	15
7.	Haryana	27	28	16	09
8.	Himachal Pradesh	5	6	0	0
9.	Jharkhand	9	8	7	7
10.	Karnataka	47	45	52	18
11.	Kerala	11	18	25	19
12.	Madhya Pradesh	16	8	9	2
13.	Maharashtra	28	37	15	11
14.	North Eastern Regions	1	1	1	0
15.	Orissa	15	6	15	8
16.	Punjab	14	9	14	7
17.	Rajasthan	24	37	35	8
18.	Tamil Nadu	75	111	86	30
19.	Uttar Pradesh	37	51	28	9
20.	Uttaranchal	37	23	8	4
21.	West Bengal	20	10	11	4
TOTAL		488	508	432	185

STATEMENT REFERRED TO PART (b) of LOK SABHA UNSTARRED QUESTION NO.497 FOR 13.08.2012 BY SHRI PRADEEP KUMAR SINGH REGARDING EXPLOITATION OF WORKERS BY PRIVATE SECURITY AGENCIES.

List of private security service companies found violating Employees' State Insurance Act, 1948

Sl. No.	Name of the State	No. of companies			
		2009-10	2010-11	2011-12	2012-13 [As on 09.08.2012]
1.	Andhra Pradesh	0	0	0	0
2.	Bihar	0	0	1	2
3.	Chhattisgarh	3	3	3	0
4.	Delhi	6	18	11	8
5.	Goa	9	6	14	17
6.	Gujarat	75	84	54	130
7.	Haryana	0	0	0	0
8.	Himachal Pradesh	0	224	0	27
9.	Jharkhand	0	0	0	0
10.	Karnataka	0	1	5	0
11.	Kerala	44	34	10	9
12.	Madhya Pradesh	136	129	132	148
13.	Maharashtra	46	93	77	80
14.	Assam	10	17	15	16
15.	Orissa	0	0	0	0
16.	Punjab	4	4	4	3
17.	Rajasthan	18	23	29	25
18.	Tamil Nadu	279	341	374	280
19.	Uttar Pradesh	35	31	14	15
20.	Uttaranchal	0	0	0	0
21.	West Bengal	1	0	0	0
TOTAL		666	1008	743	760

**GOVERNMENT OF INDIA
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**LOK SABHA
UNSTARRED QUESTION NO. 560
TO BE ANSWERED ON 13.08.2012**

CONTRIBUTION CARD FOR EPF SUBSCRIBERS

560. SHRI P. VISWANATHAN:

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

- (a) the total number of Employees Provident Fund Organisation (EPFO) subscribers as on date;**
- (b) whether EPFO trustees are having any proposal to introduce Contribution Card to all EPFO subscribers;**
- (c) if so, the cut off date for its implementation along with the estimated cost of supplying the Contribution Card;**
- (d) whether the said cost would be borne by the EPFO or the employees;**
- (e) whether the Government shall consider issuance of Pass Books to the subscribers of unorganised sectors; and**
- (f) if not, the reasons therefor?**

ANSWER

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

- (a): There are 11.18 Crore member accounts with Employees' Provident Fund Organisation (EPFO) as on 07.08.2012.**
- (b): An e-Passbook facility, which can serve as Contribution Card, has been provided to EPFO subscribers. Members can access all the entries in their account with the facility to take a print out of their account statement.**
- (c): The e-Passbook facility is already implemented in EPFO w.e.f. 20.07.2012. As the facility is being provided electronically, it is free of cost to the EPF subscribers.**
- (d): Does not arise in view of (c) above.**
- (e): The above e-Passbook facility is available for all the EPF members working in both organized as well as unorganized sectors.**
- (f): Does not arise in view of (e) above.**

**GOVERNMENT OF INDIA
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LOK SABHA

**UNSTARRED QUESTION NO. 2311
TO BE ANSWERED ON 27TH AUGUST, 2012**

INVESTING EPF MONEY

2311. SHRI HARIBHAU JAWALE:

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

- (a) whether there is any proposal to invest funds of EPF in share market;**
- (b) if so, the details thereof; and**
- (c) the steps taken by the Government to give more interest on EPF?**

ANSWER

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

(a) & (b): No, Madam.

(c): Interest on Employees' Provident Fund (EPF) depends upon return on investment during a particular year. Professional Fund Managers have been appointed to manage the investment of EPF so that the maximum return on investment is achieved.

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

LOK SABHA

**STARRED QUESTION NO. 213
TO BE ANSWERED ON 27TH AUGUST, 2012
EMPLOYEES PROVIDENT FUND ORGANISATION**

***213. SHRI SANJAY BRIJKISHOR LAL NIRUPAM:**

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

- (a) the details of the Employees Provident Fund Organisation (EPFO) funds which were invested in private sector, non-banking companies during the last three years and the current year and the returns received from these investments;**
- (b) whether the EPFO's Chief Investment advisory body Finance and Investment Committee (FIC) has taken a decision to lower the maximum tenure for investment in private sector, non-banking companies to ten years;**
- (c) if so, the details of the major decisions taken by the FIC along with the reasons therefor; and**
- (d) the reaction of the Government thereto?**

ANSWER

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

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

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 213 FOR 27.08.2012 BY SHRI SANJAY BRIJKISHOR LAL NIRUPAM REGARDING EMPLOYEES PROVIDENT FUND ORGANISATION.

(a): The details of Employees' Provident Fund Organisation (EPFO) funds invested in private sector, non-banking companies during the last three years and current year (upto 22.8.2012) and returns on these investments are given below:

[figures in Rupees in crore]

Year	Amount Invested	Average rate of return (%)
2009-10	578.43	8.87
2010-11	2,434.41	9.05
2011-12	1,163.59	9.67
2012-13 (as on 22.8.2012)	Nil	-

(b) to (d): Finance and Investment Committee (FIC) of Central Board of Trustees, Employees' Provident Fund [CBT,EPF] is not the decision making body but only a recommending body to CBT, EPF for investment of EPFO fund. The CBT, EPF frames investment guidelines for investment decisions of EPFO within the pattern of investment prescribed by the Central Government.

FIC, in its 109th meeting held on 23rd May, 2012, had made following recommendation to the CBT, EPF for consideration:

A. Recommendation for changes in Pattern of Investment

S.No	Recommendations	Reasons
1.	Allowing short term borrowings from Collateral Borrowing and Lending Obligation (CBLO).	Borrowing from CBLO will enable EPFO participation in Primary Auctions by RBI at times of mismatch of cash flows.
2.	Investment in Certificate of Deposits of Public Sector Banks.	Better cash management.
3.	Increasing the Maximum tenure of Term Deposit receipts of Public Sector Banks from existing upto 1 Year to Upto 5 Years.	Enable EPFO to capture higher yields on such investments.

B. Recommendation for changes in Investment Guidelines of CBT

S.No.	Recommendations	Reasons
1.	<p>Consider expanding of Investment Universe for bonds of private sector Companies fulfilling the following criteria:</p> <ul style="list-style-type: none"> a) Listed b) Dual AAA Rating c) 25% Dividend during last 5 Years d) Continuous net profit during last 5 Years e) Positive Networth of minimum of Rs 5000 crore. f) The maximum tenure for investments in Private Sector non banking companies be uniformly restricted to maximum 10 years in place of existing maximum 15 years. g) There should be restriction in foreign shareholding of the eligible company. 	<p>Increasing the investment basket in the private sector companies category without compromising security and safety of the investments so as to realize higher yields.</p>

These recommendations were considered by the CBT, EPF in its 200th meeting held on 7th August, 2012. The CBT, EPF after discussion, accepted the recommendations at 'A' above and decided to recommend the same for consideration of the Central Government. As regards recommendation under 'B' above, the CB, EPF decided to defer the decision with a direction to place the item again. The matter will be considered by the Government once proposal in this regard is received from the EPFO.

**GOVERNMENT OF INDIA
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LOK SABHA**

**UNSTARRED QUESTION NO. 2370
TO BE ANSWERED ON 27TH AUGUST, 2012**

DEPOSIT OF P.F. AMOUNT IN NATIONALIZED BANKS

†2370. SHRI SURENDRA SINGH NAGAR:

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

- (a) the name of nationalized banks wherein provision has been made to deposit the PF amount of non-Government labourers;**
- (b) whether all the nationalized banks are authorized for the said purpose;**
- (c) if so, the details thereof; and**
- (d) if not, the reasons therefor?**

ANSWER

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

(a): Provident Fund contribution of non-government labourers covered under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 are deposited in the State Bank of India and its subsidiaries.

(b): No, Madam.

(c): Does not arise in view of (b) above.

(d): As per the provisions of Para 52 (1) of the Employees' Provident Funds Scheme, 1952, all monies belonging to the Fund shall be deposited in the Reserve Bank of India or the State Bank of India or such other Scheduled Banks as may be approved by the Central Government from time to time. No other Scheduled Bank has been designated by Central Government for this purpose.

**GOVERNMENT OF INDIA
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UNSTARRED QUESTION NO. 3468

TO BE ANSWERED ON 03RD SEPTEMBER, 2012

EPF CONTRIBUTION

3468. SHRI M.K. RAGHAVAN:

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

- (a) whether contribution to the Employees Provident Fund (EPF) in the country is decreasing steadily;**
- (b) if so, the total fund contributed during the last three years along with the number of contributors who have contributed the same;**
- (c) whether the Government is also considering increasing the level of the mandatory EPF contributions with the increase in minimum wages; and**
- (d) if so, the details thereof?**

ANSWER

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

(a) & (b): No, Madam. The total fund contributions during the last three years has increased from Rs.26,558.20 crore in 2009-10 to Rs.32,494.40 crore in 2010-11 to Rs.39,431.44 crore (unaudited) in 2011-12 respectively.

(c) & (d): The issue of enhancing wage ceiling for coverage under the Employees' Provident Funds Scheme, 1952 has been discussed in meetings of Central Board of Trustees, Employees' Provident Fund. However, Government is yet to take a final view in the matter.

ANNEX REFERRED TO IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 3497 FOR 03.09.2012 BY SHRI RAJENDRA AGRAWAL REGARDING EMPLOYEES PROVIDENT FUND.

STATE-WISE FUNDS DEPOSITED IN EMPLOYEES PROVIDENT FUND (EPF)

AS ON 31-03-2012

(Rs. in Crores)

Sl. No.	State	Contributed received in EPF
1	Andhra Pradesh	16,617.69
2	Bihar	1,524.37
3	Chhattisgarh	1,369.61
4	Delhi	16,755.42
5	Goa	1,449.88
6	Gujarat	12,765.99
7	Haryana	9,607.89
8	Himachal Pradesh	1,455.23
9	Jharkhand	1,626.98
10	Karnataka	26,602.91
11	Kerala	5,354.69
12	Madhya Pradesh	5,692.99
13	Maharashtra	54,279.85
14	North Eastern Region	1,640.33
15	Orissa	3,590.76
16	Punjab	8,865.30
17	Rajasthan	5,174.17
18	Tamil Nadu	21,935.93
19	Uttarakhand	1,784.69
20	Uttar Pradesh	10,408.83
21	West Bengal	11,795.48
TOTAL		2,20,298.97

**GOVERNMENT OF INDIA
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**LOK SABHA
UNSTARRED QUESTION NO. 3644
TO BE ANSWERED ON 03RD SEPTEMBER, 2012**

WAGE CEILING FOR COVERAGE UNDER EPFO

3644. SHRI BAL KUMAR PATEL:

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

- (a) whether the Government has a proposal to revise the wage ceiling for coverage under Employees Provident Fund Organisation (EPFO) without any delay;**
- (b) if so, whether the Government held any consultation with experts in this regard;**
- (c) if so, the details thereof; and**
- (d) the outcome therefrom?**

ANSWER

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

(a) to (d): The issue of enhancing wage ceiling for coverage under the Employees' Provident Funds Scheme, 1952 has been discussed in meetings of Central Board of Trustees, Employees' Provident Fund. However, Government is yet to take a final view in the matter.

**GOVERNMENT OF INDIA
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**LOK SABHA
UNSTARRED QUESTION NO. 3596
TO BE ANSWERED ON 03RD SEPTEMBER, 2012**

PORTABLE EPF ACCOUNT

3596. SHRIMATI JYOTI DHURVE:

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

- (a) the details of steps Government proposes to introduce in portable Employees Provident Fund (EPF) account numbers;**
- (b) whether there is any plan for linking the Employees Provident Fund (EPF) accounts with the National Population Register or the Permanent Account Number (PAN) or the Unique Identity (UID) number; and**
- (c) if so, the time by which the same is likely to be implemented?**

ANSWER

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

(a) to (c): The current phase of computerization of Employees' Provident Fund Organisation (EPFO), where computerization of offices of EPFO was undertaken has been completed except for the office at Keonjhar (Odisha). Portability of Account will be a part of the next phase of computerization. The strategy and time-frame for this purpose will be decided in the course of finalizing the same.

**GOVERNMENT OF INDIA
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**LOK SABHA
UNSTARRED QUESTION NO. 3542
TO BE ANSWERED ON 03RD SEPTEMBER, 2012**

VIOLATIONS OF PF ACT BY COMPANIES

3542. SHRI TARACHAND BHAGORA:

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

- (a) whether the Government has received numerous complaints regarding withholding of Provident Fund (PF), Gratuity and other dues of ex-employees of M/s. Aristo Pharmaceuticals Private Limited, Shah Industrial Estate of Veera Desai Road Mumbai;**
- (b) if so, the details thereof along with the action taken against the company for violation of Labour Laws so far;**
- (c) whether any direction has been issued to the company for compliance of the above laws and settlement of dues of ex-employees; and**
- (d) if so, the details thereof and if not, the reasons therefor?**

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

(a): Employees' Provident Fund Organization field office at Kandivali, Mumbai has received complaints regarding withholding of Provident Fund of ex-employees of M/s. Aristo Pharmaceuticals Pvt. Limited.

(b) to (d): The complaints are in the nature of non-attestation of Provident Fund claim forms by the establishment.

Show Cause Notices have been issued to the company with the direction to attest the Provident Fund claim forms of the ex-employees as per Para 72(5)(d) of the Employees' Provident Fund Scheme, 1952 within 5 days from the date of receipt failing which prosecution will be filed against them under Para 76 of the Employees' Provident Funds Scheme, 1952 which could result in punishment of imprisonment extending to one year or with fine extending to four thousand rupees or with both.

**GOVERNMENT OF INDIA
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**LOK SABHA
UNSTARRED QUESTION NO. 3497
TO BE ANSWERED ON 03RD SEPTEMBER, 2012**

EMPLOYEES PROVIDENT FUNDS

†3497. SHRI RAJENDRA AGRAWAL:

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

- (a) the State-wise details of funds deposited in the Employees' Provident Fund;**
- (b) whether a large number of accounts of staff/workers are lying inactive for the last many years;**
- (c) if so, the details thereof along with the steps taken by the Government to handover such aforesaid funds to their actual claimants;**
- (d) whether the computerisation of Employees' Provident Fund Accounts is pending for long;**
- (e) if so, the reasons therefor; and**
- (f) the steps taken by the Government in this regard?**

ANSWER

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

(a): State-wise details of the funds deposited in the Employees' Provident Fund (EPF) is given at Annex.

(b) & (c): As per Annual Account (unaudited) of the Organisation for the year 2011-12, Rs. 22,636.57 Crore is lying in Inoperative Accounts.

Returns are being collected from establishments wherein contributions are received so as to update members' accounts to make them operative.

Contd....2/-

Following steps have been taken to get the claims from the PF members so as to settle the claims of such Inoperative accounts:

- (i) Publicity through print media and electronic media is made to educate the members to file their claims for settlement.
- (ii) The employers and employees unions have been requested to advise the members to file their claims for settlement.

In order to ensure the payment to the actual claimant, following precautions are taken:

- (i) The attestation of claim forms by the authorized signatory is made mandatory where the establishment is in operation.
- (ii) To identify the member in those cases where employer is not available, the attestation by the Bank authorities is insisted alongwith at least one of the documents as required under KYC (Know Your Customer) of the bank.

(d) to (f): The current phase of Computerization Project of Employees' Provident Fund Organisation (EPFO) was approved by the Central Board of Trustees, Employees' Provident Fund in its meeting held on 17th April, 2008 and accordingly the Project has been implemented in 119 offices out of 120 offices by 31st March, 2011. The computerization in only left over office at Keonjhar (Odisha) could not be completed as the office premise was not suitable for implementing the project and the office has been shifted to a new rented premises. The implementation of computerization project in this office would be completed shortly.

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