LOK SABHA UNSTARRED QUESTION NO. 967

TO BE ANSWERED ON 12.08.2013

NON-PAYMENT OF EPF CONTRIBUTION

†967. SHRI RAJENDRA AGRAWAL:

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

- (a)whether in various States including Tamil Nadu private schools, private sector companies and various factories are not depositing their contribution in provident fund regularly;
- (b)if so, the details thereof and the reasons therefor along with the action taken by the Government against such defaulting institutions/companies/PSUs/factory owners etc. during the last three years and the current year; and
- (c)the measures taken by the Government to protect the interests of the employees in this regard?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) to (c): Some establishments including those located in Tamil Nadu have defaulted in depositing of provident fund duas. Details of number of defaulting establishments for last three years are at Annex-I.

The following actions, as provided under Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Schemes framed there under are taken against defaulting establishments to protect the interests of the employees:-

- 1. Action under Section 7A of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 for assessment of dues.
- 2. Action under Section 8B to 8G of the Act for recovery of dues.

- 3. Action under Section 14B of the Act for levying of damages for belated deposit of dues.
- 4. Action under Section 7Q of the Act for levy of interest for belated ramittances.
- 5. Action under Section 14 for filing prosecution against the defaulters before the appropriate court of law.
- 6. Action under Section 406 /409 of IPC for non-payment of employees' share of contribution deducted from the wages/salary of the employees but not deposited to the Fund.

Details of actions taken against the defaulting establishments for last three years are at Annex-II.

ANNEX-I

ANNEX REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO. 967 FOR 12.08.2013 BY SHRI RAJENDRA AGRAWAL REGARDING NON-PAYMENT OF EPF CONTRIBUTION

State-wise summary of establishments which have defaulted in deposit of PF dues during last three years

SI. No.	Name of the States	Number of defeulting astablishments in the year 2010-11	Number of defaulting establishments in the year 2011-2012	Number of defaulting establishments in the year 2012-2013	
1	Andhra	2853	2466	1306	
	Pradesh				
2	Bihar	123	55	678	
3	Chhattisgarh	228	91	153	
4	Delhi	269	107	815	
5	Goa	163	66	93	
6	Gujarat	829	310	969	
7	Haryana	969	449	487	
8	Himachal	550	176	229	
	Pradesh				
9	Jharkhand	344	175	278	
10	Karnataka	2426	1528	1558	
11	Kerala	2627	2882	373	
12 Madhya		912	637	729	
	Pradesh				
13	Maharashtra	1790	802	2934	
14	North Eastern	220	94	315	
	Regions				
15	Odisha	544	303	486	
16	Punjab	1041	1077	. 1370	
17	Rajasthan	900	323	128	
18	Tamii Nadu	7230	6825	1412	
19	Uttar Pradesh	1910	922	1570	
20	Uttaranchal	52	6	189	
21	West Bengal	588	321	1075	
	Total	26568	19615	17147	

ANNEX-II

ANNEX REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO 967 FOR 12.08.2013 BY SHRI RAJENDRA AGRAWAL REGARDING NON-PAYMENT OF EPF CONTRIBUTION.

A state-wise summary of actions taken against the defaulting establishments for last three years

States	7A Inquiry initiated against defaulting establishment		Number of Prosecution cases filed under Section 14 of the Act		Number of cases filed before police authorities under Section 406/409 of IPC				
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13	2010-11	2011-12	2012 -13
Andhra Pradesh	2853	2466	1306	7858	8098	8713	209	221	224
Bihar	123	55	678	4224	4240	3163	27	32	31
Chhattisgarh	228	91	153	1155	1155	1155	3	5	5
Delhi	269	107	815	2071	1967	2000	52	77	75
Goa	163	66	93	534	406	316	91	91	95
Gujarat	829	310	969	3849	3908	3967	390	391	402
Haryana	969	449	487	1532	1552	1535	24	6	9
Himachal Pradesh	550	176	229	163	67	169	0	0	6
Jharkhand	344	175	278	2366	2366	2366	8	8	8
Karnataka	2426	1528	1558	4972	4926	4810	989	1003	853
Kerala	2627	2882	373	2765	2764	2773	1138	1179	1212
Madhya Pradesh	912	637	729	3920	3963	3994	91	91	91
Maharashtra	1790	802	2934	8367	12032	11481	441	440	450
North Eastern Regions	220	94	315	1876	1876	1847	82	83	87
Odisha	544	303	486	2066	2121	2125	105	107	107
Punjab	1041	1077	1370	1929	2344	2007	136	52	60
Rajasthan	. 900	323	128	466	430	428	39	39	40
Tamil Nadu	7230	6 825	1412	3558	3481	2545	1419	1482	1762
Uttar Pradesh	1910	922	1570	407	475	681	77	80	11
Uttaranchal	52	6	189	12	0	0	2	 2	4
West Bengal	588	321	1075	5671	6054	6211	1291	1320	1367
TOTAL	26568	19615	17147	59761	64225	62286	6614	6709	6899

GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA UNSTARRED QUESTION NO. 1046

TO BE ANSWERED ON 12.08.2013

VIOLATIONS OF EPF ACT

1046. DR. SANJAY SINH: SHRI HARISH CHAUDHARY:

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

- (a) the number of cases which have been established under Section 7-A of the Employees Provident Fund and Miscellaneous Provision Act, 1952 during each of the last three years;
- (b)the details of action taken during the said period;
- (c)the number of employees benefited by the said action; and
- (d)the steps taken by the Government to ensure strict compliance with the provisions under the said section of the Act?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a): Details of number of cases under Section 7A of Employees' Provident Funds & Miscellaneous Provisions Act, 1952, Initiated against the defaulting establishments during the last three years are as under:

2010-2011	2011-2012	2012-2013
26568	19615	17147

- (b): Details of Action taken during the sald period is as under:
- (i) Number of prosecution cases filed under Section 14 of the Act

2010-2011	2011-2012	2012-2013		
59761	64225	62286		

(ii) Number of cases filed before police authorities under Section 408/409 of IPC

2010-2011	2011-2012	2012-2013
6614	6709	6899

- (c): Section 7A of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 provides for quantification of amount due from any employer under any provision of this Act and Schemes framed thereunder. The amount so quantified is recovered in accordance with the procedure prescribed under various provisions of the Act.
- (d): The following steps have been taken for recovery of dues against the defaulting establishments as per the provisions of the Act:-
- 1. Action under Section 7A of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 for assessment of dues.
- 2. Action as provided under Section 8B to 8G of the Act for recovery of dues.
- 3. Action under Section 14 of the Act is taken for filing prosecution against defaulters before the appropriate court of law.
- 4. Action under Section 406 /409 of IPC for non-payment of employees' share of contribution deducted from the wages / salary of the employees but not deposited to the Fund.

LOK SABHA UNSTARRED QUESTION NO. 1129

TO BE ANSWERED ON 12.08,2013

DATA OF MEMBERS UNDER EPFO

1129. SHRI M. ANANDAN: SHRI BAIJAYANT JAY PANDA:

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

- (a)whether the pension scheme run by the Employees Provident Fund Organisation (EPFO) does not have the date of birth of almost 95 per cent of their members:
- (b)if so, the details thereof and the reasons therefor along with the efforts initiated in this regard;
- (c)whether the Government has also any proposal to ensure that all employees are provided with provident fund and Employees State Insurance Corporation slips in the country; and
- (d)if so, the details thereof?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a) & (b): Employees' Provident Fund Organisation (EPFO) has date of birth details for more than 4 crore members out of a total members of 8.87 crore as on 01.08.2013. Web facility has been provided to the Employers to upload the date of birth details of all employees. Further, Field Offices of EPFO have been directed to ask Employers to upload these details.
- (c) & (d): Providing Annual Statement of Accounts (Account Slips) to the members of EPF is already in place. Para 73(1) of the EPF Scheme 1952 lays down that a statement of account in respect of each member through his last employer to be sent after the close of each year.

Besides, the following facilities have also been provided for the PF members to know their PF belance:

- 1) Updated balance in EPF account can be obtained by EPF member through SMS by furnishing his PF number and mobile number by using 'Know your EPF Balance' facility on the website of EPFO at www.epfindia.gov.in
- 2) Facility of e-Passbook has also been provided on the website of the EPFO. After registering himself on the EPFO website, PF member can view or take a printout of his PF statement.

At present, there is no proposal to provide ESIC slips to the employees. However, ESIC has developed an IP portal where an insured Person can log on to see his contributory details and eligibility status for availing various benefits.

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UNSTARRED QUESTION NO. 2070

TO BE ANSWERED ON 19.08.2013

INCREASING MINIMUM PENSION

2070. SHRI L. RAJA GOPAL:

SHRI MAHENDRA KUMAR ROY:

SHRI GURUDAS DASGUPTA:

SHRI RAJAIAH SIRICILLA:

SHRI K.P. DHANAPALAN:

SHRI SURESH KUMAR SHETKAR:

SHRI G.M. SIDDESHWARA:

SHRI S.S. RAMASUBBU:

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

- (a)whether the Government is considering various proposals to enhance the minimum amount of pension under Employees' Provident Fund (EPF) pension scheme;
- (b)if so, the details thereof;
- (c)if not, the reasons therefor;
- (d)whether there is also any demand to increase the interest rate on the said funds:
- (e)if so, the details thereof along with the steps taken by the Government in this regard;
- (f)whether the Government has also any proposal to invest the EPF in Exchange Traded Funds (ETFs) of public sector units; and
- (g)if so, the details thereof?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a) to (c): A proposal for providing minimum pension of Rs. 1000/- to member pensioners under Employees' Pension Scheme (EPS), 1995 is under consideration of the Government.
- (d) & (e): Interest is not paid on Employees' Provident Fund (EPF) Pension Scheme. Members are given pensionary benefit as per the provisions of the EPS, 1995. However, interest is paid on Employees' Provident Fund (EPF). For the year 2012-13 rate of interest on EPF has been declared @8.5%.
- (f): No, Madam.
- (g): Does not arise in view of reply to part (f) of the Question above.

900

LOK SABHA UNSTARRED QUESTION NO. 2016

TO BE ANSWERED ON 19.08.2013

NON-ACCESSIBILITY OF PF ACCOUNT

2016, SHRI JOSE K. MANI:

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

- (a)whether more than Rs. 25,000 crores is lying idle with the Employees' Provident Fund Organisation (EPFO) covering Provident Fund (PF) deductions made by contractors from the wages of contract workers;
- (b)whether many such PF accounts of contract workers are inoperable and not accessible to its beneficiaries;
- (c)if so, whether the Government has any plan to launch an awareness drive to sensitise the contract workers on the PF money;
- (d)if so, the details thereof and if not, the reasons therefor;
- (e)whether the EPFO will also mandate inclusion of the PF Registration Codes in every Identity Card issued to contract workers; and (f)if so, the details thereof?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a): No, Madam.
- (b): Does not arise in view of reply to Part (a) of the Question above.
- (c) & (d): Employees' Provident Fund & Miscellaneous Provisions Act, 1952 and the Schemes framed thereunder do not distinguish between regular employees and contract workers.

Contd...2/-

It has been Employees' Provident Fund Organisation (EPFO)'s constant endeavor to make all the employees, enrolled under the Act, aware about the procedures to deal with Provident Fund money.

Directions have recently been issued by EPFO to the field offices across the country for holding public meetings, seminars, workshops, educational camps with employers' associations and workers' unions to publicize the initiatives and ongoing activities benefiting the labourers including contract labourers.

Procedural simplifications have been made for quick settlement of claims of the members and transfer their Provident Fund moneys to their individual bank accounts as per details given below:

- a) Process of settlement of claims made efficient by reducing the process of approval to two levels.
- b) National Electronic Fund Transfer (NEFT) facility has been started to expedite the transfer of funds directly to the members' bank account.
- c) The member is kept informed of status of his claim as indicated in the above two steps through SMS, if he provides his mobile number at the time of submitting claim.

Facility of e-Passbook has also been provided on the website of the EPFO. After registering himself on the EPFO website, PF member can view or take a printout of his PF statement.

- (e): No, Madam.
- (f): Does not arise in view of reply to Part (e) of the Question above.

GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA UNSTARRED QUESTION NO. 1925

1900 S

TO BE ANSWERED ON 19.08.2013

ONLINE PF TRANSFER

1925. SHRI GUTHA SUKHENDER REDDY:

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

- (a)whether the Employees Provident Fund Office (EPFC) is going to settle Provident Fund transfer by online facility;
- (b)if so, the details in this regard;
- (c)the time by which the online transfer functioning would be implemented;
- (d)whether such PF transfer will be functioning in all the EPF offices throughout the country; and
- (e)if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a): Yes, Madam.
- (b): The online submission of claims would be introduced as an additional facility. The option to file physical claim shall be retained in order to provide services to beneficiaries who do not have access to internet.
- (c): The system will be made operative after digital signature of willing employer or his representative is registered with Employees' Provident Fund Organisation (EPFO). Necessary communication to this effect has already been sent to all employers and the process of registration of digital signature has also begun.
- (d): Yes, Madam.
- (e): Does not arise in view of reply to part (d) of the Question above.

GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA UNSTARRED QUESTION NO. 1864

TO BE ANSWERED ON 19.08.2013

UPDATION OF EPF ACCOUNTS

1864. 9HRI KULDEEP BISHNOI:

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

- (a)whether lakhs of 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 members' accounts and establishments covered under the EPF Act; end
- (d)the measures taken by the Government for monthly and regular updation of PF accounts?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) & (b): No, Madam. The members' accounts of Employees' Provident Fund (EPF) for the previous year are updated by 30th September of the following year.

The following steps have been taken for updation of members' accounts:

- (I) In order to monitor the day-to-day progress of updation of members' accounts, web based tool has been developed which allows timely corrective steps to liquidate the pendency at the earliest.
- (ii) Employers have been encouraged to file return electronically for the period upto 2011-12 to save time for updation of accounts.
- (c): As on 31.03.2013, a total of 7.43 Lakh establishments and 12.96 crore members' accounts are covered under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952.
- (d): The para 73 of the EPF Scheme, 1952 envisages to provide annual statement of eccounts to the members. The progress of updation of members' accounts is continuously monitored by the Officers-in-charge of the field offices as well as at Head Office of Employees' Provident Fund Organisation.

LOK SABHA UNSTARRED QUESTION NO. 1879

TO BE ANSWERED ON 19.08.2013

EXTENSION OF EPF SCHEME

1879. SHRI A.K.S. VIJAYAN:

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

- (a)whethere the Government is considering a proposal to extend the Employees Provident Fund (EPF) Scheme to all companies with over 10 employees; and
- (b)if so, the details thereof alongwith the present status of the proposals?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) & (b): A proposal for reducing threshold limit from 20 to 10 employees for coverage under Employees' Provident Fund & Miscellaneous Provisions Act, 1952 is under consideration of the Government.

LOK SABHA UNSTARRED QUESTION NO. 1900 TO BE ANSWERED ON 19.08.2013

RECOMMENDATIONS ON EPS

1900. SHRI RAJU SHETTI:

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

- (a)the details of the recommendations of the expert committee constituted to examine the various issues pertaining to Employees' Pension Scheme (EPS), 1995;
- (b)whether the Government has accepted all the recommendations of the committee;
- (c)if so, the details thereof and if not, the reasons for delay; and
- (d)the time by which a final decision is likely to be taken in this regard?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a): An Expert Committee constituted by the Government to review the Employees' Pension Scheme (EPS), 1995, has, *inter alia* recommended either of the two options below:
- (i) Introduction of Provident Fund-cum-Pension Annuity Scheme wherein pension is linked to accumulations of members in the Fund

or

- (il) Modifications in the existing EPS, 95 such as:
 - increase in wage ceiling from Rs. 6500/- to Rs. 10,000/-;
 - provision of annual relief of 3%;
 - a minimum pension of Rs. 1000/- to all categories of pensioners;
 and
 - Following modifications in EPS, 1995 to offset the cost of above benefits as much as possible:

Contd..2/-

- Pensionable Salary to be calculated as an average of last 3 years of service.
- > Withdrawai option to be deleted.
- > Bonus of 2 years to be disallowed
- > The age of superannuation to be raised to 60 years; and
- > The age for early pension to be raised to 55 years
- > Nominee pension to be disallowed.
- (b) to (d): The report of the Expert Committee was forwarded by the Government for consideration of Central Board of Trustees (CBT), Employees' Provident Fund (EPF). The CBT, EPF considered this report in its 190th meeting held on 15.09.2010 and decided that the report be first considered by Pension Implementation Committee (PIC), a sub-Committee of Central Board of Trustees (CBT), Employees' Provident Fund (EPF). The recommendation of the Expert Committee was considered by PIC, which inter-alia recommended that a minimum monthly pension under Employees' Pension Scheme, 1995 be increased to Rs. 1000/- per month as an interim measure. The recommendation of the PIC was considered by CBT, EPF. However, the discussion remained inconclusive. A proposal for providing minimum pension of Rs. 1000/- under EPS, 1995 is under consideration of the Government.

LOK SABHA STARRED QUESTION NO. 235

NEW PENSION SCHEME

*235. SHRI PRABODH PANDA: SHRI GURUDAS DASGUPTA:

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

- (a)whether the Government is considering a proposal to close down the Employees Pension Scheme and shift its beneficiaries to the New Pension Scheme;
- (b)If so, the details thereof and the reasons therefor; and
- (c)the present status of the said proposal?

ANSWER

MINISTER OF LABOUR AND EMPLOYMENT (SHRI SIS RAM OLA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO. 235 FOR 26.08.2013 REGARDING 'NEW PENSION SCHEME' BY SHRI PRABODH PANDA AND SHRI GURUDAS DASGUPTA.

(a): No, Madam.

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

LOK SABHA UNSTARRED QUESTION NO. 2736 TO BE ANSWERED ON 26.08.2013

NON-SETTLEMENT OF EPF DUES

2736. SHRI AVTAR SINGH BHADANA: SHRI VILAS MUTTEMWAR: SHRI J.M. AARON RASHID:

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

- (a)whether the Government have received numerous complaints regarding withholding of Provident Fund, Gratuity and other dues of ex-employees by various private companies including M/s Aristion Pharmaceuticals Pvt. Limited, Shah Industrial Estate, Veera Desai Road, Mumbai;
- (b)if so, the complete details thereof;
- (c)the action taken against such companies particularly the aforementioned company for violation of Provident Fund Act, Gratuity Act and other Labour Laws so fer;
- (d)whether any direction has been issued to such companies for compliance of the above laws and settlement of dues of exemployees; and
- (e)If so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) & (b): Complaints are received by ex-employees of various Private Companies now & then regarding withholding Provident Fund and other duas. A complaint was received from the employees of M/s Ariston Pharmaceuticals Pvt. Limited in the office of Regional Labour Commissioner, Mumbai regarding non-payment of gratuity.

- (c): Action as envisaged under various Labour Laws are taken against Companies that violate these laws. So far as the aforementloned company is concerned, the establishment was inspected, non-payment of gratuity detected and show-cause notice issued to the employer. The employer submitted compliance report and paid gratuity to 19 employees to the tune of Rs.77,66,349/-.
- (d) & (e): Whenever complaints are received against companies regarding violation of labour laws, appropriate action is taken by the enforcing agency as per the provisions of the concerned legislation.

LOK SABHA UNSTARRED QUESTION NO. 2699 TO BE ANSWERED ON 26.08.2013

DIGITAL SIGNATURES UNDER EPFO

2699. SHRI ABDUL RAHMAN:

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

- (a)whether the Eniployees Provident Fund Organisation (EPFO) has made it mandatory for all employers with more than 1000 workers to send their digital signatures to the EPFO;
- (b)if so, the details thereof and the reasons therefor;
- (c)the number of such employers in the country; and
- (d)the time by which the said process is likely to be completed?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a) & (b): No Madam. However, Employees' Provident Fund Organisation (EPFO) is implementing the facility for online claim settlement in respect of transfer claims. This facility is optional and the claims can either be filed on line or through physical form. The system will be made operative after digital signature of willing employer or his representative is registered with EPFO. Necessary communication to this effect has already been sent to all employers and the process of registration of digital signature has also begun.
- (c): The electronic challan return (ECR) filed by employers show that the number of employees employed by an establishment changes from month to month. However, an analysis of ECR between February, 2013 to June, 2013 suggests that out of 7,43,045 enrolled establishment under Employees' Provident Fund & Miscellaneous Provisions Act, 1952, 5232 establishment reported more than 1000 contributing members.
- (d): Registration of digital signature with EPFO is not mandatory. However, field offices of EPFO have been instructed to make maximum efforts to obtain digital signatures of the employers or their representatives.
