

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 487  
TO BE ANSWERED ON 26.11.2012**

**FDI IN EPF**

**†487. SHRI HANSRAJ G. AHIR:**

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

- (a) whether the Employees Provident Fund Organisation (EPFO) has proposes to increase rate of interest on EPF for year 2012-13;**
- (b) if so, the details thereof;**
- (c) whether the decision to allow Foreign Direct Investment (FDI) in the Employees Provident Fund has been implemented; and**
- (d) if so, impact observed as a result of allowing the FDI in the EPF?**

**ANSWER**

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

- (a): The Employees' Provident Fund Organization has not yet proposed for declaration of rate of interest for the year 2012-13.**
- (b): Does not arise in view of reply to part (a) above.**
- (c): The Board of Trustees of the Employees' Provident Fund Organisation is a statutory body under an Act of Parliament and not a company. As such the question, if any, of investment in the Employees' Provident Fund Organisation including FDI does not arise.**
- (d): Does not arise in view of reply to part (c) above.**

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**LOK SABHA**

**UNSTARRED QUESTION NO. 574  
TO BE ANSWERED ON 26.11.2012**

**ENHANCEMENT OF MINIMUM PENSION AMOUNT**

**574. SHRI BIBHU PRASAD TARAI:  
SHRI ANTO ANTONY:  
SHRI PRABODH PANDA:  
SHRI HARIBHAU JAWALE:**

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

- (a) whether the Government has any plan to enhance the pension under Employees' Provident Fund (EPF) scheme;**
- (b) if so, the details thereof and if not, the reasons therefor;**
- (c) whether the Government has received any requests in this regard; and**
- (d) if so, the details thereof and the reaction of the Government thereto?**

**ANSWER**

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

**(a) to (d): A proposal of the Pension Implementation Committee (PIC), a Sub-Committee of the Central Board of Trustees, Employees' Provident Fund (EPF) to enhance the minimum pension under Employees' Pension Scheme, 1995 to Rs. 1000 is under consideration of the Government.**

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**LOK SABHA**

**UNSTARRED QUESTION NO. 663  
TO BE ANSWERED ON 26.11.2012**

**STATEMENT OF EPF**

**†663. SHRI ANURAG SINGH THAKUR:**

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

- (a) whether statement of Provident Fund Account are not provided to the employees of companies in private sector;**
- (b) if so, whether the Government proposed to provide statement of EPF account and its monthly updates like passbook of banks to each employees of the company of private sector through Employees' Provident Fund Organisation (EPFO);**
- (c) if so, the time by which this system is likely to be materialized; and**
- (d) if not, the reasons therefor?**

**ANSWER**

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

**(a): Employees' Provident Fund Organization (EPFO) provides Annual Statement of Accounts to the employees of companies working in private sector covered under Employees Provident Fund & Miscellaneous Provisions Act 1952.**

**(b) to (d): Since April 2012, there is a facility for the employers to download the annual account slips for their employees from the accounting year 2010-2011 onwards.**

**The Provident Fund accounts of member are updated as and when the contribution is received and from August 2012, the updated statement of accounts is available on line in the EPFO website. Members can view and take printout of their accounts from anywhere any time.**

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**GOVERNMENT OF INDIA  
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**LOK SABHA**

**UNSTARRED QUESTION NO. 674  
TO BE ANSWERED ON 26.11.2012**

**INOPERATIVE EPF ACCOUNT**

**†674. SHRI RAJENDRA AGRAWAL:**

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

- (a) the State-wise details of the funds lying in the Employees Provident Fund (EPF);**
- (b) whether a large number of accounts of the employees/labourers remain inoperative for several years;**
- (c) if so, the details thereof and the reasons therefor alongwith the steps taken by the Government to disburse this amount to the rightful claimants;**
- (d) whether the computerization of EPF accounts has been delayed since long; and**
- (e) if so, the reasons therefor and the steps being taken by the Government in this regard?**

**ANSWER**

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

**(a): State-wise details of the funds lying in the Employees' Provident Fund (EPF) are 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 also 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) & (e): The current phase of computerization Project of the Employees' Provident Fund Organisation (EPFO) was taken up in 2008 in collaboration with the National Informatics Center (NIC) and has been implemented in all the offices. The basic services like claim settlement and annual accounts preparation is implemented in computer system.**

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ANNEX REFERRED TO IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 674 FOR 26.11.2012  
BY SHRI RAJENDRA AGARWAL REGARDING INOPERATIVE EPF ACCOUNT

**STATE-WISE FUNDS lying IN 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
<b>TOTAL</b>		<b>2,20,298.97</b>

**GOVERNMENT OF INDIA  
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**LOK SABHA**

**UNSTARRED QUESTION NO. 1423  
TO BE ANSWERED ON 03.12.2012**

**CONTRACTORS UNDER EPF**

**1423. SHRI G.M. SIDDESHWARA:**

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

- (a) whether the Employees' Provident Fund Organisation (EPFO) is considering to bring the Government contractors under the Provident Fund umbrella;**
- (b) if so, the details thereof;**
- (c) whether the EPFO is also considering to make major change to the law governing statutory savings; and**
- (d) if so, the details thereof?**

**ANSWER**

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

**(a) & (b): The Employees' Provident Funds & Miscellaneous Provisions (EPF & MP) Act, 1952 applies to such classes of establishment which are notified by Government of India employing 20 or more employees in accordance with provisions under Section 1(3)(b) of the Act.**

**By virtue of the above provision, the Act would also apply to Contractors engaged in Government establishments in eligible cases.**

**(c) & (d): The matter of amending the EPF & MP Act, 1952 is under consideration.**

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**LOK SABHA**

**UNSTARRED QUESTION NO. 1488  
TO BE ANSWERED ON 03.12.2012**

**INTEREST ON EPF**

**1488. DR. M. JAGANNATH:  
SHRI K.P. DHANAPALAN:**

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

- (a) whether the Government has any proposal to give an interest of  
about 8.6 per cent on contributions on Employees' Provident Fund  
(EPF);**
- (b) if so, the time by which the same is likely to be implemented; and**
- (c) if not, the reasons therefor?**

**ANSWER**

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

**(a) to (c): No decision has been taken as yet for declaration of rate of  
interest for the year 2012-13.**

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**GOVERNMENT OF INDIA  
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**LOK SABHA**

**UNSTARRED QUESTION NO. 1608  
TO BE ANSWERED ON 03.12.2012**

**PENDING CASES IN EPF SETTLEMENT**

**1608. SHRI A. SAI PRATAP:  
SHRI TARACHAND BHAGORA:**

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

- (a) whether a large number of Provident Fund cases have been awaiting settlement and facing innumerable problems in their settlement;
- (b) if so, the details thereof;
- (c) the number of cases pending for settlement and the obstacles being faced in the settlement;
- (d) whether the Government has issued any guidelines for sorting out the problems faced by the employees;
- (e) if so, the details in this regard; and
- (f) the action taken by the Government for the speedy disposal of such pending claims along with the outcome thereof?

**ANSWER**

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

(a) to (c): As on 27.11.2012 (From 01.04.2012 to 27.11.2012 during the year 2012-13), out of 100.22 Lakh claims received for settlement, a total of 6.13 Lakh claims are pending for settlement.

**Contd...2/-**

**The problems faced in settlement of pending cases are as under:**

- (i) Incomplete claims (No Bank account number, incomplete employment (details))**
- (ii) Incorrect claims (incorrect P.F. A/C No.)**
- (iii) Unattested claims**
- (iv) Unsigned claims**
- (v) Default by employer in terms of remittances.**

**Apart from above, as per the provisions contained in para 72(7) of the EPF Scheme 1952, all claims found in order are to be settled within 30 days. Therefore, at any given point of time, fresh receipt upto 30 days may be pending. As such, out of total receipt, 8.33% claims may be pending which has been received in the last 30 days. Hence, at any given point of time, pendency of claims may not be zero. However, claims which are pending during 30 days are settled in the same or subsequent cycle of settlement.**

**(d) & €: Employees of the covered establishments are guided through printed brochure, seminar & training of the employers for submitting error free claims.**

**(f): In the recent past, following measures were taken to reduce the pendency of claims inter-alia including the following:**

- A provision for ECR (Electronic Challan-cum-Return) has been made for the employers to file their return electronically. This has facilitated to speed up the process of updation of members' accounts on monthly basis.**
- National Electronic Fund Transfer (NEFT) has been introduced to expedite the process of settlement of claims.**
- Process of settlement has been simplified.**
- Stages for approval of settlement have been reduced from 3 stages to 2 stages.**
- Monitoring of settlement is being done by the RPFC-Incharge as well as at Head Office.**
- All the field offices have been directed to review the position of pendency and to take all efforts to settle claims within 30 days.**

**With the above efforts, the pendency ratio has been brought down to 6.11% compared to the normal 8.33%.**

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**LOK SABHA**

**UNSTARRED QUESTION NO. 3738  
TO BE ANSWERED ON 17.12.2012**

**NATIONALISED BANK FOR EPF DEPOSIT**

**†3738. SHRI SURENDRA SINGH NAGAR:**

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

- (a) the names of the nationalized banks in which provision has been made for depositing Provident Fund (PF) amount of private sector labourers;**
- (b) whether all the nationalised banks have been authorized for this purpose;**
- (c) if so, the details thereof; and**
- (d) if not, the reasons therefor?**

**ANSWER**

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

**(a): Provident Fund contribution of private sector labourers covered under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is deposited in the State Bank of India.**

**(b) to (d): As per the provision 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 approved by the Central Government for this purpose.**

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**LOK SABHA**

**UNSTARRED QUESTION NO. 3817  
TO BE ANSWERED ON 17.12.2012**

**UNIQUE IDENTITY NUMBER FOR EPF**

**†3817. SHRI SUDARSHAN BHAGAT:**

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

- (a) the steps taken/being taken by the Government for introducing the system of portability of Employees Provident Fund (EPF) Unique Identity Account Number;**
- (b) whether the Government has any proposal for linking the EPF accounts with the National Population Registry 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 STATE FOR LABOUR AND EMPLOYMENT  
(SHRI KODIKUNNIL SURESH)**

**(a) to (c): The current phase of computerization of offices of Employees' Provident Fund Organization has been completed. 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.**

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LOK SABHA**

**UNSTARRED QUESTION NO. 3862  
TO BE ANSWERED ON 17.12.2012**

**INVESTMENT OF PROVIDENT FUND**

**†3862. SHRI B.N. PRASAD MAHATO:  
DR. M. JAGANNATH:  
SHRI RAMKISHUN:  
SHRI KAUSHALENDRA KUMAR:**

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

- (a) whether the Employees' Provident Fund Organisation (EPFO) invest money from the PF in infrastructure bonds/equities;**
- (b) if so, whether the present guidelines of EPFO allow the money of PF to be invested only in Government securities which could earn only 8.25 per cent return to the subscribers;**
- (c) the amount of funds of EPFO invested in Private sectors', blue chip manufacturing companies, etc.;**
- (d) whether EPFO had also sought more autonomy in terms of investing the money in order to gain better returns; and**
- (e) if so, the details in this regard?**

**ANSWER**

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

- (a): The Employees' Provident Fund Organization (EPFO) invests in bonds of infrastructure companies, if the same fulfills the criteria of investment pattern followed by EPFO. EPFO does not invest in equities.**
- (b): EPF money is invested as per the investment pattern of 2003 notified by Government of India which allows investment in Central Government Securities, State Government Securities, Bonds of Public Sector Undertakings and Private Sectors companies.**
- (c): As on 31.10.2012, the total of EPFO corpus, invested in private sector companies is Rs. 26,896.54 Crore including Rs. 4.05 Crore investments in blue chip manufacturing companies.**
- (d) & (e): The Central Board of Trustees (CBT), Employees' Provident Fund (EPF) consider the matter of investment pattern to maximize returns on regular basis and such proposal, if any, is sent to the Government, which gives necessary approval within the limitation prescribed under various categories in the investment pattern of 2003 of Ministry of labour and Employment.**

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