

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

UNSTARRED QUESTION NO. 407

TO BE ANSWERED ON 27.02.2013

**ADVERSE EFFECT OF NEW EPFO RULES ON REAL ESTATE AND
CONSTRUCTION SECTOR WORKERS**

407. SHRI T.M. SELVAGANAPATHI:

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

- (a) whether it is a fact that the new Employees Provident Fund Organisation rules will severely affect the employees working in real estate and construction sectors under the private sector;**
- (b) if so, the details thereof;**
- (c) whether it is a fact that there has been a demand to reverse the said rule;**
- (d) whether it is also a fact that with this rule in force, the employees working in the said sector will not be able to withdraw their hard earned money; and**
- (e) if so, the details thereof?**

ANSWER

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

(a): No new rule has been implemented by the Employees' Provident Fund Organisation which will adversely affect the employees working in real estate and construction sectors under the private sector.

(b) to (e): Do not arise in view of replies to part (a) of the Question above.

**GOVERNMENT OF INDIA
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UNSTARRED QUESTION NO. 414

TO BE ANSWERED ON 27.02.2013

ENHANCEMENT OF MINIMUM MONTHLY PENSION

414. SHRI M. VENKAIAH NAIDU:

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

- (a) whether it is a fact that some of the PF pensioners retired from public sector undertakings are getting pension as low as Rs. 12/- per month;
- (b) whether there is any proposal, under the consideration of the Ministry to enhance the minimum monthly pension and link the same with inflation; and
- (c) if so, the details thereof and the timeframe within which the same is proposed to be implemented?

ANSWER

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

(a): No, Sir.

(b) & (c): A proposal to enhance minimum pension to Rs.1,000/- per month under Employees' Pension Scheme (EPS), 1995 is under consideration of the Government. However, no time frame for implementation of the proposal can be given.

Further, there is no proposal to link the pension under EPS, 95 with inflation.

**GOVERNMENT OF INDIA
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UNSTARRED QUESTION NO. 401

TO BE ANSWERED ON 27.02.2013

ENHANCEMENT OF EPF PENSION

401. DR. T. SUBBARAMI REDDY:

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

- (a) whether there is a proposal to provide fixed minimum pension to all the employees who are covered under Employees' Provident Fund Organisation (EPFO);**
- (b) if so, the details thereof alongwith the minimum amount Government is planning to give to the pensioners;**
- (c) whether Government has decided to revise the existing scheme in view of demand of workers for a reasonable hike in their EPF pension;**
- (d) if so, by when the enhanced pension is likely to be disbursed; and**
- (e) the number of employees who are getting pension benefits from EPFO at present?**

ANSWER

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

(a) to (d): A proposal to enhance minimum pension to Rs.1,000/- per month under Employees' Pension Scheme, 1995 is under consideration of the Government. However, no time frame for implementation of the proposal can be given.

(e): At present, 41 lakh pensioners are getting pension benefits from EPFO.

**GOVERNMENT OF INDIA
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UNSTARRED QUESTION NO. 402

TO BE ANSWERED ON 27.02.2013

INOPERATIVE ACCOUNTS IN EPFO

402. SHRI C.M. RAMESH:

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

- (a) whether it is a fact that number of inoperative accounts in Employees' Provident Fund Organisation (EPFO) is increasing every year; and
(b) if so, the steps taken by Government in this regard?

ANSWER

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

(a): Yes Sir.

(b): Following steps have been taken to get the claims from the PF members or their legal heirs so as to settle the claims of such inoperative accounts:

- (i) Returns are collected from establishments wherein contributions are received so as to update members' accounts to make them operative.
- (ii) Publicity through print media and electronic media is made to educate the members to file their claims for settlement or transfer their old PF accounts to their operative accounts.
- (iii) The employers and employees unions have also been requested to advise the members to file their claims for settlement.

**GOVERNMENT OF INDIA
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UNSTARRED QUESTION NO. 409

TO BE ANSWERED ON 27.02.2013

DECISION ON PF AGENDA POLICY

†409. SHRI ISHWARLAL SHANKARLAL JAIN:

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

- (a) whether Government has decided on Provident Fund agenda policy in Central Board of Trustees related to the provident fund of employees or any meeting has been held in this regard;**
- (b) if so, the details thereof; and**
- (c) if not, the reasons therefor?**

ANSWER

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

(a) to (c): The agenda for the meeting of Central Board of Trustees (CBT), Employees' Provident Fund (EPF) is prepared by Employees' Provident Fund Organisation (EPFO). The last meeting of CBT, EPF was held on 25.02.2013.

**GOVERNMENT OF INDIA
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RAJYA SABHA

UNSTARRED QUESTION NO. 1823

TO BE ANSWERED ON 13.03.2013

STRENGTHENING OF EPF

1823. SHRIMATI KANIMOZHI:

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

- (a) whether Government has a timeline for the implementation of the proposal for raising the bar of the Employees State Insurance (ESI);**
- (b) if so, whether Government will also subsequently undertake the strengthening of the Employees Provident Fund (EPF) to match the insurance bar raise;**
- (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): No proposal for enhancing wage ceiling for coverage under Employees' State Insurance Act, 1948 is under consideration of the Government.

(b) to (d): Do not arise in view of reply to part (a) of the question above.

**GOVERNMENT OF INDIA
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RAJYA SABHA

**UNSTARRED QUESTION NO. 2574
TO BE ANSWERED ON 20.03.2013**

RECOVERY OF PF CONTRIBUTION FROM PRIVATE SECURITY AGENCIES

**2574. SHRI PRABHAT JHA:
SHRIMATI KUSUM RAI:
SHRI ARVIND KUMAR SINGH:
SHRI ALOK TIWARI:**

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

- (a) whether some of the security agencies including British company M/s. G4S Secure Solution (India) Private Ltd. providing security guards to private companies in India have not deposited their contribution amounting to hundreds of crores of rupees in provident fund accounts of their employees;**
- (b) if so, the security company-wise details thereof;**
- (c) whether Employees Provident Fund Organisation (EPFO) has served notices to these companies during 2012 to deposit their contributions in PF account;**
- (d) if so, the details thereof; and**
- (e) the details of amount recovered so far along with the amount pending for recovery as on date?**

ANSWER

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

- (a): Some security agencies including British Company M/s. G4S Secure Solution (India) Pvt. Ltd. have defaulted in depositing contribution with Employees' Provident Fund Organisation.**
- (b): Company-wise details of defaulting security agencies is not maintained centrally in the Employees' Provident Fund Organisation.**
- (c) & (d): Notices have been served on all defaulting security agencies to deposit their contribution with the Employees' Provident Fund Organisation.**
- (e): As on date, an amount of Rs 19.14 crore has been recovered from such defaulting companies and Rs 220.56 crore is outstanding against these companies.**

**GOVERNMENT OF INDIA
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**STARRED QUESTION NO. 589
TO BE ANSWERED ON 08.05.2013**

REVIEW OF EMPLOYEES' PENSION SCHEME, 1995

†*589. SHRI MAHENDRA SINGH MAHRA:

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

- (a) whether Government is considering to review the Employees' Pension Scheme, 1995;**
- (b) if so, by when this review would be done;**
- (c) if not, whether Government considers the amount of pension being given under the Employees' Pension Scheme, 1995 adequate for their subsistence; and**
- (d) if not, the manner in which Government proposes to help these employees?**

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 THE RAJYA SABHA STARRED QUESTION NO. 589 FOR
08.05.2013 REGARDING REVIEW OF EMPLOYEES' PENSION
SCHEME, 1995 BY SHRI MAHENDRA SINGH MAHRA**

(a) & (b): No such proposal is under consideration of the Government.

(c) & (d): The formula for calculating member pension is as follows:-

Pensionable Service X Pensionable Salary

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Therefore, the amount of member pension is directly proportional to Pensionable Service and Pensionable Salary. If one or both of the factors are low then the pension amount shall be low. Therefore, the workers in unorganized sectors/industries like Beedi, construction, cashew nut, bricks etc. are receiving low pension on account of their low pensionable service and low pensionable salary.

A proposal to ensure a minimum pension of Rs.1000/- per month for member pensioners is under consideration of the Government.

**GOVERNMENT OF INDIA
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**UNSTARRED QUESTION NO. 4605
TO BE ANSWERED ON 08.05.2013
AMOUNT UNDER EPF ACCOUNT**

4605. SHRI DEVENDER GOUD T.:

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

- (a) the total amount under Employees' Pension Fund Account as on 1 July, 2012;**
- (b) the details of interest earned from the above fund as on 1 July, 2012;**
- (c) the reasons for Government planning to bring in FDI in Pension Fund; and**
- (d) whether it is helpful to the contributors?**

ANSWER

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

- (a): Total amount of fund (at face value of securities) lying in the Employees' Pension Fund account as on 01st July, 2012 is Rs.165,395.02 Crore.**
- (b): Interest earned on the Employees' Pension Fund from 1st April, 2012 to 1st July, 2012 is Rs. 2289.94 Crore.**
- (c): No such proposal is under consideration of the Government.**
- (d): Does not arise in view of reply to part (c) of the Question above.**

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**UNSTARRED QUESTION NO. 4602
TO BE ANSWERED ON 08.05.2013**

PASSBOOKS FOR PF ACCOUNT HOLDERS

†4602. SHRI MOTILAL VORA:

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

- (a) whether it is a fact that presently the number of dormant accounts in Employees Provident Fund Organisation is more than three crores;**
- (b) whether it is also a fact that an amount of sixteen thousand crores of rupees belongs to the poor labourers of unorganised sector;**
- (c) the arrangements being made by Government to handover the amount to the concerned labourers;**
- (d) whether Government would provide passbooks to the labourers from unorganised sector at the time of deduction of PF account, so that in the event of change in working place their PF account remains the same; and**
- (e) if not, the reasons therefor?**

ANSWER

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

(a): There are no dormant accounts in Employees' Provident Fund Organisation (EPFO). However, as per provision of para 72(6) of the Employees' Provident Funds (EPF) Scheme, 1952, a member's account under certain condition is classified as Inoperative Account. All such Inoperative Accounts have a definite claimant.

(b): No, Sir.

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

(d): As per Para 73(1) of the EPF Scheme, 1952, a statement of account to each member through his last employer will be sent after the close of each year, showing opening balance, contribution during the year, interest credited, amount debited and closing balance of the year.

Following initiatives have been taken by the EPFO to provide details to the PF account holders:-

- 1) Online access has been given to the EPF members to 'Know their EPF Balance' through the website of the EPFO at www.epfindia.gov.in;**
- 2) Facility of e-passbook has been provided to the EPF Members. It is an online version of the employee's Provident Fund account. Transactions are recorded and can be tracked easily by the members by registering themselves on the website of EPFO.**

However, In the event of change of employment, a new PF number is issued to the employees as on date.

(e): Does not arise In view of reply to part (d) of the Question above.

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**UNSTARRED QUESTION NO. 4601
TO BE ANSWERED ON 08.05.2013**

DA TO EPF PENSIONERS

**4601. SHRI SALIM ANSARI:
SHRI JAI PRAKASH NARAYAN SINGH:**

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

- (a) number of Employees' Provident Fund Pension Scheme pensioners as on 31 March, 2013 receiving less than Rs. 500 and those receiving more than Rs. 500 but less than Rs. 1,000/- monthly pension;**
- (b) number of representations received by Government against meagre pension and demanding its revision in the last five years and the action taken or proposed to be taken thereon;**
- (c) the reasons for not revising pension rates fixed nearly two decades ago;**
- (d) whether these pensioners get Dearness Allowance (D.A.) like Central Government pensioners; and**
- (e) if so, the number of times and rates at which such D.A. have been granted, if not, reasons therefor?**

ANSWER

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

(a): As per the statistics available upto 31.03.2012, the number of pensioners receiving pension less than Rs. 500/- p.m. is around 12 lakh and those receiving more than Rs. 500 and less than Rs.1000/- is around 16.05 lakh.

(b): A number of representations have been received against meager pension and demanding increase in the pension. In order to address this issue, the Government of India constituted an Expert Committee for reviewing the Employees' Pension Scheme, 1995 on 12.06.2009. The recommendation of the Expert Committee was considered by Pension Implementation Committee (PIC), a sub-Committee of Central Board of Trustees (CBT), Employees' Provident Fund (EPF), 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.

Contd...2/-

(c): Central Government appoints Valuer under Para 32 of the Employees' Pension Scheme, 1995 for annual valuation of Employees' Pension Fund. Depending on the valuation report, the Central Government declared additional relief whenever Pension Fund permitted to do so. From 5th valuation of Employees' Pension Fund as on 31.3.2001, the fund is showing continuous deficit, therefore, pension could not be revised by the Central Government.

However, the following categories of pension were increased w.e.f. 29.01.2000 in the following manner:

Category of Pension	Increased from	Increased to
Widow/Widower Pension	Rs. 250/-	Rs. 450/-
Children Pension	Rs. 115/-	Rs. 150/-
Orphan Pension	Rs. 170/-	Rs. 250/-

(d) & (e): On the basis of the annual valuations carried out by the valuer appointed by the Central Government, the Central Government grants relief to pensioners, if the Employees' Pension Fund shows surplus. The first four valuations showed surplus and accordingly relief of 4%, 5.5%, 4% & 4% was granted during 1996 to 2000. However, no relief has been declared by the Central Government after 31.03.2000 as the fund is showing continuous deficit thereafter.

**GOVERNMENT OF INDIA
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**UNSTARRED QUESTION NO. 4612
TO BE ANSWERED ON 08.05.2013**

INCREASE IN INTEREST RATE ON EPF DEPOSIT

†4612. DR. YOGENDRA P. TRIVEDI:

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

- (a) whether Government is contemplating to increase the interest rate on Employees Provident Fund;**
- (b) if so, by when and the extent thereof; and**
- (c) the details of employees who would be benefited by this?**

ANSWER

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

(a) & (b): The Central Board of Trustees (CBT), Employees' Provident Fund (EPF) in its 201st meeting has recommended 8.5% rate of interest on EPF for the year 2012-13. It is higher as compared to 8.25% declared for the year 2011-12. However, the matter is under consideration of the Government.

(c): This would benefit around 8.55 Crore accounts holder of EPF.
