

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 70
TO BE ANSWERED ON 22.07.2024**

EPF CONTRIBUTIONS

70. SHRI K SUDHAKARAN:

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

- (a) whether the Government has received any petition from Member of Parliament and the Thiruvepathy Mills Employees Joint Action Committee in Kannur regarding the Rs. 44,34,291 demand by the Employees' Provident Fund Organisation (EPFO) for EPF contributions;**
- (b) whether only one-fourth of the legally entitled amount reached the workmen as the first dividend;**
- (c) whether the Assistant Provident Fund Commissioner claims Rs. 1,49,25,709, while the liquidator approved only Rs. 44,34,291 for EPF contributions, leaving the balance amount unsettled;**
- (d) whether the Government proposes to address the concerns of the workmen, given that fulfilling EPFO claims may leave insufficient funds to cover their rightful dues, if so, the steps taken by the Government; and**
- (e) whether there is any consideration for withdrawing or reassessing EPFO's claim in light of Thiruvepathy Mills' status as a sick industry and the potential impact on workmen's demands?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a): Yes Sir.

(b): Does not pertain to EPFO.

(c) to (e): The EPFO filed a claim of Rs 1,49,25,709/- with the official liquidator, out of which an amount of Rs 39,33,799/- was paid by the Official liquidator. Thereafter, a revised claim restricting the interest upto 10.01.2008 was filed for Rs 1,21,65,391.05/-. The Official Liquidator approved and paid an amount of Rs 5,00,492/- of this towards the PF contributions in respect of watch and ward staff.

Contd..2/-

An application dated 10.04.2023 has been received from the Convener Thiruvepathy Mills Joint Action Committee addressed to Central Board of Trustees, requesting to drop the claim under Damages and Interest. In this regard, it is informed that there is no provision for waiving off interest as EPFO is statutorily bound to credit interest, yearly, to the account of its members (employees) notwithstanding the non-payment of dues in time by the employer.

The Kerala High Court in CoAA 15/2014 in CP no.33 of 2001, allowed the claim of the EPFO under Sec.7Q and Sec.14B upholding the priority envisaged under Sec.11(2) of the EPF & MP Act. However, the Official liquidator has not yet paid the interest and damages due.
