

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:5453
ANSWERED ON:02.05.2005
POLICY FOR GRANT OF PENSION BY EPFO
Adhalrao Patil Shri Shivaji

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

- (a) whether the Government has fixed any policy/criteria for grant of family pension by the Employees Provident Fund (EPF) Organisation;
- (b) if so, the details thereof indicating the date on which the policy came into force;
- (c) whether the family pension provided by EPF Organisation to the retired employees as well as legal heirs of the deceased employees of rural banks is very low;
- (d) if so, whether the Government proposes to enhance the amount of family pension provided by EPF Organisation by reviewing the existing policy; and
- (e) if so, by when and if not, the reasons therefor?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

- (a) & (b): Pension to the family on the death of a member is granted in accordance with para 16 of the Employees' Pension Scheme, 1995, which came into force on 16.11.1995.
- (c): No, Sir. The amount of pension to the retired employees as well as family pension to the members of deceased employees of Rural Banks covered under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 is granted in accordance with the provisions of the Employees' Pension Scheme, 1995.
- (d) & (e): There is no proposal under consideration for enhancing the amount of family pension provided by Employees' Provident Fund Organization. In a defined contribution and defined benefit scheme like Employees' Pension Scheme, 1995 any enhancement of benefit should be backed by actuarial valuation of the Scheme on its long term sustainability.