

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

UNSTARRED QUESTION NO:2330
ANSWERED ON:09.08.2010
EPF DEFAULTERS
Rawat Shri Ashok Kumar

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

- (a) the number of units, establishments and employers who defaulted in depositing the provident fund collected from the workers and employees during each of the last three years alongwith the total amount involved therein, separately, State-wise;
- (b) whether the Government has taken any action to recover the amount which was not remitted to the concerned authorities but remained with the defaulters;
- (c) if so, the details thereof alongwith the amount recovered from them during the said period, separately, State-wise and year- wise;
- (d) whether the Government proposes to take stringent action against such defaulters; and
- (e) if so, the details thereof and if not, the reasons therfor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a): The details are given at Annexure-A.

(b): Yes, Madam. The following actions are taken against defaulters:

1. Action under section 7A – quantification of Provident Fund dues and raising demand against defaulters.
2. Action under section 8F prohibiting 3rd parties including bankers against payment due to the defaulter and appropriating it against Provident Fund dues.
3. Recovery action by:
 - (i) Attachment and sale of movable and immovable properties of the defaulting establishments.
 - (ii) Appointment of receiver to run the business of the defaulting establishment.
 - (iii) Arrest and detention of the defaulter.

(c): The details are given at Annexure-A.

(d): Yes, Madam.

(e): The following actions are also initiated against defaulters:

1. Action under section 14 of the Employees' Provident Fund & Miscellaneous Provisions Act, 1952- Prosecution of the defaulters before the courts of law.
2. Action under section 14B-levying damages as penalty – a deterrent action.
3. Prosecution under section 406/409 of IPC- for non-payment of employees' share deducted from the wages but not deposited.
4. Action under section 7Q- levy of interest for belated remittances.