

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

UNSTARRED QUESTION NO:3654

ANSWERED ON:16.08.2010

PF SCAM

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Mahato Shri Narahari; Ray Shri Rudramadhab ; Roy Shri Nripendra Nath

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

- (a) whether a large number of cases of misappropriation of Provident Fund (PF) are coming to the notice of Government during each of the last three years and the current year;
- (b) if so, the details thereof alongwith the amount involved therein, State-wise;
- (c) the number of persons/officials/firms so far booked by Central Bureau of Investigation in these scams during the said period, State-wise;
- (d) whether the Government has no fool-proof system for maintaining and realisation of PF; and
- (e) if so, the reasons therefor and the remedial measures taken or being taken by the Government in this regard?

Answer

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

(a) & (b): 19 cases of misappropriation/evasion of Provident Fund have been reported during the last three years and the current year. The details are given at Annexure – I.

(c): The details are given at Annexure – II.

(d): The Employees' Provident Fund Organisation (EPFO) has a fool proof system for realization and maintaining of Provident Fund. There is a full-fledged Compliance Wing as well as an independent Vigilance Directorate in the Employees Provident Fund Organisation to take action against officers/officials who are found to violate instructions/rules.

The claims of members are being settled as per the provisions of Manual of Accounting Procedure maintained by EPFO. As per the Manual of Accounting Procedure, Over Payment Review Committee (OPRC) is constituted in each region for fixation of responsibility in case of any over payment/fraudulent payments and to have an effective and prompt watch over the regularization of the over-payments/fraudulent payments made, if any.

The Committee is empowered to fix the responsibility of officer(s)/official(s) and the quantum of amounts recoverable for such payments occurred in settlement of claims, sanction of advances, transfer of accounts and compilation of annual accounts from the responsible officers/official.

(e): Does not arise in view of (d) above.