## GOVERNMENT OF INDIA LABOUR AND EMPLOYMENT LOK SABHA

UNSTARRED QUESTION NO:3071 ANSWERED ON:29.11.2010 SETTLEMENT OF INOPERATIVE ACCOUNTS WITH EPF Basavaraj Shri Gangasandra Siddappa;Mani Shri Jose K.

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

(a) whether the Government has any scheme to identify inoperative accounts of Employees Provident Fund (EPF) holders in the country;

(b) if so, the details thereof; and

(c) the number of inoperative account holders submitted their claims and accounts settled during each of the last three years and the current year, State-wise?

## Answer

## MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a): Yes, Madam.

(b); Inoperative accounts holders are identified based on the provisions of para 72(6) of the Employees` Provident Fund Scheme, 1952 which states:

Any amount becoming due to a member as a result of: (i) supplementary contribution from the employer in respect of leave wages/arrears of pay, installment of arrear contribution received in respect of a member whose claim has been settled on account but which could not be remitted for want of latest address, or (ii) accumulation in respect of any member who has either ceased to be employed or died, but no claim has been preferred within a period of three years from the date it becomes payable, or if any amount remitted to a person, is received back undelivered, and it is not claimed again within a period of three years from the date it becomes payable, shall be transferred to an account to be called the [Inoperative Account]:

However, the Central Board of Trustees, EPF in its 190th meeting held on 15.09.2010 has approved the amendment of the above provision. The proposed amendment provision is given below:

Inoperative accounts holders are identified based on the provisions of Para 72(6) (ii) of the EPF Scheme 1952 which states:

`accumulation in respect of any member who has either ceased to be employed or died, but no claim has been preferred within a period of 36 months from the date it becomes payable, or if any amount remitted to a person, is received back undelivered, and is not claimed again within a period of 36 months from the date it becomes payable, shall be transferred to an account to be called the [`Inoperative Account`]`.

Further, interest shall not be credited to the account of a member from the first day of it becoming inoperative.

(c): The data regarding number of claims received against inoperative accounts and settled are not maintained separately.