

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

UNSTARRED QUESTION NO:4359

ANSWERED ON:29.08.2011

DELAY IN PF RETURNS

Bhujbal Shri Sameer ;Das Gupta Shri Gurudas;Dhruvanarayana Shri R.

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

- (a) whether the management of various companies are not submitting their PF returns in time due to which the workers become the victims as they do not receive the receipt for the contributions;
- (b) if so, the details thereof alongwith the action taken against the erring companies;
- (c) the details of complaints received by the Government on inordinate delay in EPF distribution to beneficiary families;
- (d) the reasons for continuing with a higher rate of interest on the PPF under EPFO; and
- (e) whether the Government plans to decrease the rate of interest on PPF and if so, the details thereof?

Answer

MINISTER OF LABOUR AND EMPLOYMENT(SHRI MALLIKARJUN KHARGE)

(a): Yes, Madam. As per the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, it is mandatory for the establishments covered under the Act to submit the Provident Fund returns as per the time stipulated in this respect. However, there are cases where the management of various companies do not submit returns or submit the returns after due dates. As a result, the workers become victims as they do not get up-to-date statement of their Provident Fund accounts in the form of account slips in time.

(b): The details are given at Annexure-I. As per section 14(2) of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 read with para 76 of the Employees' Provident Fund Scheme, 1952 default in submission of return is a punishable offence and liable for prosecution. The number of prosecution cases filed against chronic defaulting establishments including non-submission of returns are mentioned in Annexure-II.

(c): During the year 2010-11, 1,56,578 complaints were received of which 1,38,745 complaints were disposed off.

(d) & (e): The Employees' Provident Fund Organisation deals with the Employees Provident Fund (EPF) and not PPF. Rate of interest is declared on the basis of earnings and balance available in the Interest Suspense Account. Since balance in the Interest Suspense Account was sufficient to allow 9.5 percent rate of interest, hence 9.5 percent rate of interest was declared for the year 2010-11.