

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

UNSTARRED QUESTION NO:1608

ANSWERED ON:03.12.2012

PENDING CASES IN EPF SETTLEMENT

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

- (a) whether a large number of Provident Fund cases have been awaiting settlement and facing innumerable problems in their settlement;
- (b) if so, the details thereof;
- (c) the number of cases pending for settlement and the obstacles being faced in the settlement;
- (d) whether the Government has issued any guidelines for sorting out the problems faced by the employees;
- (e) if so, the details in this regard; and
- (f) the action taken by the Government for the speedy disposal of such pending claims along with the outcome thereof?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) to (c): As on 27.11.2012 (From 01.04.2012 to 27.11.2012 during the year 2012-13), out of 100.22 Lakh claims received for settlement, a total of 6.13 Lakh claims are pending for settlement.

The problems faced in settlement of pending cases are as under:

- (i) Incomplete claims (No Bank account number, incomplete employment (details)
- (ii) Incorrect claims (incorrect P.F. A/C No.)
- (iii) Unattested claims
- (iv) Unsigned claims
- (v) Default by employer in terms of remittances.

Apart from above, as per the provisions contained in para 72(7) of the EPF Scheme 1952, all claims found in order are to be settled within 30 days. Therefore, at any given point of time, fresh receipt upto 30 days may be pending. As such, out of total receipt, 8.33% claims may be pending which has been received in the last 30 days. Hence, at any given point of time, pendency of claims may not be zero. However, claims which are pending during 30 days are settled in the same or subsequent cycle of settlement.

(d) & â,¬: Employees of the covered establishments are guided through printed brochure, seminar & training of the employers for submitting error free claims.

(f): In the recent past, following measures were taken to reduce the pendency of claims inter-alia including the following:

- # A provision for ECR (Electronic Challan-cum-Return) has been made for the employers to file their return electronically. This has facilitated to speed up the process of updation of members' accounts on monthly basis.
- # National Electronic Fund Transfer (NEFT) has been introduced to expedite the process of settlement of claims.
- # Process of settlement has been simplified.
- # Stages for approval of settlement have been reduced from 3 stages to 2 stages.
- # Monitoring of settlement is being done by the RPFC-Incharge as well as at Head Office.
- # All the field offices have been directed to review the position of pendency and to take all efforts to settle claims within 30 days. With the above efforts, the pendency ratio has been brought down to 6.11% compared to the normal 8.33%.