

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

UNSTARRED QUESTION NO:927

ANSWERED ON:02.03.2015

DEFICIT IN PENSION SCHEME

Adsul Shri Anandrao ;Patil Shri Shivaji Adhalrao;Yadav Shri Dharmendra;Yeddyurappa Shri B. S.

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

- (a) whether findings of the latest valuation report of the pension scheme managed for Employees Provident Fund (EPF) subscribers show huge losses;
- (b) if so, the details thereof;
- (c) whether the aforesaid deficit is beyond the manageable limit;
- (d) if so, whether the Government has set up any review committee to find out the causes for such heavy losses and if so, the details thereof;
- (e) whether the Government has decided to review the norms for investment made in this regard; and
- (f) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT (SHRI BANDARU DATTATREYA)

- (a) & (b): The Employees' Pension Scheme (EPS), 1995 is valued as per actuarial principles every year by the Central Government. The Actuarial Deficit of the EPS as on valuation date 31.03.2014 is reported as Rs.7832.74 crore.
- (c): As per the actuarial valuation report as on valuation date 31.03.2014, the deficit of Rs.7832.74 crore in terms of present value is less than 2.50% of the total liability and is not a matter of concern.
- (d): Does not arise in view of reply to part (c) of the Question above.
- (e) & (f): Ministry of Finance reviews the investment norms from time to time.