

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

UNSTARRED QUESTION NO:982  
ANSWERED ON:02.03.2015  
VIOLATION OF EPF ACT  
Kothapalli Smt. Geetha

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

- (a) whether hundreds of private placement agencies have violated the provisions of Employees` Provident Funds and Miscellaneous Provisions Act, 1952;
- (b) if so, the details thereof, State/UT-wise and the action taken against such private placement agencies so far; and
- (c) the steps being taken to strictly implement the rules and regulations and other Acts in this regard?

**Answer**

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

(a): Instances have come to the notice of Employees Provident Fund Organisation where private placement agencies have violated the provisions of Employees` Provident Funds and Miscellaneous Provisions Act, 1952.

(b): As there is no separate schedule head or class of establishment as "Placement Agencies" in Employees` Provident Funds and Miscellaneous Provisions Act, 1952, there is no specific data available with Employees Provident Fund Organisation regarding such violation.

(c): In case of violation of provisions of Employees` Provident Funds and Miscellaneous Provisions Act, 1952 and the Schemes framed thereunder, the following actions are taken against the erring placement agencies.

- i. Inspection of the erring establishments is conducted by inspectors appointed under Section 13 of the Act.
- ii. Action under Section 7A Employees Provident Funds & Miscellaneous Provisions Act, 1952 is taken against the defaulting establishments for assessment of dues.
- iii. Action under Section 14B of the Act is taken for levying of damages for belatedly deposit of dues.
- iv. Action under Section 7Q of the Act is taken for levy of interest for belated remittances.
- v. Recovery actions as provided under Section 8B to 8G of the Act are taken.
- vi. Action under Section 14 of the Act is taken for filing of prosecution against the defaulters before the competent court of law.

Action under Section 406/409 of IPC is taken against the employer for non-payment of employees' share of contribution deducted from the wages / salary of the employees but not deposited in the fund.