

**GOVERNMENT OF INDIA
LABOUR
LOK SABHA**

UNSTARRED QUESTION NO:1109

ANSWERED ON:28.07.2003

EPF DEFAULTERS

ASHOK KUMAR SINGH CHANDEL;AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO;M.V.V.S MURTHI;PRAKASH V. PATIL;PUTTASWAMY GOWDA;RAMJI MANJHI;SHEESH RAM SINGH RAVI;SUDHA YADAV;VIJAY KUMAR KHANDELWAL

Will the Minister of LABOUR be pleased to state:

(a) whether the details of companies/corporations/undertakings, both public and private in the country who have defaulted in payment of their shares in Employees Provident Fund (EPF) during the last three years and thereafter year-wise and State-wise;

(b) the reasons for such defaulting;

(c) the extent of gap between default and recovery recording during the above period;

(d) the details of companies/corporations/undertakings whose assets have been auctioned by the Government to realise the EPF amount dues during the above period;

(e) the procedure adopted by the Government to appoint Valuers before auctioning the assets;

(f) whether the Government provide adequate time to the defaulters to clear their dues;

(g) if so, the details thereof;

(h) whether the Government propose to formulate a concrete policy in future to get the PF deposited in time; and

(i) if so, the details thereof?

Answer

MINISTER OF STATE FOR LABOUR AND PARLIAMENTARY AFFAIRS (SHRI SANTOSH GANGWAR)

(a): The details are provided at Annexure-A.

(b): The reasons for default include- economic recession, financial constraints, sickness of industry, stays by courts, liquidation, closure as well as wilful default on the part of the employer.

(c): The extent of gap between default and recovery is given at Annexure-B.

(d): The details are provided at Annexure- C.

(e): The Employees` Provident Fund Organisation does not appoint any valuer. Instead, the services of valuers approved by various departments of the Government are taken as and when required.

(f) & (g): Yes, Sir. After quantification of dues under Section 7A and 14B of the Employees Provident Funds & Miscellaneous Provisions Act, 1952 a notice of 15 days is given to defaulters. In case of non-remittance of dues within the financial year, Recovery Certificates are issued in respect of the outstanding dues. On every Recovery Certificate, the recovery officer issues a demand notice, allowing an additional notice period of 15 days for remittance of dues. Coercive actions are only initiated subsequently. Besides, in deserving cases, instalment facility is also provided.

(h) & (i): Yes, Sir. The Employees` Provident Fund Organisation has already launched a re-engineering program, which covers recovery. Monthly default is monitored through an IT assisted program called the `Computerised Compliance Tracking System` (CCTS).

ANNEXURE A

Region 2000-2001 2001-2002 2002-2003 as on 30.6.2003

Public	Private	Public	Private	Public	Private
Sector	Sector	Sector	Sector	Sector	Sector

Estt.	Amt	Estt.	Amt	Estt.	Amt	Estt.	Amt	Estt.	Amt	Estt.	Amt	Estt.	Amt
-------	-----	-------	-----	-------	-----	-------	-----	-------	-----	-------	-----	-------	-----

Andhra Pradesh	44	3246.96	3377	2991.65	45	2231.97	2842	5404.67	52	4101.74	1330	6079.50	52	4101.74	1345	7696.46
Bihar	78	5772.36	689	1188.15	28	3779.08	286	931.19	32	4410.94	42	257.14	6	500.57	114	1015.63
Chattisgarh	0	0.00	0	0.00	3	1152.10	321	380.00	3	1105.65	222	302.25	3	1105.65	400	357.94
Delhi	1	390.27	278	971.39	2	148.14	401	1562.37	1	35.43	311	2269.39	1	179.52	890	2071.90
Goa	0	0.00	0	0.00	0	0.00	48	144.29	0	0.00	84	174.63	0	0.00	90	187.18

Gujarat	26	1381.97	1116	2935.70	26	1424.46	2043	4447.85	24	882.22	2145	3637.22	24	882.22	2048	4483.03
Himachal Pra.	6	22.43	128	282.17	4	22.40	131	494.90	2	18.67	136	357.51	2	18.67	124	588.07
Haryana	16	4823.96	1058	2188.52	18	2601.13	998	4840.15	5	1300.78	1035	4975.64	5	1300.78	984	6214.38
Jharkhand	0	0.00	0	0.00	9	2830.98	337	533.02	8	3004.70	123	666.29	2	120.01	46	197.80
Karnataka	14	3841.86	762	2790.35	31	3836.72	405	2294.50	30	2440.55	1288	6515.05	30	2440.55	769	6650.88
Kerala	36	786.82	1347	2991.36	51	776.35	1666	4438.76	40	1069.47	3336	5645.60	19	152.08	4755	1185.15
Madhya Pradesh	354	6911.67	1654	4298.37	24	2148.85	1913	11099.56	46	6379.98	1846	2943.25	46	6379.98	1142	2608.29
Maharashtra	30	3246.56	1790	7423.15	270	6318.39	1174	3977.52	46	5321.24	2130	13051.65	30	5347.77	2171	15523.31
N-E Region	42	3409.66	319	222.92	77	3387.73	172	510.85	35	2539.53	271	722.74	31	2865.84	374	758.13
Orissa	359	3778.33	970	1496.78	342	5026.91	916	2466.61	124	3900.04	1093	3264.54	13	255.90	26	158.98
Punjab	71	1228.66	1489	1062.23	120	1243.24	2847	1645.59	23	691.65	1910	2722.26	30	691.65	646	3040.18
Rajasthan	9	2289.35	1323	1511.83	9	2298.74	1272	1691.20	13	1436.93	1369	1505.52	13	1218.19	1647	1691.38
Tamil Nadu	669	1018.02	6380	6048.80	53	768.51	7816	9180.62	31	1059.84	6258	11036.12	61	665.69	11395	12898.70
Uttar Pradesh	228	2742.16	1155	4192.57	216	3548.91	2984	3593.65	98	7022.18	2322	4690.22	98	7022.18	2436	4911.18
Uttaranchal	0	0.00	0	0.00	38	366.75	68	394.83	22	992.16	59	149.76	22	812.45	61	150.31
West Bengal	95	23317.90	294	7604.90	169	12038.27	1347	17642.32	68	14213.93	1764	18285.29	68	14213.93	1847	28702.65

2078 68208.94 24129 50200.84 1535 55949.63 29987 77674.45 703 61927.63 29074 89251.57 556 50275.37 33310 101091.53

Annexure- B

COMPARATIVE RECOVERY POSITION FOR THE LAST THREE YEARS

(Rs. in crores)

Year	Total	Default	Recovery made	Gap between default and recovery@
------	-------	---------	---------------	-----------------------------------

2000-2001	1981.08	796.98	1184.10
2001-2002	2194.77	858.53	1336.24
2002-2003	2397.77	885.99	1511.79

1.4.2003 to 30.6.2003## 1741.60 227.93 1513.67

@ Demands not immediately realizable because of stay by courts, sickness of industry (BIFR), liquidation of establishments etc.

Provisional Figures

Annexure- C

Region	Name of the estt.	Amount realized	Date of auction
	(Rs. in lakhs)		

Karnataka	Samrat Ashok Exports Ltd., Bangalore	150.00	28.3.2001
Kerala	Apple Photo Beedi, Palakkad	6.71	1.6.2001
Maharashtra	ATV Projects India Ltd.	0.44	30.4.2003
Orissa	Chhotelal Kumbhar	0.59	8.7.2003
Punjab	Mianji Steel (P) Ltd.	1.35	3.12.2002
Tamil Nadu	Ganesh CNC	0.05	22.10.2001
	Iggi Resorts International, Chennai	0.37	8.7.2002
	Chemtech Engg. Pvt. Ltd., Chennai	5.72	10.10.2000 & 18.2.02

West Bengal	Grand Azad Hind Transport Pvt. Ltd., Kolkata	3.60	2.3.2000 & 25.10.2000
	Ancillary Suppliers, 24, Parganas	21.51	25.10.2000
	Angus Co. Ltd., Kolkata	10.38	25.6.2001
	Samnuggur Jute Factory Plc., Kolkata	86.25	20.8.2001
	Victoria Jute Co. Ltd., Kolkata	67.38	20.8.2001
	Diamond Lifter Pvt. Ltd., Kolkata	2.83	11.10.2001
	Central Inland Water Transport Co.Ltd.,Kolkata	21.00	11.10.2001

TOTAL 378.18