

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

UNSTARRED QUESTION NO:4509

ANSWERED ON:25.04.2005

UNCLAIMED INOPERATIVE ACCOUNTS OF EPF

Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Singh Shri Kirti Vardhan;Yerrannaidu Shri Kinjarapu

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

- (a) the total amount lying in inoperative accounts of Employees` Provident Fund (EPF) as on March 31, 2005 i.e. accounts in which no contribution have been received since March 31, 2004 alongwith the number of workers involved therein;
- (b) the total amount lying in Unclaimed Accounts of EPF as on March 31, 2005, State-wise;
- (c) whether the Government has found out the reasons for unclaiming of EPF amount;
- (d) if so, the details thereof alongwith the action being taken/proposed to be taken in this regard;
- (e) whether the Government has any plan to arrest the growth of Unclaimed Accounts and inoperative accounts and to return the thousands of crores of rupees to poor workers and not misappropriate the same; and
- (f) if so, the details thereof?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

(a) &(b): The amount lying in Unclaimed Deposit Accounts as on March 2005 will be known only after compilation of Final Accounts i.e. by 30.06.2005. However, the figure as on 31.03.2004 stands at Rs.942.95 crore (un-audited).

(c): The reasons responsible for Unclaimed Deposits are:

- Non-availability of the latest address of the employees.
- Desire to earn more returns on Provident Fund accumulations.
- Multiple accounts of a member.
- Non-submission of claims for transfer/final settlement.

(d): Employees` Provident Fund Organisation under the `Re-inventing EPF India` Project has initiated allotment of nationally unique social security number to the members. This will enable the members who are having more than one accounts scattered in different places to merge into one account and thus the un-claimed deposit account will be drastically reduced.

Efforts are regularly made by Employees` Provident Fund Organisation for tracing the whereabouts of the beneficiaries through advertisements in newspapers, Trade Unions and the Employers. A special drive was launched by EPFO to settle the unclaimed deposit accounts on top priority and to reduce the multiple accounts of single member by way of balance transfer to his running account.

(e) & (f): As per the provision contained in Employees` Provident Fund Scheme, 1952, the money lying in Unclaimed Deposit Account cannot be utilised by Employees` Provident Fund Organisation except for payment to the concerned members or other eligible persons after his death. The Government cannot utilise the amount lying in Unclaimed Deposits as this is a liability and Employees` Provident Fund Organisation is legally bound to repay the same alongwith the interest due, as and when any claim is preferred for settlement. However, to get the claim settled, the member concerned or other eligible persons have to file/prefer the claim for settlement.