

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 2506
TO BE ANSWERED ON 10.08.2023**

EPF SCHEME FOR INFORMAL SECTOR

2506. SHRI RYAGA KRISHNAIAH:

Will the Minister of Labour and Employment be pleased to state:

- (a) whether the Social Security Code maintains that the Employees' Provident Fund (EPF) Scheme will remain applicable, as before, to every establishment in which 20 or more employees are employed;**
- (b) whether this means that for informal sector workers, access to employees' provident fund remains unfulfilled too in the new code; and**
- (c) if so, the steps taken by Government to redress this and to ensure the financial security of workers in the informal sector?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) to (c): The Code on Social Security, 2020 (the Code) envisages social security benefits through formulation of schemes for gig and platform workers which can be implemented through Employees' Provident Fund Organisation (EPFO) and Employees' State Insurance Corporation (ESIC) which hitherto provides social security benefits to organised sector workers. As per sub-section (4) of section 1 read with the First Schedule of the Code, EPF is applicable to every establishment in which 20 or more employees are employed. However, under section 152 of the Code, the Central Government is empowered to amend the First Schedule by way of addition or deletion therein if it is necessary or expedient so to do. This provision was not provided in the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Further, sub-section (5) of Section 1 of the Code provides that where it appears to the Central Provident Fund Commissioner, whether on an application made to him by the employer of an establishment or otherwise, that the employer and majority of employees of that establishment have agreed that the provisions of Chapter III (EPF) of the Code should be made applicable to that establishment, he may, by notification, apply the provisions of the said Chapter to that establishment on and from the date of such agreement or from any subsequent date specified in the agreement.
