

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT**

LOK SABHA

**UNSTARRED QUESTION NO. 240
TO BE ANSWERED ON 18.12.2017**

INOPERATIVE ACCOUNTS

240. SHRI K. PARASURAMAN:

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

- (a) the details about the total number of EPF unclaimed accounts cleared by the Government during the last three years, State/UT-wise;**
- (b) whether the Government provides interest to the inoperative account and if so, the details thereof;**
- (c) whether the Government proposes to divert the corpus of EPF accounts which are inoperative for a long period; and**
- (d) if so, the details thereof?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a) & (b): Unclaimed amount is not defined in Employees' Provident Funds (EPF) Scheme, 1952. As such, no unclaimed account has been cleared by the Employees' Provident Fund Organization (EPFO).

As per paragraph 60(6) of EPF Scheme, 1952, interest shall not be credited to the account of a member from the date on which it has become Inoperative account under paragraph 72(6) of EPF Scheme, 1952.

Contd..2/-

However, the Central Government vide Notification No. G.S.R. 1065 (E) dated 11th November, 2016 has amended paragraph 72(6) of the EPF Scheme, 1952 wherein changes have been made in the conditions leading to a Provident Fund account becoming an Inoperative Account. After implementation of the amended provision, an account becomes inoperative if no claim has been preferred by the member after 36 months from the date of attaining the age of 55 years/actual date of retirement, whichever is later.

(c) & (d): The Finance Act, 2015 has established the 'Senior Citizens Welfare Fund' to be funded from any credit balance remaining unclaimed for a period of seven years from the date of declaration as an inoperative account under the Small Savings, Public Provident Fund or any other schemes as may be prescribed. The corpus identified under this Act by EPFO and transferred to Senior Citizens' Welfare Fund will be used for the pensioners of Employees' Pension Scheme (EPS), 1995.
