

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

**UNSTARRED QUESTION NO. 4875  
TO BE ANSWERED ON 26.03.2018**

**MODIFICATIONS IN EPFO RULES**

**4875. SHRI M.B. RAJESH:**

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

- (a) whether any changes or modifications have been made in the Employees Provident Fund Organisation (EPFO) Rules during the last two years;**
- (b) if so, the details thereof;**
- (c) the details of the newly included conditions by EPFO for getting pension for an EPF member; and**
- (d) whether the option for return of capital is available thereunder and if so, the details thereof and if not, the reasons therefor?**

**ANSWER**

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

**(a) & (b): The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social security legislation to provide for the institution of provident funds, pension fund and deposit-linked insurance fund and is applicable to establishments which belong to industries and classes of establishments listed in Schedule-I and where number of employees is 20 or more. The three Schemes framed under the said Act include (a) The Employees' Provident Funds (EPF) Scheme, 1952; (b) The Employees' Pension Scheme (EPS), 1995; and (c) The Employees' Deposit-Linked Insurance (EDLI) Scheme, 1976.**

**Contd..2/-**

**The major changes or modifications made in the above three Schemes during the last two years viz. 2016 and 2017, inter-alia, include:**

- **enhancement of the maximum assurance benefit under EDLI Scheme, 1976 in the event of death from Rs.3.60 lakh to Rs.6.00 lakh;**
- **limiting the liability of the Pension Fund in the event of death of a member in respect of whom no contribution is received for a period of 36 months;**
- **amendment in 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;**
- **launching of ‘Employees’ Enrolment Campaign 2017’;**
- **provision for allowing private sector banks to collect contribution from employers under the Schemes;**
- **reduction in administrative charges under EPF Scheme, 1952 from 0.85 per cent. to 0.65 per cent. of the wages, etc.**

**(c): Membership under the EPS, 1995 in case of new entrants after 1.9.2014 has been made applicable where the pay is less than or equal to Rs.15,000/- only. Existing members who were contributing on higher wages to the Pension Fund as on 1.9.2014 were allowed option to continue to contribute on higher wages after 1.9.2014 provided they contribute @ 1.16 per cent. on salary exceeding Rs.15,000/-, as an additional contribution. The fresh option was to be exercised within a period of six months from 1<sup>st</sup> September, 2014, extendable further for a period not exceeding six months.**

**The pensionable salary shall be the average monthly pay of sixty months preceding the date of exit from the membership of the Pension Fund instead of 12 months, with effect from 01.09.2014.**

**(d): The provision for return of capital has been deleted from the EPS, 1995 with effect from 26.9.2008.**

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