GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT

LOK SABHA

UNSTARRED QUESTION NO. 146 TO BE ANSWERED ON 04.02.2019

CHANGE IN THE RULES FOR WITHDRAWALS FROM PF

146. DR. P. VENUGOPAL:

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

- (a)whether the Employees Provident Fund Organization (EPFO) has given/proposes to give its members an option to withdraw 75 per cent of their funds after one month of unemployment and keep their PF account with the EPFO and if so, the details thereof;
- (b)whether the EPFO has changed/proposes to change the rules to make withdrawals easier; and
- (c)if so, the details thereof?

ANSWER

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

(a): Yes, Madam. The Government vide Notification No. G.S.R.1182(E) dated 6th December, 2018 has amended the Employees' Provident Funds (Amendment) Scheme, 2018 by inserting paragraph 68HH which permits a member on ceasing to be an employee in any factory or establishment, a non-refundable advance upto 75 per cent of the total provident fund standing to his credit, if he has not been employed for 30 days. Such a subscriber would continue to be a member of Employees' Provident Funds (EPF) Scheme, 1952 without closing the Provident Fund (PF) account. Further, it would enable a member to avail pensionary benefits. Thus, an additional social security cover has been provided to the EPF subscribers.

Contd..2/-

The newly inserted paragraph is, in addition to, paragraph 69(2) of EPF Scheme, 1952 by way of which an employee may withdraw full amounts standing to his credit provided he has not been employed for a continuous period of not less than two months immediately preceding the date on which he makes an application for withdrawal.

(b) & (c): The following initiatives have been introduced to make withdrawals easier:-

- i) Employees' Provident Fund Organisation (EPFO) has allotted a twelve digit permanent number to its members called Universal Account Numbers (UAN). This UAN will help consolidation of previous PF accounts and portability in case of change of employment. A single page Composite Claim Form (CCF) has been introduced for withdrawals by replacing the erstwhile multiple Claim Forms No. 19, 10C and 31.
- ii) A member is no longer required to submit documents e.g. Medical Certificate and may only self-certify to avail withdrawals. The requirement to affix revenue stamp on claim forms has been done away with.
- iii) Online Transfer Claim Portal (OTCP) has been introduced to facilitate seamless transfer of claims.
- iv) The entire payment to subscribers is done electronically through National Electronic Funds Transfer (NEFT) system.

The subscribers have been given an option to submit claims through online mode. The services of EPFO for subscribers have also been integrated and offered through UMANG application of Government of India.

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