

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 2024  
TO BE ANSWERED ON 14.03.2022**

**CONTRIBUTION OF EMPLOYEES AND EPF**

**† 2024. SHRI NIHAL CHAND:**

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

- (a) the details of the contribution of basic salary of employees under the Employees Provident Fund as prescribed by the Government;**
- (b) whether the Government proposes to bring any change in the said contribution, if so, the details thereof;**
- (c) the details of benefits provided to the employees through EPF Scheme at present by the Government; and**
- (d) whether the Government proposes to provide better facilities to employees, if so, the details thereof?**

**ANSWER**

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

**(a): Under the Employees' Provident Fund (EPF) Scheme, 1952, an employee of any covered establishment drawing monthly wages up to Rs. 15,000 is statutorily required to join the fund and to contribute 12% of wages, which includes basic wages, dearness allowance and retaining allowance, if any.**

**(b): The Code on Social Security, 2020 (36 of 2020), was notified on 29.09.2020, which subsumes 9 Central labours laws including the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. There is a provision under section 16 of the said Code which enables the Central Government to prescribe, by notification, different rates of employees' contribution for specified period for any class of employee. However, the said Code has not yet come into force.**

**Contd..2/-**

**(c) & (d): A member of the EPF Scheme, 1952 is entitled to the benefit of withdrawal and advance from the EPF as per the provisions contained in the said scheme. Further, the Scheme was amended in March, 2020 by inserting the provision for allowing non-refundable advance to EPF members during Pandemic / Epidemic. This provision allowed EPF members to avail advance from their EPF account to the extent of 75 per cent of their balance or three-month wages whichever is less. The EPF members who have already availed the first COVID-19 advance can also opt for a second advance. A member is also entitled for credit of interest on his/her PF accumulations each year.**

**The steps being taken by the Employees' Provident Fund Organisation (EPFO) for providing faster settlement of all types of PF claims are as under:**

- I. Allocation of Universal Account Numbers (UAN) to members of PF for consolidation of previous PF accounts and portability in case of change of employment.**
- II. Online Transfer Claim Portal (OTCP) has been introduced to facilitate seamless transfer of claims.**
- III. The facility for submission of claim forms through online mode has been introduced for those subscribers who have seeded their KYCs against the UAN.**
- IV. The services of EPFO for employees have also been integrated and offered through the Unified Mobile Application for New-age Governance (UMANG) Application, which enables a member to access his passbook, track the status of his claim, submit online claim form, etc.**
- V. A single-page Composite Claim Form has been introduced by replacing the erstwhile multiple Claim Forms for withdrawals.**
- VI. A member is no longer required to submit documents e.g. medical certificate and may only self-certify to avail withdrawals.**
- VII. The entire payment to subscribers is done electronically through National Electronic Funds Transfer (NEFT) system.**

**The provisions relating to facilities to the employees covered under EPFO are determined by the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the schemes framed thereunder and their betterment is an ongoing exercise.**