

Item No. 1: Confirmation of minutes of the 220th meeting of the Central Board (EPF) held on 21.02.2018.

1. The minutes of the 220th meeting of the Central Board (EPF) held on 21.02.2018 were circulated to all the members vide EPFO letter dated 05.03.2018.
2. The minutes of the 220th meeting of the Central Board (EPF) as approved by the Chairman, CBT (**Annexure-1A**) are placed for confirmation by the Board.

Proposal: The minutes of the 220th meeting of the Central Board (EPF) as approved by the Chairman are placed for confirmation by the Board.

Website
Speed Post

दूरभाष: 011-26186517

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EMPLOYEES' PROVIDENT FUND ORGANISATION
MINISTRY OF LABOUR AND EMPLOYMENT, GOVERNMENT OF INDIA
मुख्य कार्यालय/Head Office
भविष्य निधि भवन, 14, भीकाजी कामा प्लेस नई दिल्ली 110066-
Bhavishya Nidhi Bhawan , 14, Bhikaji Cama Place, New Delhi -110066
www.epfindia.gov.in, www.epfindia.nic.in

No. Conf.1(1)/220th CBT(EPF)/2018

Dated: 05.03.2018

To,

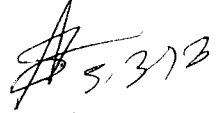
20620
All Members,
Central Board of Trustees (EPF),
(As per list).

Sub: Forwarding of minutes of the 220th meeting of the Central Board of Trustees, (EPF), held on 21.02.2018 - reg.

Sir/Madam,

I am directed to forward herewith the minutes of the 220th meeting of the Central Board of Trustees, (EPF), held on 21.02.2018, duly approved by the Chairman, Central Board (EPF) for kind perusal.

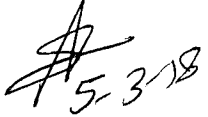
Yours faithfully,


(Amiya Kant)

Regional PF Commissioner-I (Conference)

Copy to:

- i) PS to MoL&E (I/C) for kind information.
- ii) Internal Circulation:- CVO, FA & CAO, ACC (HQ) SKT, ACC (HQ) KVS, ACC (HQ) KLT, ACC (HQ) KLG, All Addl.CPFCs, EPF Headquarters.
- iii) PPS to Central Provident Fund Commissioner, Head Office, New Delhi.
- iv) Under Secretary (SS-II), Ministry of Labour & Employment, New Delhi.
- v) RPFC (NDC) with the request to facilitate upload on the EPFO's Website.
- vi) Deputy Director (OL) – for Hindi Version.
- vii) Guard File.


5.3.18

(Amiya Kant)
Regional PF Commissioner-I (Conference)

EMPLOYEES' PROVIDENT FUND ORGANISATION
MINUTES OF THE 220th CBT MEETING
(DELHI, 21st FEBRUARY, 2018 AT 03:00 PM)

The 220th meeting of the Central Board of Trustees, Employees' Provident Fund was held under the Chairmanship of Hon'ble Shri Santosh Kumar Gangwar, Chairman, Central Board of Trustees, Employees' Provident Fund and Minister of Labour and Employment.

Following members attended the meeting:-

1.	Ms. M. Sathiyavathy, Secretary, Ministry of Labour & Employment	VICE CHAIRPERSON
2.	Shri Heera Lal Samariya, Addl. Secretary, Ministry of Labour & Employment	CENTRAL GOVERNMENT REPRESENTATIVES
3.	Shri Arun Goel, Addl. Secretary & Financial Advisor, Ministry of Labour & Employment	
4.	Shri B.P. Pant	EMPLOYERS' REPRESENTATIVES
5.	Shri Ravi Wig	
6.	Dr. S.S. Patil	
7.	Shri Sushanta Sen	
8.	Shri K.V. Sekhar Raju	
9.	Sh. Vijay Padate	
10.	Shri U.D. Choubey	
11.	Shri G. P. Srivastava	
12.	Shri A.D. Nagpal	
13.	Shri Sankar Saha	
14.	Shri Ashok Singh	
15.	Shri A.K. Padmanabhan	
16.	Shri Virjesh Upadhyay	
17.	Shri P.J. Banasure	
18.	Shri Ramen Pandey	
19.	Shri Ramendra Kumar	
20.	Shri M.J. Rao	
21.	Dr. G. Sanjeeva Reddy	
22.	Shri D. Lal, Addl. Secretary (Labour), Govt. of Kerala.	STATE GOVERNMENT REPRESENTATIVES
23.	Shri P. Marimuthu, Addl. Labour Commissioner, Tamil Nadu.	
24.	Shri R. P. Rana, Deputy Labour Commissioner, Himachal Pradesh.	
25.	Shri U. K. Sinha, Deputy Labour Commissioner, NCT of Delhi.	
26.	Shri. Naresh Narwal, Addl. Labour Commissioner, Haryana.	
27.	Shri H. C. Singh, Asst. Labour Commissioner, Uttar Pradesh.	

28.	Shri J. P. Singh, Asst. Labour Commissioner, Punjab	
29.	Dr. V.P. Joy, Central PF Commissioner	MEMBER SECRETARY

Following members could not attend and were granted leave of absence:-

1.	Director General, Labour Welfare	CENTRAL GOVERNMENT REPRESENTATIVES
2.	Joint Secretary, Ministry of Finance	
3.	Joint Secretary, Ministry of Labour & Employment	
4.	Shri J.P. Chowdhary	EMPLOYERS' REPRESENTATIVES
5.	Shri Bala subrahmanyam Kamarsu	STATE GOVERNMENT REPRESENTATIVES
6.	Principal Secretary (Labour), Andhra Pradesh	
7.	Principal Secretary (Labour), Chhattisgarh	
8.	Principal Secretary (Labour), Madhya Pradesh	
9.	Principal Secretary (Labour), Karnataka	
10.	Principal Secretary (Labour), Gujarat	
11.	Principal Secretary (Labour), Rajasthan	
12.	Principal Secretary (Labour), Maharashtra	
13.	Principal Secretary (Labour), West Bengal	

The list of officers who attended the meeting is appended as **Annexure A** to the minutes.

CPFC welcomed the Chairman, the Vice-Chairperson and all the members. He said that it is an important meeting as items related to approval of budget and declaration of rate of interest are included in the agenda. CPFC requested the Chairman to give his preliminary remarks and launch the following facilities:

1. Online Nomination (e-Nomination), Linking of UAN with AADHAAR through UMANG APP and
2. Online linking of UAN with AADHAAR in EKYC PORTAL using Bio-metric credentials.

The Chairman launched the above mentioned facilities and gave a brief overview of the agenda items to be discussed during the meeting.

Shri A. D. Nagpal said that item for annual report has not been included in the Agenda whereas Annual Report should be placed before the Parliament in December itself.

Shri M. J. Rao said that CBT should take decisions in the interest of employees. He said that some of the earlier decisions taken by CBT in the interest of employees have not been implemented. He said that CBT had given approval in the year 2008 to reduce the threshold of coverage under EPF & MP Act from 20 employees to 10 employees. However, this is yet to be implemented by the Government. He said that the proposal to extend social security benefits to Asha and Aanganwadi Workers was approved by CBT in the meeting held on 31.03.2017 but it is yet to be implemented.

Shri Ashok Singh intervened and requested the chairman to conduct the meeting as per agenda items and the members may speak on the issues related to the items being discussed.

Shri A. K. Padhmanabhan said that there are reports in the media that data of subscribers of EPFO has been made available to some researchers. He asked as to how the data was made available to them. He said that in the 219th meeting of CBT, it was decided that the 220th meeting of CBT would be held in December, 2017 but the meeting was not held.

Shri Sushanta Sen said that a note elaborating the pros and cons on the issue of pension on higher wages should be circulated.

Shri Ramen Pandey said that the stance of EPFO to be presented before the Supreme Court should be considered and decided by the CBT. Dr. G. Sanjeeva Reddy said that the CBT should discuss the issues in detail and present its stance before Supreme Court.

CPFC clarified that EPFO has taken the stand before the Courts to defend the provisions of the Employees' Pension Scheme, 1995 duly notified by the Government of India.

Shri Ravi Wig said that it should be ensured that the interest of employees of un-exempted establishments is protected while deciding on this issue.

Chairman advised that members may give their submissions on this issue in writing and a CBT meeting will be held to discuss this agenda in the month of March, 2018.

The Chairman thereafter requested CPFC to take up the agenda items.

Item No. 1: Confirmation of minutes of the 219th meeting of CBT, EPF held on 23.11.2017.

The Board confirmed the minutes of the 219th meeting of CBT.

Item No. 2: Action Taken Statement in respect of decisions taken in the CBT meetings held upto 23.11.2017 (219th CBT meeting)

Sr. no. 1 of ATR Constitution of Workers' Bank: Shri Ashok Singh said that the issue of constitution of Workers' Bank has been dragging since a long time and the proposal should be brought to a logical end, one way or the other.

The Chairman said that the legality of feasibility of constituting Workers' Bank will be looked into.

Sr. no. 2 of ATR Social Security benefits to the workers employed as i.e. Anganwadi, Mid-day Meal and Asha Workers in the unorganized Sector: Shri Ashok Singh said that social security benefits should be provided to Asha and Anganwadi Workers.

Chairman said that the Ministry of Labour & Employment alone cannot take decision on this issue. He said that the members may communicate their specific points on this issue which will be conveyed to the concerned Ministries.

Sr. no. 4 & 5 of ATR Amendments in EDLI Scheme, 1976 for introducing minimum assurance amount on death in service and loyalty cum life benefit to P F members on superannuation: The Chairman announced that the notification for minimum assurance benefit of Rs.2.50 lakhs under EDLI Scheme, 1976 has already been issued by the Government. All members welcomed and thanked the Chairman for the decision taken.

Item No. 3: Status note on Investment in Exchange Traded Fund (ETF) by EPFO.

The Board took note of the information placed before it. Further, the minutes of the FIAC meeting held on 21-02-2018 was also placed before the Board and the same was taken note of.

Item No. 4: Investment in BHARAT 22 ETF by EPFO.

The Board took note of the information placed before it.

Item No. 5: Determining the rate of administrative charges payable by the employers under EPF Scheme, 1952.

Shri Ashok Singh said that in view of the fact that the balance in administrative account has been reducing over the years, it would not be prudent to keep on reducing the rate of administrative charges. The employers' representatives S/Shri Ravi Wig, Vijay Padate, G.P. Srivastava and Sushanta Sen welcomed the proposal and observed that EPFO has enough surplus in administrative account to meet the envisaged expenditure by the EPFO in future. CPFC intervened and informed that even if the rate of administrative charge is reduced income in administrative account is expected to increase in the long term as the number of subscribers is projected to increase. Secretary, L&E referred that there is already a surplus of more than Rs. 20,000 crores in this account which is sufficient to sustain any eventuality.

The Board approved the proposal as contained in the agenda.

Item No. 6: Cumulative performance evaluation for the period July, 2015 to June, 2017.

The Board took note of the information placed before it.

Item No. 7: Revised Estimates for the year 2017-18 and Budget Estimates for the year 2018-19 for EPFO and Schemes administered by EPFO.

The following discrepancies/typing mistakes were pointed out:-

- (a) Shri A. D. Nagpal said that there is a discrepancy in the figures of Revenue Expenditure under Budget Estimate for 2018-19 furnished in the Budget Book.
- (b) EPF contribution is printed as 8128937.42 instead of 81289.37 on page 01 of the Budget Book.

Shri Manish Gupta, FA & CAO said that the discrepancies pointed out will be rectified.

The Board approved the proposal as contained in the agenda.

Item No. 8: Realization of capital gains from investment in ETF (EPF Scheme).

The Board approved the proposal as contained in the agenda.

Item No. 9: CBLO borrowing transactions by the Portfolio Managers during the period 01.04.2017 to 31.12.2017.

The Board took note of the information placed before it.

Item No. 10: Performance Evaluation of Custodian of EPFO securities, M/s Standard Chartered Bank (SCB) for the period 01.04.2016 to 31.03.2017.

The Board took note of the information placed before it.

Item No. 11: Diversification of investments in Exchange Traded Fund (ETF) under category (iv) i.e. investment in Equity and related Investments of Investment Pattern 2015.

Shri Arun Goel, Addl. Secretary and Financial Advisor said that the summary of the Consultant's comments as furnished in the agenda item is not complete. Shri Virjesh Upadhyaya stated that a training needs to be organised at PDNASS on ETF. The Vice Chairperson said that the matter will be further examined in consultation with the Consultant.

The item was deferred.

Item No. 12: Inadequate supply of corporate issuances in the Category (ii) of the New Investment Notification No. S.O. 1071 E dated 23, April 2015 of Ministry of Labour and Employment.

The Board was apprised that an order has been received from the Government where the minimum limit in the Category (ii) of the New Investment Notification was reduced from 35 to 20 percent. The Board took note of it.

Item No. 13: Centralised Payment System through single Nodal Bank using NPCI.

Shri Ashok Singh & Shri A. K. Padmanabhan said that FIAC should consider and take decision on this issue. CPFC clarified that the matter has been discussed in the FIAC on 21-02-2018 and the minutes of the FIAC meeting have been placed on the table. The recommendation of the FIAC was noted by the Board.

Item No. 14: Recommendations of rate of interest to be credited to EPF members' accounts for the year 2017-18.

All employees' representatives requested that the rate of interest should be kept at the previous year's rate of 8.65%. After deliberations, it was decided to recommend the rate of interest of 8.55% for the EPF balances in 2017-18.

Item No. 15: Approval of revised transfer policy for Group 'A' Officers in EPFO.

It was informed that the original agenda item titled above, placed in the first agenda booklet was withdrawn. Instead, another item titled "Amendment to the Transfer Policy for Commissioners Cadre in EPFO" was placed at Serial no. 15, in the second booklet before the Board, wherein CBT was requested to approve the amendment to para 4.21 of Transfer Policy for Commissioners Cadre in EPFO. The Board approved the same.

Item No. 16: Delegation of powers for granting permission to visit foreign countries by officials of Central Board.

The Board approved the proposal as contained in the agenda.

Item No. 17: Introduction of non-functional grades in respect of Lower Division Clerk (LDC), Stenographer and Upper Division Clerk (UDC) for promotion to subsequent cadres.

Dr. Sanjeeva Reddy said that while adopting rules of DoP&T, the autonomy given to EPFO under EPF & MP Act should be kept in mind.

The members said that the matter should be discussed with Employees' Federations' representatives as they have raised objections against this proposal.

The Chairman suggested that representatives of EPFO employees may submit their views in the matter early to Government. The proposal as contained in the agenda was approved.

Item No. 18: Request for waiver of damages under section 14B of the EPF & MP Act, 1952 to M/s. Indo Gulf Industries Ltd.-consideration.

The Board approved the proposal as contained in the agenda.

Item No. 19: List of ineligible cases for waiver of damages rejected by Central Provident Fund Commissioner.

The Board took note of the information placed before it.

Item No. 20: Modification of the conditions for grant of instalment facility to the establishment.

Dr. Sanjeeva Reddy said that a Sub-Committee of the Board should consider the issue. Chairman was authorised to form a Committee to examine this issue.

Item No. 21: Amendment in the EPF & MP Act, 1952 and EPF Scheme, 1952 for amending the provisions related to grant/cancellation of exemption from the operation of EPF Scheme, 1952.

Shri A. K. Padmanabhan said that it should be ensured that the amendment proposed in this agenda item should be in accordance with the recommendation of the Sub-Committee on Exempted Establishments. Shri Sushanta Sen, representative of employer submitted that it should not be implemented with retrospective effect.

CPFC informed that performance of exempted trusts is monitored regularly and ranking of trusts is also published on EPFO's website.

The proposal was recommended without retrospective effect.

The new guidelines shall not be applicable to already approved cases and the cases under consideration.

Item No. 22: Amendment in Section 6 of the EPF & MP Act, 1952 for providing an enabling provision for reducing women employees' contribution to 8% for first three years of their employment against rate of 12% or 10% with no change in employer's contribution.

All employees' representatives opposed the proposal for reducing the rate of contribution for women employees. Shri B. P. Pant said that accepting this proposal will not act as an incentive for employing women workers.

Shri Ravi Wig said that option can be given to the individual women employees to contribute at either 8% or at 12% of the wages.

Shri Ashok Singh said that this proposal, instead of promoting, discourages the habit of saving and therefore should be opposed.

The Chairman said that the sentiments expressed by the members will be conveyed to the concerned Ministries.

Item No. 23: Amendment in Section 2(b) of the EPF & MP Act, 1952 for definition of "wage" and corresponding amendment in other provisions of the Act and Scheme there under.

Shri Sushanta Sen and Shri Vijay Padate sought time to carry out consultations within their organisations and then communicate their views on this matter.

The Chairman formed a Committee consisting of the following members to give the views on behalf of employers and employees on the proposal within 10 days.

1. Dr. G. Sanjeeva Reddy
2. Shri Virjesh Upadhyay
3. Shri G. P. Srivastava
4. Shri Sushanta Sen

Orders on this will be issued immediately.

Item No. 24: Insertion of paragraph 68HH in EPF Scheme, 1952 - Advance from the fund to a member who ceases to be in employment for a continuous period of not less than one month.

Shri M. J. Rao and Shri Ravi Wig said that employees should be discouraged from making withdrawal from their Pension Fund accounts on leaving service so that their previous service can be added to pensionable service.

Shri A. K. Padmanabhan said that this issue should be examined thoroughly and can be considered subsequently.

The item was deferred for detailed examination by the members.

Item No. 25: Amendment in EPF & MP Act/EPF Scheme in order to provide representation to all States in CBT (EPF).

The agenda item was withdrawn.

Item No. 26: Reduction of threshold limit of number of employees from 20 to 10 for coverage of establishments under EPF & MP Act, 1952.

All employees' representatives agreed to the proposal. Shri G.P. Srivastava and Shri Ravi Wig said that employers' associations should be consulted on this matter.

It was referred by the employees' representatives that CBT had already taken decision in this regard in the year 2008 and now steps should be taken for implementation.

The Board approved the proposal as contained in the agenda.

Item No. 27: Option to employees to opt for Employees' Pension Scheme (EPS) or New Pension Scheme (NPS).

All employees' representatives opposed the proposal contained in the agenda.

The proposal was not recommended.

Item No. 28: Ex-post facto approval for regularization of the period before 18.09.2008 about implementation of Non-Functional Scale for Section Officer and other eligible cadres.

The Board approved the proposal as contained in the agenda.

Item No. 29: Amendment in the Investment Pattern 2015 notified by the Ministry of Labour & Employment, Government of India.

Shri Vrijesh Upadhyay said that proposal is on a very technical issue.

It was informed that the FIAC has considered the matter on 21-02-2018 and the views of FIAC have been placed before the Board in the minutes. The Board noted the FIAC recommendation in the matter.

The Chairman thanked all the members for their contribution by active participation and discussion on all the issues. The meeting ended with vote of thanks to the Chair.

LIST OF OFFICERS WHO ATTENDED THE 220th MEETING OF CENTRAL BOARD (EPF) ON 21-02-2018

Sl No.	Name	Designation
1.	Sh. Manish Kumar Gupta	FA & CAO
2.	Sh. Vinod Kumar	Director, MoL&E
3.	Dr. S.K. Thakur	ACC(HQ)
4.	Sh. K.V. Sarveswaran	ACC (HQ)
5.	Sh. K.L. Taneja	ACC (HQ)
6.	Sh. Chandramouli Chakraborty	ACC (HRM & PFD)
7.	Sh. K.L. Goyal	ACC (HQ)
8.	Ms. Anita Sinha Dixit	ACC (Publicity)
9.	Ms. Udit Choudhary	ACC (Finance)
10.	Sh. M. Nguille	RPFC-I (HRD)
11.	Sh. Nilendu Mishra	RPFC-I (NDC)
12.	Sh. Neeraj Srivastava	RPFC-I (Recovery)
13.	Sh. Amiya Kant	RPFC-I (Conference)
14.	Sh. Amul Raj	RPFC-I (Investment)
15.	Sh. Ajay Kumar	RPFC-II (Investment)
16.	Sh. Saurabh Kumar	APFC (Finance)
17.	Sh. Nitesh Kumar	APFC (IMC)
18.	Sh. Kewal Kishan	SO (Conference)

