



कर्मचारी भविष्य निधि संगठन  
Employees' Provident Fund Organisation  
श्रम एवं रोजगार मंत्रालय, भारत सरकार

Ministry of Labour and Employment, Government of India  
मुख्य कार्यालय/Head Office

भविष्य निधि भवन, 14, भीकाजी कामा प्लेस, नई दिल्ली - ११००६६

Bhavishya Nidhi Bhawan, 14, Bhikaji Cama Place, New Delhi - 110066



No. Conf.3(1)2023/106thEC

2757

Date:

21 JUL 2023

To

All Members,  
Executive Committee (EC), CBT.

21 JUL 2023

**Subject: Draft minutes of 106<sup>th</sup> meeting of the Executive Committee (EC), CBT (EPF) held on 15.06.2023 in New Delhi - reg.**

Madam/Sir,

I am directed to forward herewith the draft minutes of 106<sup>th</sup> meeting of the Executive Committee (EC), CBT (EPF) held on 15.06.2023 in New Delhi, duly approved by the Chairperson, EC with the request to forward your comments within 10 days, if any, on the draft minutes to [rc.conf@epfindia.gov.in](mailto:rc.conf@epfindia.gov.in).

Yours faithfully,

(Ashwini Kumar Gupta)

Regional PF Commissioner-I (Conference)

Copy to:

1. PS to Hon'ble Minister (Labour & Employment) for information.
2. Addl. PS to MoS (Labour & Employment) for information.
3. PPS to Secretary (Labour & Employment) for information.
4. PS to Central Provident Fund Commissioner, Head Office, New Delhi.
5. All Divisional Heads, Head Office and Director (PDNASS).
6. Under Secretary (SS-II), Ministry of Labour & Employment, New Delhi.
7. e-Office for circulation via Notice Board.
8. Guard File.

(Ashwini Kumar Gupta)

Regional PF Commissioner-I (Conference)

## **MINUTES OF 106<sup>th</sup> MEETING OF THE EXECUTIVE COMMITTEE, CBT (EPF) HELD ON 15<sup>th</sup> JUNE, 2023 AT 03.00 PM**

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The 106<sup>th</sup> Meeting of the Executive Committee, CBT (EPF) was chaired by Ms. Arti Ahuja, Secretary to the Government of India, Ministry of Labour and Employment, New Delhi & Chairperson, EC. List of attending members is at **Annexure-A**.

2. CPFC welcomed Secretary (L&E) and the other members to the 106<sup>th</sup> Meeting of the EC.

3. At the commencement of the proceedings, Shri Harbhajan Singh Sidhu stated that the only a few agenda items were received by e-mail on 05<sup>th</sup> and 06<sup>th</sup> June, 2023 whereas the printed booklet, with these and the remaining agenda was provided to Members only two days before the meeting. There were important issues in the agenda and, due to the time constraints; he could not go through them in sufficient detail to enable him to make meaningful contributions in the deliberations.

The Chairperson after consultations with the Members of the Committee proposed to take up only those agenda items which were delivered to members well in advance. In respect of the remaining agenda items, the Chairperson stated that another meeting can be held shortly to take them up.

Thereafter, the CPFC, with the permission of the Chairperson, took up the Agenda Items for discussions.

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### **Item No. 1: Confirmation of draft minutes of the 105<sup>th</sup> meeting of the Executive Committee, CBT (EPF) held on 10.03.2023**

The Executive Committee confirmed the minutes of the 105<sup>th</sup> meeting of the Executive Committee, CBT(EPF) held on 10.03.2023 that was circulated vide letter dated 24.03.2023.

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## **Item No. 2: Minutes of meetings of the Sub-Committees of the Executive Committee**

A question arose as to the rationale for placing the minutes of the meetings of the sub-committees before the EC. It was informed that these are Sub-committees of the EC their minutes are placed for information as per prevalent practice.

The EC took note of the minutes of the sub-committees of EC, EPF without any comments or views on the same.

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## **Item No. 3: Engagement of the services of M/s K.A Pandit for actuarial evaluation of impact of SC judgement on Pension on higher wages**

On the discussions on the agenda, Sh. Dilip Bhattacharya raised the issue of increase in minimum pension, clarity on the issue of higher pension, problems faced in filing application for higher pension and need for higher pension applications be allowed in physical mode.

He further stated that out of the applications received, eligible cases have not been identified. He also pointed out that there was shortage of staff and officers in the field offices to attend to the higher pension cases with diversion of officers and staffs to District Offices, where there was little work, and for the regular work like NAN 2.0 that was held every month. He further said that Accounts Officers were in large numbers whereas Enforcement officers are in shortage which is adversely affecting the compliance functions.

He further said that the EPFO's internal software application was very slow and as a result staff in many offices had to sit late hours and attend office on holidays. He requested that a thorough revamp of EPFO's IT systems be made.

Sh. Harbhajan Singh Sidhu raised the issue of administrative delay in promotions for various cadres. He said as per DoPT instructions are clear and that in the absence of Recruitment Rules for a particular cadre model

Recruitment Rules can be followed. He said that SSA promotions were not done on time. He said that there were around 9000 vacancies in various cadres. He further pointed out that the conditions for compassionate appointment were very stringent.

It was stated that many of the issues pointed out by the members had been raised earlier too and many of these have been resolved over time. The augmentation of IT resources and the fine tuning of the system performance is an ongoing activity which is continually being monitored.

Sh. Sunkari Malleshram stated that there is need for clarification on calculation and the formula. He suggested that pension quantum of pensioner for Higher Pension cases are informed to pensioner before raising a demand for refund of differential amount.

The Chairperson mentioned that every effort has been made to comply in letter and spirit with the Supreme Court decision dated 04.11.2022 in the pension on higher wages matter. It is very clear from the Hon'ble Supreme Court judgement that the amendments introduced in the Employees' Pension Scheme, 1995 (EPS) vide the 2014 notification were upheld with the caveat, that the additional 1.16% contribution for wages higher than the ceiling from the employees' share of contributions, that were held to be ultra-vires, should be regularized through appropriate amendments.

The 2014 amendments that were upheld included several provisions viz., membership of the EPS would not be available for those with wages above Rs. 15,000/- per month, the pensionable salary would be calculated based on average of 60 months instead of 12 months,

Hon'ble Supreme Court had made it clear that the benefits of the judgement would not be available to persons who had retired prior to 01.09.2014 and had not given an option before retirement. In respect of persons who were in service as on 01.09.2014 a special window of 4 months was given to make an option for pension on higher wages.

In compliance of the Hon'ble Supreme Court order the Government had invoked certain provisions of the Social Security Code in order to address the portion of the judgement that was held to be ultra-vires and the notifications were issued on 03.05.2023. Further, the options as provided for in the Hon'ble Supreme Court judgement had been called for and the extended date for filing the options was 26.06.2023.

It was added that a series of instructions have been issued in order to ensure that the directions of the Supreme Court were adhered to. One of the vexing issues was proof of contributions on higher wages under paragraph 26(6) of the EPF Scheme, 1952 which is the first door to the option for pension on higher wages. In this regard administrative instructions have been issued to look for evidence like actual contributions on higher wages and payment of administrative charges on the same in the non-readily available written options. In spite of this, caution has to be exercised as there are instances wherein Exempted Trusts rules do not permit for contributions on higher wages, incorrect wage information. Such instances would require closer examination and evaluation.

Even while exercising caution in examining the applications received, specific instructions have been issued that there would be no summary rejections of the applications. Sufficient and reasonable opportunity would be given to represent for the employer and the member to represent their case. EPFO is holding webinars for advising and assisting the employers in proper processing of the cases and help desks are available in most offices.

Further, apart from the instructions on the paragraph 26(6), instructions on computation of dues, FAQs on the higher pension matter have been released and these are being regularly updated.

Sh. Harbhajan Singh Sidhu reiterated that higher pension applications should be allowed in physical mode and also registered his objection to the fact that the notification for additional 1.16% on wages above Rs. 15,000/- from the employer's contribution was brought out without any consultation with trade unions and CBT.

Secretary (L&E) and the Chairperson pointed out that the Government's contribution to the EPS had always been limited to the wage ceiling. In 2014 the wage ceiling was increased from Rs. 6,500 to Rs. 15,000/- and the Government's contribution has accordingly been on that limit since then. The EPS has never required the Government to pay the 1.16% contribution on wages exceeding the wage ceiling. The notification issued by the Government only addresses the anomaly that had been pointed out by the Hon'ble Supreme Court.

Sh. Sunkari Malleshram requested that all decisions and circulars of EPFO be periodically communicated to all CBT members. Secretary (L&E) and Chairperson directed that the instructions on higher wages pension should be compiled and provided to all the members.

Sh. Govind Lele pointed out that the agenda mentioned the issue of projected liability on the 'available data' which seemed to be limiting the scope of the study. He suggested that a meeting between EPFO's legal Division, Pension Division and the Actuary must be held to examine this detail. It was informed that the Actuarial evaluation referred in the agenda was for the purpose of the higher wages pension only and for the regular evaluation of the EPS the Government appoints the actuary.

There was a query from some members on whether the fees indicated in the proposal was a per month cost. It was clarified that the fees of Rs. 3 lakhs indicated in the proposal was a one-time cost for the entire study and not a per month cost. It was also mentioned that sitting fees had been reduced to Rs. 5,000 per sitting from Rs. 15,000/-.

Secretary directed that meetings with Actuary should not be frequent.

With the above discussions Executive Committee, CBT, EPF accorded ex-post facto approval for engaging the services of M/s K. A. Pandit as recommended by PEIC.

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**Item No.4: Centralized Pension Payments System (CPPS) for disbursing Pension through any Bank / Post Offices from any branch, anywhere in India**

ACC(HQ) Pension explained the background of CPPS and informed that it would lead to a savings of Rs 30 crore per year.

JS&FA, MoLE submitted that she held a meeting on 03.05.2023 and asked EPFO for comments/information which has been provided by EPFO yesterday only i.e. 14.06.2023 and that the same is under examination. Secretary & Chairman expressed surprise as to how the agenda can be placed. Information has been sent by EPFO to IFD only on 14.06.2023. She also mentioned that information about FA holding meeting on 03.05.2023 should have come on agenda. So she directed the agenda to be deferred & that it should be brought in only after examination has been completed by IFD. With these comments the agenda was deferred.

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**Item No. 6: Repair and renovation of 2<sup>nd</sup> floor EPFO, Dwarka, New Delhi (SH: Civil, Furniture and Electrical Works)**

After deliberations, the Committee approved the proposal as contained in the agenda.

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**Item No. 11: Approval of the Data Sharing Policy of EPFO.**

The agenda was introduced and explained the need to having a Data Sharing Policy. Further, Addl. CPFC (IS) informed the Committee about the contents of the agenda and proposal made therein.

Joint Secretary (SS) stated that we are dealing here with individual data held in fiduciary capacity. She stated that the Income Tax Act had specific provisions on data sharing and inquired whether EPF Act allows data sharing and whether it can be done on the basis of a policy.

Sh. Govind Lele inquired whether an amendment in the Act would be required for data sharing. He also suggested a negative list of items which cannot be shared should be prepared.

ACC(IS) informed the Committee that there is no express provision in the EPF & MP Act, 1952 regarding sharing of data. Presently there is no regulation / clarity as to what should be shared in public domain and the proposed data sharing policy is an attempt for establishing the framework for such protocol.

The attention of the members was drawn to paragraph 3 of the policy and stated that the present data sharing policy is about restricting the data that can be shared rather than what can be provided. The policy provides that only aggregated and anonymized data will be shared and individual data would not be provided.

The Chairperson inquired if the policy was compliant to UIDAI provisions and requirements and whether EPFO can share Aadhaar data? Sh. Sougata Roy Chowdhury suggested that legal opinion should be taken.

With the above discussions the agenda was deferred with the directions that the policy may be vetted legally and the same should be placed before the Executive Committee in subsequent meeting along with a status note on compliance to UIDAI provisions.

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**Item No.12: Renewal of Essential Services i.e., MPLS-VPN Connectivity at Co-located RailTel Data Centres (Data Centre, Gurugram; Disaster 276 Recovery Centre, Secunderabad), National Data Centre Dwarka, EPFO Head Office and EPFO Field Offices through RailTel as primary service provider for the period 01.10.2022 to 30.09.2023 & PGCIL as failover mode for the period 01.04.2023 to 31.03.2024**

JS(FA) pointed out that the proposal was essentially for an ex-post fact approval as the RailTel agreement was from 01.10.2022 to 30.09.2023 and



had approximately 3 months left and the PGCIL agreement was till 31.03.24. Being a fait accompli, she suggested that approval can be accorded to the proposal with the condition that open tender / limited tender process should be followed for the next renewal. She also stated that it should be ascertained whether other service providers are available and proposed to explore possibilities before the extension.

The Chairperson suggested that contract for a longer period, say 3 years, should be examined with provisions for renewal every year instead of the present practice of contract for 1 year only. She also wanted to know whether the services were available on GeM.

ACC(IS) informed that the said service was not available on GeM portal.

Sh. Govind Lele suggested that a clause to deal with time-to-time enhancement of bandwidth may be incorporated if a long term contract of 3 or 5 years is to be adopted.

JS(SS) remarked that since this was a post facto approval, Limited tender be explored for the next contract period.

The Committee approved the agenda item with the following directions:

- i. Current contract with RailTel was approved with directions that tender process for next contract be started at the earliest and must be finished within 3 months.
- ii. Continuation of services from PGCIL was approved with directions to go for proper tender process before the current contract ends.
- iii. Explore the possibility of a 3 year contract with provisions for annual renewal instead of an annual one. The contract should also provide for flexibility to increase bandwidth on need basis where required.

- iv. All proposals on delegation of financial powers to CPFC be clubbed and put up before FIAC for examination and then placed before CBT with the recommendations of FIAC, for approval.
  - v. Permission to Addl. CPFC(IS) for releasing payment to service providers is an internal matter of EPFO and need not be brought before the EC.
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### **Item No.13: Approval of Detailed Project Report (DPR) & Operationalization of Next-Gen Security Operation Centre as a Managed Service**

The Committee was briefed and informed about the importance of a Security Operation Centre for EPFO.

JS(FA) pointed out that 10% contingency is too high for an IT contract. It was informed that the contingency was to ensure that the proposal is future proof.

The Chairperson directed that all contingent needs be built in the contract terms itself.

JS(FA) inquired if the service was available in GEM. It was informed that the proposal is for engaging a Master System Integrator (MSI) through an Expression of Interest (EoI) followed by RFP as per relevant provisions of GFR. The contract for operationalization and maintenance will be for a period of 3 years extendible by another 2 years from Go-live date. The implementation is proposed to be monitored by PMC, who would be onboarded separately.

With these deliberations the Committee approved the proposal for placing the Detailed Project Report for approval of the Hon'ble Chairman, CBT for phase 1 of the project for operationalizing the Next Gen Security Operations Centre (SOC) as a managed service.

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### **Item No. 15: Adoption of Cloud Services at EPFO**

The agenda was introduced and it was stated that the proposal is for floating and RFP for adoption of Cloud Services at EPFO from one of the MeITY approved cloud services.

The Chairperson directed that any data stored on the cloud should have the cloud servers within India only. This should be a necessary condition along with the condition of the Cloud services being from the MeITY approved list.

The Committee was of the view that since MeITY does this kind of work, they should be approached to see whether they would do the work of floating RFP for EPFO. In any case the RFP should be based on the model RFP of MeITY along with their estimated cost structures.

The proposed Item was approved by the Committee in principle with the above observations/directions.

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### **Item No. 18: Additional Estimate for providing Modular Furniture i.e. works stations, Tables, Chairs, Compactors, Conference Table, Canteen Tables, Sofas etc. as part of already sanctioned project of construction of office building for Zonal Office, Telangana, Regional Office, Kukatpally, ADC-Secunderabad, ZVD(SZ) at Begumpet, Hyderabad**

The Committee approved the proposal as contained in the agenda.

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The Chairperson directed to hold the next meeting of Executive Committee shortly to take up the remaining agenda items which could not be taken up for discussion in the present meeting.

The meeting ended with vote of thanks to the Chair.

**ANNEXURE-A****List of members who attended 106<sup>th</sup> Meeting of Executive Committee, CBT(EPF)**

1	<b>Ms. Arti Ahuja</b> Secretary to the Government of India, Ministry of Labour & Employment	<b>Chairman</b>
2	<b>Ms. Vibha Bhalla</b> Joint Secretary, Ministry of Labour & Employment	<b>Central Government Representatives</b>
3	DDG/Joint Secretary & Financial Advisor Ministry of Labour & Employment	
4	<b>Ms. Anuradha Lamba,</b> Addl. Labour Commissioner, Govt. of Haryana	<b>State Government Representatives</b>
5	<b>Shri Prem Prakash Singh,</b> Special Secretary, Govt. of Uttar Pradesh, Labour Department	
6	<b>Shri Sougata Roy Choudhury</b>	<b>Employers' Representatives</b>
7	<b>Shri Govind Lele</b>	
8	<b>Shri Harbhajan Singh Sidhu</b>	<b>Employees' Representatives</b>
9	<b>Shri Sunkari Mallesham</b>	
10	<b>Shri Dilip Bhattacharya</b>	
11	<b>Ms. Neelam Shami Rao</b>	<b>CPFC &amp; Member Secretary (Ex-Officio)</b>

The following members could not attend the meeting:-

1	<b>Secretary to the Government of Maharashtra,</b> Labour & Employment Department, Chandigarh	<b>State Government Representatives</b>
2	<b>Shri Arun Chawla</b>	<b>Employers' Representatives</b>