



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

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NBCC Centre, Block-2, Ground-4th Floor, East Kidwai Nagar, New Delhi-110023



No. Conf.3(2)2024/110thEC

Date:

11 4 JAN 2025

To

All Members,
Executive Committee (EC), CBT.

Subject: Draft minutes of 110th meeting of the Executive Committee (EC), CBT held on 16.12.2024 in EPFO Head Office, East Kidwai Nagar, New Delhi- reg.

Madam/Sir,

I am directed to forward herewith the draft minutes of 110th meeting of the Executive Committee (EC), CBT held on 16.12.2024 in EPFO Head Office, East Kidwai Nagar, New Delhi, duly approved by the Chairperson, EC.

Yours faithfully,

(Ashwini Kumar Gupta)

Regional PF Commissioner-I (Conference)

Copy to:

1. PS to Hon'ble Minister (Labour & Employment) for information.
2. PA 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, EPFO HO 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)

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MINUTES OF 110th MEETING OF THE EXECUTIVE COMMITTEE, CBT (EPF) HELD ON 16th DECEMBER AT 04.00 PM

The 110th Meeting of the Executive Committee, CBT (EPF) was held on 16.12.2024 and was chaired by Ms. Sumita Dawra, Secretary (L&E) 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 Chairperson/ Secretary (L&E) and the members to the 110th Meeting of the Executive Committee.

3. With the permission of the Chairperson, the CPFC took up the Agenda Items for discussion.

Item No. 1:	Confirmation of draft minutes of the 109th meeting of the Executive Committee, CBT (EPF) held on 08.11.2024
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CPFC highlighted that meetings of two subcommittees, IT and HR subcommittees are usually held before the Executive Committee meeting. He explained that meetings of the HR Subcommittee could not take place because there was paucity of time due to recently held CBT meeting held on 30.11.2024, therefore only the status report on HR is being placed. However, the IT Subcommittee meeting was held, and its agendas are being placed in the present EC meeting. The minutes of the IT Subcommittee will be circulated after confirmation.

The Chairperson desired to know whether HR issues would be placed in the next EC.

CPFC explained that the status report on HR issues is being placed in this EC, and if there is any agenda requiring approval (*of EC*), an HR Subcommittee meeting will be held before next EC.

The Chairperson stated that there should be continuity in the agendas and status reports.

Shri S. P. Tiwari highlighted that his suggestions, parameters and modalities on raising the minimum pension were not included.

The Chairperson inquired about the modalities proposed. Shri S. P. Tiwari explained that (*vide his letter dated 03.12.2024*) minimum pension was Rs. 1000/- per

month in 2014. Now CPI index has increased by 170% which currently estimates the minimum pension at Rs. 2700/- per month. He further raised inclusion of large number of pending Joint Declarations and three-month campaign to address this issue in the minutes. However, it was pointed out by CPFC that issues of pending JDs and single window system were included in the draft minutes (*at page no. 3 of the 109th EC draft minutes*). He suggested that nominees should be allotting postings in their home states and if not vacant then they should be posted in nearby states in compassionate appointments.

CPFC replied that the issue of compassionate appointments was mentioned in the draft minutes (*at page no. 9 of the 109th draft minutes*) where CPFC assured that candidates would be given options to choose their postings, and this was also discussed in the 236th CBT meeting.

JS (L&E) and the Chairperson also confirmed that this issue was taken up in the 236th CBT Meeting (*at agenda item no. 10 Policy for Compassionate Appointment in EPFO, 2024*).

The Chairperson noted that CPI index may be considered in the context of fixation of Minimum Pension.

Shri S. P. Tiwari further raised that only those CA firms should be allowed to participate who have audit record of companies having turnover of at least Rs. 20000 Cr. (*against the agenda item no. 11 of 109th EC at page no. 15 of draft minutes*).

JS (L&E) explained that CPI index for fixation of minimum pension had been taken up by a High Empowered Committee. The committee reported that since minimum pension is a defined contribution and defined benefit scheme, it is not possible to link it to CPI index which is a variable parameter.

Shri S P Tiwari demanded that if minimum pension is to be revised then there should be some base for fixation.

The Chairperson enquired whether any committee had been constituted to address the issue of raising minimum pension. JS (L&E) replied that various options are being considered to increase the minimum pension from Rs. 1000/- to Rs. 3000/- per month, however CPI index is not being considered for fixation. CPFC also stated that various options are under review, one of which is to increase the minimum pension to Rs. 2000/- per month; however, the Ministry of Finance did not agree to it. He further

emphasized that the increase in minimum pension should not be based on CPI index but on the sustainability of the fund.

The Chairperson directed that EPFO should prepare a proposal on the issue of raising the minimum pension and present it before the EC for consideration. Additionally, inclusion of CPI index may also be explored for fixation.

The Chairperson also clarified that it is not prudent to restrict the qualifying criteria for CAs who audited companies with a turnover of Rs. 20,000 Cr. Instead, setting high standards for selection is sufficient for hiring CAs (*against agenda item no. 11 of the 109th EC meeting*). CPFC also supported this view.

The Chairperson further enquired that which committee would do this process of selection.

CPFC replied that an RFP will be floated for this purpose, and the Finance committee will supervise the selection process.

The agenda was approved by the Executive Committee.

Item No. 2: Action Taken Statement in respect of decisions taken in the EC meetings held up to 27th October 2023 (108th EC Meeting)

CPFC explained that ATR agenda was circulated to all members of EC via mails dated 12.11.2024 and 02.12.2024 with a request for their comments. No observations/comments have been received on the same.

Shri Sanjay Bhatia enquired updates on point at Sl. No. 3 (at page no. 36, Annexure B) stating that ESIC has been requested to hold a meeting in this matter. Response from ESIC is still awaited.

CPFC clarified that the issue is related to transfer of the unclaimed amounts to be diverted to Senior Citizen Welfare Fund (SCWF). It was then explained that it was not unclaimed amounts rather it was a member balance account having a definite claimant.

The Chairperson directed that an updated status from ESIC may be sought on this issue.

Shri Sanjay Bhatia further enquired about the feedback on the Centralized Pension Payments System (CPPS) regarding the current ATR of the pilot project completed in RO Srinagar and RO Karnal (*page 42, Sl. no. 10*). CPFC replied that this has been dealt in a separate agenda.

The Chairperson enquired about accountability of the data in Data sharing Policy.

ACC (HQ)(ISD) clarified that, at present, it is handled by the CAIU and IS Divisions. Recently some data has also been taken care of by the Finance Division.

The Chairperson directed that, in the next EC meeting, information should be provided about the type of data, how the data is being shared, and with whom it is being shared under the Data Sharing Policy.

Shri Sanjay Bhatia further pointed out that as per Sl. no. 20 (*ATR of 108th EC at page no. 49*) it is mentioned that as per direction, it was proposed that the restructuring of EPFO will be done considering the findings of the IIT Delhi Study Report. However, IIT Delhi is yet to submit its report. He wanted to know whether any timeline is fixed for submitting the report and when it was assigned to IIT Delhi.

Shri Girish Chandra Arya raised that IIT Delhi is taking more than a year to submit its final report.

JS (F&A) suggested that in the government this is done by a Work Study Group. CPFC clarified that the Professor, IIT Delhi is heading the operation and research team, therefore the selection is appropriate. However, IIT Delhi has given a draft report however they have focused only on claims processing. He has also written a DO letter to the Director of IIT Delhi requesting to expedite the process. JS (F&A) pointed out that if any government department or autonomous body wants to conduct such type of work study, the office of Advisor (Cost), Department of Expenditure does it for them. EPFO can also take their services.

The Chairperson directed that CPFC will hold regular review meetings with IIT Delhi and provide updated status in the next EC, including the timeline and status of the work done. Since this is HR-related work, IIT Delhi should have regular meetings with the HR Division, EPFO, and HR Subcommittee to share and discuss their findings.

Shri S P Tiwari raised point at Sl. No. 32 (*at page no. 57, 108th EC ATR*) regarding the comparative chart on total vacancies. He expressed concerns over 301 out of 455 vacant posts in APFC, 1134 vacant out of 2707 in SS, 1061 vacant out of 3098 in EO/AO etc., and added that filling the vacancy is important since the workload of EPFO is increasing.

The Chairperson directed that the filling of current vacancies should be expedited, and the HR Subcommittee will present a roadmap before the EC in this regard.

Shri S. P. Tiwari mentioned that a memorandum comprising the opinions of the staff and officers for manpower shortage and increased workload was submitted to the Chairperson, CBT. He requested that the memorandum should be reviewed seriously, and an ATR may be placed for deliberation.

CPFC clarified that as mentioned in Annexure A (page 59), the vacancy shown does not include the recruitment of 159 DR APFCs and provisional appointment letter given to 147 APFCs. Also, it does not include 33 officers promoted to the post of APFC. There is similar scenario in the vacancy position in other posts.

The Chairperson directed that HR Subcommittee will present the updated vacancy status and ATR of the memorandum given to the Chairperson, CBT in this context.

Shri Girish Chandra Arya stated that it is the government's prerogative to increase employment. He pointed out that since 2015, the number of members has doubled, and claims have increased fourfold. However, the number of staff and officers has not increased proportionately. Furthermore, in the recent recruitments around 50% of the officers did not join the organization.

CPFC clarified that, in most cases, the new joiners have their own preferences for joining in EPFO. In such cases, candidates from the waiting list are considered to fill the vacancies.

Shri Girish Chandra Arya also raised the issue that selected new joiners are not being posted in accordance with their home states. For instance, individuals from the northern region are being posted in the southern region, and vice versa.

The Chairperson explained that, as it is an all-India service, such postings are possible. CPFC further clarified that postings are determined based on the merit list and available vacancies. If a candidate has opted for a specific state, the posting is allotted as per their position on the merit list and the vacancies available in that state.

The Chairperson directed to submit the updated status for the following in the next EC meeting:

1. ESIC response on the transfer of the unclaimed amounts to SCWF

2. Study Report by IIT Delhi on cadre restructuring to be reviewed by HR Subcommittee
3. Vacancy position of EPFO in every cadre
4. EPFO Data Sharing Status: with whom, and how

JS (L&E) enquired about the status on the direction of the Chairperson to expedite the identification of members and their family members through a drive on the unclaimed amount with EPFO (*Sl. no. 4 ATR of 108th EC, page no. 36*).

FA&CAO explained that this pertains to the unclaimed amounts in inoperative accounts. Over the past three years, approximately ₹7,000 crore has been settled for inoperative accounts. Inoperative accounts are those with no transactions for more than three years. These accounts have definite claimants, but the account holders have not come forward to claim the funds. A similar response was provided in Parliament, stating that these funds cannot be transferred to the SCWF because each inoperative account has a specific claimant. Every year, approximately ₹2,000 crore is settled, and currently, around ₹8,505 crore is lying unclaimed in approximately 21 lakh inoperative accounts.

The Chairperson directed that this is a serious issue, and a strategy and plan must be presented in the next EC on how to settle the pending unclaimed amounts along with an analysis on the SoP for possible changes to expedite it (*also pointed out by JS (L&E)*). An internal committee may also be constituted in this regard.

CPFC suggested that RBI has recently initiated a drive to update KYC for their dormant accounts. A similar exercise could be undertaken in EPFO for identification purposes.

JS (F&A) suggested that here the concern primarily relates to the identification of deceased members and their survivors. EPFO could consider entering into an MoU with UIDAI to verify deactivated Aadhaar numbers in the case of deceased members.

CPFC clarified that it is not necessary whether Aadhaar is deactivated or not although UIDAI has established a link with the Registrar General of India (RGI), ensuring that all death certificates are updated and flagged to UIDAI. However, it is not certain whether those deactivated Aadhaar correspond to the deceased members of EPFO.

Shri Sanjay Bhatia stated that Aadhaar may not always be found deactivated in cases of death, similar to what happens with voter ID lists, where the names of

deceased individuals continue to appear despite the issuance of death certificates. Secondly, he suggested that information should be provided regarding the duration of the unclaimed amounts.

Shri S. P. Tiwari suggested that earlier, beneficiaries were unaware of the unclaimed amounts and the procedures to claim them. Therefore, an extensive awareness campaign should be conducted on this issue. He further pointed out that many municipal corporations update death certificates manually, which may not be linked to UIDAI's database. Hence, instead of relying solely on this method, EPFO should directly contact employers to gather information on how many members have left the establishment and how many have deceased. This approach would significantly help address the issue of unclaimed accounts.

JS(L&E) desired to know the percentage of completion with respect to drive carried out in the plantation sector for KYC updation and whether any date may be extended on this. CPFC replied that the drive has already been carried out and completed, therefore this point may be dropped.

FA&CAO clarified the status of age-wise profiling of inoperative accounts. He explained that over the last two years, ₹4,000 crore new inoperative accounts were added, out of which ₹2,600 crore has been settled leaving to ₹1,400 crore pending for the past two years. A SoP was issued in February 2024 in this regard. However, the pendency status will be re-evaluated, and efforts will be made to liquidate the unclaimed amounts.

Shri Sachin Sabnis raised concerns about the movement of workers from the organized to the unorganized sector (e.g., MSME and construction sectors) or just leaving the job without informing the employers. Employers open PF accounts and pay PF contributions for such workers, but their movement or leaving the job, without informing the employers, poses a major concern for not claiming the unclaimed amounts. So, a SoP may be made to track such members because these are going to increase down the line.

JS (F&A) suggested that it is possible that Member IDs (MIDs) created before the introduction of UAN are not seeded to any existing UAN. These MIDs might correspond to the inoperative accounts. Therefore, a drive should be conducted to seed these old MIDs to existing UANs, and if necessary, new UANs can be created for this purpose. If

the MIDs can be matched with UANs and mapping of unmatched MIDs can be determined Regional Office wise, it will be helpful for the drive. This initiative will help in cleaning up the database and will have an impact on actuarial valuation.

The Chairperson directed to present an analysis on the following regarding the unclaimed amounts: -

1. Analyze the age, amount, numbers and the regional office wise and zone wise outstanding unclaimed amounts.
2. Check the possibilities whether deactivated Aadhaar can be found through UIDAI and RGI linkage for the inoperative accounts or through the information provided by the employers.
3. Check the status of unmatched MIDs not seeded to UANs which can be used to identify the inoperative accounts regional office wise.
4. Check the status of nomination against the inoperative accounts (*also pointed out by Shri Sanjay Bhatia and Shri Girish Chandra Arya*).

Shri Hiranmay Pandya supported the directions of the Chairperson and appreciated the efforts put in by the then ACC (Chandigarh) and suggested that same drive may be conducted in other zones as well for the outstanding inoperative accounts.

CPFC assured that a drive will be conducted to seed old accounts to UAN. The issue of identity verification through KYC will also be served through this drive.

CPFC also replied to the Chairperson that the requirement of three documents for KYC verification will be further rationalized after the software development.

The Chairperson also directed to again conduct a drive in the plantation sector for KYC completion in Nizamabad and Sagar and Jalpaiguri.

The agenda was noted by the Executive Committee

Item No. 3: Minutes of meetings of the Sub-Committees of the Executive Committee

CPFC summarised that only one IT Subcommittee meeting could be held on 10.12.2024 after the last 109th EC meeting (*held on 08.11.2024*). Two agendas deliberated in the IT Subcommittee are recommended for approval in the present EC. Minutes of IT Subcommittee are yet to be finalized and will be placed in the next EC

meeting. 05th HR Subcommittee meeting held on 25.10.2024. Minutes are enclosed as Annexure A.

The agenda of minutes of meetings of the subcommittee was noted by the Executive Committee.

Item no. 4: Status of review of Recruitment Rules

ACC (HQ) (HRM) explained that a committee was constituted in September 2023 to review all the existing Recruitment Rules (RRs). UPSC raised an objection to the proposal sent on the classification of posts in the Recruitment Rules for the post of Assistant Director (OL). They objected, after consultation with DoPT, that as a statutory organization, EPFO should not use the terms Group A, Group B, and Group C for classification.

Following the committee's recommendations, EPFO is now using the terms *Central Board Group A*, *Central Board Group B*, and *Central Board Group C* for classification.

Currently, there are a total of 69 RRs, of which no review is required for 18 RRs (either for dying cadres or other minor cadres). The committee has provided recommendations for 37 RRs out of the remaining 51 RRs. 14 RRs are pending with the committee specifically for the PFD division where promotional avenues are not available.

The RRs for all 05 posts of ISD cadres, as well as for two posts of Assistant Director (OL) and Senior Translation Officer (STO), have been sent to the Ministry for further processing. In total, 7 RRs have been sent, while 30 RRs are still pending with EPFO.

The Chairperson expressed concern over the slow pace of completing the pending RRs, noting that they are being reviewed by a committee comprising currently employed EPFO officials who are already burdened with tasks related to Higher Pension, Accounts issues, and other responsibilities. She suggested that, instead, retired officials from UPSC or DoPT could be engaged to expedite the review process in a time-bound manner (*also supported by JS (L&E)*).

CPFC proposed engaging Shri Alok Saxena, (Retd. AS (MoH&FW)), who previously served in ESIC for this purpose. He further queried to the Chairperson whether this order can be issued by the Ministry or EPFO. JS (F&A) also supported the idea, recommending that Shri Alok Saxena could be utilized to review the submitted RRs as well.

Shri S P Tiwari suggested that although there is overlapping in working of the social security provisions of EPFO and ESIC, their RRs are not similar and identical. He recommended that the Ministry should ensure that hierarchy and RRs in EPFO and ESIC should be identical and similar. However, JS(F&A) clarified that this is not necessary.

The Chairperson directed the following for the review of RRs:-

1. Engage retired officials from DoPT, UPSC or any Government department for the review of RRs in a time bound manner (*JS (L&E) may be consulted for this purpose*), and
2. For this at least 3 - 5 persons with suitable expertise having past experience must be outsourced for constitution of a committee, and
3. EPFO will issue the order for engaging the retired officials.
4. Also, the retired officials once engaged may be assigned the task to review the differences in the hierarchy and RRs between EPFO and ESIC.

Shri Atul Sobti raised concerns that the agenda should include detailed information regarding the review status of RRs for all cadres, as this is not clearly indicated in the current agenda. CPFC assured that comprehensive cadre by cadre information will be provided in the next EC meeting.

The agenda was noted by the Executive Committee.

Item No. 5: Status of Rationalisation of big offices and timelines for implementation of the decision

ACC (HQ) (HRM) explained that in the 103rd EC meeting, it was decided to rationalize large offices with more than 7.5 lakh contributing members by consolidating them into smaller offices. Additionally, offices with up to 1.0 lakh contributing members will be recognized as District Offices, with RPFC-II level officers heading these offices.

Till date, 12 Regional Offices have been opened across 13 zones. Out of these, 10 are newly opened, and 2 are upgraded from existing regional offices. There are four zones—Delhi, West Bengal, Telangana, and Gujarat—where existing regional offices have been reorganized. The District Office in Alwar has been upgraded to a Regional Office, and the rationalization to Naroda and Vatwa Regional Offices from Ahmedabad Regional Office has been completed.

Amongst other offices, Gurugram Central office, which is taken on rent, is ready, and the shifting process is currently underway. For the remaining offices, we are in the process of identifying new locations for relocation.

In the 103rd EC meeting, it was decided not to collocate two Regional Offices in the same premises. However, it is now proposed that the running of two offices in the same premises may be allowed for the next six months. This will help ease the staff reorganization and file handover process until new space can be found within the next 6 months.

CPFC briefed that a similar situation is observed in Bandra, where four Regional Offices are concurrently functioning from the same location. ACC (Bandra) has identified two alternative locations in Dadar and Nariman Point, from where two Regional Offices can operate from each of the locations. Additionally, in Bandra, an annex building is available that can accommodate both the Zonal Office and a Regional Office simultaneously.

However, due to previous directions prohibiting two offices from functioning in the same premises, there is an increased burden of additional expenditure in finding new space and underutilization of the available space. Allowing flexibility to use the extra space for the simultaneous functioning of two offices would be highly beneficial.

The Chairperson asked the members if there were any objections to para 8 (*page 84*) of the proposal in the agenda.

Shri Hiranmay Pandya raised a concern regarding the exclusion of Anand district from the jurisdiction of the Vadodara Regional Office, which is geographically closer, and its inclusion under the Ahmedabad Regional Office instead. Similarly, in Chhattisgarh, only one Regional Office at Raipur is functioning, and its rationalization has not been done despite the limited number of District Offices in the state.

CPFC, considering the points raised by the EC members, explained that in many offices, such as those in Chennai, Hyderabad, and Bangalore, the allocation of PIN codes does not align with the respective Regional Office. For instance, the entire Central Delhi Zone now stretches from Dwarka to East Delhi, whereas it was previously more compact. Revisiting the linking of PIN codes to Regional Offices would have a significant impact on jurisdiction and rationalization, making this exercise necessary.

The Chairperson agreed, emphasizing that revisiting the linking of PIN codes to Regional and District Offices should be undertaken in the interest of economy, efficiency, and reorganization. The Chairperson further suggested that the mapping of field offices may be conducted on the PM Gati Shakti Portal to better identify the geographical proximity between offices and their areas of jurisdiction.

Shri S. P. Tiwari suggested that circulars related to earlier reorganizations should be provided to the members for their suggestions and comments. He also emphasized that if reorganization is now being considered, it should take into account which offices may require reorganization or upgradation in the future. Additionally, multiple parameters, such as UAN, the number of pensioners, recovery status, and proximity to field offices, must be considered for effective office reorganization.

He highlighted that the geographical location of districts plays a significant role in this process. For example, Ballia is currently attached with Gorakhpur, although it is closer to Banaras, and Bahraich is attached with Gorakhpur, even though it is closer to Lucknow. A similar situation has been observed in many offices in West Bengal.

The Chairperson directed that all documents related to previous reorganization should be shared with the EC members to enable them to provide better suggestions and comments.

JS (F&A) inquired about the usefulness of reorganization if the reorganized offices are to remain in the same building. CPFC explained that the division is managed at the level of the Officer-in-Charge (OIC), allowing for effective control over the offices and the workload. There will be two RPFs to oversee the two separate and reorganized offices.

The Chairperson noted that with the increasing availability of online facilities, such concepts may become less relevant in the future. However, for now, this approach is acceptable to manage the workload and distribute responsibilities effectively.

JS (F&A) further suggested revisiting the reorganization process. The Chairperson directed that the status and feedback on the reorganization should be revisited after six months.

The agenda was approved as per the point 8 of the proposal by the Executive Committee.

Item No. 6: Status Report of the Committee on Delegation of Administrative and Financial Powers

ACC(HQ)(HRM) has explained that a committee was constituted on 05.11.2024 to propose improvements or amendments to the existing delegation of Administrative and Financial powers. The Committee was given 45 days to complete its task which ends on 20.12.2024.

The Committee, headed by the Director of PDNASS, responded to a query raised by the Chairperson, stating that 80% of the work has been completed and the Committee will be able to submit its report within the stipulated timeframe.

The Chairperson directed that the report be presented to the Ministry so that a meaningful proposal can be placed before the EC. The Chairperson also inquired about any observations from audit reports over time regarding the efficiency of the delegation of Administrative and Financial powers, as well as the materials and documents that can be recommended for this purpose. The Chairperson pointed out that many field offices have given feedback that proposals are pending for approval at Head Office in this regard.

ACC (Finance) made a presentation stating that the existing administrative and financial delegation covers over 200 items spread across multiple circulars, making it difficult to access information quickly and increasing the risk of using outdated instructions. A consolidated, single reference document is needed.

Administrative delegations cover areas such as appointments, leave sanctions, transfers, deputations, suspensions, NOCs for passports, foreign visit permissions, medical attendance, pay fixation, advances, TA, LTC etc.

Financial delegations include expenditures for land acquisition, office and residential construction, building repairs and maintenance, office rentals, civil works,

computerization, publicity, legal charges, consultancy fees, furniture, office equipment, stationery, printing, conveyance hire etc.

ACC (Finance) proposed that many of these things may be decided at Zonal level instead of forwarding it for the approval of Head Office.

The Chairperson suggested that delegation could be implemented based on the pay scale, as is currently practiced in the Ministry.

Shri Sanjay Bhatia proposed that OICs of the Regional Offices could submit proposals for anticipated expenditures for the financial year, based on which approvals can be obtained from the Head Office.

JS (F&A) pointed out that financial powers are generally delegated based on the level of officers and the available budget for expenditures.

FA&CAO explained that the GFR and DFPR Rules serve as the basis for delegating Administrative and Financial powers. The DFPR Rules define the powers of the Head Office, with item wise delegation of powers specified under Schedule 5 of the Rules, which is followed in ministries and subordinate offices. Based on these Rules, Administrative and Financial powers are delegated within EPFO. Budgets are allocated Zonal Office-wise for each financial year, with provisions for revised budgets if expenditures exceed the budget estimates that can be allowed to draw from the central pool. The focus is on distribution and making the process more flexible by delegating only essential issues to the Head Office, thereby reducing administrative bottlenecks. Also, budget heads have been rationalized as per classifications provided by the Ministry of Finance for better representation starting next year.

FA&CAO also pointed out regarding rationalization, deliberations are required to ensure the parent office addresses underlying and unresolved issues.

The Chairperson directed CPFC to address how to resolve such underlying and unresolved issues. Additionally, the Chairperson sought clarity on which powers are delegated, and which are not.

JS (F&A) suggested developing a strategy to identify the functional requirements of field offices based on past instances. This would help balance the autonomy of delegation by ensuring non-essential matters do not unnecessarily escalate to the Head Office. In line with this, the financial delegation has been revised in MoL&E as per

DFPR Rules issued by the Department of Expenditure (DOE). EPFO may consider adopting a similar revised delegation of financial powers.

The Chairperson directed that the report presented by the Committee must not be open-ended but should present a concrete proposal to the Ministry, enabling a decision by February 2025 for closing the matter.

The agenda was noted by the Executive Committee.

Item No. 7: Procurement of Infra-as-a-Service (IaaS) for a period of 1 year from M/s RailTel Corporation of India Limited for implementation of the Centralised IT Enabled System (CITES) 2.01, the Employment Linked Incentive (ELI) Scheme and the Centralised Pension Payment Scheme (CPPS)

CPFC informed that CITES2.01 has already been implemented and status update is placed before the Executive Committee, and it was discussed thoroughly in IT sub-committee. There was a huge prerequisite of hardware for the roll out of the new software, however hardware has been delivered and configuration is going on.

The Chairperson congratulated EPFO on the milestone achieved. Sh. Atul Sobti also conveyed compliments on the progress made. A presentation was made by ACC(HQ) IS before the Committee about the status and progress of CITES2.01.

JS (F&A) inquired whether data migration will be done stage wise or simultaneously across all zones. CPFC informed that the entire scripting of migration is being done on a Test and Development Server and it is proposed to migrate database in all 123 PDBs to unified database in staging environment one by one and if no data discrepancies is found, parallel migration may be done in staging environment which is not yet production environment.

JS (F&A) further inquired that when PDB migration is being done in staging environment, the production environment in Regional Offices will continue or stop. CPFC informed that first it will be consolidated and run in parallel till continuous exchange to this consolidated database. Once reach to a cutover and then we will move to the new production environment. It was also informed that ORACLE has given timeline till the end of January 2025.

Sh. Sanjay Bhatia expressed concern on cyber threat and inquired whether any firewalls are being placed in the new system. CPFC informed that it is subsumed under this software development.

The Chairperson acknowledged issues related to higher pension, rejection rate and portal related issues and also complemented that it is a historic intervention in IT and directed that in the next EC matrix on 3-4 issues be placed with solutions how we redress them and what will the rough timeline.

JS&FA, MoL&E also conveyed concern that change management is important and if there are changes on front end users would need to be educated/trained. CPFC informed that changes will be explained to users and EPFO will do that. Chairperson advised that in view of change management, short videos may be made.

The Committee took note of the status placed before the Committee.

Item No. 8: Renewal of Essential Services i.e., MPLS-VPN Connectivity at Collocated Data Centres (Data Centre, Gurugram; Disaster Recovery Centre, Secunderabad), National Data Centre Dwarka, EPFO Head Office and EPFO Field Offices through M/s PowerGrid Teleservices Limited (100 % wholly owned subsidiary of M/s PGCIL created to handle telecommunication business of M/s PGCIL) as secondary service provider for the period 01.04.2024 to 31.03.2025

CPFC introduced the item. Sh. S.P. Tiwari mentioned that the notice period in tender documents has been given as 180 days which should be 30 days. JS & FA, MoL&E also commented that 180 days is not appropriate.

CPFC informed the Committee that it will be changed.

With the above observation, Executive Committee approved the item as contained in the agenda.

Item No. 9: Information on Progress in Implementation of CITES 2.01

CPFC informed that in CITES 2.01 there are critical modules one is UAN based accounting and second is claim processing which is linked to UAN based accounting.

JS & FA, MoL&E mentioned that in UAN based accounting, you will be able to do it MIDs and UAN be matched otherwise MIDs will remain unattended. CPFC informed

that hence there is concept of primary and secondary account. In primary accounting, linked to UAN and Aadhar and rest be kept aside and as and when these accounts get an UAN and linked to an Aadhar it will get merged with other accounts.

JS&FA, MoL&E opined to migrate but advised to take it on second priority. Also, she referred process re-engineered ECR return module mentioned in the agenda and asked whether it will be applicable to all including ELI also if so an outreach to Employers is important and a plan be made. She further referred the point from agenda i.e. 'Employer may the choose to make the payment (onetime or in parts) before the due date as mandated by the scheme', and advised to ensure that it will not affect benefits to employees under ELI Scheme.

Chairperson directed to see and examine the issues raised by JS & FA, MoL&E. JS & FA, MoL&E further advised that for process re-engineering of ECR, at the time of UAT, employers be engaged and SOP and User Manual be made side by side. Chairperson directed that CITES initiating by January, 2025 and issues raised for smooth rollout also be seen.

Item No.10: Status Note on Hon'ble Supreme Court Judgement dated 04.11.2022 regarding Pension on Higher Wages

CPFC informed that it is status update since meeting of CBT and in CBT agenda we have flagged certain issues regarding exempted institutions so all those decision points we are working closely with ministry including setting up dedicated team to take up cases on fast track mode. CPFC also informed that as per the target given by Hon'ble Chairman, CBT, EPFO will liquidate all pendency by March, 2025.

Sh. Atul Sobti raised the issue of exempted establishments and mentioned that it is a major issue and representations are being received daily explaining that these institutions were not aware about limit and rules to be changed and they have only 5-6 members in committee to amend rules. Hence, there is perception among them that they are not being considered, so a way out to be find out. He also acknowledged that there is a big financial implication.

Sh. S.P. Tiwari also mentioned that higher pension is a big issue and pointed out that before payment of dues by employees they are unaware of amount of pension they

will get and how much arrears receivable. He also raised the issue that due to late generation of demand letters, employees have to pay interest on such demands every month, so opined that there is confusion among them so he advised whether a committee could be constituted on this?

ACC(Pension) informed that on portal, calculator is given, and a member can see the calculator after demand letter is issued. The member can see how much pension he/she will get and based on that arrears be arrived at. In decentralised system there were delays in arrears but in the new CPPS system, arrears will go immediately with no delay. Chairperson directed to provide literature/write up on the issue to Sh. S.P. Tiwari so that he can inform members.

JS & FA, MoL&E mentioned that if members are not able to locate pension calculator, take it as feedback and see how it can be improved so that calculator could be accessed easily. ACC(Pension) informed that a short video can be made on the issue to facilitate members.

CPFC informed that where demand has already been deposited, EPFO taking such cases on priority. He further informed that in 50% cases demand letters have been issued but demand not paid. Also, where applications have been filed, 50% have not yet retired and hence no question of immediate payment. It was informed that segregation of different types of cases has been made and EPFO is in touch with Ministry on the issue of exempted establishments and extension of timeline and taking their guidance and working accordingly.

Joint Secretary, MoL&E informed that Hon'ble Chairman, CBT has given the timeline as 31st January, 2025.

CPFC informed that higher pension to one goes from pension fund of others and hence sustainability of fund also to be seen as there is no support of Government. Sh. Girish Chandra Arya acknowledged the concern on sustainability of pension fund. JS&FA also advised that as we all are custodian of the Pension Fund, we have to see sustainability also.

Chairperson directed that in next EC, more clarity be given on the issue i.e. what will be trade off and analysis to be done based on the judgement and issues like exempted establishments where rules have been revised but dues not paid and where rules not revised and dues not paid to be carefully deliberated

Sh. S.P. Tiwari appreciated that state-wise data in relation to higher pension application has been given and mentioned concern that only 16525 PPOs have been issued against 1,21,350 demand letters, which is to be expedited. He also mentioned that it has been given that 56,418 members have deposited the dues, then why PPOs have not been issued? Also, he remarked that clarity be given for 2,60,352 and 2,65,002 rejected cases as on 30.11.2024 and 11.12.2024 respectively.

Chairperson directed to examine all applications, their eligibility and to consider financial liability. Clarity be given to members who are not eligible and ways to recoup the fund deficit also, so that way forward could be explored.

JS&FA, MoL&E inquired about the rejection given in Annexure-A and advised to analyse the reasons thereof.

Chairperson directed that updated status be placed in next EC meeting.

With the above observations, Executive Committee took note of the agenda.

Item No. 11: Agenda on Centralized Pension Payments System (CPPS) for disbursing pension through any bank / post offices from any branch, anywhere in India

CPFC introduced the item and informed that one significant activity is going to happen this month that all offices going to do centralised payment through NPCI. Second for reconciliation and re-initiation of payment of failed cases automation testing is happening with SBI and be completed this month, so entire system become automated. Also, NPCI would be able to make payment to Aadhaar enabled bank accounts and will start from January, 2025 by comparing pensioners account to Aadhaar and if it matches with bank branch and IFSC, immediately all such pension payments will be sent through Aadhaar based system and simultaneously other pensioners will be educated to seed their bank accounts with Aadhaar and also software system will be changed and EPFO is expediting to complete this.

JS & FA, MoL&E raised the query on payment/charges EPFO made to banks. On this Chairperson directed that in the next EC clarity be given on charges to banks for their software contribution and to NPCI and other regular charges in one slide.

JS & FA, MoL&E also referred Table 14 of the agenda and mentioned that it has been given that 'by January, 2025 verification via NPCI lookup for Aadhaar linked Bank Accounts alongwith a small pilot for Aadhaar based payment', is not clear and should be corrected as an ATR is to be given in Cabinet Secretariat.

With the above observations, Executive Committee took note of the agenda.

Item No. 12: Action Taken Statement in respect of decisions taken in the 109th EC meeting held on 08th November, 2024.

Chairman invited comments on the ATR. JS & FA mentioned that at S. No. 14 of ATR in relation to 'Refund to Employers for Double Payments', a timeline be given and be recorded in minutes of this meeting.

With the above observations, Executive Committee took note of the Action Taken Statement.

Other Issues

Sh. Girish Chandra Arya mentioned that plan be made to move towards 3.0 and world level software be procured by floating global tenders.

CPFC informed that EPFO already started working on 3.0 and already a workshop has been conducted on 12th December, 2024 wherein issues/problems being facing today were documented and another workshop on reimaging EPFO will be held in January, 2025 which will be visioning exercise and include discussions on process, regulatory and technology. Sh. Girish Chandra Arya advised that intimation in relation to such workshop be given well in advance to facilitate to attend the workshop.

Sh. S.P. Tiwari conveyed concern that due to our engagements we were asked to nominate representative. However, no coordination was made with such nominated representatives. Chairperson directed to take care of such coordination in future or make a WhatsApp group.

Sh. S.P. Tiwari remarked that responses on CBT references are not being received from field offices which will be taken care of. Chairperson directed to explore the possibility to develop a dashboard on such references/grievance redressal so that issues could be pursued regularly.

Sh. Girish Chandra Arya mentioned that representations are received on non-implementation of 4% promotion quote for disabled as per DoPT guidelines. He emphasised that policy issues be implemented to avoid grievances.

Sh. Sanjay Bhatia mentioned that there are some critical issues i.e. pension related issues, exemption cases and also exempted establishments wants to come under EPFO fold, for them a clear-cut process be there to make it easier. He also mentioned that there is another issue of unclaimed amount and legal cases against us and nothing about this was placed before EC. He opined that a summary of legal cases having impact on us be provided. He also advised that in beginning of meeting an executive summary of agenda items in 4-5 lines be provided to have a brief on agenda items.

Sh. Girish Chandra Arya suggested that there should be similarity and coordination between EPFO and ESIC on different issues and activities and hence proposed that a study be made.

Chairperson remarked that there are constructive agenda for the next meeting and it should be carry forward and there will be two more meetings before March, 2025. Only information on minimum pension is left information on which will be provided in next meeting.

Meeting ended with vote of thanks to Chair.

ANNEXURE-A**List of members attended 110th Meeting of Executive Committee, CBT (EPF)
held on 16.12.2024 at 04.00 PM in EPFO, Headquarters**

1	Ms. Sumita Dawra Secretary to the Government of India, Ministry of Labour & Employment	Chairperson
2	Ms. Madhumita Das Joint Secretary & Finance Advisor Ministry of Labour & Employment	Central Government Representatives
3	Sh. Alok Mishra Joint Secretary, Ministry of Labour & Employment	
4	Sh. S. Srinivasa Kumar, Joint Commissioner of Labour, Andhra Pradesh	State Government Representatives
5	Sh. Atul Sobti	Employers' Representatives
6	Dr. Sachin B. Sabnis	
7	Sh. Sanjay Bhatia	
8	Sh. Hiranmay J. Pandya (attended virtually)	Employees' Representatives
9	Sh. Girish Chandra Arya	
10	Sh. Sheo Prasad Tiwari	
11	Sh. Ramesh Krishnamurthi, IRS	CPFC & Member Secretary (Ex-Officio)
Following members could not attend the meeting		
1	Secretary to Government of Gujarat Department of Labour, Gandhinagar	State Govt. Representatives
2	Secretary to Government of Madhya Pradesh, Department of Labour, Bhopal	