



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

एन०बी०सी०सी० सेंटर, ब्लॉक-2, ग्राउंड-4<sup>th</sup> फ्लोर, ईस्ट किडवाई नगर, नई दिल्ली-110023  
NBCC Centre, Block-2, Ground-4<sup>th</sup> Floor, East Kidwai Nagar, New Delhi-110023



No. Conf.3(2)2025/113thEC/2461

Date: 01.04.2025

To

All Members,  
Executive Committee (EC), CBT.

**Subject:** Draft minutes of 113<sup>th</sup> meeting of the Executive Committee (EC), CBT held on 28.03.2025 at Srinagar - reg

Madam/Sir,

I am directed to forward herewith the draft minutes of 113<sup>th</sup> meeting of the Executive Committee (EC), CBT held on 28.03.2025 at Srinagar, duly approved by the Chairperson, EC, with the request to forward your comments within 07 days 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. PS to Hon'ble 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)

[rc.conf@epfindia.gov.in](mailto:rc.conf@epfindia.gov.in)

## **MINUTES OF 113<sup>th</sup> MEETING OF THE EXECUTIVE COMMITTEE, CBT (EPF) HELD ON 28<sup>th</sup> MARCH, 2025 AT SRINAGAR**

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The 113<sup>th</sup> Meeting of the Executive Committee, CBT (EPF) was held on 28.03.2025 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 113<sup>th</sup> Meeting of the Executive Committee. He informed that JS(FA) could not attend the meeting however her comments were received on agenda items and are also placed before 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 112<sup>th</sup> meeting of the Executive Committee, CBT (EPF) held on 25.02.2025**

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Comments by JS & FA, MoL&E on the minutes at Page No. 13 and Comments by Shri Hiranmay J. Pandya at Page No. 14 of the Agenda Book were taken up for inclusion in the minutes of 112<sup>th</sup> EC meeting.

The EC confirmed the minutes of 112<sup>th</sup> EC while deciding that the comments of JS & FA and Shri Hiranmay J. Pandya should be duly incorporated in the minutes.

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

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The EC took note of the information placed on the meetings of Sub-Committees of EC.

### **Item No. 3: Information regarding Inoperative Accounts in EPFO**

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FA & CAO made presentation on the Inoperative Accounts wherein analysis on financial year-wise, age-wise, amount-wise and zone-wise classification of Inoperative Accounts was presented.

The Observations of JS&FA, MoL&E on this agenda are placed at **Annexure-B**.

The Chairperson also directed that further detailed age-wise and year-wise analysis of inoperative accounts should be done. CPFC assured that liquidation of inoperative accounts upto 10 years will be prioritized.

Dr. Sachin Sabnis highlighted the need for a sector-wise analysis to address the issue of migrant laborers who have moved to other states. He further suggested that efforts should be made to trace these migrant workers. He also suggested that predictive analysis of potential inoperative accounts could be conducted using appropriate IT tools and also consider using AI tools for this process.

Shri SP Tiwari highlighted that the issues with migrant contractual workers requires a targeted awareness campaigns. He also suggested that industrial clusters across field offices should be analyzed. Additionally, he proposed merging multiple UANs on the basis of Aadhaar and automating the merging process for cases where multiple parameters such as DOB or name changes are similar. For cases where members have left their jobs or exited, he recommended intervention through employers to get their details. He emphasized the need for a comprehensive campaign to raise awareness among all stakeholders using an institutional approach.

CPFC assured that the suggestions from the EC members will be considered for further analysis, with a focus on prioritizing high-value inoperative accounts as well as the more recent inoperative accounts. A dedicated cell for handling issues on inoperative accounts will be formed at the EPFO Head Office.

The Chairperson directed the following on the issue of Inoperative Accounts:-

- i. Analyse data up to field offices level and also analyse the settled inoperative accounts data to get some insight and trend analysis.
- ii. Focus on amount-wise classification where member balance exceeds 5 lakhs for approx. 25,000 inoperative accounts as mentioned in Table-4 of the agenda,
- iii. Devise special strategy for contractual and migrant labourers,
- iv. Focus on industrial clusters,
- v. Regular status review of Inoperative accounts in EC meetings,
- vi. Constitution of cross functional committee consisting members from RBI & other Banks,
- vii. Targeted awareness campaign through print and electronic media, and
- viii. Liquidate the inoperative accounts upto 10 years prioritizing the first 03 years data, as per procedure.
- ix. To examine how such type of accounts are handled in other banks like SBI, RBI and form a cross-functional committee for this with representatives of RBI, SBI, etc.

With above deliberations, the EC took note of the agenda.

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**Item No. 4: Status Note on progress in “Simplification of Settlement of Claims”**

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CPFC explained that the grievances for settlement of claims include issues such as insufficient balance, inadequate services, claims already settled, and unavailable data. However, these issues will be effectively addressed once CITES 2.01 is rolled out, and validations will be minimized following the centralization of the database. The implementation, in collaboration with CDAC, NPCI, and SBI, is ongoing, with Mobile App software development expected to be completed by June 2025.

The Observations of JS&FA, MoL&E on this agenda are placed at Annexure-B.

CPFC further proposed that if EC agrees, the amount for auto-settlement of advance claims may be increased from 1 lakh to 5 lakhs.

The EC agreed to the proposal and took note of the agenda.

#### **Item No. 5: Progress in Implementation of CITES 2.01**

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ACC HQ(ISD) made a presentation on the Implementation of CITES 2.01. CPFC explained that major upgrade activities have delayed due to non-availability of downtime between 10<sup>th</sup> to 12<sup>th</sup> of every month because of peak period of submission of ECRs and settlement of claims.

The Chairperson directed that assistance of National e-Governance Division (NeGD) may be taken along with CDAC for effective implementation.

In response to a query from Shri Sachin Sabnis, CPFC clarified that the software design and infrastructure of CITES 2.01 are equipped to handle the subscriber load for the foreseeable future.

On a query raised by Shri SP Tiwari, CPFC clarified that the process to prepare the design and tender for EPFO 3.0 will be undertaken by October, 2025 and the software development would be taken up thereafter. However, CPFC assured that with the roll out of CITES 2.01, it is expected that maximum grievances will be taken care of.

The Chairperson directed that development of immediate credit of claim settlement through UPI should be done at the earliest. Also, it was directed to communicate the developments and new features with the stakeholders.

Shri S P Tiwari suggested that grievances at the RO level should be addressed effectively and that a simple PPT outlining the developments of CITES 2.01 should be shared with all field offices and CBT members. The Chairperson supported this suggestion, directing that awareness be spread among stakeholders through social media platforms.

With above discussions, the EC took note of the agenda.



**Item No. 6: Status Note on Hon'ble Supreme Court Judgement dated 04.11.2022 regarding Pension on Higher Wages**

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The Chairperson took note of the good progress made on the liquidation of applications on validation of options and joint options.

The Observations of JS&FA, MoL&E on this agenda are placed at Annexure-B.

The Chairperson directed to examine the rejections by engaging chartered accountants or firms in the panel of CAG. The Chairperson further directed that the issue of higher pension cases for exempted establishments should also be analysed from a legal perspective, in light of the Supreme Court Judgment. Legal opinion from ASG may be taken for the cases filed by exempted establishments in this regard by HO.

On a query related to the exempted establishment (M/s RINL), ACC(Pension) responded that out of 10,509 applications, 9143 demand letters have been issued and approx. 100 cases are under process.

Shri S P Tiwari emphasized that applications on Higher Pension forwarded by small establishments and industries should also be handled efficiently to ensure speedy progress. He also noted that an acceptance letter for payments made by subscribers should be issued which was confirmed by the ACC(Pension).

The Chairperson directed to incorporate the comments suggested by the JS & FA, MoLE.

With the above discussions, the EC expressed satisfaction with the progress made in this matter and took note of the agenda.

## **Item No. 7: Action Taken Statement in respect of decisions/directions of Executive Committee held upto 25.02.2025 (112<sup>th</sup>EC meeting)**

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Shri SP Tiwari suggested that a meeting should be held with ZOs and CBT members regarding the delegation of administrative/financial powers. He also emphasized that all the latest circulars should be shared with the CBT members.

He also mentioned that in many of the proposals for cancellation of exemption, shortcomings have been observed that need to be taken care of by the respective offices.

CPFC responded that the SOP on the surrender and cancellation of exempted trusts will be reviewed and necessary changes made with a view to improve the oversight of exempted establishments. It was also assured that instruction to ROs to report progress of enquiries of violations by establishments prior to cancellation will be issued.

Shri SP Tiwari suggested to give a detailed report about the status on surrender/cancellation of exempted trusts and notifications issued by/pending at appropriate governments.

The Observations of JS&FA, MoL&E on this agenda are placed at Annexure-B.

With the above discussions, the EC noted and closed all the items in the ATR, except at S.No. 16, 20, 23 & 29 of the agenda and the matter regarding issues of Canteen employees.

### **Other Issues**

Shri SP Tiwari raised the HR issue of absorption of staffs from JKEPFO to EPFO. The Chairperson directed that a joint working group may be constituted in this regard, taking members from ROs in Jammu & Kashmir and Ladakh, HR Division, EPFO and some CBT members to resolve the issue at the earliest.

Shri SP Tiwari also suggested that a follow up meeting on EPFO 3.0 should be held in the month of April, 2025.

Meeting ended with vote of thanks to Chair.

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**ANNEXURE-A**

**List of members attended 113<sup>th</sup> Meeting of Executive Committee, CBT (EPF)  
held on 28.03.2025 in Srinagar**

1	Ms. Sumita Dawra Secretary to the Government of India, Ministry of Labour & Employment	<b>Chairperson</b>
2	Ms. Richa Sharma Representative for Joint Secretary, Ministry of Labour & Employment	<b>Central Government Representative</b>
3	Sh. Anjaneyulu Director ESI, Govt of AP	<b>State Governments' Representative</b>
4	Dr. Sachin B. Sabnis	<b>Employer' Representatives</b>
5	#Sh. Atul Sobti	
6	Sh. Sheo Prasad Tiwari	<b>Employee' Representatives</b>
7	*Sh. Hiranmay J. Pandya	
8	*Sh. Girish Chandra Arya	
9	Sh. Ramesh Krishnamurthi, IRS	<b>CPFC &amp; Member Secretary (Ex-Officio)</b>

*\*Due to flight delay on account of bad weather, was late for the meeting.*

*#Due to flight cancellation on account of bad weather, could not attend the meeting.*

**Following members could not attend the meeting:-**

10	Ms. Madhumita Das Joint Secretary & Finance Advisor, Ministry of Labour & Employment	<b>Central Government Representative</b>
11	Secretary to the Government of Gujarat, Department of Labour, Gandhinagar	<b>State Governments' Representatives</b>
12	Secretary to the Government of Madhya Pradesh, Department of Labour, Bhopal	
13	Sh. Sanjay Bhatia	<b>Employers' Representative</b>

**Observations of JS & FA, MoL&E**

**Agenda 3 – Inoperative accounts**

- a) Categorization of the in-operative accounts into those belonging to 72(6) (i) and (ii) may be intimated. What happens in cases where amounts becoming payable to members cannot be paid due to reasons of inadequate KYC/address?
- b) The no. of inoperative accounts have been increasing by about 4 lakhs and the amt by about Rs 2000 cr each year, averaging in the last year to about Rs 39558 last year per account. Does this amt look justified considering the condition mentioned in para 72(6) (ii) of EPFO Act?
- c) In table 2 the number of accounts that pertain to the amt settled in erstwhile 'inoperative account' in last 3 years have not been given. In earlier EC it was suggested that an audit of claims settled should be got done, preferably by IAW MoLE/C&AG empaneled auditors
- d) It may be seen from the ageing analysis that majority of the inoperative accounts have been untouched for >10 years. 92% of accounts have <Rs 50000 in balance.
- e) Apart from these 21.55 lakh accounts, EPFO should also undertake an ageing, zone-wise/establishment wise analysis of the ~ 25 cr non-contributory members. A pan India drive for amalgamation of MIDs into UANs and quarantining those accounts that cannot be identified positively should be prioritized for risk mitigation purposes
- f) It is suggested that EC may deliberate on the possibility of setting up a cross-functional committee including experts from RBI/public sector banks (banks have gone through similar exercise) the task of suggesting ways to do this better.

**Agenda 4 – Simplification of settlement of claims** – EPFO should fix a tentative launch date and plan a suitable launch event as this is likely to be a game changer for EPFO.

**Agenda 6 – Status note on Pension on higher wages**

**Analysis of PoHW cases of EPFO**

PoHW	Status as on 24.03.2025			Progress since 17.03.25	Remarks
	Applica tion for Validati on of Option	Joint Option	Total		
Total Applications	4.1 lakh	13.39 lakh	17.49 lakh	Fixed	
Applications not forwarded by employers	1.14 lakh	1.10 lakh	2.24 lakh	Timeline ended on 31.01.2025	Effective applications = 15.25 Lakh.
Applications referred back to employers for complete information	19,675	1.25 lakh	1.45 lakh	- 0.32 lakh	Deadline to be prescribed for employers to respond with necessary documentary proofs
Applications under examination in EPFO	584	1.13 lakh	1.14 lakh	- 0.52 lakh	Deadline to be prescribed for EPFO to complete verifications
Demand Letters issued	508	3,06,735	3,07,243	23,846	
Total No. of Members / Pensioners who have deposited the demand amount	39	95,741	95,780	7,427	Only about 31% have deposited amt. Time limit for depositing should be mentioned. Ageing analysis of time taken by the applicants to deposit needed.
Members who have deposited the demand amount and continuing in service	NA	45,899	45,899	1,820	In 49% cases, pension payment will not start immediately

Already retired Members/ Pensioners who have deposited the demand amount	39	49,842	49,881	5,607	Ageing analysis (in weeks) of cases pending for issue of PPO
Pension Payment Orders Issued	32	30,290	30,322	1,792	Analysis of the % of these that have started receiving higher pension needed
Pension Payment Orders under finalization	7	19,552	19,559	3,815	Prescribe timeline for issue of PPO once arrears are deposited
Ineligible Applications	2.75 lakh	6.83 lakh	9.58 lakh	+ 0.59 lakh	

#### Salient Points:

- ❖ **Finalized cases** - 63% of all applications received rejected. Considering another 2.24 lakh not forwarded by employers and 3.07 lakh demand letters issued (accepted cases) **85%** cases have reached finality.
  - Who are the 19 employers each having more than 500 higher pension applicants that did not forward the applications for validation of option and the 2 employers having >500 applicants who didn't forward applications for joint option and why?
  - Ann A – Validation of options- what is the reason for >95% rejection of applications by the top 10 zones in the table? What is the bi-furcation between exempted/un-exempted estbs?
  - Ann A – Joint options – ~50% rejections pertain to 7 zones. EPFO to exercise some oversight on the reasons thereof
- ❖ **Under consideration cases** – 2.58 lakh (~15%) cases are under correspondence/finalization –

- Deadlines for employers to respond to EPFO's queries may be announced.
- Timelines for EPFO to process all cases should be decided.

❖ **Accepted cases** – 3.07 lakh demand letters issued

- Currently arrears have been deposited against 31% of demand letters issued -Ageing analysis of demands pending for deposit should be carried out and a time limit for depositing arrears once demand letter is issued should be clearly communicated.
- Timeline for EPFO to issue PPO once arrears are paid should be fixed and followed
- % cases where higher pension have commenced after issue of PPOs should also be monitored
- Year-wise projected asset liability matching on the pension fund, considering pension payments that have commenced and (in the 49% cases) where pension payment will commence in the future (after retirement of the applicant), should be carried out

## **Agenda 7 – ATR**

**Sr 1** – PI indicate timeline of completion. Else EPFO can think of withdrawing the work from IIT Delhi and awarding it to some other agency. Chief advisor Costs, Gol could be approached for guidance

**Sr 21** – EPFO should expedite transition to ABP for Pensions. It is suggested that a meeting with PFMS, NPCI, SBI, EPFO and MoLE should be convened to iron out issues if any

**Sr 29** – EPFO may consider constituting a committee including experts from the banking supervision divisions of RBI/NABARD to suggest a detailed mechanism for effective supervision and monitoring of exempted establishments