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**EMPLOYEES' PROVIDENT FUND ORGANISATION
MINISTRY OF LABOUR AND EMPLOYMENT, GOVERNMENT OF INDIA**

मुख्य कार्यालय/Head Office

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No. Conf./1(1)216th CBT (EPF)/16980

To

All Members,
Central Board (Employees' Provident Fund)
(As per list).

Dated: 06.10.2017

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06 OCT 2017

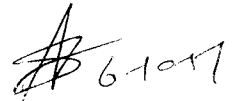
Sub: Forwarding of revised minutes of the 216th meeting of Central Board (EPF) held on 30.03.2017 - reg.

Sir,

The minutes of the 216th meeting of CBT held on 30.03.2017 were circulated vide letter no. Conf./1(1)216th CBT (EPF)/2017/1451 dated 20.04.2017.

2. The Central Board confirmed the minutes of the 216th meeting of CBT as placed before it in its 218th meeting held on 27.05.2017 with the correction that the name of Shri B.P. Pant should be included under the list of members who attended the meeting. Accordingly, the revised minutes of the 216th meeting of CBT held on 30.03.2017, is enclosed herewith for reference and perusal.

Yours faithfully,

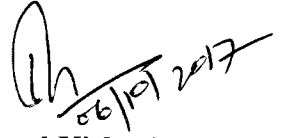


(Amiya Kant)

Regional PF Commissioner-I (Conference)

Copy forwarded for information and necessary action to:

- i) Internal Circulation: FA & CAO, CVO, ACC (HQ) KVS, ACC (HQ) KLT, ACC (HQ) KLG, All Addl. CPFCs Headquarters, New Delhi.
- ii) Under Secretary to SS – II, Ministry of Labour & Employment, New Delhi.
- iii) PS to CPFC for information.
- iv) RPFC (NDC) with a request to upload the revised minutes of the 216th meeting of CBT on EPFO website in the **section “CBT/EC- Agenda & Minutes”**.
- v) Deputy Director (OL) for Hindi Version.
- vi) Guard file.



(Kewal Kishan)
Section Officer (Conference)

EMPLOYEES' PROVIDENT FUND ORGANISATION
MINUTES OF THE 216th SPECIAL CBT MEETING
(HEAD OFFICE: 30th March, 2017: 10:00 AM)

The 216th special meeting of the Central Board (EPF) was held under the Chairmanship of Shri Bandaru Dattatreya, Chairman Central Board (EPF) and Union Minister of State (Independent Charge) for Labour & Employment. Following members attended the meeting:-

1.	Smt. M Sathiavathy, Secretary (L&E)	VICE CHAIRPERSON
2.	Shri Heeralal Samaria, A S (L&E)	CENTRAL GOVERNMENT REPRESENTATIVES
3.	Shri Arun Goel, AS&FA (L&E)	
4.	Sh RK Gupta, JS (SS) (L&E)	
5.	Shri Balasubrahmanyam Kamarsu	
6.	Shri J P Choudhary	EMPLOYERS' REPRESENTATIVES
7.	Shri K V Shekhar Raju	
8.	Shri Ashok Gupta (vice Dr U D Choubey)	
9.	Shri G P Srivastava	
10.	Shri B.P. Pant	
11.	Shri Sushanta Sen	
12.	Dr. S S Patil	
13.	Shri DU Menon (vice Shri RS Maker)	
14.	Shri Ravi Wig	
15.	Ashok Gupta (vice Shri U.D. Choubey)	EMPLOYEES' REPRESENTATIVES
16.	Shri A D Nagpal	
17.	Shri Pawan Kumar(vice Shri Virjesh Upadhyay)	
18.	Shri M Jagadishwara Rao	
19.	Shri A K Padmanabhan	
20.	Shri Sankar Saha	
21.	Shri Raman Panday	
22.	Shri D L Sachdev	
23.	Shri P J Banasure	
24.	Shri Sanjiv Kumar, Karnataka	STATE REPRESENTATIVES
25.	Shri J P Singh, Punjab	
26.	Shri R H Vasawa, Gujarat	
27.	Shri P Srinivasan, Bangaluru	
28.	Dr Anuradha Lambaa, Haryana	
29.	Shri K R Verma, New Delhi	
30.	Shri Chand Tetarwar, Rajasthan	
31.	Shri R K Tiwari, Uttar Pradesh	
32.	Ms P Amudha, Tamil Nadu	
33.	Shri Gopal Krishana, Kolkata	
34.	Shri N K Prashal, AP	
35.	Dr VP Joy, Central PF Commissioner	MEMBER SECRETARY

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

1.	DG Labour Welfare	CENTRAL GOVERNMENT REPRESENTATIVES
2.	Joint Secretary (Min of Finance)	
3.	Dr G Sanjeeva Reddy	EMPLOYEES' REPRESENTATIVES
4.	Shri Ashok Singh	
5.	Principal Secretary (Labour), Chhattisgarh	STATE GOVERNMENT REPRESENTATIVES
6.	Principal Secretary (Labour), Himachal Pradesh	
7.	Principal Secretary (Labour), Madhya Pradesh	
8.	Principal Secretary (Labour), Maharashtra	
9.	Principal Secretary (Labour), Kerala	

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

CPFC welcomed Chairman, Vice Chairperson and all other members to the 216th special meeting of the Board. CPFC then requested the Chairman to give the opening address.

Chairman welcomed the Vice Chairperson/Secretary, L & E, members of CBT, Officers from the Ministry and EPFO. At the outset, Chairman congratulated all regarding implementation of comprehensive re-structuring in EPFO. Chairman also expressed his pleasure over the passing of GST Bill in the Parliament, which is a historical development towards the reforms agenda of the Government of India. This will pave the way for one Country one tax regime. Chairman desired that Ministry of L&E and EPFO also have the responsibility to usher in reforms through technological changes benefiting the stakeholders, and drew attention of the members towards the crucial agenda items of the meeting. Chairman desired that all should come together to have fruitful discussions and to take positive decisions that would benefit all stakeholders. He then requested CPFC to take up the listed agenda items.

Before the minutes could be confirmed by the Board, Shri M J Rao, member expressed that during the previous (215th) meeting of the CBT, Shri Virjesh Upadhyay, member had raised the issue of inclusion of CBT members' agenda items which are socially relevant and are related to extension of Social Security to workers. But as in the previous meeting most of agenda items were pertaining to administrative matters according to him. To this, CPFC informed that today's meeting has many agenda items as suggested by CBT members, like – 'Extension of Medical Benefits to EPF pensioners', and 'Social Security Benefits to Anganwadi and ASHA workers' etc. Chairman advised members to submit, in advance, written specific agenda item they want to be considered for inclusion in Board meetings.

Members amongst non-official representatives raised their concern about their status as Board member and requested Hon'ble Chairman to take a call in the matter and decide their status. Shri Raman Pandey, member informed the Board that due respect is not being given to the CBT members in the field Offices of EPFO and a circular in this behalf may be issued. Shri G P Srivastava commented on the status of CBT member that every time this issue is being raised,

which requires Chairman's personal intervention. He stressed upon the fact that CBT member be given due respect. Shri M J Rao informed that one RPFC has not permitted a CBT member to meet him in the Office when approached by CBT member. Written communication has been given to CPFC.

Shri Rao also expressed dissatisfaction of Group-B and Group-C employees of EPFO over implementation of Cadre Restructuring stating that Chairman had promised when a decision on 'Cadre Restructuring' was taken, that every employee of the Organisation will be benefitted with this exercise. Shri A D Nagpal, member also informed the Board that many cadres in EPFO have not been given justice through 'Cadre Restructuring' exercise, and their concerns ought to be addressed sympathetically. Shri Shankar Saha, member suggested CPFC to review the cadre restructuring, and advised that grievances of staff may be redressed with humanitarian outlook.

In the 215th meeting of CBT, Shri B Kamarsu, member had brought the attention of the Board to allegations which appeared in the press against the CBT members. Shri Rao desired to know the details of the actions taken by EPFO, as the matter was of serious nature, and image of the Board was tarnished by the incident. Other members also raised this issue. CPFC informed the Board that an employee, who had uploaded unauthorised video clip on YouTube and also committed other wrong actions, has been suspended. Vice Chairperson advised to submit an action taken report in this matter to the Board in the next meeting.

Shri A K Padmanabhan, member stated that in earlier meetings of the Board, it has been decided that when the circulars issued by EPFO are uploaded on website, a copy of the same be sent to the Board members individually. However, above decision is not being implemented, which creates inconvenience to the members, who have to search circulars.

Shri B P Pant, member informed the Board that voluntary disclosure scheme (Member Enrolment and Establishment Coverage Campaign, 2017) is being implemented by EPFO and numeric targets have been assigned to each field Office. He expressed his concern over the likelihood of coercive action being taken by the field staff against employers.

Shri Pawan Kumar, attending meeting on behalf of Shri Virjesh Upadhyay, member raised the issue that initially Member Enrolment and Establishment Coverage Campaign, 2017 was introduced from January, 2017 for a period of three months, which has now been extended for another three months by EPFO. EPFO has extended this 'Campaign', without consulting the Board. Vice Chairperson stated that in the 215th meeting of CBT, agenda item No 10 contained the provision of extension of Scheme for another three months and EPFO has taken this decision in the right perspective as approved by the Board.

Shri Ravi Wig, appreciating the initiative of EPFO for introducing the Member Enrolment and Establishment Coverage Campaign, 2017, stated that extension of Campaign for another three months is a welcome step. Enrolment of almost forty lakhs new members under the Campaign is a positive indicator towards the fulfilment of the objectives of Board.

Shri Pawan Kumar representing Shri Virjesh Upadhyay raised concern over harassment of employers by the Officers of the rank of APFC in the field Offices of EPFO. He stated that he has two instances of such complaints from Varanasi and Gurgaon. Vice Chairperson, suggested that these are individual issues which are to be addressed by CPFC, who would take action whenever a complaint is received. On complaints of individual nature, Shri K V Shekhar Raju said that he also has a personal complaint with regard to one Office of EPFO in Karnataka, which he would forward to CPFC separately.

Members also raised their concern on detailed recording of minutes of the Board meetings.

While taking note of concerns raised by members regarding their status, Chairman decided that to address the issue, he will take separate meeting of some Board members. For this, he will give time to two or three members shortly. Regarding issue of minutes, Chairman advised that minutes should be properly recorded and implemented. He also advised members, that whatever they are stating in the meeting are taken care of and accordingly agenda is prepared. He then desired that he would like the agenda items to be taken up.

Before agenda items could be taken up, Additional Principal Secretary, U P proposed that in the present scenario, advancement of technology has changed the management of database significantly. Labour laws are applicable to establishments, which employ ten or twenty employees, whereas other establishments employing lesser number of employees fall in different category. He desired that all employees should be given benefits of social security, using the technology available. Vice Chairperson, responding to this suggestion drew attention of the Board towards 'Draft Social Security Code', which would enable extension of social security to all employees. Details of agenda items where action is yet to be completed, based on the decisions taken in the previous CBT meetings should also be reviewed in future meetings.

Board confirmed the minutes as placed before it with amendment for item No 15 of 215th meeting to add in the minutes that "Employees' representatives wanted to declare at least 8.80 percent of interest rate by taking last year's surplus and notional ETF gains in the income".

Item No. 2: Action Taken Statement in respect of decisions taken in the CBT meetings held upto 19-12-2016 (215th CBT meeting).

In item No 2 of ATR: Shri M J Rao stated that in the previous meeting, status of inoperative accounts has been provided. There is huge gap in date of birth of employees. Without date of birth, there are chances of frauds. CPFC informed the Board that efforts are being made to collect date of birth, and for this we are encouraging Aadhaar enrolment through support of field Offices of EPFO. Shri C D Srivastava suggested that if possible we could seek help of local chambers of commerce, who can facilitate collection members' particulars to reduce number of inoperative accounts. The suggestion was welcomed by the members.

Members expressed concern regarding workers' bank and said that a decision on the same is pending for long time, though the issue has been discussed in the Board. To this, CPFC informed the Board that the matter has been taken up with RBI, as suggested by MOL&E vide letter dated 16.12.16. Out of three retired Executive Directors of RBI, two have submitted their consent. Matter would further be followed up in consultation with MOL&E.

Item No 3 of ATR : Shri Raman Pandey informed the Board that there are many exempted establishments, which are remitting rate of interest to member's accounts, below the statutory rate declared by the Government. CPFC taking note of the concern informed the Board that action would be taken against all such establishments.

Item No 4 of ATR : Shri M J Rao stated that 'Member Enrolment and Establishment Coverage Campaign, 2017' is going on. He asked that huge construction works are going on in various infrastructure projects, throughout the country but how many workers in the construction industry have been enrolled in the Campaign. CPFC informed the Board that 36, 46,000/- new members have been

enrolled in existing as well as, in newly covered establishments, as on 20th March 2017. The enrolment progress was circulated to the members in the meeting.

Item No 7 of ATR : Members raised issue regarding the decision taken in the 210th Meeting of CBT dated 09.12.2015 where the Board recommended the effective date of implementation of cadre restructuring to be 9th December 2015. Regarding point no. (iv) of action taken statement, Sh. Pawan Kumar, Sh. K.V. Shekhar Raju and Sh. B. Banasure stated that this is a serious issue and that the matter of allegation of bribe published in newspapers has damaged image of CBT. They desired the outcome of actions taken by EPFO and the Ministry in this behalf. Vice Chairperson informed the members that action taken would be informed. Vice Chairperson clarified that where the posts are newly created, promotion to those posts can be only after the date of creation of the post with reference to date of DPC. These are DOPT's instructions.

The Board noted the action taken status with these observations.

Item No. 3: Minutes of meetings of sub-Committees of the Board – for information

The Board took note of the minutes of Executive Committee and five other Sub-Committee meetings, placed before it.

Item No. 4: CBLO borrowing transactions by the Portfolio Managers during the period 01.10.2016 to 31.12.2016.

The information as contained in the agenda to Board was taken note of.

Item No. 5: Proposal for implementation of Ministry of Labour & Employment notification No. GSR 6(E) dated 4th January, 2017 regarding engaging Private Sector Banks- in addition to SBI and other Nationalized Banks for collection of contributions.

Sh. Raman Pandey desired that the proposal may be explained by FA & CAO, EPFO and whether it would be in the interest of EPFO to have ICICI as another payment aggregator since contributions are collected by EPFO through direct online collections and aggregator mode both.

FA & CAO informed the Board about the quantum of direct collections through SBI, PNB, Indian Bank and Allahabad Bank and those through the payment aggregator. He further informed that there are two ways of collection of contributions online – direct internet banking and through the payment aggregator. Direct collections has its advantage that it is efficient, seamless and the same is done in T + 1 day. However, collections through the payment aggregator is indirect and two more days of float is available with the banks. As a result, such float would provide gains to the concerned banks. However, as of now, similar float is being taken by SBI, which is the sole aggregator. Introduction of private banks would thus reduce the overall float of EPFO, due to more direct banking operations. SBI has been charging at Rs 12 per transaction both for direct collections as well as through the payment aggregator and this rate is in accordance with the rate prescribed by the Reserve Bank of India. It was also informed that ICICI Bank, HDFC Bank and Axis Bank have submitted 'Zero Transaction' rate for direct online collection of contributions as well as for direct online payment. Through payment aggregator, ICICI and HDFC have quoted lower rates compared to SBI.

Sh. Arun Goel, AS & FA, MoL&E advised that EPFO may prepare a roadmap for complete roll-out of online direct collection of contributions from nationalised banks and private banks so as to minimise collection through the payment aggregator model. If it is felt that such an aggregator model is required, then bidding may be done for selection of banks for collection. CPFC clarified that the philosophy of EPFO in banking is that we would provide EPFO services to employers and employees through whichever bank they prefer to open account with. Further, EPFO prefers direct banking and aims at minimising aggregator operations.

After thorough deliberations on the issue, it was decided to engage all banks (Having at least 0.5% of EPFO collection) whether private or public, for direct online collection and online payments at Zero transaction rates. Further, bidding may be done among all the nationalised banks and the private banks authorised by Ministry of Finance for collections through the payment aggregator.

Item No. 6: Item No. 6 Request by M/s Chandabhoy & Jassoobhoy, Chartered Accountants, External Concurrent Auditor (ECA) for nominal increase in fees of 10% w.e.f. 1-11-2016.

The proposal as contained in the agenda was approved.

Item No. 7. Proposal for approval of eligibility conditions for an establishment to apply for grant of exemption as recommended by the Sub-Committee of Central Board of Trustees, EPF on Exempted Establishments in its 41st meeting held on 12.01.2017

The sub-committee of exempted establishment recommended following eligibility condition for an establishment applying for grant of exemption.

- No.1- The establishment should comply as un-exempted establishment for a minimum period of 5 years.
- No.2- The employment strength for such establishment should be more than 500.
- No.3 – The corpus size should be more than Rs. 100 crore at the time the establishment is seeking grant of exemption.

Shri M J Rao member again stated that certain exempted establishments declared lesser rate of interest than the statutory rate. Vice Chairperson directed CPFC to review such cases declaring lower rate of interest.

The Board approved the proposal as contained in the agenda.

Item No.8 Authorizing the Sub- Committee on Exempted Establishments for consideration of the proposals for grant of exemption to the establishments subject to ratification

The Sub-Committee on Exempted Establishments was authorised to consider proposal for grant of exemption and place the same in the Board with recommendations in future, while ratifying the actions.

Item No.9 Matter relating to making the employees' contribution to EPF optional for employees earning less than Rs.15000/ per month for apparel and made-ups sector.

Vice Chair Person informed the Board that Ministry of Textiles, Govt. of India has a proposal approved by the Cabinet with the objective to encourage employment generation in textile industry by making employees' share of contribution optional. Members, particularly employees' representatives strongly opposed the proposal stating that this may be later extended to other sectors and thereafter social security will be jeopardized. Carry home pay can be enhanced by increasing minimum wage, but not by deleting employees' share of contribution.

Principal Secretary, Tamilnadu stated that textile industry members are women employees. Now that UAN is issued and member portability is achieved, they are willing to contribute to EPF. Shri G.P. Srivastava, Employers' representative stated that EPF investment yields better returns compared to other saving investments. Hence, textile employees should be encouraged to contribute employees' share towards EPF.

Some of the employers' representatives felt, the proposal would lead to generation of employment and may be therefor, considered favourably. It was therefore, decided to place on record the sentiments of the members.

Item No.10 Proposal for post facto approval of appointments made to the post of Assistant Director (Official Language) on deputation basis against the unfilled vacancies of DR quota-regarding.

The proposal as contained in the agenda was approved.

Item No.11 Delegation of Administrative and Financial powers to the Central Provident Fund Commissioner and Disciplinary Authority (below the level of the CPFC) regarding payment of honorarium to Inquiry Officer / Presenting Officer.

The proposal as contained in the agenda was approved with the addition to para 9 of the agenda item by adding the words in the powers "as per the DOPT guidelines/ instructions "after full power in both the places.

Item No.12 Publicity Campaign in EPFO.

Shri Pawan Kumar representing Shri Virjesh Upadhyay urged the need to include Regional Committee members in finalising the Publicity Campaign, as there is insufficient publicity in Regional languages. Chairman informed the Board that EPFO has undertaken many new initiatives and a significant improvement is visible in the services being rendered by the Organisation. However, so far initiatives of EPFO could not get the desired publicity. Board took note of the progress made on the publicity front and desired that in addition, publicity may be done at National level in Hindi and English. Where the publicity is at Regional level, it should be in Regional language.

The proposal as contained in the agenda was taken note of, with the above observations.

Item No. 13: Extension of Medical Coverage to Pensioners

Members were of the view that the proposed medical scheme should take care of financial constraints of the members and rate of contribution should be decided accordingly. CPFC apprised the Board about his meeting with D G, ECIC on 01.02.2017.

The proposal as contained in the agenda was approved

Item No.14: Social Security benefits to the workers employed as i.e. Anganwadi, Mid-day Meal and Asha Workers in the unorganized Sector.

Members welcome the initiative and congratulated the Government on this welcome step. After initial deliberations, Vice Chairperson sought the opinion of State Government representatives about employer's share of contributions. The State Government representatives informed that while the extension of social security is always welcome, the issue of implementation be looked into and mechanism of contribution by the centre/state governments be worked out.

Vice Chairperson sought the opinion of employees' representatives about ten percent rate of contribution. All the employees' representatives stated that ten percent rate of contribution is not an issue keeping in view that social security benefit is extended to Anganwadi, Mid-day meal and ASHA workers. They requested the Vice Chairperson to take views of respective Central Government Ministries and the State Governments about employer's share of contribution to expedite implementation of social security to these workers.

The Board approved the proposal as contained in the agenda with reduced contribution of 10% each for employers and employees.

Item No 15 to 25 could not be discussed due to paucity of time.

Chairman thanked the members for their cooperation.

The meeting ended with vote of thanks to the Chair.

ANNEXURE A**LIST OF OFFICERS OF EPFO WHO ATTENDED THE 216th SPECIAL MEETING OF CENTRAL BOARD (EPF) ON 30-03-2017 AT EPFO HEAD QUARTER**

Sl No.	NAME	Designation	Organisation
1.	Shri Manish Gupta	FA & CAO	Employees' PF Organisation
2.	Shri M Narayanappa	ACC(HQ)	Employees' PF Organisation
3.	Shri K L Taneja	ACC(HQ)	Employees' PF Organisation
4.	Dr S K Thakur	ACC (HQ)	Employees' PF Organisation
5.	Shri K V Sarveswaran	ACC (HQ)	Employees' PF Organisation
6.	Shri K L Goyal	ACC	Employees' PF Organisation
7.	Shri S C Goyal	ACC	Employees' PF Organisation
8.	Shri M S Kalia	ACC	Employees' PF Organisation
9.	Smt Udit Choadhary	ACC	Employees' PF Organisation
10.	Smt Anita Dixit Sinha	ACC	Employees' PF Organisation
11.	Shri R S M Verma	ACC	Employees' PF Organisation
12.	Shri Sanjay Kumar	RPFC	Employees' PF Organisation
13.	Shri Mukesh Kumar	RPFC	Employees' PF Organisation
14.	Shri Sanjay Bisht	RPFC	Employees' PF Organisation
15.	Shri Rizwan Uddin	RPFC	Employees' PF Organisation
16.	Shri R K Pal	RPFC	Employees' PF Organisation
17.	Shri Prithi Chand	Section Officer	Employees' PF Organisation