A long walk to over 22 crore accounts

1952

12.34 Lakh Establishments

12 Lakh Accounts

197 Industries

6 Industries

2019

22 Crore Accounts
The three schemes together provide a comprehensive retirement solution to enrolled members. EPF offers an accumulated corpus at superannuation and also facilitates advances for various exigencies during the service period; EPS provides lifelong pension to the member and family; and EDLI offers insurance benefits to the kin in case of the unfortunate death of a subscribed member.

Any organization that employs 20 or more employees and functions in an industry mentioned in the schedules -I of the EPF Act has to mandatorily bring itself under the purview of the EPF and MP Act and has to file periodic returns accordingly.

There has been a continuous increase in the receipts and corpus of EPFO. As depicted in the graph, EPFO’s corpus has grown at the CAGR of more than 16.5% between 2013-14 to 2018-19. The fund grew by over 16% in the last financial year. As one of the largest institutional investors in the country, EPFO has immensely contributed to deepening the financial markets. EPFO’s funds are professionally managed by the chosen fund managers and the returns offered by EPF are generally the best among the large fixed income schemes in the country, and, in fact, become even better on post-tax basis due to taxation benefits enjoyed under the scheme.

EPFO has consistently declared one of the highest rates of returns with high level of security of Investments. Prudent investment strategy has ensured high rate of return. The rate of interest declared for 2018-19 was 8.65%.
### Facts and Figures

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Contributing Members (during FY 2018-19)</td>
<td>469 lakh</td>
</tr>
<tr>
<td>No. of Contributing Establishments (during FY 2018-19)</td>
<td>6.2 lakh</td>
</tr>
<tr>
<td>No. of Exempted Establishments</td>
<td>1340</td>
</tr>
<tr>
<td>Corpus of Exempted Establishments (Rs. Crores) as on 31.03.19</td>
<td>460340</td>
</tr>
<tr>
<td>Corpus of Un-Exempted Establishments (Rs. Crores) as on 31.03.19</td>
<td>1197418</td>
</tr>
<tr>
<td>Total Corpus (Rs Crores) as on 31.03.19</td>
<td>1657758</td>
</tr>
<tr>
<td>Members in Exempted Establishments (2018-19)</td>
<td>104.8 Lakh</td>
</tr>
<tr>
<td>Total No. of Pensioners as on 31.03.19</td>
<td>64.52 Lakh</td>
</tr>
<tr>
<td>Digital Life Certificate approved as on 14.10.2019</td>
<td>52.54 Lakh</td>
</tr>
<tr>
<td>Umang Hits (Sep 2019)</td>
<td>Total: 7.13 Crore</td>
</tr>
<tr>
<td></td>
<td>EPFO: 6.25 Crore</td>
</tr>
<tr>
<td>Total Auto Trigger Transfer effected</td>
<td>9.94 Lakh</td>
</tr>
<tr>
<td>Online Modification of Basic Details Completed</td>
<td>1.19 Crore</td>
</tr>
<tr>
<td>No. of International Workers benefited (as on 10.10.2019)</td>
<td>2.3 Lakh</td>
</tr>
</tbody>
</table>
Establishments

EPFO has been experiencing an increase in the number of establishment registrations since last many years. The trend of growth of contributory establishments has seen a CAGR of around 12.5% in the last 5 years. This upward swing has roughly doubled the contributory establishments in less than 6 years.

Contributory Members

The number of contributory members has been growing at a rapid pace. As depicted in the graph, the contributory membership has grown at the CAGR of about 7.5% since last 5 years. Contributory membership datapoints keep getting updated as per the ECR filing.

Pensioners

The EPS has since its inception grown in terms of the beneficiaries at a rapid pace. In the last 5 years the overall growth in terms of the pensioners being benefitted by the scheme has increased by more than 6.5% CAGR. Pension for 5074578 beneficiaries is being given to the families of the deceased member.
KYC | A precursor to avail online services

From October 2018 to September 2019, a total of 2.38 crore accounts were seeded with Aadhar. This period recorded a growth of 63.9% in Aadhar seeding.

Seeding of bank account and mobile numbers also saw an upward trend with over 2.08 crore bank accounts and 1.48 crore mobile numbers seeded during this period recording seeding growth of 46.2% and 27.7%, respectively.

KYC seeding enables members to avail online services thereby reducing delay and increasing efficiency. The quantum leap in KYC seeding provided requisite platform for augmenting online services.
PMRPY was launched by the Government of India with effect from 09.08.2016 to incentivize employers to recruit unemployed persons and also to formalize the informal employees. The employer share under the EPF Act (12%) is borne by the government. The scheme has been a spectacular success and has already benefited over 1.22 crore employees belonging to 1.53 lakh establishments accounting for subsidy amount of 6691.73 Crore.

Facts and Figures

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishments Registered</td>
<td>1.86 Lakh</td>
</tr>
<tr>
<td>Establishments Benefitted</td>
<td>1.53 Lakh</td>
</tr>
<tr>
<td>Employees Registered</td>
<td>1.44 Crore</td>
</tr>
<tr>
<td>Employees Benefitted</td>
<td>1.22 Crore</td>
</tr>
<tr>
<td>Total Amount Disbursed (Rs.)</td>
<td>6691.73 Crore</td>
</tr>
</tbody>
</table>
INITIATIVE AND ACHIEVEMENTS

ONLINE CLAIM FACILITY

ONLINE SERVICES
Online claim facility, introduced in May 2017, was restricted to final settlement (F19), withdrawal benefit (F10 C) and certain advances (F 31). With persistent efforts, online claim facility evidenced quantum jump, extending ease of living to members.

However, a few claim categories were not available in online mode. 5,02,703 Pension claims (F10 D) were received physically during 2018-2019 requiring visit to employer for authorisation and visit to PF Office for submission of documents. A new service has been added in member portal enabling members to file pension claim online with minimal input, dispensing physical visit. Online claim facility has been extended to family member/ nominee of deceased PF members also for filing composite claim (Form 20, 5IF and 10D) online. This functionality is helping in timely extension of benefits to bereaved family. Online claim settlement facility has been extended to claim for partial withdrawal upto 75% in case of temporary unemployment. Online transfer of funds from exempted establishment to un-exempted establishment has also been introduced reducing transfer time lag from months to days. Expansion of online claim facility has contributed to ease of living by curtailing physical visit to employer for attestation and visit to PF Office for submission. It has also improved service delivery radically by reducing claim settlement time.
With a subscriber base of 4.7 crore, contributing establishments 6.2 lakhs and 64.5 lakhs pensioners, resolving grievances is at center stage. EPFO has a dedicated grievance redressal portal: EPFiGMS (Employees Provident Fund Internet Grievance Management System).

With an objective to enhance user friendliness, the EPFiGMS portal of EPFO has been revamped. It is now loaded with the following features:

- Grievances registered on Bilingual web platform
- Grievances linked to Master database, UAN and OTP verification
- Real Time tracking of Grievances and Feedback
- Analysis of grievances and feedback
- 52 categories of grievances instead of 8 for better root cause analysis and corrective action

Launched in Aug 2018, EPFiGMS has received more than 20,000 positive feedbacks. This service is accessible through mobile, tablet and computer. Every OTP based grievance raised on portal is linked to unique identifier to automatically transfer to the dealing person on real time basis. Additionally, Grievance Nodal officers have been nominated for each Regional Office to ensure better coordination and disposal. A three level escalation matrix has also been put in place to ensure satisfactory resolution of grievance. This has resulted in redressal of more than 99% of the received grievances in the year 2018-19.
Auto Transfer Facility

The manual process of transfer of past PF accumulations from exempted establishment to un-exempted establishment has been made online wherein PF amount and details are transferred digitally. This facility has eliminated physical documents and manual intervention, reducing lag in crediting PF member’s account. Auto transfer facility has benefited over 1 crore members of exempted establishment.

UAN Activation on UMANG

Facility to activate UAN is latest addition to services offered on UMANG platform. Through this facility, PF member can link his mobile number to UAN for availing online services.

Reflection of Damages

Delayed remittance of dues attracts damages and interest and process of collecting these dues was fully paper driven. Amount of damages and interest due is reflected in employer portal for all delayed remittances. Non-wilful defaulters can immediately pay the amount of damages and interest obviating lengthy paper driven process. Since inception of this facility, total Rs. 282.99 crore under damages and Rs. 232.42 crore under interest has been deposited by employers.

Online filing of 15G/15H

The online claim submission has been provided facility to upload form 15G/15H of Income Tax for claiming TDS exemption. 5.53 Lakh form 15G/15H have been uploaded exempting members from TDS deduction.

Demographic Detail Updation Facility

Data mismatch in demographic details deprive members from availing services of EPFO. Online request of demographic details updation facility enables members to get their data mismatch corrected. Document upload facility has been provided to further smoothen this process. 1.14 crore requests have been approved on online members detail correction functionality, ensuring prompt services to members.

Online International Worker Return

Employers are required to file return in respect of international workers every month. The physical return has been replaced with online return, enhancing digitization.

Digitization of Form 9

Form 9, the key document carrying basic details of members, has been digitized, bolstering steps towards paperless office. Submission of physical form 9 is replaced with submission of e-form 9. The existing physical form 9 records are being digitally scanned and uploaded in application software, duly indexed for easy retrieval.

24*7 Call Centre

The call Centre has been augmented from single shift to round the clock operation attending 3200 daily calls.
Unified Mobile Application for New-age Governance (UMANG) is envisaged to implement e-Government. It provides a single platform for all Indian citizens to access pan India e-Government services. 490 services pertaining to 104 departments of 21 states are available on UMANG app. With a huge rating of 4.45, the Umang app has over 1 crore registered users.

EPFO services were added on UMANG platform in 2017 wherein members can view their e-passbook, and raise/track their claims. Employers can get the details regarding their remittance and know the status of Temporary Return Reference Numbers (TRRN) allotted. Pensioners can file their life certificates (Jeevan Pramaan) and also view their passbooks. App also provides facility to search establishments, know claim status, and account details through SMS or a missed call. Recently UAN activation facility has also been added to the plethora of services being provided on UMANG app. UMANG app has 103.45 crore hits till Sept 2019 and 90.26 crore of these hits were accounted for EPFO services (87.25%) – the maximum hits for any department.

EPFO | The most accessed service on UMANG

EPFO - 87.25%
NEW LAUNCHES

UAN for All
E-Inspection
DigiLocker
Presently employees are dependent upon the employer for generation of UAN (Universal Account Number). This not only increases compliance gap, but also deprives employees from availing online facilities. A self-service based online functionality is being introduced to generate UAN by employee himself. This facility will be available to all employees working under the establishment falling under preview of the EPF Act. Under this functionality, OTP based Aadhar e-KYC is done and employee has to provide the details of the employer. On the basis of details fetched from UIDAI, UAN is generated. This will in particular facilitate such employees who have not been enrolled for EPF schemes by the employer.
Ease of compliance is integral part of “Ease of Doing Business”. EPFO endeavours to facilitate employers in reporting compliance by reducing physical inspections. E-Inspection is being introduced to facilitate non-wilful defaulters in plugging defaults and reducing compliance cost. Under the facility, establishments will be allowed to either declare closure of their business with supporting documents or disclose the amount in default and reasons thereof. E-Inspection will be restricted to period of default and employer will be able to declare schedule of payments of outstanding dues. Disclosure of default shall facilitate assessment of dues promptly and prevent harassment of non-wilful defaulters.
Maintaining physical documents, especially one which needs to be preserved for longer duration is difficult. To overcome this difficulty EPFO takes one step closer to furthering the objectives of ‘Digital India’ by integrating with DigiLocker. The process of moving all Pension Payment Orders (PPOs) to the DigiLocker has commenced by creating a EPFO digital repository. An EPF pensioner can easily access his PPO on the DigiLocker directly and independently. All PPOs in the DigiLocker prospectively will carry the pensioner’s photograph and also shall be QR coded.
The Way Ahead

Express settlement of claims
Leveraging technological advancements, Auto Claim Settlement in Express Mode facility is being evolved for improving service delivery. Robotic Process Automation (RPA) is adopted for implementing claim settlement without human intervention. This facility will reduce delivery period phenomenally and dispense away paper work.

PPO on Retirement Day
With objective to issue Pension Payment Order on date of retirement, facility is being developed for sharing service details with prospective pensioner one year in advance. This will enable corrective action e.g. service not transferred, name correction etc. in advance. PPO will be issued on day of retirement and member will be moved to Pensioner Portal.

Computerisation 2.0
Next phase of computerisation is being built upon state of the art technology integrating elements of Big Data Analytics, Artificial Intelligence, Machines learning, Block chain and Robotics.

Amalgamation of UAN
Targeting at One Employee - One Account, the Universal Account Number (UAN) will be used as pivot to merge multiple accounts, thus identifying member and delivering services through single UAN.

Empowering Principal Employers
Ever increasing outsourcing is order of the day. In such a scenario, principal employers need stronger tools for ensuring contractor compliance. Facility for upload of EPF payments made by principal employer to contractor is being evolved. The uploaded payment details will be cross verified with ECR (Electronic Challan cum Return) data to spot leakage and initiate corrective action.

Plea Bargaining Scheme
For achieving reduced litigation, plea-bargaining scheme will be introduced wherein employer will have opportunity to accept charges levelled and minimum fine will be imposed. This will conclude the litigation enabling employers to focus upon their core activities.

New Ranking Index for Exempted
Presently exempted establishments are ranked on six criteria. More criteria will be included in ranking matrix for better assessment of exempted trust compliance performance.

Unitization Policy
EPFO started investing in Exchange Traded Funds from July 2015. Unitization policy is being evolved to disseminate NAV of investments in ETF to subscribers.
An average day at EPFO
2018-19 (247 working days)

- Rs 599.22 Crore received as contribution and Rs 549.97 Crore invested
- Rs 329 Crore disbursed to beneficiaries
- 416 Establishments registered and 74,123 members enrolled
- 66,309 claims settled
- 2,612 Public Grievances Received
- 2,604 Public Grievances Settled