



EMPLOYEES' PROVIDENT FUND OFFICERS' ASSOCIATION
EMPLOYEES' PROVIDENT FUND ORGANISATION
MINISTRY OF LABOUR AND EMPLOYMENT, GOVT. OF INDIA
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Deepak Narwal
Assistant PF Commissioner

Date:26.04.2021

To

**Shri Sunil Barthwal, IAS
Central Provident Fund Commissioner,
Employees Provident Fund Organisation,
NEW DELHI 110 066.**

Subject: - SOS to save lives and extend a helping hand-Regarding.

Sir,

It is to note with great alarm that the impersonal statistic of a Covid fatality has now identifiable faces of the EPFO family of our near and dear ones. Still larger numbers are battling virus infection in various stages. With the medical infrastructure nearing breaking point, no less than the Hon'ble Prime Minister of India has stated yesterday that the country is shaken. We require response on an emergent basis from EPF Headquarters to ensure some remedial measures. Following may be immediately implemented:

- a) Starting from April 2020, Medical expenses incurred by officers and employees on Covid related treatment, both as inpatients (Hospitals and Satellite centres) and at-home patients be reimbursed in full. The difference in reimbursements given under relevant CGHS / CS(MA) Rules allowed earlier and the actual expenses incurred be permitted to be made good from Staff Welfare budget. Special financial allotment and sanctions be conveyed urgently to all field offices.

- b) Government of India and all medical experts are constantly advising that vaccination is the only protection against the raging pandemic. As a conscious and responsible organisation, the cost of vaccination for EPF officers, employees and their families be allowed as a valid expenditure under the head "Medical Reimbursement". If required, additional budget may be allotted for the same.
- c) The maximum permissible attendance in EPF offices be restricted to 25%, till 31st May 2021. This may be reviewed again depending on situation prevailing then. During this period of extreme distress, only Pension Claims, Death Claims and Covid Claims may be processed. The receipt of rest of the claims may be temporarily suspended till the situation improves.
- d) This intervening period may be used to improve the work flow of claim settlement process by bringing maximum claims on auto mode and by providing facility for processing claims through WFH. A detailed suggestion in this regard is enclosed as Annexure-I

It is requested that the above proposals may be immediately approved so that precious human lives can be protected and the morale of all employees is kept high in these testing times.

Yours sincerely,

A. Swami

(Saurabh Swami)
Secretary General

Encl: Annexure-I

Copy to:

1. The Chairman, CBT, EPF /Hon'ble Minister
M/o. L&E,GOI
2. The Vice Chairman/Secretary (L & E),
M/o L&E, GOI.
3. All CBT Members

} for your kind information please

Annexure-I

The claims workload for 2020-21 reveals that:-

- i) There was a total workload of 4.68 crore claims. **This was 55% more than the claims workload for 2019-20.** Of these claims, 70% were settled, 28% were rejected and 2% pending at the end of the year.
- ii) 18% of the claims were Form 19. We should make the Form 19 settlement in auto mode with certain validations, especially where there are no name/ basic details to change history. These could be cases where members joined on or after October 2017 and also several old cases where the member joined earlier where the record keeping is better.
- iii) About 16% of the claims were for Pension Withdrawal benefit {Form 10C (WB)}. These could be auto settled, once the linked Form 19 is settled.
- iv) 51% of total workload pertained to part withdrawals (Form 31)- These could be automated completely.
- v) About 10% are transfer claims, from an unexempt to another unexempt establishments – These are processed twice, once in transfer-out office and then again in transfer -in office. In the transfer-in office these claims should be auto-credited.
- vi) About 1% of the total claims' workload is Member Pension Claims (Form 10D- Member pension). The processing of PF pension claims needs to be modified to enable faster processing of claims. Following is suggested: -
 - a) On-line filing of Form 10D (member pension) be made mandatory.
 - b) Members be advised to complete e-nomination and file on-line claims only.
 - c) Pre-filled Form 10D may be made available in the Member portal to submit the claim.
 - d) The Claim may land directly in the task of DA (Pension) for generation of PPO. There should be no role of accounts groups in settling member pension claims.
 - e) The three-cycle approval of pension in Pension section (IDS/Worksheet/ PPO) may be shrunk to one approval cycle of generation of PPO.
 - f) In case a transfer-out is required, the IDS may be transferred digitally, i.e. the IDS be made available in log-in of DA (Pen) in pension paying office for generation of PPO.
 - g) Ideally there should be no cause for transfer of IDS/PPO if central pension payment is made operational.
- h) Till the time, batch digital signing of all PPOs in one step is introduced, the digital signing of PPO may be stopped immediately. Individual digital signing of each PPO is a time-consuming cumbersome process and it gives no functional benefit. Furthermore, there is no forward integration of digitally signed PPOs with pension disbursing banks, which still require physical copies of PPO because the pension disbursement mechanism has stood frozen in a 20 year old process, when banks were not on the CORE platform. Banks have adopted technology in a big way and EPFO continues to be a laggard in this field.

In today's day and age, claims settlement should not be a metric of performance. It is pertinent to point out that about five years ago, updating of annual accounts was a similar manual, time consuming and hugely stressful process. Its automation has improved our services

considerably. We have unfortunately, not extended this process innovation to claims settlement. We have had an inconsiderate direction recently, proposing to further tighten the claims settlement windows to 10 days without giving any thought and effort to digitally enrich the claims settlement process. We have lodged a protest against the same separately. The above change in claims processing is urgently required to make the claims settlement process efficient. The present claims workflow is archaic and not at all conducive for faster and accurate settlement of claims.

We also seek to submit our understanding of the process of Concurrent audit. It has reduced itself to “transaction-audit” only, which incidentally is also the mandate of Internal audit. This duplication of work seems to be pointless. We would request that the Concurrent Audit and Work Study Units be merged to create a new unit which would focus on process-audit and also validate new software innovations which will further the cause of efficiency in EPFO operations.