

Final Proposal for Cadre Review



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By
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CHAPTER 1: EXECUTIVE SUMMARY

1. **Administrative Reform Commission (ARC) Recommendation:**
Administrative Reforms Commission (1969) defined a *cadre* as follows:-

“A cadre comprises persons who have been adjudged suitable and recruited to hold a group of positions requiring similar skills - technical, professional and/or administrative; within a Service there may be more than one grade arranged vertically according to the level of responsibility

A Central Group `A' Service represents a group of posts belonging to a distinct functional area arranged in a hierarchical order representing different grades or levels of responsibility. All the posts in the Service carry the same functions involving specific skills. They are thus uni-functional. They only differ in rank and status corresponding to given levels of responsibility attached to different grades of posts. The hierarchical arrangement of posts along with the pay scales attached to different grades constitutes what may be called a CADRE and the arrangement itself is known as a Cadre Structure. At the Centre, recruitment is made to a `Service' rather than to a post; at least in so far as organised service is concerned.

The Monograph on Cadre Review of Group `A' Central Services, published by the Cadre Review Division of Department of Personnel and Training provides that an important requirement of a well constituted cadre is that while it caters to the functional needs and fulfills the functional objectives of the Service it should also be capable of providing a satisfying career to its members not only in terms of work environment but also in the matter of fulfilling their legitimate career aspiration. The latter, however, depends so much on how the cadre has been structured at the time of the constitution of the Service and the manner in which it has been restructured subsequently from time to time. Obviously, in a structure which is too wide at the bottom or even at the middle level tapering off to a very narrow top, promotional avenues for its members are severely restricted causing frustration among them and reducing the effectiveness of the Service. Cadre review provides an excellent opportunity to remedy the situation.

The Administrative Reform Commission has suggested carrying out cadre review every five years which was adopted by the Govt. of India. In pursuance to this adoption The Department of Personnel and Training

(DoPT) prepared the **Monograph on Cadre Review of Group 'A' Central Services and issued circular mandating all Cadre Controlling Authorities to undertake the exercise of cadre review every five years.** Despite this standing instruction no cadre review has been undertaken in the last six decades of the existence of Central Board of Trustees (CBT) nor the recruitment of 'Commissioners' is made to any 'Service'.

2. Statutory Obligation:

In view of the reforms suggested by ARC and realising the need and importance of appropriate condition of service of officers of CBT the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (the Act) has been amended (by Act 33 of 1988) in the and thereby clauses (1) and (2) of to make the conditions of service of officers of EPFO at par with those of Central Govt.. Despite this statutory provision brought into effect by way of an amendment but no effort has been made till date to fulfill it and the statutory mandate remains unimplemented even after a lapse of 22 years.

3. The Sixth Central Pay Commission (SCPC) Recommendation:

The SCPC had submitted its Report to the Govt. of India and those recommendations which were adopted by the Govt. of India were compiled and notified. All recommendations accepted by Govt. of India were also accepted *mutatis mutandis* by the Central Board of Trustee, Apex Governing Body of Employees Provident Fund Organisation, Ministry of Labour & Employment, and Govt. Of India, through a resolution passed in a special meeting of CBT held on 18th Sept 2008. The acceptance of the same was circulated vide Head office order bearing number HRD/1(20/2008/6th CPC/38045 dated September 19, 2008 **(Annexure-I)**. As per this resolution the CBT has to constitute a Cadre Review Committee (DoPT OM No: File No.I-11019/6/2008-CRD dated 5th Sept, 2008 may be referred to). A direction of Cabinet Secretary issued vide his DO letter No: I-11019/6/2008-CRD dated April 29, 2008 to constitute Cadre Review Committee within two months of its issue also remains unimplemented in EPFO.

Following the recommendation of the SCPC, a Pay Anomaly Committee had been constituted in EPFO. The EPF Officers Association had submitted its proposal before the Pay Anomaly Committee. The recommendations of the committee had been put up before the 68th Executive Committee, CBT on 6th August, 2010. It had been decided in the Executive Committee to prepare a

proposal for restructuring of the Cadre having regard to the new functional requirement.

As per the current practice followed by Ministries/Departments no cadre review is initiated in respect of any Service/Cadre which is likely to be affected by the recommendations of a current SIU study of an organisation under a Ministry/Department. The review proposals are required to be drawn up only after the SIU report has been acted upon by the Department concerned. In case, however, SIU happens to undertake a review of an organisation under a Ministry/Department soon after a cadre or cadres controlled by it have been restructured on the recommendations of the Cadre Review Committee, the Department may ensure that SIU finalises its report in consultation with C.R. Division of Department of Personnel & Training in so far as its recommendations may affect the cadre structure/strength of the concerned service(s).

In EPFO the SIU norms were devised in 1987 and subsequently no review has been carried out despite addition of large number new work areas. This has lead to non revision of staff & official strength, hence each staff & official are over burdened and service delivery is affected badly.

Absence of cadre review is hindering smooth conduct of business. Shortage of senior level officers is limiting the policy work and shortage of middle rung officers is resulting in heavy workload on existing officers that resulted in heavy workload and the resultant non-uniformity of rules and procedures and deterioration of the quality of output.

Hence, the present proposal of Structural Changes in EPFO and Officers Cadre to streamline the functions of EPFO and delivering better services is put up for kind consideration. The proposals are summarised below:

Sl. No.	Present designation	Proposed Designation	Proposed Level [in terms of sections 5D (7) (a) & 7 (b) of the Act]	Grade Pay (in Rs.)	Function
(1)	(2)	(3)	(4)	(5)	(6)
1	CPFC	Director General (Social Security)	Secretary to Govt. of India/Equivalent	Apex Scale	Country head
2	NEW POST	Addl. Director General (Social Security)	Higher Administrative Grade	HAG+ scale	Country Head of each functional area stationed at the HO
3	ACC	Chief Commissioner (Social Security)	Higher Administrative Grade	HAG scale	Head of Zones and sub-heads of Functional areas in H.O.
4	RPFC-I	Commissioner (Social Security)	Senior Administrative Grade	10,000	Head of R.O. OR Branch Officer in H.O. OR Head of each offices in Metro Cities
5	RPFC-II)	Addl. Commissioner (Social Security) NFSG, with 14 years of Gr. 'A' service	Selection Grade (NFSG)	8,700	Head of bigger S.R.O. OR In R.O. or H.O.
6	RPFC-II	Joint Commissioner (Social Security) Below 14 years of service	Junior Administrative Grade	7,600	Head of smaller SRO OR In R.O. or H.O.
7	APFC (time scale after 5 yr)	Deputy Commissioner (Social Security) (after 4 yr in APFC cadre)	Senior Time Scale	6,600	Branch Officer
8	APFC	Asst. Commissioner (Social Security)	Junior Time Scale	5,400	Branch Officer

- Separate cadre should be created for assessment and compliance functions. The function of assessment of dues and determination of applicability dispute should be completely separated from compliance work. Thus there should be a separate category of P.F. Commissioners of various levels charged exclusively with conduct of inquiry under Section 7A of the Act. Such officers shall be completely independent and the inspectors representing the E.P.F.O. in such enquiry shall work under the supervision of the Commissioner (Compliance).
- Strength of Inspectors should also be separated from Accounts Officers and given the larger responsibility and higher demand of ability for discharge of duty Inspectors should be recruited either directly through UPSC or on qualifying the departmental examination.

Strength of Inspectors cadre should be increased by at least five fold to ensure real and effective fulfillment of statutory functions particularly u/s 13 of the Act.

- Permanent Inquiry Officer (P.I.O.) shall be upgraded from the rank of Under Secretary level to the Director level. Further a P.I.O. shall be placed in each Zone. It is required in the light of increased emphasis of Govt. to expedite the process of disciplinary proceeding and to improve its quality as part of its administrative reforms agenda. It will also help minimize a situation where the Inquiry Officer and charged official are of the same rank.
- Deputy Director (Audit) shall be posted in each Zone and it will be manned by an officer of the rank of S.A.G. level. This will improve the degree to which conduct of internal administrative work of office conforms to the extant rules.
- Post of Appellate Authority shall be created in each Zone with the designation Chief Commissioner (Appeal) in Higher Administrative Grade /-. All appeals from the final or interim order passed during inquiry conducted under Section 7A or Section 14B of the EPF & MP Act 1952. This is to avoid

trouble to litigating employers to travel to Delhi to files appeal before Tribunal and other courts where the matter is kept pending for years causing inconvenience to all stake holders. At present when only 4% of establishments are being investigated, huge amount are locked in because of the stay orders. The compliance machinery will be activated once again after the computerization of the EPFO, when detection of default will be more precise and tapping the growth in Labour market in India and abroad.

- Intelligence wing should be created to bring more number of establishments under preview of the Act and enrollment of worker. This wing has gained importance under the changed scenario of labour market where there is an increase in contractualisation and casualisation of work force. The Intelligence wing will also co-ordinate with other departments of the Govt. for better effectiveness.
- At times it has been noted that the officials of EPFO are finding it very hard to investigate the books of account and cause inspections for such establishments which have branches in different parts of the country. Further the Investigation wing will also have expertise and focused manpower to attend such cases in efficient ways in each zone for investigation of difficult cases referred by assessing officers.
- The Finance Act, 2006 was amended to bring all provident fund trust within the purview of the EPF & MP Act to get exemption of Income Tax. To monitor such establishment in addition to existing EPF exempted establishment there should be one exclusive office to maintain records about compliance being headed by an officer of the rank of RPFC-I and these officer should report directly to zonal in charge. Every state should have one such office.
- North East Region comprises eight states but there is no Zone for the same. It is proposed to make one zone for North East states headquartered at Guwahati and two R.O.s one each at Guwahati and Shillong.

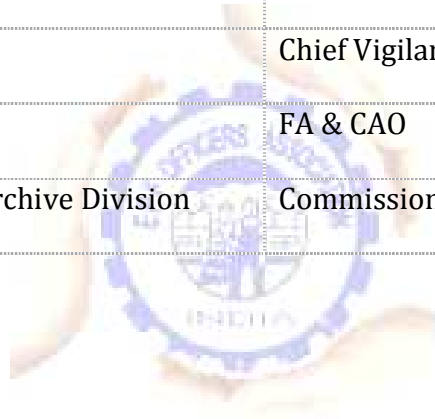
- All Deputy Commissioner should be posted in Regional Offices and bigger SRO. All Assistant Commissioners should be posted in smaller SRO. Both post will have same duties and responsibilities.

Type of SRO	Account	Officer-In-Chager level	Other Officers
Bigger SRO	More than 4 Lakh Accounts	Director level [Additional Commissioner (Social Security)] Grade Pay Rs 8700/-	Deputy Commissioner
Smaller SRO	Less than 4 lakh Accounts	Deputy Secretary level [Joint Commissioner (Social Security)] Grade pay Rs 7600/-	Assistant Commissioners

Head office should be divided into following:

Sl. No.	Name of Division	Should consist of following officers:
1	HRM (Personnel) for Gr-A Officers	Chief Commissioner (Social Security)
2	HRM (personnel) for Gr-B/C/D officers	Chief Commissioner (Social Security)
3	HRM (General Administration)	Chief Commissioner (Social Security)
4	Intelligence Wing	Chief Commissioner (Social Security)
5	Enforcement matters	Chief Commissioner (Social Security)
6	Legal	Chief Commissioner (Social Security)
7	Recovery	Chief Commissioner (Social Security)

8	Exemption	Chief Commissioner (Social Security)
9	Pension	Chief Commissioner (Social Security)
10	CSD/ Grievance	Chief Commissioner (Social Security)
11	Information Services (software)	Chief Commissioner (Social Security)
12	Information services (Hardware)	Chief Commissioner (Social Security)
13	Local administration	Chief Commissioner (Social Security)
14	Physical facility/Infrastructure	Chief Engineer
15	Welfare measures	Commissioner
16	Vigilance wing	Chief Vigilance officer
17	Finance & Account	FA & CAO
18	Publicity, manual, archive Division	Commissioner



CHAPTER 2: Need for Cadre Review & Structural Change

- a. EPFO is assigned the task of administering the Employees Provident Fund and Miscellaneous Provisions Act, 1952. It includes enforcement, management of fund and supply of service in a time bound manner.
- b. EPFO deals with the voluminous work and it is our experience that such places the customer grievance will generate. To address the same in effective way, the organization must empower its officers to take on the spot decisions. Hence a senior officer will be more comfortable and Responsible. EPFO is enforcing agency, the same is going to be more and more complex in casualisation and contractualisation of work force. The fast movement of workforce and paperless world is going to make it still worse.
- c. The present default rate is very high. The organisation will have to envisage tremendous increase in workload when we move towards reducing the threshold limit for coverage to 10 employees.
- d. There are many work areas which had been added in the past, which includes EDLI, EPS, International Worker, Recovery, customer service etc. in addition to Provident Fund. Hence calling this organization a Provident Fund Organisation is misnomer. Actually we are providing Social Security benefits.
- e. India loses close to \$1.5 billion (Rs 7,000 crore) in contributions by Indian workers in US social security schemes that go waste when workers return. Overall, Indian expats lose around \$48 billion (Rs 2,23,700 crore) per year to social schemes of different countries. (Hindustan Times) Therefore there is an urgent need to strengthen this area.
- f. Magnitude, Dimensions and significance of the Duties and Responsibilities are hugely disproportionate to the rank and structure of the existing cadre and organizational structure.
- g. This is the only organisation where the young officers are being recruited through UPSC with age eligibility criteria of 21 years and have average 33-39 years of service but have the apex promotional avenue only upto the grade pay of Rs 8,700/-

whereas the same is attained by a Group 'A' officer in Govt. of India within 14 years of service as per DoPT guidelines.

- h. To address the future manpower requirement a total of 209 APFC will be recruited within 2 years but very few senior officers are retiring (refer the table below).
- i. There exist huge gap in the hierarchy in every level from field to country head of each functional area hence there is problem in interaction and co- ordination with other departments.
- j. There exists very Poor recruitment planning in EPFO. The recruitment is generally made as and the vacancy gets accumulated. Often these post are filled on Ad-hoc basis from feeder grade, which causes irreparable loss to the service career of officers as their Ad-hoc services are never been counted in their service rendered to make them eligible for next promotion.
- k. In EPFO there is no consolidated recruitment rule. There exist is separate and fragmented recruitment rules for each post within the cadre. Absence of consolidated recruitment rule leads to different sets of interpretation for different post in the same service, which is unique in when compared to any other organization.
- l. In EPFO there is no reserve and only regular duty posts exist. Non existence of various reserves for leave, probation, deputation and study leave is a stumbling block for delivery of efficient and better services. The officials are not well trained and not able to mix up with other organizational culture to bring homogeneity among Government services.
- m. No parity of service condition is drawn with condition of service of Central Government officers despite there exist statutory mandate U/S 5D (7) of EPF & MP Act, 1952.

Attributes of an ideal cadre

The concept of a regular Group `A' Service, the way it is constituted and its grade structure have been explained earlier. The various attributes of an ideal cadre of a Central Group `Service are elaborated in the following paragraphs with specific reference to the existing structures, their deficiencies, the need to rectify them through periodical reviews and the methodology of the review exercises.

- a) The functional needs of a regularly constituted service ought to be fully met by cadre posts without having to take recourse to ex-cadre posts. Conversely, cadre posts should entirely cater to the functional requirements of the Service and should not be utilised for performing functions other those for which the Service isintended;
- b) The grades into which the cadre is divided should be clearly distinct in the sense that each carries a distinct level of responsibility within the functional area of the concerned service. The posts within a grade should also be inter-changeable;
- c) The cadre structure should facilitate smooth mobility for its members both horizontally and vertically. Thus, while the posts in the same grade may be interchangeable, any member of a grade should be capable of moving up and discharging the duties of a post in a higher grade;
- d) An ideal cadre should be capable of fulfilling the legitimate career expectations of the member of the Service. The expectations, however, have to be in harmony with the functional needs of a Service; and
- e) Every cadre structure should have separate provision for various types of reserves like probation, training, leave and deputation.

General deficiencies of cadre structure and management:

It is a common knowledge that a number of organised Group 'A' Central Services have cadre structures that do not accord with one or more of the various requirements of an ideal cadre structure. Certain distortions have crept in some services over a period owing primarily to inadequate cadre management and irregular recruitment. Some of the deficiencies noticed in the cadre structures of organised services are detailed below.

(i) Poor recruitment planning: For smooth and proper cadre management, advance projections of manpower requirements should be undertaken at least once in a period of five years. Improper recruitment planning may lead to under-recruitment, over recruitment or other ad-hoc measures. Promotion blocks occur due to large scale recruitment carried out after a spell of prolonged under recruitment. This causes frustration among service officers resulting in less of morale and motivation. Unplanned or haphazard recruitment also leads to avoidable strain on organisational facilities during the years of bulk recruitment and under-utilisation of facilities during years of under recruitment.

(ii) Lack of functional clarity: In some cadres, the functional needs and requirements of the service are skipped and members are assigned functions which are strictly not in the operational area of the concerned service. This distorts the original objectives of the Service, erodes its functional role and renders the Service ineffective. In some cases, a large number of functional posts are found outside a functional Service, e.g. Indian Economic Service. Members of the Service are often deputed to ex-cadre posts in the same functional area. It is desirable that all ex-cadre posts be merged into appropriate Service as far as possible.

(iii) Deficient cadre structure- A well constituted cadre is one that fulfills both the functional objectives of the Service and legitimate career aspiration of its members. It, however, depends on how the cadre has been structured at the time of the constitution of the Service and the manner in which it has been maintained. The cadre controlling authorities are sometimes compelled to resort to ad-hoc measures because functional requirements of the Organization concerned are not accurately anticipated or there are abrupt bottlenecks in promotions. Obviously, in a structure which is too wide at the bottom or even at the middle level tapering off to a very narrow top, promotional avenues for its members are severely restricted causing frustration among them and reducing the effectiveness of the Service.

(iv) Poor provision of reserves: Another serious lacuna of some organised cadres is the lack of provision for one or other types of reserves giving rise to cadre management bottlenecks.

(v) Absence of recruitment rules: Finally, there are some services which do not have proper and updated recruitment rules.

CHAPTER 3: AUGMENTATION OF FUNCTIONS OF EPFO

EPFO made its humble beginning in 1952, when it was bestowed with the responsibility of administering the Provident Fund Scheme i.e. EPF Scheme 1952 for selected set of six industries. Initially only 1400 establishments were covered under this scheme in 1952-53 and benefits were extended to nearly 12 lakh workers.

With the passage of time, new schedules of industries were brought under the purview of the Act and the girth of the EPFO started increasing tremendously. New functions and varied responsibilities were added in the kitty of EPFO to make it a multi-dimensional and gigantic social security organisation, touching lives of around 58 million workforce and their families.

Some of the new areas added are as follows:

a. New Schedules of Industries coming under the purview of the Act:

In 1952, the sweep of EPFO was very limited and it extended only on 6 categories of industries i.e. Six(6) schedules of industries were initially covered under the Act and a total of 1400 establishments employing 12 Lakh workers were extended the benefits under the Act. At Present, there are 186 schedules of industries and other establishments on which EPFO extends its jurisdiction and it covers 587.96 Lakh workers. Further, in the age of IT revolution and service driven economy, new types of knowledge based and service establishments are being established and hence more and more schedules of industries are being added, thus increasing the workload of EPFO.

Subject	Year 1952-53	Year 2009-10	% e
No. of Schedules of industries and other establishments on which EPF & MP Act 1952 is applicable	6	186	3100 %
No, of Establishments Covered under the Act	1400	615302	43950 %
No. of workers Covered under the Act	12 Lakhs	587.96 Lakhs	4900 %

b. Employees Deposit linked Insurance Scheme-1976:

In order to widen the social security cover further, deposit linked insurance scheme was introduced in 1976, to give assurance benefits to the family members of those workers who died while in service.

II. Family Pension Scheme, 1971:

Till 1971, EPFO was operating only the provident fund scheme for its account holders. To further augment the social security cover to the workers, another scheme was introduced i.e. FPF scheme 1971, for giving pensionary benefits to the family members of those employees who died while in service. This scheme continued till 15/11/1995, after which it was merged with Employees Pension Scheme 1995. However, even now, the benefits of FPF '71 scheme are being disbursed to existing beneficiaries of that scheme and still cases which fall under FPF'71 scheme do get settled and benefits are disbursed to eligible beneficiaries.

c. Employees Pension Scheme-1995:

On 16/11/1995, a very liberal and benevolent pension scheme was introduced which had the components of superannuation pension, family pension, disablement pension, early pension etc. It replaced the erstwhile FPF'1971 scheme and all the assets and liabilities of it were transferred into EPS'95.

Thus, EPFO at present is *de-jure* operating 3 schemes but *de-facto* it is operating the 4th scheme also i.e. FPF'1971, though at a miniscule level.

d. Recovery Functions:

Till 1986, the officers of EPFO were only involved in assessment of PF dues and the dues so assessed were recovered through district administration. However, since 1986, recovery functions are also entrusted upon the assessing officers and for carrying out these functions, recovery powers have been conferred upon them under section 8F of the Act. At present, the assessing officers are not only responsible for assessment of dues but also recovering the assessed dues.

e. International Worker Social Security:

Of late, a new dimension had been added to the duties of the EPFO. It has been entrusted the onerous duty of providing the social security cover to workers of foreign countries who come to work in India. This feature may

have far-reaching ramifications for EPFO and may go a long way in making EPFO as International Employees Provident Fund Organisation.

India loses close to \$1.5 billion (Rs. 7,000 crore) in contributions by Indian workers in US social security schemes that go waste when the workers return to India. Overall, Indian expats lose around \$48 billion (Rs. 23,700 crore) per year to social schemes of different countries. (Hindustan Times). Now, by signing, International agreements with many countries, EPFO is trying to set off the lose to Indian expats which will also have a noticeable impact on the Indian economy as well.

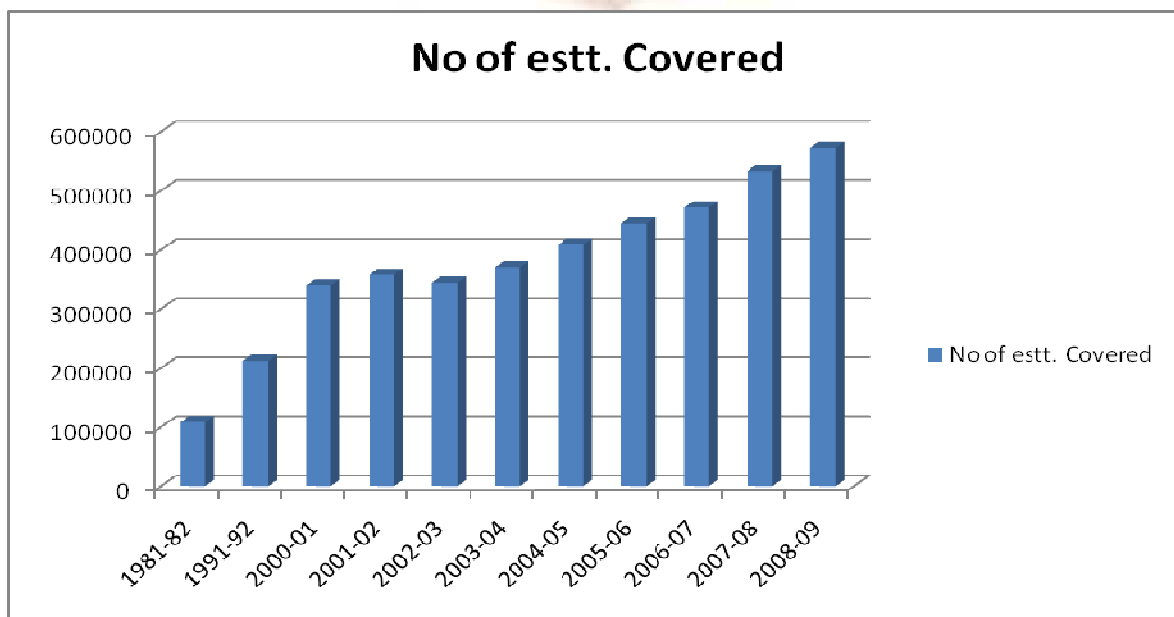
- f. **Grievance Handling**
- g. **Right to Information Act**
- h. **Intelligence**
- i. **Applicability of Consumer Protection Act.**

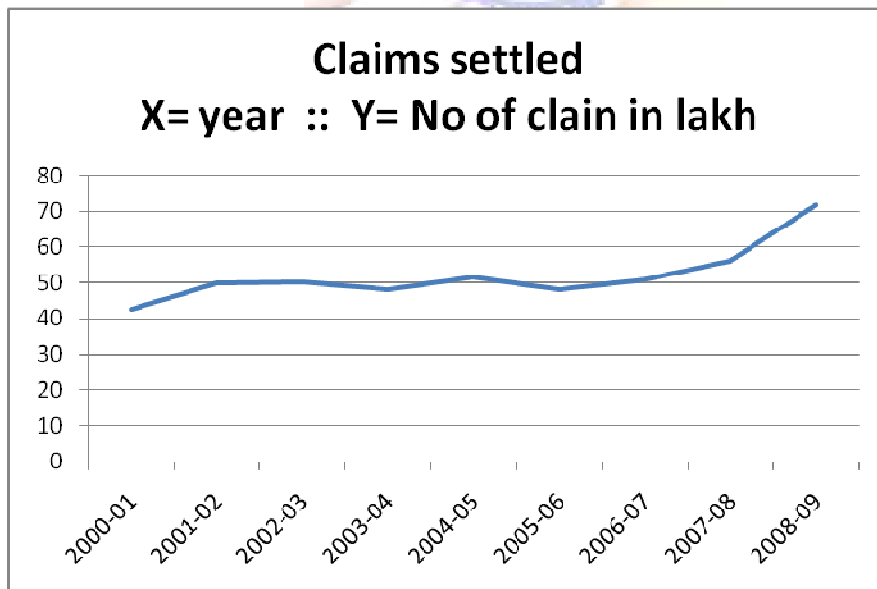
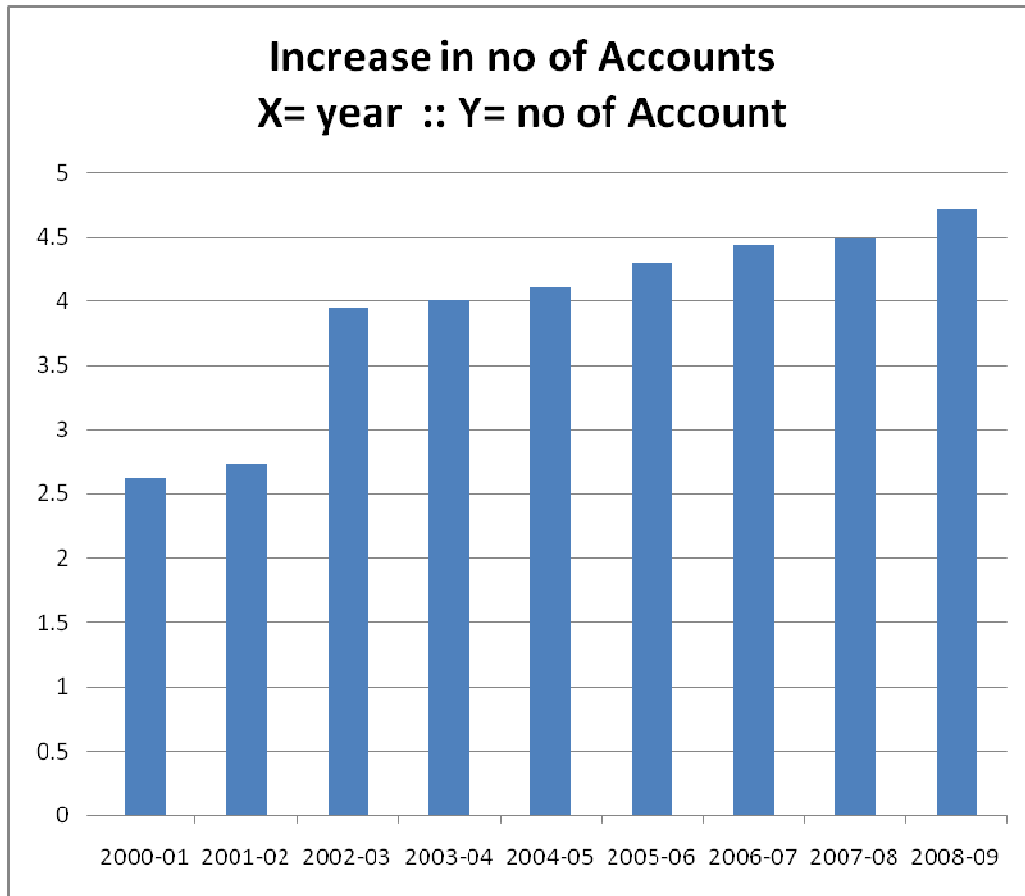


CHAPTER 4: Exponential increase in workload

DATA as on	No of estt. Covered	No of Accounts (in crore) EPF	Claims settled (all types)in lakh	Collection in A/C - 2 (in Crore) collection	Expenditure in crore from A/C 2	sanctioned manpower
1981-82	108090					
1991-92	212000					
31/03/2001	340013	2.63	42.66	565.21	381.88	20984
31/03/2002	357747	2.74	49.76	587.14	354.04	21022
31/03/2003	344508	3.95	50.05	607.79	429.7	21780
31/03/2004	370386	4.01	47.97	808.51	474.42	23276
31/03/2005	408831	4.11	51.61	824.8	484.62	23276
31/03/2006	444464	4.3	48.18	1016.68	586.75	23276
31/03/2007	471678	4.44	51	1229.91	980.85	23344
31/03/2008	532707	4.49	56.09	1587.71	544.16	23430
31/03/2009	573063	4.71	71.64	1828.65	801.5	25809

Source: Annual Report as presented before Parliament





CHAPTER 5: GRIEVANCE HANDLING - A Customer satisfaction approach

There were days when we used to wait for a day to make trunk call. Later we had STD facility which had considerably reduced the time for making a call, but there were difficulty in getting connected. Now all of us expect that a call made should be connected in just one attempt. If we do not get connected, we get offended – such is the level of customer demand.

In EPFO we are required to settle claim within 30 days and in post-computerized environment the same is to be done within 3 days. All these to provide better and prompt service to our esteemed customer. EPFO settle more than 70 lakhs claims every year and caters the need of more than five crore members. Hence, it is obvious that grievance will arise due to many reasons. One of the main reasons is that the field functionaries are of very low rank officials that too in very less numbers. Therefore there is an urgent need to restructure the present setup so that better service may be provided.

EPFO has started internet based grievance settlement (EPFiGMS), Where fast redressal is ensured in a time bound manner (not more than 30 Days). Hence we require to act promptly, which obviously require focused and effective supervision in addition to take decisions on the spot sometimes with liberal interpretation of rules/law. Therefore higher level of officers are required to commensurate the level of decisions.

CHAPTER 6: Manpower Disposition and availability of Gr. 'A' officers

Manpower Disposition from 92-93 to 04-05

Year	Sanctioned	Positioned	Difference (%) (Rounded off)
1992-93	18174	16899	(-) 7
1993-94	18758	16863	(-) 10
1994-95	19442	17265	(-) 11
1995-96	19672	17483	(-) 11
1996-97	20265	17612	(-) 13
1997-98	20455	17803	(-) 13
1998-99	20656	19024	(-) 8
1999-00	20973	19534	(-) 7
2000-01	20984	19574	(-) 7
2001-02	21022	19327	(-) 8
2002-03	21780	19329	(-) 11
2003-04	23276	19775	(-) 15
2004-05	23276	18709	(-) 20
2005-06	23276	18725	(-)20
2006-07	23344	19510	(-)16
2007-08	-	-	-
2008-09	25809	19508	(-)24

Group -'A' officers availability

Year	Sanctioned	In Position	% Difference
2002-03	647	572	(-)12
2003-04	675	587	(-)13
2004-05	675	537	(-)20
2005-06	675	595	(-)12
2006-07	685	602	(-)12
2007-08	-	-	(-)
2008-09	932	645	(-)31

Source: Annual Report as submitted before Parliament



CHAPTER 7: PRESENT & FUTURE MANPOWER IN EPFO**EXISTING CADRE & ORGANISATIONAL STRUCTURE**

Sl. No.	Post name	Grade pay	Function
1	CPFC	Apex Scale	Country Head
2	Addl. CPFC	8,700	Zonal & head of each functional area
3	RPFC-I	8,700 (NFSG) & 7,600	In-Charge of Region
4	RPFC-II	6,600	In-Charge of SRO or Branch Head in RO
5	APFC	6,600/5,400	Field functionary in RO/SRO

POST	SANCTIONED STRENGTH	Cadre
ACC	15	JAG (NFSG)
RPFC-I	56	JAG
RPFC-II	201	STS
APFC	540	JTS

Recruitment MODEL IN EPFO:

RECRUITMENT BATCH	BATCH STRENGTH (approx.)	NO OF MONTH DEVOTED FOR TRAINING MANPOWER DURING PROBATION
1990	60	nil
1994	29	nil
1997	28	01 MONTH
1999	138	01 MONTH
2003	23	6 MONTH
2006	70	2 MONTH

DoPT instruction on direct recruitment-There is a restriction on direct recruitment to the extent that it should not exceed 3% of the total cadre strength. The authority to relax the condition rests with DoPT. It has now been decided to do away with this restriction. The Cadre Controlling Authorities are, however, advised not to resort to any bulk recruitment as it would create a bulge in the structure leading to stagnation at later stage. This may be kept in view while projecting recruitment planning. Circular No. I-11011/1/2009-CRD December 14, 2010

EPFO never allowed Direct Recruitment on regular regular basis. Further despite there exist vacancy but yearly recruitment is never been followed. The recruitment if often being resorted after an interval of 4-5 years. Non revision of cadre strength by conducting new SIU norms leads to over burdening of both Staffs & Officers. At present there exist 209 vacancies in Direct Recruitment quota but so far notification has not been done for recruitment. Even the recruitment of officials are carried out, it will take minimum two years. The officials who has been promoted from feeder cadre will render only Ad-hoc service, **at present there are approximately 400 Assistant P.F. Commissioner languishing on Ad-hoc basis for upto seven years**, which will never been counted in their regular services for qualifying for next Grade/ Post. **Which is clearly a LOOSE-LOOSE situation.**

A poor recruitment planning leads to :

- Non availability of eligible officers to handle functional need, deputation for EN-CADRE Post.
- Non-availability of suitable candidates;
- Causing frustration among Officers and Staff and hence reducing the effectiveness of the Service.

RETIREMENT PROFILE AND FUTURE PROSPECT OF ITS NEW ENTRANT OFFICERS:

The present officers age profile in the cadre of RPFC-II and above is very less hence their will be very slow rate of retirement in EPFO in the coming year. This senarion is going to be still worse when new 209 APFCs will be appointed within two to three years directly from UPSC, where eligibility age starts from 21 years. Most of the new incoming officers will have minimum service life of 32 years, keeping the average age at 28 years.

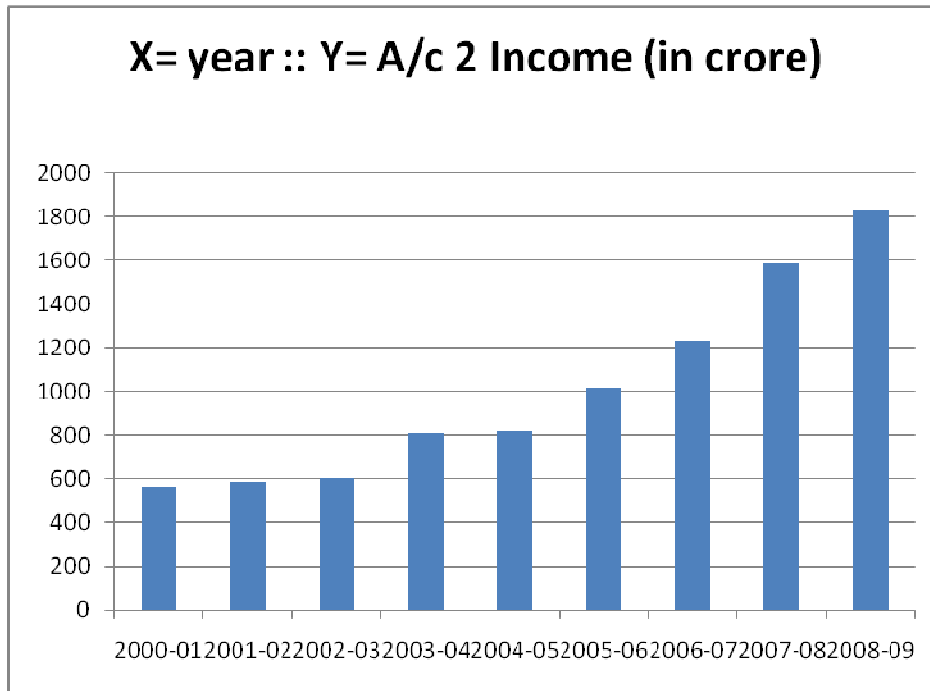
Year of retirement	No of Officers in the cadre of RPFC-II & above retiring
2011	22
2012	15
2013	13
2014	5
2015	7
2016	3
2017	5
2018	6
2019	4
2020	5
2021	3
2022	6
2023	3
2024	6
2025	14
2026	11
2027	7
2028	16
2029	12
2030	19

- It can easily be seen that there is few promotional avenues in the next three years only. Subsequently there will be almost NIL promotional avenues.
- In this table APFC cadre has not been considered as most of the present APFCs are nearing retirement and they are still on Ad-hoc basis for long years (more then 6 years).
- The relatively younger officers from EO/AO cadre will those who became EO/AO through Direct Recruitment in 1998-99. Even such officers will take another 3-4 years to get promotion and there are large number of APFCs post with Time Scale after 5 years.

CHAPTER 8): REVENUE v/s EXPENDITURE MODEL

Year	Income (in crore)	Expenditure (in crore)	Savings (in crore)
2000-01	565.21	381.88	183.33
2001-02	587.14	354.04	233.10
2002-03	607.79	429.70	178.09
2003-04	808.51	474.42	334.09
2004-05	824.80	484.62	340.18
2005-06	1016.68	586.75	429.93
2006-07	1229.91	980.85	249.06
2007-08	1587.71	544.16	1043.55
2008-09	1828.65	801.50	1027.15

Source: Annual Report as presented before Parliament

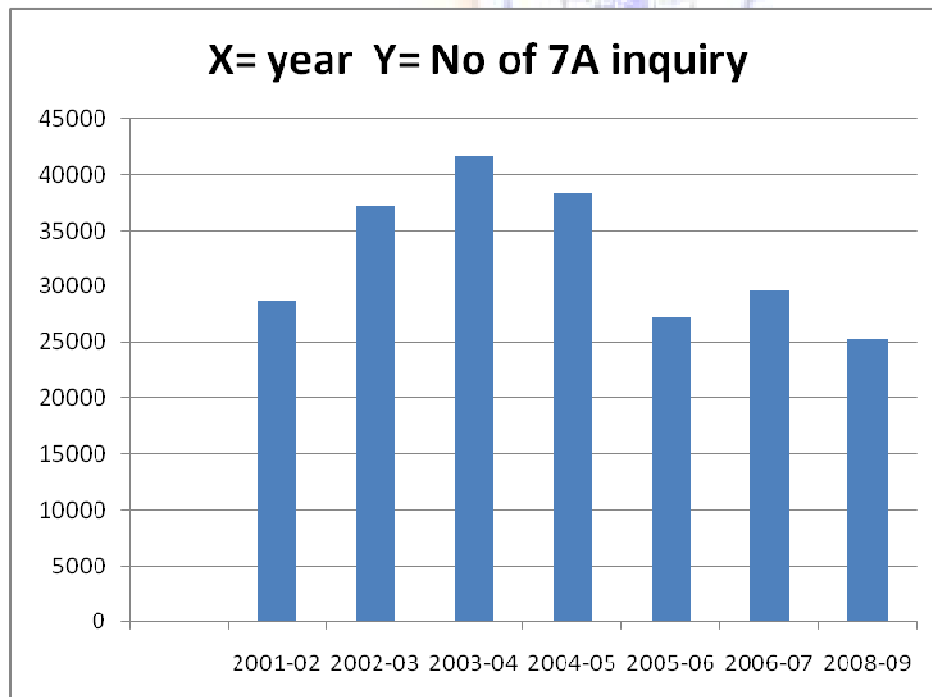


Source: Annual Report as presented before Parliament

From above it is very clear that though the EPFO earning is sufficient for cadre review and structural change in organisation. it is pertinent to mention that EPFO does not draw any amount from Government to administer organisation.

9) ASSESSMENT / SCRUTINY MODEL

YEAR	No of 7A inquiry concluded	% estt. against which inquiry is disposed
2001-02	28721	8.02
2002-03	37169	10.78
2003-04	41629	11.24
2004-05	38392	9.39
2005-06	27229	6.13
2006-07	29540	6.26
2007-08	-	-
2008-09	25229	4.4



It may be seen that assessment proceedings are initiated against only 5 to 8 % of the covered establishments, whereas the default is around 50% of the covered establishments. It can also be observed that the turn for any assessment/ scrutiny of any establishment will be come only once in a period of 10-15 years. The present day work pressure and addition of work had actually negative impact in enforcement.

Same is the case of levy of penal damage U/S 14B of the Act.

Productivity per Assessing officer on an average is also to the level of 10 assessment proceedings per month. Though the norms for conducting assessment proceedings is fixed at 50, proceedings per month with the present complement of officers in position would require 3500 man months. Even if productivity reaches the level of 50, the maximum number of proceedings that could be achieved on a month to month basis will be close to 60,000 per year, provided that one establishment is subject to assessment of 7A proceedings only once in a year which may not be feasible as many of the defaulters are continuous defaulters and we may have multiple assessments in a year. Still defaults in respect of over a lakh of establishments go unchecked. This failure in subjecting the establishment to process of assessment of dues put huge amount of arrears of contribution unchecked and unassessed.

This failure to check default in the field is mainly due to shortage of officers to man this work area. Coupled with this, the non-availability of sufficient number of officers' results in defaulting units not subjected to sanction to detect the failures and to initiate penal steps under the provisions of the Act. The failure to deploy the officers in the field offices also adds to the incidence of defaults. The higher the incidence of default, the service area too tend to slow down and the public perception on the efficiency get adverse criticism and confidence get eroded.

10) ANALYSIS OF CADRE AS PER DoPT GUIDELINES: Structural and Threshold Ratio

Two type of analyses are of interest in assessing the promotion prospects available to members of a given Service. These are:

- (a) Analysis of structural ratios and
- (b) Threshold analysis.

(a) Structural ratios

In a cadre structure, different grades have different sizes (in terms of number of posts). The ratios between various levels of grades in the Services that is between the sizes of any two grades or combinations of different grades (including the total cadre strength) may be termed as structural ratios. To illustrate, the following are some of the structural ratios which have been found useful in analysing the cadre proposals.

CADRE STRUCTURE - AUTHORISED SANCTIONED STRENGTH (%)							
Sl. No	NAME OF SERVICE	HIGHER GRADE (Above A.S.)	HIGHER GRADE (A.S. Level)	SENIOR ADMN. GRADE	JUNIOR ADMN. GRADE	SENIOR TIME SCALE	JUNIOR TIME SCALE
1	EPFO	0	0	0	8.73	91.27	
2	INDIAN FOREIGN SERVICE	4.93	5.08	27.29	24.53	29.61	8.56
3	INDIAN CUSTOM & CENTRAL EXCISE SERVICE	0.28	1.9	11.95	24.03	24.35	37.48
4	INDIAN REVENUE SERVICE (IT)	0	2.77	17.28	29.95	29.64	20.36
5.	INDIAN AUDIT & ACCOUNTS SERVICE	1.15	3.6	15.85	23.05	36.89	19.45
6.	INDIAN RAILWAY TRAFFIC SERVICE	1.22	2.72	15.37	35.15	30.18	15.37
7.	INDIAN RAILWAY ACCOUNTS SERVICE	0.71	2.73	12.09	30.57	46.33	7.58
8.	INDIAN RAILWAY PERSONNEL SERVICE	0	0.74	12.81	35.96	39.66	10.84
9	INDIAN CIVIL ACCOUNTS SERVICE	1.96	1.96	16.34	30.07	40.52	9.15

10	INDIAN DEFENCE ACCOUNTS SERVICE	0.53	2.32	11.23	23.17	31.37	31.37
11	INDIAN P&T ACCOUNTS & FINANCE SER.	0.24	1.43	8.81	26.43	47.14	15.95
12	INDIAN POSTAL SERVICE	1.49	4.26	12.37	19.4	48.19	14.29
13	INDIAN INFORMATION SERVICE	0.21	1.27	7.59	25.53	33.54	31.86

Source: DoPT Data as on 01-01-2008

Sl No.	Prescribed method by DoPT	RATIO	
1	The ratio of JAG posts to time-scale posts (junior and senior time scale combined)	$56/(201+540)$	0.076
2	The ratio of all posts in the JAG and above to time-scale posts	$(15+56)/(201+540)$	0.096
3	The ratio of JAG posts to total cadre strength	$56/812$	0.069
4	The ratio of SAG posts (and above) to JAG	$0/56$	0
5	The ratio of SAG posts (and above) to total cadre strength.	$0/812$	0

POST	SANCTIONED STRENGTH	Cadre
ACC	15	JAG (NFSG)
RPFC-I	56	JAG
RPFC-II	201	STS
APFC	540	JTS

STRUCTURAL RATIO IN OTHER SERVICES

Sl no.	SERVICE	JAG TO TIME SCALE	JAG & ABOVE TO TIME SCALE	SAG & ABOVE TO JAG	SAG & ABOVE TO TOTAL DUTY POST	SAG & ABOVE TO SENIOR TIME SCALE
1	EPFO	9.58	9.58	0	0	0
2	INDIAN FOREIGN SERVICE	64.26	161.98	152.07	37.3	125.98
3	INDIAN CUSTOM & CENTRAL EXCISE SERVICE	38.86	61.73	58.85	14.14	58.07
4	INDIAN REVENUE SERVICE (IT)	59.89	100	66.96	20.05	67.66
5	INDIAN AUDIT & ACCOUNTS SERVICE	40.92	77.49	89.38	20.61	55.86
6	INDIAN RAILWAY TRAFFIC SERVICE	77.16	119.55	54.93	19.31	63.98
7	INDIAN RAILWAY ACCOUNTS SERVICE	56.7	85.49	50.78	15.52	33.5
8	INDIAN RAILWAY PERSONNEL SERVICE	71.22	98.05	37.67	13.55	34.16
9	INDIAN CIVIL ACCOUNTS SERVICE	60.53	101.32	67.39	20.26	50
10	INDIAN DEFENCE ACCOUNTS SERVICE	36.93	59.38	60.77	14.08	44.89
11	INDIAN P&T ACCOUNTS & FINANCE SER.	41.89	58.49	39.64	10.48	22.22
12	INDIAN POSTAL SERVICE	31.06	60.07	93.41	18.12	37.61

Source: DoPT Data as on 01-01-2008

These ratios reveal the type of cadre pyramid that a given service has and indicate the extent of promotional opportunities available to its members. Thus, the higher the ratio between Senior Administrative Grade posts and total cadre strength, the better are the promotional opportunities for members of a given Service especially at the level of JAG. On

the other hand, the lower the ratio of JAG posts to time-scale posts, the slower would be the promotion prospects of a new entrant to a Service.

Hence it is clear from very small ratios above that there is very little scope for promotional aspects available at all levels in the cadre.

The internal structure of a service depends on the initial structure and the pattern of subsequent recruitment. It is neither necessary nor desirable to prescribe standard ratios between different levels of the cadre structure of a Service that would satisfy functional requirements and ensure adequate promotional opportunities. Every individual cadre controlling authority will have to carefully consider the cadre structure of the Service under its control on its own merits so as to broadly determine the desirable structure in terms of both functional needs and career opportunities for members of the Service. The basic approach in a cadre review is to balance these two aspects so as to maintain a high level of morale and efficiency consistent with economy.

(b) Threshold analysis

This is an analysis of the time taken by an entrant of a given Service (normally at Junior Time Scale level) to reach different levels of the hierarchy i.e. JAG, SAG etc. The thresholds in a given cadre structure can be derived on the basis of past experience. As regards the future, i.e. the threshold likely to be realised at the end of the review period in a structure under revision, the same will have to be estimated on the basis of the proposed strength of different grades and the latest seniority list of the officers of the Service. Threshold analysis is quite useful in correctly assessing the situation regarding promotion prospects. No norms, however, have been or could be laid down in this regard too. One has to base one's perception on the situation prevailing in other services/cadres particularly those which are functionally or otherwise akin to the cadre under review.

Creation of new posts or upgradation of existing posts solely for the purpose of improving promotional opportunities without adequate functional justification would severely erode the original role of the Service and impair its efficiency. It is necessary to emphasise that the cadre review is not a vehicle for the fulfillment of career expectations of the Service Officers howsoever legitimate they may be. Adequate functional justification is an essential consideration in the rationalisation of a cadre structure.

The assumption that every cadre will necessarily grow and that therefore, such a growth has to be provided for cannot be an all time valid assumption.

Stagnation is a relevant ground but cannot be the only ground for creation of posts at higher levels. The problem of stagnation cannot be solved by creating large number of posts at the top which will only mean that as we go along, everybody will be doing work one below his level.

In regard to the stagnation problem, promotion to higher posts must necessarily be based on a rigorous assessment of the record and performance of the officers. Higher levels of productivity should be expected from the employees.

THRESHOLD ANALYSIS FOR PROMOTIONS					
SL No.	SERVICE	TO JAG, SAG, A.S. & ABOVE A.S. LEVEL			
		BATCH OF JUNIOR MOST PROMOTED TO			
		JAG/NFSG (Rs.12000-16500/ Rs.14300-18300)*	SAG (Rs.18400-22400)	A.S. LEVEL (Rs.22400-24500)	ABOVE A.S. LEVEL
	EPFO	1990	NIL	NIL	NIL
2	INDIAN FOREIGN SERVICE	1995	1988	1976	1974
2	INDIAN CUSTOM & CENTRAL EXCISE SERVICE	1997	1987	1975	1969
3	INDIAN REVENUE SERVICE (IT)	1997	1987	1974	NIL
4	INDIAN AUDIT & ACCOUNTS SERVICE	1999	1991	1979	1972
5	INDIAN RAILWAY TRAFFIC SERVICE	1997	1987	1975	1972
6	INDIAN RAILWAY ACCOUNTS SERVICE	1995	1986	1975	1971
7	INDIAN RAILWAY PERSONNEL SERVICE	1997	1986	1979	Nil
8	INDIAN CIVIL ACCOUNTS SERVICE	1998	1988	1979	1971
9	INDIAN DEFENCE ACCOUNTS SERVICE	1998	1988	1975	1972
10	INDIAN P&T ACCOUNTS & FINANCE SER.	1999	1990	1976	N.A.
11	INDIAN POSTAL SERVICE #	1995	1984	1978	1970

Source: DoPT Data as on 01-01-2008

The Fifth Central Pay Commission provided the following structure of an ideal “cadre” to the cadre controlling authorities it also shows the comparative structure in EPFO and Income Tax department

SCALE	% OF SENIOR DUTY POST (IDEAL CADRE)	requirement in EPFO	Sanctioned Strength in EPFO (percent)	requirement in Income Tax	Sanctioned Strength in Income Tax
HAG	3%	8	0	104	116 (3.35%)
SAG	17%	46	0	588	731 (21.14%)
JAG/SG	50%	136	71	1729	1253 (36.23%)
STS/JTS	30%	82	741	1037	2092 (60%)

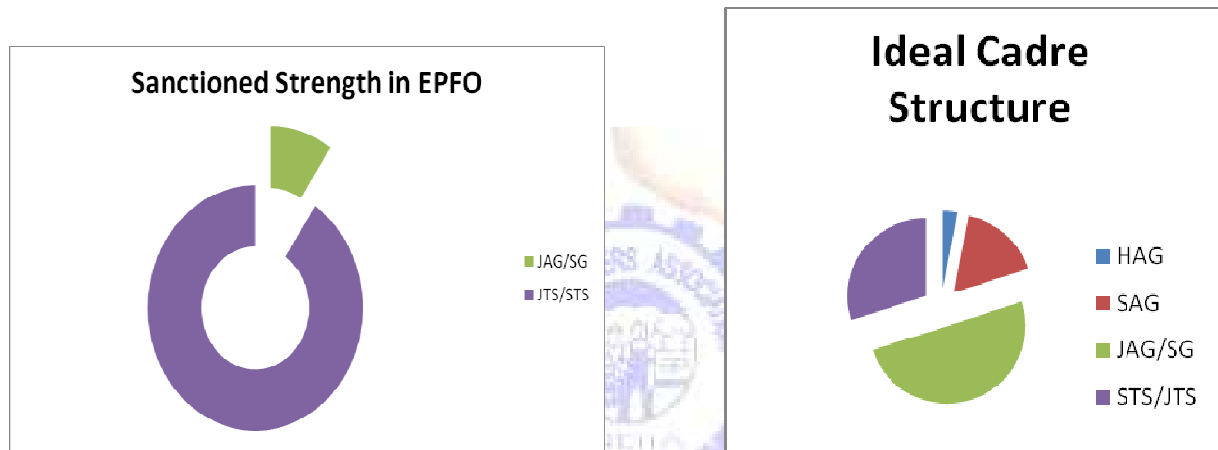
Note- SDP in EPFO = 15+56+201=272 ; SDP in IT= 3458

IDEAL Cadre structure-

There cannot be an identical cadre structure for every service for obvious reasons and the Department of Personnel and Training has never intended to recommend any. The Fifth Central Pay Commission has suggested an ideal or rather a normative cadre structure as per which on a scale of hundred Senior Duty Posts the recommended strength at HAG is three, at SAG is seventeen, at NFSG is twenty, at JAG is thirty and at STS is thirty. This cadre structure, however, presupposes other elements of cadre management also to be ideal like recruitment, attrition, promotions, provision and utilization of reserve etc. Any deviation in these aspects has to have bearing on cadre structure. Moreover, functional requirement has, in any case, to be the key criterion and needs to be assessed objectively. There should be thus a serious attempt to anticipate the organization's role five years down the line and to correlate it with the changing needs of the service/cadre. The recommended strength of various cadres in SDP is summarised below:

HAG	3 %
SAG	17%
NFSG	20%
JAG	30%
STS	30%

The comparison between the ratios of



From the above table it is clear that the cadre structure is not in accordance with the prevailing norms.

CHAPTER 11) Creation of DUTY & RESERVE POST- DoPT instructions

Every Organised Group A Service has Reserves for officers posted on Deputation, those on Leave and those on Training and Probation. The prescribed ratio in IAS for these Reserves is as under:-

Deputation Reserve	20% of posts in STS and above
Leave Reserve	3.5% of posts in STS and above
Training & Probationary Reserve	16.5% of posts in STS and above

EPFO does not have any Reserves at all at present. This situation is not desirable since it leads to operational difficulties.

The absence of Reserves in various cadres and the need to rectify the situation was the "*raison-d'être*" for making the process of cadre review an essential feature of cadre management and planning in Government, after a Study Team on Personnel Administration (Personnel Planning, etc.) (1967) (1) had pointed out certain deficiencies in the management of cadres under the administrative control of various central Ministries. For instance, the Team observed that no deputation reserves were provided for in a large number of cadres and where they had been provided for, they proved to be chronically inadequate. It further pointed out that the provision made for training and leave reserves was equally unsatisfactory. Since no cadre could be considered viable without an adequate provision for various reserves, the Study Team recommended that reserves of suitable proportions should be built into every Service/cadre. This also found mention in the recommendations the Administrative Reforms Commission in its Report on Personnel

Administration released in 1969 which impressed upon the need for cadre reviews *per se*, and further that such reviews should include the element of Reserves.

Minimum qualifying service for promotion in various cadre as per DoPT circular

Grade pay		Minimum qualifying service as per 6 th Pay, DoPT Circular
From	To	
5400	6600	5 years
6600	7600	5 years
7600	8700	5 years
8700	10000	3 years
10000	12000	3 years



CHAPTER 12)

CADRE STRUCTURE IN EPFO COMPARED with INDIAN REVENUE SERVICE (IT) STRUCTURE AND with IDEAL CADRE STRUCTURE for GROUP 'A' OFFICERS

- a) Both departments collect revenue/ contribution i.r.o employees and employer.
- b) Income Tax interacts with individual worker in addition to establishment. Whereas at present EPFO interacts with establishments, but in days to come it will directly interact with individual worker once the Unique Identity is be provided to all. EPFO had already tried in this direction through allotting SSN / NSSN number to its entire member.
- c) Both depend on employer for revenue/contribution through TDS or debit epf contribution from monthly salary
- d) Both are enforcing agency to the Govt. for the Act enacted by parliament.
- e) In Income Tax the revenue goes to general pool without identifying the beneficiary. Whereas EPFO collect and contribution duly identifying its beneficiaries and maintains its individual accounts.
- f) EPFO invest the contribution and the yield along with the principal amount is accounted in each member individual account and informs the members by issue of account slips annually.
- g) EPFO has liability to refund the principal amount along with yield/ interest to the members at the time of retirement or leaving the job EPFO also allows partial withdrawal for certain contingencies such as construction/ purchase of house, illness, education of children etc. EPFO also provides insurance benefits i.r.o. employees who die while in service.
- h) EPFO discharges the duty of payment of monthly pension to the members on retirement and family member in case of death of employees. The records are kept until the last person of the family of the member survives, hence record keeping is much complex than that of Income Tax.

- i) Therefore, EPFO is doing a complex job having the composite function like that of Income Tax Department, AG Office, Banks and Insurance companies.**
- j) The law of limitation is not applicable to EPFO, hence the enforcement if open ended where as in Income Tax it is limited to 3-8 years.
- k) Both use the same set of rules for its recovery of dues.
- l) Officers in both departments are recruited through UPSC and having all India Service liability



CHAPTER 13: Statutory Provisions of EPF & MP Act for recruitment, promotion and service conditions

The officers of EPFO are being recruited as per the statutory provisions which had been laid down U/S 5D of EPF & MP ACT 1952. Provisions U/S 5D is as follows:

5D. Appointment of officers. – (1) The Central Government shall appoint a Central Provident Fund Commissioner who shall be the chief executive officer of the Central Board and shall be subject to the general control and superintendence of that Board.

(2) The Central Government may also appoint a Financial Adviser and Chief Accounts Officer to assist the Central Provident Fund Commissioner in the discharge of his duties.

(3) The Central Board may appoint, subject to the maximum scale of pay, as may be specified in the Scheme, as many Additional Central Provident Fund Commissioners, Deputy Provident Fund Commissioners, Regional Provident Fund Commissioners, Assistant Provident Fund Commissioners and such other officers and employees as it may consider necessary for the efficient administration of the Scheme, the Pension Scheme and the Insurance Scheme.

(4) No appointment to the post of the Central Provident Fund Commissioner or an Additional Central Provident Fund Commissioner or a Financial Adviser and Chief Accounts Officer or any other post under the Central Board carrying a scale of pay equivalent to the scale of pay of any Group 'A' or Group 'B' post under the Central Government shall be made except after consultation with the Union Public Service Commission:

Provided that no such consultation shall be necessary in regard to any such appointment –

- (a) for a period not exceeding one year; or
- (b) if the person to be appointed is at the time of his appointment-
 - (i) a member of the Indian Administrative Service, of
 - (ii) in the service of the Central Government or a State Government or the Central Board in a Group 'A' or Group 'B' post.
- (5) A state Board may, with the approval of the State Government concerned, appoint such staff as it may consider necessary.

(6) The method of recruitment, salary and allowances, discipline and other conditions of service of the Central Provident Fund Commissioner, and the Financial Adviser and Chief Accounts Officer shall be such as may be specified by the Central Government and such salary and allowances shall be paid out of the fund.

(7) (a) The method of recruitment, salary and allowances, discipline and other conditions of service of the Additional Central Provident Fund Commissioner, Deputy Provident Fund Commissioner, Regional Provident Fund Commissioner, Assistant Provident Fund Commissioner and other officers and employees of the Central Board shall be such as may be specified by the Central Board in accordance with the rules and orders applicable to the officers and employees of the Central Government drawing corresponding scales of pay:

Provided that where the Central Board is of the opinion that it is necessary to make a departure from the said rules or orders in respect of any of the matters aforesaid, it shall obtain the prior approval of the Central Government.

(b) In determining the corresponding scales of pay of officers and employees under clause a, the Central Board shall have regard to the educational qualifications, method of recruitment, duties and responsibilities of such officers and employees under the Central Government and in case of any doubt, the Central Board shall refer the matter to the Central Government whose decision thereon shall be final.

(8) The method of recruitment, salary and allowances, discipline and other conditions of service of officers and employees of a State Board shall be such as may be specified by that Board, with the approval of the State Government concerned.

Thus it is clear that that the statutory mandate u/s 5D (7) (a) is to draw parity between the officers and employees of the Central Government and those of the Central Board in respect of the following five items viz.

1. **The method of recruitment,**
2. **salary**
3. **allowances,**
4. **discipline**
5. **Other conditions of service.**

	EPFO	IRS
The method of recruitment	UPSC	UPSC
salary	CCS (Revised Pay) Rule 2008	CCS (Revised Pay) Rule 2008
allowances		
discipline	CCS conduct Rule 1965 EPF(CCA)Rule (analogous to CCS(CCA)Rule)	CCS (conduct) Rule 1965 CCS(CCA)Rule
other conditions of service		

The item number five signifies that the parity is mandated in all aspects related to service between the two set of officers and employees. Fulfilment of this mandatory and positive statutory requirement is preconditioned on the determination of the ranks of officers and employees of the Central Board and to list the rank of officer and employees of the Central Government who are considered equivalent to each other. This positive mandate is not yet fulfilled despite elapse of almost three decades since this mandate is in force.

To facilitate the drawl of this equivalence in rank between two set of officers, the guiding principle is laid down in the Act itself u/s 5D (7) (b) in these words:

(b) In determining the corresponding scales of pay of officers and employees under clause a, the Central Board shall have regard to the educational qualifications, method of recruitment, duties and responsibilities of such officers and employees under the Central Government and in case of any doubt, the Central Board shall refer the matter to the Central Government whose decision thereon shall be final.

Its patent that it requires three attributes to be taken into account for drawl of the said parity between ranks. These are

1. Educational qualifications,
2. Method of recruitment,
3. Duties and responsibilities.

An attempt to cohere these aspects is made in the tabular form as follows:

		EPFO	IRS
EDUCATIONAL QUALIFICATION for recruitment/promotion	ALL post/rank	Graduation	Graduation
Method of recruitment	Open recruitment through UPSC	YES	YES
Duties & Responsibility	NATURE OF duties & Responsibility	Administration Social Security that is an express constitutional mandate	Collection of Revenue that is statutory but not constitutional mandate
	Country Head of each functional Area	8700	HAG
	Functional head of Zones	8700	12000
	Functional head of Region	8700/7600	10000
	Functional head of sub-Regional	6600	8700/7600

CHAPTER 14: PROPOSED STRUCTURE FOR THE CADRE AND RELATED STATUTORY AMENDMENTS:

Under the category of Group 'A' officers of Govt. of India, say Indian Revenue Service (I.T.) there exist, apart from the apex scale, seven layers of administrative/cadre hierarchy in terms of designation and pay scales, whereas for officers of CBT only five levels of administrative/ cadre hierarchy are provisioned in the Act, namely Central Provident Fund Commissioner, Additional Central Provident Fund Commissioner, Regional Provident Fund Commissioner, Deputy Provident Fund Commissioner, Assistant Provident Fund Commissioner. Out of these five cadres, the Central P F Commissioner is in the apex scale and is not an in-cadre post. Of the remaining four cadres, the cadre of Deputy P F Commissioner is not actualised through notification or otherwise. Thus only three levels of officers' cadre are left with the CBT. Out of these three the cadre of Regional Commissioner is divided into two parts as Grade I and Grade II, by way of administrative arrangement.

The statute mandates vide Sections 5D (7) (a) and 5D (7) (b) that the scale of pay of the officers of C.B.T. shall correspond to the scales of pay of the officers of G.o.I. This parity can be facilitated by making available as many levels of hierarchy of Group 'A' post under the C.B.T. as are under the Organised Group 'A' services under G.o.I. Three levels of cadres can be added by operationalisation of the post of Deputy Provident Fund Commissioner and introduction of two layers of cadres/designations viz. Joint Commissioner and Additional Commissioner in between the Deputy Commissioner and the Regional Commissioner. Till the time these changes are incorporated by way of Statutory amendment, it can be effected under the provision of Para 24A (2) of the EPF Scheme, 1952 that reads "The Central Board may also, by a resolution, empower its Chairman to appoint such officers and employees other than those mentioned in sub-sections (1) and (2) of section 5D of the Act, as he may consider necessary for the efficient administration of the Scheme."

Further the nomenclature of the Act and those of the Commissioners created under the Act still incorporate the phrase "Provident Fund". This represents the function and the purpose of the Act as it was originally enacted in circa 1952. In the meanwhile pensionary benefit that is an additional and the most important aspect of the Social Security is also provisioned and incorporated by way of statutory amendment. Yet another aspect of social security in the form of insurance (Employees' Deposit-Linked Insurance Scheme) was added in the year 1976. The administration of these pensionary and insurance benefits is assigned to the

existing "P.F." Commissioners under the same "P.F." Act. Though these changes were recognized by adopting the designation of Social Security Assistants for erstwhile Lower Divisional Clerks and also in the nomenclature of the apex training institute - National Academy for Training and Research in "Social Security" - no amendment was made either to the nomenclature of the Act or to the designations of the "P.F." Commissioners to make them representative of the changed and augmented functions, duties and responsibilities.

As the E.P.F.O. is neither a body corporate nor created through the Act. Also the Act mentions only of C.B.T. but not of E.P.F.O. creating difficulties in entering into contractual relation with other entities or in the matter of being or being made a party to litigation.

It is therefore **PROPOSED** to substitute the phrases "E.P.F." or "P.F." in the nomenclatures of the Act and the statutory Commissioners with "Social Security" and the "Employees' Provident Fund Organisation" with "**Department of Social Security (D.o.S.S.)**" or alternatively "**National Social Security Organisation (N.S.S.O.)**" and to provide this nomenclature the statutory basis or to be notified in the Gazette of India.

It is also in keeping with the status of the E.P.F.O. as the largest Social Security institution in the world. Not only the terminology "Social Security" is more in keeping with international trend and practice but it is important to incorporate it in view of the ongoing process of "Social Security Agreements" with the ever increasing number of nations of international comity. This will help the potential and inclined nations to understand the nature of the E.P.F.O. better and will facilitate the willingness among such nations to enter into "Social Security" Agreements. A nation inclined to enter into Social Security Agreement with India will be far more willing to enter into this agreement with "Department of Social Security (D.o.S.S.)" or "National Social Security Organisation (N.S.S.O.)" than with mere Employees' "Provident Fund" Organisation.

The proposed structure of cadres and their nomenclatures are summarized in the table below:

Sl. No.	Present designation	Proposed Designation	Proposed Level [in terms of sections 5D (7) (a) & 7 (b) of the Act]	Grade Pay (in Rs.)	Function
(1)	(2)	(3)	(4)	(5)	(6)
1	CPFC	Director General (Social Security)	Secretary to Govt. of India/Equivalent	Apex Scale	Country head
2	NEW POST	Addl. Director General (Social Security)	Higher Administrative Grade	HAG+ scale	Country Head of each functional area stationed at the HO
3	ACC	Chief Commissioner (Social Security)	Higher Administrative Grade	HAG scale	Head of Zones and sub-heads of Functional areas in H.O.
4	RPFC-I	Commissioner (Social Security)	Senior Administrative Grade	10,000	Head of R.O. OR Branch Officer in H.O. OR Head of each offices in Metro Cities
5	RPFC-II)	Addl. Commissioner (Social Security) NFSG, with 14 years of Gr. 'A' service	Selection Grade (NFSG)	8,700	Head of bigger S.R.O. OR In R.O. or H.O.
6	RPFC-II	Joint Commissioner (Social Security) Below 14 years of service	Junior Administrative Grade	7,600	Head of smaller SRO OR In R.O. or H.O.
7	APFC (time scale after 5 yr)	Deputy Commissioner (Social Security) (after 4 yr in APFC cadre)	Senior Time Scale	6,600	Branch Officer
8	APFC	Asst. Commissioner (Social Security)	Junior Time Scale	5,400	Branch Officer

- Separate cadre should be created for assessment and compliance functions. The function of assessment of dues and determination of applicability dispute should be completely separated from compliance work. Thus there should be a separate category of P.F. Commissioners of various levels charged exclusively with conduct of inquiry under Section 7A of the Act. Such officers shall be completely independent and the inspectors representing the E.P.F.O. in such enquiry shall work under the supervision of the Commissioner (Compliance).
- Permanent Inquiry Officer (P.I.O.) shall be upgraded from the rank of Under Secretary level to the Director level. Further a P.I.O. shall be placed in each Zone. It is required in the light of increased emphasis of Govt. to expedite the process of disciplinary proceeding and to improve its quality as part of its administrative reforms agenda. It will also help minimize a situation where the Inquiry Officer and charged official are of the same rank.
- Deputy Director (Audit) shall be posted in each Zone and it will be manned by an officer of the rank of S.A.G. level. This will improve the degree to which conduct of internal administrative work of office conforms to the extant rules.
- Post of Appellate Authority shall be created in each Zone with the designation Chief Commissioner (Appeal) in Higher Administrative Grade. All appeals from the final or interim order passed during inquiry conducted under Section 7A or Section 14B of the EPF & MP Act 1952. This is to avoid trouble to litigating employers to travel to Delhi to files appeal before Tribunal and other courts where the matter is kept pending for years causing inconvenience to all stake holders. At present when only 4% of establishments are being investigated, huge amount are locked in because of the stay orders. The compliance machinery will be activated once again after the computerization of the EPFO, when detection of default will be more precise and tapping the growth in Labour market in India and abroad.

- Intelligence wing should be created to bring more no of establishments under preview of the Act and enrollment of worker. This wing has gained importance under the changed scenario of labour market where there is an increase in contractualisation and casualisation of work force. The Intelligence wing will also co-ordinate with other departments of the Govt. for better effectiveness.
- At times it has been noted that the officials of EPFO are finding it very hard to investigate the books of account and cause inspections for such establishments which have branches in different parts of the country. Further the Investigation wing will also have expertise and focused manpower to attend such cases in efficient ways in each zone for investigation of difficult cases referred by assessing officers.
- The Finance Act, 2006 was amended to bring all provident fund trust within the purview of the EPF & MP Act to get exemption of Income Tax. To monitor such establishment in addition to existing EPF exempted establishment there should be one exclusive office to maintain records about compliance being headed by an officer of the rank of RPFC-I and these officer should report directly to zonal in charge. Every state should have one such office.
- North East Region comprises eight states but there is no Zone for the same. It is proposed to make one zone for North East states headquartered at Guwahati and two R.O.s one each at Guwahati and Shillong.
- All Deputy Commissioner should be posted in Regional Offices and bigger SRO. All Assistant Commissioners should be posted in smaller SRO. Both posts will have same duties and responsibilities.

Type of SRO	Account	Officer-In-Charge level	Other Officers
Bigger SRO	More than 4 Lakh Accounts	Director level [Additional Commissioner (Social Security)] Grade Pay Rs 8700/-	Deputy Commissioner
Smaller SRO	Less than 4 lakh Accounts	Deputy Secretary level [Joint Commissioner (Social Security)] Grade pay Rs 7600/-	Assistant Commissioners

Head office should be divided into following:

Sl. No.	Name of Division	Should consist of following officers:
1	HRM (Personnel) for Gr-A Officers	Chief Commissioner (Social Security)
2	HRM (personnel) for Gr-B/C/D officers	Chief Commissioner (Social Security)
3	HRM (General Administration)	Chief Commissioner (Social Security)
4	Intelligence Wing	Chief Commissioner (Social Security)
5	Enforcement matters	Chief Commissioner (Social Security)
6	Legal	Chief Commissioner (Social Security)
7	Recovery	Chief Commissioner (Social Security)
8	Exemption	Chief Commissioner (Social Security)
9	Pension	Chief Commissioner (Social Security)
10	CSD/ Grievance	Chief Commissioner (Social Security)
11	Information Services (software)	Chief Commissioner (Social Security)

12	Information services (Hardware)	Chief Commissioner (Social Security)
13	Local administration	Chief Commissioner (Social Security)
14	Physical facility	Chief Engineer
15	Welfare measures	Commissioner
16	Vigilance wing	Chief Vigilance officer
17	Finance & Account	FA & CAO
18	Publicity, manual, archive Division	Commissioner



CHAPTER 15: COST STATEMENT FOR THE PROPOSED STRUCTURE with existing cadre strength

The cost involved in the proposed structural change is as follows;

Proposed post	Additional Cost per officer	Present Cadre strength	Cost involved (Per month) for entire existing cadre strength
Asst. Commissioner	0	541	0
Dy. Commissioner	0		0
Joint Commissioner	1000+DA	201	201000+DA (min.) to 3569760 + DA(max)
Addl. Commissioner	17760+DA		
Commissioner	1300+DA	56	81,900 +DA
Chief Commissioner	19600+DA	15	2,94,000+ DA
Addl. Director General	75500+ DA	(04) New Post	3,02,000+DA

**** EPFO saves nearly Rs 1000/- Crore every year in its administrative account no: 2, and the approximate cumulative amount available is Rs 5637/- Crore and in A/c No: 22 has Rs 1408/- crore as on 31ST MARCH, 2010, which is sufficient to bear the cost of new cadre with in the proposed cadre strength.**

CHAPTER 19) Proposal for Restructuring of Organisation by rearranging or regrouping of offices

- A. Employees' Provident Fund Organisation is mandated to administer the EPF & MP Act, 1952. Administration of this Act comprises the following:
- a. Locate and identify the establishments coverable under the Act.
 - ii. To conduct quasi-judicial proceeding to ascertain any dispute regarding applicability of the Act on a establishment.
 - iii. To assess the statutory dues from an establishment.
 - iv. To maintain individual accounts of each subscriber establishment-wise.
 - i. To issue statement of accounts on annual periodicity.
 - ii. To administer pension fund of subscribers.
 - vii. To administer insurance fund (E.D.L.I.) of the subscribers.
 - viii. To invest funds to maximize returns on investment with emphasis on safety of the funds.
 - ix. To examine proposals from establishments for allowing them to manage their own funds, usually P.F. (exemption)
 - x. To inspect such exempted establishments to ensure that the conditions of exemption, particularly the rate of return are complied by them. In addition various functions are added and its spread of its activity grown multifold since then.

No attempt is made in the past to undertake the comprehensive exercise to restructure the Organisation and the Cadre in despite such huge increase in the quantum and variety of Organisational functions. To redeem the system and to make it efficient there is an urgent need to restructuring the Organisation and the cadre of officers.

- B. Binding provisions exist to deliver services to our subscribers in a time bound manner. The same are being monitored at the level of Government of India under Result Framework Document (R.F.D.) for high level of sustained performance. An analysis of settlement of claims within 30 days of all the 120 (all SROs and ROs) offices will reveal that better services are being extended by smaller offices for the reason that it's easy to manage and run a small unit efficiently. However the grade/rank of the officer heading such offices is of Under Secretary level putting various constraints upon their decision-making ability. Officers in field offices – ROs and SROs – are far lower in rank compared the duties and responsibilities assigned to them. It creates decisional bottlenecks at the levels of field offices and larger concentration of decision making functions at the level of corporate Head Quarters. It is proposed to upgrade the levels of officers heading R.O.s and S.R.O.s. Upgrading the rank of officers heading field offices shall also ensures the larger delegation of administrative and financial powers among field officials and thereby facilitating quick and prompt decision making and the better service delivery and compliance.
- C. It is an established fact that big office with large or very large number of subscribers fare poorly in satisfaction to subscribers in service delivery. Very large offices viz. R.O. Kolkata; R.O. Bandra or R.O. Bangalore having staff strength of more than 500 each are not able to deliver the services with desired efficiency, which lies to the core of value system of a social security organisation. Such offices, therefore, need to be divided into smaller ones, for which norm are being devised by National Productivity Council (NPC).
- D. The officers in the field offices are relatively lower in rank compared to their counterparts in other Central Govt. departments stationed there. This hinders the smooth exchange of official transactions and requires time-consuming process of securing the involvement of officers of the commensurate status to facilitate the desired process involving such other offices.
- E. Local jurisdiction of a good number of offices comprises very large geographical areas, ranging from 300- 400 KM. It's very taxing to cover such large swathe of areas by road, which is usually the only available means of transport. It also drains the subscribers or employers who need to visit our offices in connection with various office works e.g. to attend the quasi-judicial proceedings.

Restructuring PROPOSALS are summarized below:

- ❖ Total number of members coverable under the Act within the jurisdiction of a Regional Office (R.O.) – including all S.R.O.s under it – should be capped at 15 lakh.
- ❖ A S.R.O. having number of accounts upto 3 lakh is designated as small S.R.O. and one having number of accounts between 3-5 lakh shall be designated as large S.R.O. No S.R.O. shall have more than five lakh accounts under its jurisdiction.
- ❖ No R.O. shall have more than 10 lakh accounts under its original jurisdiction. The same figure for a S.R.O. is 5 lakh. As soon as the number of accounts within the original jurisdiction of a R.O. exceeds 9 lakh the process for carving out a new S.R.O. out of it should begin and the process of segregation should be completed before that R.O. reach a figure of 10 lakh. On the similar lines as soon as a S.R.O. reach a figure of 4 lakh accounts similar process for its division should begin.
- ❖ All offices having number of accounts, under original jurisdiction, ranging from 5 to 10 lakh shall be designated as Regional Office and shall be headed by an officer in the rank of Senior Administrative Grade.
- ❖ A Regional Office may or may not have a S.R.O. under its jurisdiction but in no case a Regional Office shall have S.R.O.s under its jurisdiction exceeding two in number.
- ❖ Officer-in-charge of an S.R.O. who is presently of the level of Under Secretary shall be substituted with one of Deputy Secretary level [Joint Commissioner (Social Security)] Grade pay Rs 7600/- and for smaller S.R.O.s and Director level [Additional Commissioner (Social Security)] Grade Pay Rs 8700/-for bigger S.R.O.s. and the benchmark for SRO should be:

Type of SRO	Account	Officer-In-Chager level
Bigger SRO	More than 4 Lakh Accounts	Director level [Additional Commissioner (Social Security)] Grade Pay Rs 8700/-f
Smaller SRO	Less than 4 lakh Accounts	Deputy Secretary level [Joint Commissioner (Social Security)] Grade pay Rs 7600/-

- ❖ Geographical matrix of S.R.O.s shall be located in such a manner that any point falling within the local jurisdiction of that S.R.O. is not beyond a distance of 100 K.M. by road.
- ❖ One Zone shall consist of a maximum of three Regional Offices. Every political state shall have a minimum of one Zone even if number of regions in that state is less than three. In a state where number of R.O.s is more than three, these R.O.s shall be arranged under Zones of that state, each Zone having a minimum of two R.O.s.
- ❖ All offices of metropolitan cities should headed by officers of the rank of Senior Administrative Grade officer for reasons of efficient administration of offices with high subscriber concentration. Such metropolitan cities also have potential to enroll international workers. All international workers are registered in F.R.R.O. which facility is available only in metropolitan cites.

17) Proposal for restructuring Physical facility division (PFD) in EPFO:

EPFO has following infrastructure to handle its Business:

- **Head Office**
- **NATRSS (O), 4 ZTIs (O) and one Sub ZTI (R)**
- **National Registry & Processing Office Building**
- **10 Zonal Offices**
- **Regional Offices (RO)- 40 (own Bldgs 34)**
- **Sub ROs- 80 (own Bldgs 40)**
- **District Offices/ Service Centres – 138+12**
- **Staff Quarters – 45 Locations**
- **Guest Houses -28 Locations**
- **Holiday Homes – 4 Locations**
- **EPF Appellate Tribunal – Laxminagar Delhi**
- **Total staff quarters : 3201**

PFD handles following works in EPFO:

- **Hiring and Rent Renewal**
- **Purchase of Land For Office and Quarters**
- **Processing and Monitoring of Construction through regional offices**
- **Processing Purchase of Ready Built Accommodation**
- **Additions/alterations in Rental Buildings**
- **Major Repairs to own Buildings**
- **Modification and additional facilities to existing Buildings**
- **Maintenance Related Clarifications**
- **Litigations relating to PFD Issues**
- **Equipment Management**

The annual work involves:

- Capital Works Rs 90 Crores Annually
- Maintenance Rs 12 Crores Annually

Proposed cadre for Physical facility division in EPFO:

Sl No	post	Present Grade pay	Proposed Grade Pay
1	Chief Engineer	Rs 8700/-	HAG Scale
2	Executive Engineer	Rs 6600/-	Gr Pay Rs 7600/- (JAG) on promotion & Gr Pay Rs 8700/- (NFSG) after 14 years of service
3	Assistant Engineer	Rs 5400/-	Gr pay Rs 5400/- at the time of entry and Rs 6600/- Gr Pay after 5 years of service

CHAPTER 18) PROPOSED COMPOSITE RECRUITMENT RULE (R.R.) [in terms of sections 5D (7) (a) & 7 (b) of the Act]:

Recruitment Rule of a cadre or service forms the foundation for systematic and scientific management of any service cadre. It defines the vital parameters like mode of recruitment, cadre, the Service, Cadre Controlling Authority, Controlling Authority, composition, strength of duty posts and various reserves, levels of hierarchy of various distinct cadres within that service, conditions and qualifications for vertical movement (promotion) and the like. At present only fragmented recruitment rules exist for separate cadre of Gr. 'A' officers of C.B.T. Deficiency of these service rules are follows:

- iii. No common name of the service. It is proposed to supply it as Indian Social Security Service.
- iv. (Cadre) Controlling Authority is defined.
- v. Batch is not defined.
- vi. Recruitment Rules provide for filling of vacancy through promotion from next below level or through deputation. Provision for deputation should be removed as the same is held long ago by the Principal Bench of the CAT but not yet implemented.
- vii. Ratio of strength of various cadres within a service as prescribed under "Monograph of cadre Management of Group 'A' service" is not yet made part of the Recruitment Rule.

These deficiencies in R.R.s are merely illustrative and there exists other such inadequacies too. In this connection a model composite R.R. is formulated and laid down below.

Indian Social Security Service (Group 'A') Recruitment Rules, 2011.

[To be published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i)]

CENTRAL BOARD OF TRUSTEES
(Govt of India)
MINISTRY OF LABOUR & EMPLOYMENT

New Delhi, the ___ December, 2010

NOTIFICATION

G.S.R__ (E).- In exercise of the powers conferred by the proviso to article 309 of the Constitution, and in supersession of _____ (Group 'A') Recruitment Rules, _____, except as respects things done or omitted to be done before such supersession, the central Board of Trustees hereby makes the following rules regulating the recruitment to the Indian Social Security Service Group 'A', namely:

1. Short title and commencement. -

(1) These rules may be called the Indian Social Security Service (Group 'A') Recruitment Rules, 2010.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. Definitions. -

In these rules, unless the context otherwise requires, -

(a) "appointed day" means the date on which these rules come into force;

(b) "the Commission" means the Union Public Service Commission;

(c) "the Controlling Authority" means the Central Board of Trustees;

(d) "the Departmental Promotion Committee" means a Committee constituted to consider promotions and confirmations in any grade of the Service specified in rule 3 and the composition of such Committee shall be as specified in **Schedule III**;

(e) "the examination" means the Civil Services Examination held by the Commission for recruitment to Central Services Group 'A';

(f) "the Central Board of Trustees" means the Central Board of Trustees;

(g) "Grade" means a grade specified in rule 3;

(h) "OBC" means other backward classes having the same meaning and applicability as laid down in Department of Personnel & Training O.M. No. 36012/22/93-Estt. (SCT) dated 8th September, 1993 as amended from time to time;

(i) "Scheduled Castes" and "Scheduled Tribes" shall respectively have the same meanings as in clauses (24) and (25) of article 366 of the Constitution;

(j) "Service" means the Indian Social Security Service (Group 'A').

4. Constitution of the Service. –

(A) The Service shall consist of the following grades, namely:

(i) Junior Time Scale (P.B. 3 + G.P. Rs. 5,400/-)

(ii) Senior Time Scale (P.B. 4 + G.P. Rs. 6,600/-)

(iii) Junior Administrative Grade (P.B. 3 + G.P. Rs. 7,600/-)

(iv) Selection Grade (Non-functional) in Junior Administrative Grade (P.B. 4 + G.P. Rs. 8,700/-)

(v) Senior Administrative Grade (P.B. 3 + G.P. Rs. 10,000/-)

(vi) Higher Administrative Grade (P.B. 4 + G.P. Rs. 12,000/-)

(B) The Service shall consist of the following persons, namely:-

(i) all existing officers holding duty posts on regular basis as Additional Central Provident Fund Commissioner or Deputy Provident Fund Commissioner or Regional Provident Fund Commissioner or Assistant Provident Fund Commissioner on the appointed day;

(ii) persons appointed as Additional Central Provident Fund Commissioner or Deputy Provident Fund Commissioner or Regional Provident Fund Commissioner or Assistant Provident Fund Commissioner and holding lien to the post.

(C) The regular continuous service of the officers referred to in clause (i) of sub-rule (2) before the commencement of these rules shall be counted for the purpose of probation, qualifying service for promotion, confirmation and pension in the Service.

(D) The cadre of Service shall be controlled by the **Controlling Authority**.

4. Grades and strength of the Service. -

(1) The grades and authorised strength of various grades of on the appointed day shall be as specified in the Schedule I.

(2) After the appointed day, the authorised strength of the duty posts of various grades of Additional Central Provident Fund Commissioner or Deputy Provident Fund Commissioner or Regional Provident Fund Commissioner or Assistant Provident Fund Commissioner the Service shall be such as may, from time to time, be determined by the Central Board of Trustees.

(3) The authority competent to make an appointment to a grade may make temporary or permanent additions to that grade, as it may deem necessary from time to time subject to any general or special order that may be issued by the Central Board of Trustees.

5. Method of Recruitment. –

(1) After the appointed day, the recruitment to the Service shall be made by the following methods, namely:

(a) by examination held in accordance with the provisions contained in **Schedule II** of these rules;

(b) by promotion in accordance with the provisions contained in **Schedule II** of these rules;

(c) by deputation in accordance with the provisions contained in sub-rule (4) of rule 6.

(2) All recruitment to the Junior Time Scale of the Service shall be as under, namely:-

(a) 66.67% of the total duty posts at Junior Time Scale shall be filled up by examination in terms of clause (a) of sub-rule (1).

(b) 33.33% of the total duty posts in the Service shall be filled up by promotion in terms of clause (b) of the sub-rule (1) of rule 5.

(3) The Central Board of Trustees may with the prior approval of the Commission recruit candidates to the Service by the methods referred to in clauses (a) and (b) of sub-rule (1) and when recruitment is made under these clauses, the number of persons so recruited shall be counted against the percentage of duty posts to be filled under the respective method.

6. Appointment to the Service. -

(1) All appointments to the Service shall be made by the Central Board of Trustees.

(2) Initial appointment of the persons recruited to the Service under clause (a) and (b) of sub-rule (1) of rule 5 shall be in the Junior Time Scale of the Service.

(3) The appointment to the Service shall be subject to the orders regarding special representation in the Service for the specific classes or categories of persons issued by the Central Board of Trustees from time to time.

(4) In the event of non-availability of eligible officers by direct recruitment or by promotion, the Central Board of Trustees may appoint on deputation to a post, borne on the cadre of the Service,

officers in the approved grades from other Departments of Government of India or in consultation with the Commission from a State Government, Union Territory Administration, Statutory bodies or Public Sector Undertakings and the period of deputation shall not ordinarily exceed three years.

7. Probation. -

(1) Officers appointed to the Service either by selection through examination or by promotion shall be on probation for a period of **two years**.

(2) During the period of probation, a probationer shall undergo such training as may be laid down from time to time by the Central Board of Trustees and pass such examinations as the Central Board of Trustees may consider necessary as a condition to satisfactory completion of the probation.

(3) A candidate who is already in permanent Central Board of Trustees service and is selected for appointment to the Service on the basis of the examination held by the Commission shall be on probation and shall undergo such training as may be laid down from time to time by the Central Board of Trustees and pass such examinations as applicable to the probationers under sub-rule (2).

(4) The period of probation prescribed in sub-rule (1) may be extended by Central Board of Trustees if a probationer has not qualified by passing the prescribed departmental examinations or if the work or conduct or both of a probationer is unsatisfactory.

(5) If on expiry of the period of probation, referred to in sub-rule (1) or of any extension thereof, as the case may be, the Central Board of Trustees is of the opinion that the candidate is not fit for permanent appointment or at any such time during such period of probation or extension, it is satisfied that the candidate will not be fit for permanent appointment on the expiration of the period of such probation or of extension, the Central Board of Trustees may discharge or revert a candidate to his substantive post or pass such orders as it may think fit.

8. Confirmation. -

On satisfactory completion of the period of probation or extension thereof, the Central Board of Trustees may confirm an officer to his appointment from the date of completion of the period of his probation or extension thereof.

9. Substantive appointment in the Service. -

All substantive appointments of officers recruited to the Service through competitive examination shall be made in the entry grade only, viz., Junior Time Scale of the Service.

10. Promotion. -

*(1) The field of selection and eligibility criteria for promotions to various grades of the Service shall be as specified in **Schedule II**.*

*(2) The promotion and confirmation to the posts specified under column (1) of the **Schedule III** to these rules shall be made on the recommendations of the Departmental Promotion Committee specified in column (2) of that Schedule.*

11. Seniority. -

(1) The seniority of the members of the service in each grade shall be determined in accordance with the general orders regulating seniority of Central Board of Trustees' servants issued by the Central Board of Trustees from time to time.

(2) Social Security Officers (presently E.O.s or A.O.s) on their promotion to Junior Time Scale of the Service will be given 2 years' weightage in seniority and placed en-bloc below the junior most direct recruit of that year.

12. Liability for transfer. -

Officers of the service shall be liable for transfer anywhere in India.

13. Disqualifications. -

No person-

(a) who has entered into or contracted a marriage with a person having a spouse living, or

(b) who, having a spouse living, has entered into or contracted a marriage with any person, shall be eligible for appointment to the Service:

Provided that the Central Board of Trustees may, if it is satisfied that such marriage is permissible under the personal law applicable to such person and the other party to the marriage and there are other grounds for so doing, exempt any person from the operation of this rule.

14. Residuary matters. -

In regard to matters not specially covered by these rules or orders made or issued there under or by special orders, the members of the Service shall be governed by the rules, regulations and orders applicable to the Central Civil Services in general.

15. Power to issue certain orders. -

The Central Board of Trustees may issue orders, not inconsistent with these rules, to provide for all matters, for which provision is necessary or expedient for the purpose of giving effect to these rules.

16. Power to Relax. -

Where the Central Board of Trustees is of the opinion that it is necessary or expedient to do so, it may by an order, for reasons to be recorded in writing and in consultation with the Commission, relax any of the provisions of these rules with respect to any class or category of persons or posts.

17. Interpretation. -

If any question arises as to the interpretation of these rules, it shall be referred to the Central Board of Trustees who shall decide the same.

18. Saving. -

Nothing in these rules shall affect reservations and other concessions required to be provided for the Scheduled Castes and the Scheduled Tribes and other special categories of persons in accordance with the orders issued by the Central Board of Trustees from time to time in this regard.



SCHEDULE-I

[See rule 4(1)]

Authorised strength of the various grades in the Service:

<i>Sr. No</i>	<i>Grade</i>	<i>Post</i>	<i>Scale</i>	<i>Strength</i>
1.	<i>Higher Administrative Grade</i>	<i>Additional Director General (Social Security)</i>	<i>HAG+</i>	
		<i>Chief Commissioner (Social Security)(earlier Additional Central P.F. Commissioners)</i>	<i>HAG</i>	
2.	<i>Senior Administrative Grade</i>	<i>Commissioner (Social Security)</i>	<i>P.B. 4 & G.P.Rs. 10,000/-</i>	
3.	<i>Selection Grade (Non-functional) in the Junior Administrative Grade (NFSG)</i>	<i>Additional Commissioner (Social Security)</i>	<i>P.B. 4 & G.P.Rs. 8,700/-</i>	
4.	<i>Junior Administrative Grade</i>	<i>Joint Commissioner (Social Security)</i>	<i>P.B. 3 & G.P.Rs. 7,600/-</i>	
5.	<i>Senior Time Scale</i>	<i>Deputy Commissioner (Social Security)</i>	<i>P.B. 3 & G.P.Rs. 6,600/-</i>	
6.	<i>Junior Time Scale</i>	<i>Assistant Commissioner (Social Security)</i>	<i>P.B. 3 & G.P.Rs. 5,400/-</i>	
7.	<i>Deputation Reserve</i>			
8.	<i>Leave Reserve</i>			
9.	<i>Training Reserve</i>			
10.	<i>Probationary</i>			

	Reserve			
<i>Total</i>				

**Number of posts is variable depending on the workload.*

Note: The number of posts in Selection Grade (Non-functional) in the Junior Administrative Grade will be 30% of the senior duty posts as per Department of Personnel & Training's O.M. number 22/1/2000-CRD dated June 06,2000 or as may be determined by the Central Board of Trustees from time to time.

SCHEDULE-II
[[see rule 5 (1) & (2) and rule 10 (1)]]

S. No.	Name of the Post/Grade/Scale	Method of Recruitment	Field of Selection and the minimum qualifying service for promotion.
1.	Junior Time Scale (P.B. 3 & G.P.Rs. 5,400/-)	(i) 66.67% by direct recruitment on the basis of Civil Services Examination. (ii) Remaining 33.33% by promotion in consultation with Union Public Service Commission by selection basis.	Social Security Officers, in Group 'B' with 5 years' regular service (P.B. 2 & G.P.Rs. 5,400/-)
2.	Senior Time Scale (P.B. 3 & G.P.Rs. 6,600/-)	Promotion on selection basis.	Officers in the Junior Time Scale (P.B. 3 & G.P.Rs. 6,600/-) with 4 years regular service in the grade.
3.	Junior Administrative Grade (P.B. 3 & G.P.Rs. 7,600/-)	Promotion on selection basis.	Officers in the Senior Time Scale (P.B. 3 & G.P.Rs. 7,600/-) with 5 years regular service in the grade or nine years service in Group 'A'.
4.	Selection Grade (Non-functional) in Junior Administrative	Appointment by placement in the scale on the basis of seniority based on	Officers in the Junior Administrative Grade (P.B. 4 & G.P.Rs. 7,600/-) with

	Grade (NFSG)	suitability.	
			5 years regular service in the grade, provided that no member of the service shall be eligible for appointment to the selection grade until he has entered 14th year of service on the 1st of January of the year calculated from the year following the year of examination on the basis of which the member was recruited.
5.	Senior Administrative Grade	Promotion selection basis.	on Officers in the JAG with 8 years' regular service in the grade including NFSG OR Officers with 17 years' regular service in Group 'A' posts in the service out of which at least 4 years' regular service should be in the JAG (including service rendered in the NFSG of the JAG.
6.	Chief Commissioner (Social Security)	Promotion selection basis.	on Officers in the SAG with 3 years' regular service in the grade OR Officers with 25 years' regular service in Group 'A' posts in the service out of which at least 1 year' regular

			service should be in the SAG
7.	<i>Additional Director General (Social Security)</i>	Promotion on selection basis.	Officers in the SAG with 3 years' regular service in the grade OR Officers with 25 years' regular service in Group 'A' posts in the service out of which at least 1 year' regular service should be in the SAG

Note I: For the purpose of promotions to Senior Time Scale (STS), Junior Administrative Grade (JAG), Selection Grade (Non-functional) of the Junior Administrative Grade (NFSG) and Senior Administrative Grade (SAG) the length of service shall be reckoned from the 1st of January following the year of the examination through which the member was recruited.

Note II: In cases where juniors who have completed their qualifying or eligibility service are being considered for promotion, their seniors would also be considered provided they are not short of the requisite qualifying or eligibility service by more than half of such qualifying or eligibility service or two years whichever is less and have successfully completed their probation period for promotion to the next higher grade along with their juniors who have already completed such qualifying or eligibility service.

SCHEDULE-III

[(see rule 10 (2))]

Group 'A' Departmental Promotion Committee for considering the cases of promotion or confirmation in Group 'A' posts in the Indian Social Security Service.

1. Confirmation of Direct Recruits/Promotees

- a. Secretary (L&E), G.o.I- Chairman
- b. Director General(Social Security) – Member
- c. Additional Secretary (Personnel)(D.o.P.T.) – Member

2. Promotion of Social Security Officers (Group 'B') to Junior Time Scale of Indian Social Security Service

- a. Secretary (L&E), G.o.I- Chairman
- b. Director General(Social Security) – Member
- c. Additional Secretary (Personnel)(D.o.P.T.) – Member

3. Promotion from Junior Time Scale to Senior Time Scale of Indian Civil Accounts Service

- a. Secretary (L&E), G.o.I- Chairman
- b. Director General(Social Security) – Member
- c. Additional Secretary (Personnel) (D.o.P.T.) - Member

4. Promotion from Senior Time Scale to Junior Administrative Grade of Indian Social Security Service

- a. Secretary (L&E), G.o.I- Chairman
- b. Director General(Social Security) – Member
- c. Additional Secretary (Personnel)(D.o.P.T.) - Member

5. Appointment to the Selection Grade (Non-functional) of Junior Administrative Grade (NFSG) of Indian Social Security Service (Screening Committee)

- a. Secretary (L&E), G.o.I- Chairman
- b. Director General (Social Security) – Member
- c. Additional Secretary (Personnel) (D.o.P.T.) – Member

6. Promotion to the Senior Administrative Grade of Indian Social Security Service

- a. Chairman/Member, UPSC - Chairman
- b. Secretary (Expenditure) – Member
- c. Secretary (L&E) – Member
- d. Director General (Social Security)

7. Promotion to Chief Commissioner (Social Security)

- a. Chairman/Member, UPSC - Chairman
- b. Secretary (Expenditure) – Member
- c. Secretary (L&E) – Member
- d. Director General (Social Security)

8. Promotion to Additional Director General (Social Security)

- a. Chairman/Member, UPSC – Chairman
- b. Finance Secretary Member
- c. Secretary (Expenditure) – Member
- d. Secretary (L&E) – Member
- e. Director General (Social Security)

Note: The absence of a member, other than the Chairman or a Member of the Union Public Service Commission shall not invalidate the proceedings of the DPC, if more than half of the members of the committee had attended the meeting.

*Chairman, Central Board of Trustees
(Name & Designation of the Issuing authority)*



CHAPTER 19) Strengthening of Training Functions in EPFO -A Concept Paper for NATRSS

1. Introduction

1.1. In the present era of fast changing economic landscape of the country and the rising customer expectations, public service delivery organizations like EPFO are under increasing pressure to increase the quality and efficiency of their services. Sensitivity to emerging customer demand warrants enhancement of performance levels and fostering a culture of customer orientation at all levels.

1.2 Training and development is one of the most cost effective and tested tools for performance enhancement and attitudinal re-orientation of personnel in any organisation. National Training Policy of Government of India has emphasized the significance of training function for government. In a service organization like EPFO, training assumes added significance. It is in this context that this paper presents the obtaining status of training architecture and activities in EPFO and its analysis and makes out a case for its strengthening.

2. Training Architecture in EPFO:

In order to train and develop its more than twenty thousand work force, EPFO has created a **two-tier training structure**. At the apex level lies the National Academy of Training & Research in Social Security (NATRSS) which caters to the training needs of Group A officers and for training Group B, C and D staff, there are five Zonal Training Institutes (ZTIs) as under:

1. **North Zone** Training Institute at Faridabad
2. **South Zone** Training Institute at Chennai
3. **East Zone** Training Institute at Kolkata
4. **West Zone** Training Institute at Ujjain
5. **Sub Zonal** Training Institute at Shillong

3. Structure, Staffing & Target Group of NATRSS

National Academy of Training & Research (NATRSS) was set up in the year 1990 as an institution for imparting training to the officers of EPFO with an attendant responsibility for designing and executing research programmes in social security. It is headed by the Director in the rank of Additional Central Provident Fund Commissioner. He is assisted by two Deputy Directors (Training), one RPFC –II (Research) and one Senior Administrative officer (SAO). Deputy Directors and SAO are in the rank of RPFC (II). There are also two APFC level officers assisting the SAO and RPFC (Research) respectively. Besides there are two officers in the rank of SO/AO and 12 other staff supporting training and administrative activities.

3.1 Target Group

The academy caters to the training and development needs of Group A officers. Presently the strength of Group A officers in EPFO is 812 as detailed below:

Additional CPFC:	15
RPFC(I):	56
RPFC(II) :	201
APFC :	540

Total	812
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4. Physical Infrastructure and Facilities at NATRSS

The Academy has three **lecture halls**. Each hall is air-conditioned and equipped with modern learning equipments. There are two **computer labs** in the Academy, equipped with latest computers having Internet facility.

It has a modern Auditorium equipped with latest audio visual facilities and internet connectivity having a seating capacity for 118 persons.

NATRSS has a **Library** with more than 8000 volumes. The Library also subscribes to various Indian and foreign journals.

Hostel block comprises rooms of single as well as of double occupancy. In all, there are 48 rooms and altogether 96 participants can be accommodated.

The **mess** of the Academy has a capacity to cater to 80 participants at a time.

Sports facilities are available for playing badminton, table tennis and other indoor games. There is also a Gymnasium in the Hostel block.

To ensure uninterrupted power supply, a high power generator system has been installed as a standby. It provides the residents of the campus access to power and water supply round the clock.

5. Present Level of Training Activities at NATRSS

The Academy conducts following types of training programmes:

1. **Induction/Foundation** Programme for the newly recruited/promoted Assistant Provident Fund Commissioners
2. **Refresher courses** for in-service officers in functional skill development
3. **Management Development Programmes** in Behavioural and General management area
4. In-House and Department of Personnel & Training **Faculty Development Programmes**
5. **Specific Technical Programmes** for specific categories of officials/issues
6. **Workshops** for employers and members

The number of training programmes conducted by the Academy in the last five years is tabulated below:

Year	Functional Technical	& General Management	Total
2005- 06	28	12	40
2006-07	25	15	40
2007-08	28	15	43
2008-09	15	13	28
2009-10	35	19	44

6. **Zonal Training Institutes**

6.1 The

jurisdictions of the Zonal Training Institutes are as under:

- Zonal Training Institute, **North Zone** is located at **Faridabad**. It caters to Haryana, Punjab, Himachal Pradesh, Union Territory of Chandigarh, Uttar Pradesh, Uttaranchal, Rajasthan and Delhi Regions as well as Head Office.
- Zonal Training Institute, **South Zone** located at **Chennai**. It caters to Tamil Nadu and Pondicherry, Kerala, Karnataka, Andhra Pradesh and Regions.
- Zonal Training Institute, **East Zone** located at **Kolkata**. It caters to Bihar, West Bengal and Andaman Nicobar Islands and Orissa Regions.
- Zonal Training Institute, **West Zone** located at **Ujjain**. It caters to Maharashtra, Gujarat, Madhya Pradesh and Chhattisgarh Regions.
- **Sub-Zonal** Training Institute, **North East** Region at **Shillong**. It caters to the North East Region.

6.2 Structure, Staffing & Target Group:

Each ZTI is headed by an officer in the rank of RPFC (I). He is assisted by two additional officers in the rank of APFC/RPFC (II). The sanctioned staff strength of ZTIS is as under:

	NZ	EZ	WZ	SZ	Sub ZTI
Group A	3	3	3	3	1
Group B	2	2	2	2	-
Group C	9	8	9	8	-
Others	3	3	3	3	1

6.3 Target Group

The Target group of ZTIs comprises of all Group B, C & D staff members in the field offices lying in their respective jurisdiction. Overall strength of the target group of ZTIs is detailed below:

Group B : 2222

Group C : 17959

Group D : 2420

7. Physical facilities & Infrastructure at ZTIs

All ZTIs are housed in own buildings and are equipped with necessary training infrastructure in terms of training halls, computer lab, conference facilities, library, hostel with dining facility.

8. Training Activities at ZTIs

1. Induction course for newly appointed/promoted SSA's, SS, EO/AO's.
2. Refresher courses for Group B and Group C officials in functional areas.
3. Specialized programmes on Customer Services, HRM, HRD, RTI and Women's empowerment.
4. Workshop for Employer/Employees.

A summary of training programmes for the year 2005-06 to 2009-10 in respect of ZTIs is given below:

Year	ZTI(NZ)		ZTI(SZ)		ZTI(EZ)		ZTI(WZ)	
	Func. & Tech.	Gen. Mgt.	Func. & Tech.	Gen. Mgt.	Func. & Tech.	Gen. Mgt.	Func. & Tech.	Gen. Mgt.
2005-06	44	6	38	12	49	5	33	6

2006-07	52	8	37	14	55	3	51	7
2007-08	53	9	43	17	47	7	51	7
2008-09	47	19	41	16	43	18	30	16
2009-10	41	6	47	8	40	-	21	5

9. Situation Analysis:

9.1 Need for undertaking the Analysis:

The training facilities of the EPFO were created in 1990s and were primarily geared to provide training logistics and coordinate short term training course based on the strength & profile of officers and staff obtaining at that point of time. Over the period, the organization has steadily grown in terms of its size, spread and coverage of members and establishments. However, the structure and staffing of training facilities of the organization have not evolved and remained more or less static. This has necessitated a re-look at the architecture and capacity of training facilities in order to align it with the training load of the organization.

9.2 Organisational Context:

The National Training Policy states that training is to imparted to all rung of civil servants to enable them to satisfactorily perform the tasks assigned to them. It says that whenever there is a job change the concerned staff needs to be trained for the new assignment. The policy also states that staff involved in dealing with public should be provided with adequate training inputs for their attitudinal orientation. The officers of EPFO are required to perform varied technical functions in the area of administration, finance, pension, industrial relations and quasi judicial. As EPF is principally a public service delivery organization, majority of its officers are engaged in dealing with public. Besides, there are frequent changes of assignments of officers. Moreover, the organization is undergoing a mega change in terms of computerization of its business activities, necessitating its own demands on the training function. Thus there is a huge need for providing training input in the technical and behavioral areas to the officers of EPFO.

9.3 Need for Significant Increase in Training Output:

In the context of organizational scenario of EPFO, as delineated above, each officer and staff needs to be provided with at least one training each in the functional skills and general management/behavioral area once a year. To achieve this goal with respect to Group A officers, the Academy has to conduct each year at least eighty training courses, i.e., 400

training days. In addition, as per the need, the academy has also to provide foundation/induction training to the newly recruited and promoted Group A officers. Even if one Foundation Course of three months duration APFCs is organized every 3 years, it will imply a training load of 20 days each year. In addition the Academy organizes seminars for employers and members, implying additional 10 days. Thus altogether the training load can be worked out to 430 training days each year. However, the academy, presently, at an average conducts forty courses. In case we exclude workshops for employers and faculty development programmes sponsored by Department of Personnel & Training, the Academy conducts only thirty programmes aimed at building functional skills and managerial effectiveness. Taking at an average twenty participants in a training programme, the Academy presently trains around six hundred officers in a year. In other words seventy five percent of the Group A officers receive only **one training of five days duration each year at the Academy.**

The situation with regards to training of Group B, C and D officials is even less satisfactory. Each ZTI is tasked to train more than 5000 staff spread over more than six to seven political states. Assuming each staff receives at least one training programme in a year, the number of training courses (with a class size of 20) that each ZTI will have to organize will amount to more than 250. Against this requirement each ZTI, presently conducts around 40 training courses in a year. As the target group of the ZTIs are the staff at cutting edge levels and lot of direct interface with public, they need more training inputs, particularly for attitudinal re-orientation.

9.4 Entry of Direct Recruits & Need for Term Foundation Course

The quantum of direct recruitment at various levels has increased over the period and the profiles of recruits have also undergone major changes. Earlier officers directly recruited at Group A used to be fewer in number and possessed work experience. Thus a short induction course and mid career short term refresher courses from time to time used to suffice for them for addressing their training needs. Presently work experience has been dispensed with as eligibility criteria in the recruitment of Group A officers. Consequently most of the new recruits joining the organization are fresh from the job market and like any other Group A cadre of the government, they need to undergo long term foundation training. There has been bulk recruitment even in the cadre of Group B and C and ZTIs also need to gear themselves for designing and delivering long term foundation courses for these recruits as well.

9.5 Change of Business Environment -Need for Attitudinal Re-orientation

In the present era of rising customer expectation, the existing service standard of EPFO is far from satisfactory. In fact the piling customer's grievances are becoming a major challenge for the organization. To stem the tide, there is a need to inculcate spirit of customer orientation amongst officers and staff at all levels. This warrants series of focused training programmes to achieve the attitudinal reorientation of officers and staff. In ZTIs, where most of the staff at cutting edge level is trained, very few training courses in behavioural areas are conducted due to their limited capacity. The training facilities of EPFO, accordingly needs to be strengthened to achieve this goal.

9.6 Need for Effective Engagement of Stakeholders

Presently NATRSS & ZTIs are functioning by and large as stand-alone training outfits. There is no institutional arrangement whereby the performance problems, issues and challenges of EPFO at corporate as well as field office level are continuously communicated to NATRSS & ZTIS so that training expertise and resources of these institutes are harnessed for suggesting training and non-training solutions. Neither does periodic surveys are conducted to ascertain existing and emerging training issues of officers and staff. This warrants setting up systems and institutional arrangement to facilitate communication between users and the training facilities.

9.7 Need to Re-visit the Two Tier Training Architecture

Presently EPFO has a two tier training architecture. At the apex level is NATRSS for imparting training to Group A officers and ZTIs at the next level for catering to the training needs of Group B, C and D staff. As brought out above each ZTI at an average caters to 5000 staff spread over six to seven states. They administer one training course of five days to twenty five percent of their target group once a year. Even after their strengthening and operating at stretched levels, ZTIs would not be able to address the training needs of its target group. In order to make the training load of ZTIs manageable, it is felt that the target group of ZTIs should be restricted to Group B and Supervisory cadre in Group C. This will also help in making their target group more homogenous and will facilitate better design and delivery of training course. As the training needs of staff in Group C and D are mostly in the areas of routine functional and operational skills, it can be addressed at regional level

itself. In other words, the present two tier training architecture needs to be expanded to three tiers by incorporation of training facility at regional level.

10. Recommendation

The situation analysis as delineated above reveals that training system & infrastructure of EPFO needs upgradation - additional training facilities at regional level needs to be created and capacities of existing facilities needs to be enhanced through positioning of additional faculties.

10.1 Additional Manpower for Training

Additional posts of faculties needs to be created. The number can be worked out using standard DoPT norm (475 hours of teaching per faculty per year). As worked out in the aforesaid paragraphs the Academy needs to clock 430 training days, i.e., 3440 hours each year to cover its target group. In addition, as per the need, the academy will also be required to run foundation/induction training for the newly recruited and promoted Group A officers. Using the DoPT norm for faculty there will be need for **eight faculties**. However, presently there are only two RPFC (II) level officers dedicated for organizing and conducting training. Thus there is a need of **six additional faculties** in the Academy. In this context it is also pertinent to mention that the target group of the Academy comprises of APFC, RPFC(II), RPFC(I) and ACC, accordingly, faculty members needs to be in higher grades, taking into account the hierarchical nature of organisational structure of EPFO.

Similarly, in each **ZTI**, there is only one post of APFC/RPFC (II) level officer who is responsible for organizing and conducting the entire training activities of the institute. In absence of regular faculty, officers from the neighbouring field offices and retired officials are invited as faculty. This arrangement has inherent problems as field officers often decline invitation at the last moment due to exigencies at their work places and retired officers are not updated with the latest amendments and judgments. As a result the quality of the training suffers. Accordingly, as has been suggested for the Academy, additional faculty needs to be posted in ZTIs. Keeping in view the training load at least two additional APFC/RPFC -II level officers' needs to be posted in each ZTI's to ensure smooth delivery of standard training modules.

10.2 Deployment of the Faculties

As the officers posted in training institutions are primarily engaged in teaching and training, they need to possess the necessary expertise and aptitude. Accordingly the deployment of faculties at NATRSS & ZTIs needs to be through a selection process where-in the expertise and aptitude of the officers are factored as recommended by the sixth CPC.

10.3 Setting up of Advisory Committees for the Academy & ZTIs

There is a need to set up an Advisory Committee for NATRSS comprising of Divisional Heads at Corporate Headquarters and ACCs of Zones/Political States. The committee could discuss and deliberate on various performance problems and challenges of EPFO and offer advice to NATRS on training and related issues so that need based training courses are designed and delivered at NATRSS. There is a need to set up an Advisory Committee comprising of RPFC in-charge of regions and ACCs of the political states to communicate performance problems and challenges so that suitable training courses are designed at ZTIs.

10.4 Setting up of Training Facilities at Regional Level

As brought about above, in order to achieve the goal of training to all as enshrined in the National Training Policy, additional training facilities need to be created in each Regional Office. These facilities will address the training needs of Group C (except the supervisory cadre) and D staff.

CHAPTER 20) Use of State Emblem of India (ASHOK STAMBH):

The use of the State Emblem by CBT or EPFO was prohibited by a circular bearing RRC/28(13)/2003/7A-14B/Pt./87609 dated February 17, 2004 issued by the Head Office. Subsequent to the issuance of this circular the Parliament of India enacted legislation - the State Emblem of India (Prohibition of Improper Use) Act, 2005 - to regulate the use of State Emblem viz. Sarnath Lion Capital of Asoka. Sections 6 and 11 of this Act provide for framing of rules by the Central Government to regulate the use of the emblem in official seal and on stationery. In pursuance to these provisions the Central Government formulated the State Emblem of India (Regulation of Use) Rules, 2007. Rules 5 & 6 of the Rules, 2007 provide as follows.

5. Use in official seals. - The use of the emblem in official seal shall be restricted to the authorities specified in Schedule I.

6. Use on stationery. - (1) The use of the emblem on official or demi-official stationery shall be restricted to the authorities specified in the Schedule I aforesaid.

SCHEDULE-I

(See rules 5 and 6)

CONSTITUTIONAL OR STATUTORY AUTHORITIES, MINISTRIES OR DEPARTMENTS OF THE CENTRAL GOVERNMENT, STATE GOVERNMENTS OR UNION TERRITORY ADMINISTRATIONS AND OTHER GOVERNMENT FUNCTIONARIES WHICH MAY USE THE EMBLEM

(iv) Judges and office and officers of the Judiciary;

(xv) Commissions and **authorities constituted or established by an Act of Parliament** or set up by the Central Government.

In Mr. E. S. Sanjeeva Rao versus Central Bureau of Investigation (CBI), Mumbai & Ors. (CRIMINAL WRIT PETITION NO.2637 OF 2010) the Bombay High Court vide its Order dated December 03, 2010 has held as follows "The fact that the Petitioner (an Authority created under Section 5D of the Employees' Provident Fund & Miscellaneous Provisions Act, 1952 and conducting inquiry under Section 7A of this Act) was discharging the functions of a Judge within the meaning of Section 19 of the IPC is indisputable." Thus it is clearly held by the Hon'ble Bombay High Court that a Commissioner under the EPF Act is a Judge within the meaning of Section 19 of IPC - the primary source of definition and concept of a "judge". Through this Order the Hon'ble High Court also applied the benefit of the provision of General Exception contained under Section 77 of IPC which are available to judges to a Commissioner under the EPF Act conducting inquiry under Section 7A of this Act.

Further the CBT or various grades of P F Commissioners are also Statutory Authorities created by Parliament of India under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Subsequent to the issuance by the Head Office of the circular bearing number RRC/28(13)/2003/7A-14B/Pt./87609 dated February 17, 2004 the Parliament enacted the State Emblem of India (Prohibition of Improper Use) Act, 2005 and the State Emblem of India (Regulation of Use) Rules, 2007. As these statutory provisions are applicable on its own force and also because the mandate of this statute runs contrary to said circular, it may be withdrawn.

Use of State Emblem by EPFO shall not only be commensurate to the status of the EPFO as administrator of Sovereign Constitutional function of social security to masses but the use of the state symbol will also hugely facilitate the fulfilment of statutory functions of assessment of dues and its recovery.



CHAPTER 21) Gazette Notification of Group A and Group B posts & OTHERS:

As per current practice names of Group 'A' officers are not notified in the Gazette of India either at the time of their initial appointment or on the subsequent promotion. On the other hand names of Group 'B' officers posted at the Head Office are notified in the gazette.

Recovery Officer as defined under clause (kb) of Section 2 of the EPF & MP Act, 1952 reads "Recovery Officer" means any officer of the Central Government, State Government or the Board of Trustees constituted under section 5A, who may be authorised by the Central Government, by notification in the Official Gazette, to exercise the powers of a Recovery Officer under this Act". Under this provision Recovery Officer is notified in the gazette but only designation of officers is notified as Recovery Officers and their names are not notified. This weakens the force of gazette notification and many courts across India have questioned and doubted the validity of actions like arrest or attachment of property by Recovery Officers who have not been notified by name in the Gazette. This impedes the achievements of statutory objectives and creates avoidable impediments to the administration of the Act.

Such gazette notification will also be commensurate to and shall facilitate the discharge of powers of a court under the Code of Civil Procedure, 1908 as provisioned under Sections 7A and 14B of the Act.

As per the Office Memorandum bearing number No.-O-17034/1/98-Pub. New Delhi dated February 03, 1999 issued by Directorate of Printing, Govt. of India Section 2 of Part I of a Weekly Gazette is earmarked for "Notifications regarding appointment, promotions etc. of Govt. Officers issued by the Ministries of Govt. of India (other than the Min. of Defence) and the Supreme Court of India" and Section 4 of Part III of the Weekly Gazette is earmarked for "Miscellaneous Notifications, including Notifications, Govt of India Press, Faridabad Orders, Advertisements and Notices issued by Statutory Bodies"

As per clause (kb) of Section 2 of the EPF&MP Act the notification for Recovery Officer is not be issued by the Central Board but by the Govt. of India, all appointments and promotions to Inspectors and various grades of Commissioners can be gainfully notified by name under Section 2 of Part I of the Weekly Gazette which is exclusively reserved for this purpose.

Another advantage of notification of names of Group 'B' officers on appointment or promotion to that level is regarding the discharge of duty as Drawing and Disbursing Officer (D.D.O.). The function of D.D.O. under government financial and accounting rules are discharged in a government department by a Group 'B' gazetted officer. In EPFO the same

function is discharged by a Group 'A' officer. To bring uniformity in practice and also for better and fuller utilisation of the services of Group 'A' officers it is imperative that the function of DDO is assigned to a Group 'B' gazetted officer and to this end all Group 'B' officers are notified by name in the relevant section of the gazette of India.

OTHER PROPOSALS:

1. Systemic Improvement in Issuance of Circulars:

Presently rules are either laid down or clarified by issuance of circulars by various authorities ranging from Assistant P F Commissioner to Central P F Commissioner. Ostensibly such circulars are issued without any discernible enabling provisions in the Act or Schemes framed under it. These circulars are also not notified in the Gazette. On account of multiplicity of authorities and lack of provisions regarding power to issue circulars many of these circulars are either not clear in content or conflicting in nature. Instead of facilitating the flow of work at times it results into obstruction to smooth discharge of function. It results into frequent referral by field offices to the Head Office for clarification on the meaning and direction of the circulars. If the power to issue circular is provisioned in the Act itself and all such circulars are publicised in the gazette it will help avoid issuance of conflicting circulars and bring uniformity and clarity in work flow in the Organisation. It is therefore proposed that all circulars including those issued in the past may be mandatorily notified in the gazette and power to issue circulars should be restricted to the Central P F Commissioner and for that purpose suitable statutory amendment may be effected.

2. Rigidly Defined Circles of Compliance and Recovery:

Circles of compliance of recovery under each Regional or Sub-Regional office should be rigidly defined by the Head Office and notified in the gazette. In the matter of creation or alteration of these circles no discretion should be available at the level of any office other than Head Office. All manpower, supporting staff, infrastructural requirement, physical facility and conveyance/vehicle should be defined for each compliance and recovery circle to improve functioning and effectiveness in related areas of work.
