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www.epfoa.in

**EMPLOYEES PROVIDENT FUND OFFICERS' ASSOCIATION
(Recognised)**

Bhavishya Nidhi Bhawan, G.S. Road, Near Bharalu Bridge,
Bhangagarh, Guwahati – 781 005. (Assam)

PATRON

G. Sanjeeva Reddy,
MP (Rajya Sabha)

PRESIDENT

Shankar Pathak, RPFC-I

SECRETARY GENERAL

Sudarshan Kumar, APFC

WORKING PRESIDENT

E. Sanjeeva Rao, R.P.F.C-II

JOINT SECRETARY GENERAL

Ganesh Kumar, R.P.F.C-II

<p><u>ORGANISING SECRETARY</u> M. S. Arya, R.P.F.C-II</p> <p><u>TREASURER</u> Pramod Singh, A.P.F.C</p> <p><u>Vice Presidents:</u> (North) Manoj Yadav, R.P.F.C-II (South) Paritosh Kumar, A.P.F.C (East) Shekhar Kumar, RPFC-II (West) Ravindra Shinde, A.P.F.C.</p> <p><u>MEMBERS:</u> (North) Rina Mandal, R.P.F.C-II (South) N Kishore Kumar, A.P.F.C (East) R.K.Sinha , A.P.F.C (West) G R Jilla, A.P.F.C.</p>	<p>To, Date: February 20, 2012 The Central P.F. Commissioner Place: Guwahati Employees' Provident Fund Organisation, New Delhi - 110066.</p> <p><u>Subject:</u> Observance of transfer policy in the impending Annual General Transfer (AGT), 2012– reg.</p> <p><u>Reference:</u> The letter dated January 16, 2012 issued by the HRM wing of the Head Office calling options for Annual General Transfer (A.G.T.).</p> <p>Sir,</p> <p>This communication is to bring to your knowledge, the matters regarding Transfer Policy applicable in EPFO and poor compliance of this policy over the years. The circular bearing number HRM-I/T-4(1)2000/91110 dated March 04, 2004 [<u>Annexure I</u>], as amended by the circular bearing number HRM-I/T-4(1)2000/80424 dated January 13, 2010 [<u>Annexure II</u>], enumerate the Transfer Policy formulated and adopted by the Executive Committee of the Central Board for implementation in our Organisation.</p> <p>Principal features of the Policy, regarding tenure of officers of two ranks, namely Assistant Commissioners and Regional Commissioners II, are three fold, which are listed below:</p> <p style="padding-left: 40px;">i.) Tenure (continuous) of an Assistant Commissioner "at one</p>
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operational station will not extend beyond four years and for Regional Commissioner II *the tenure will be for a period of four years at an operational station*.

- ii.) *"...total (cumulative) tenure (of an officer at one station) shall be maximum for a period of five years."*[Para 3 (II) (i) of the 2004 circular]
- iii.) *"Total (cumulative) tenure in a Zone will be maximum for a period of 08 years in all."* [Para 3 (II) (iii) of the 2004 circular]. It was explained that *"the jurisdiction of a zone is the area of jurisdiction falling under each Addl. CPFC in the field formation"*. [Point no. 3 of 2010 circular]

Recently, on January 16, a circular [Annexure III] is issued by the HRM wing of the Head Office, inviting officers to indicate the choice of places to which he/she may be transferred in the upcoming Annual General Transfer. As per the mandate of the Transfer Policy, officers falling under all three categories named above should have been asked to indicate choice of places for transfer. Instead, only those falling under category i.) were permitted to indicate such choice. Under para 2.), this HO circular [Annexure III] writes: *"The officers in APFC and RPFC II grades completing four years tenure in their present posting as on 1st April, 2012 may as per policy guidelines, indicate three stations of their choice..."*. Clearly, officers who fall under latter two categories, named above, are not allowed to indicate places they want to be posted in. It's obvious, Sir, that this year too, as in the past, the ground is ready for mass violation of Transfer Policy.

Paras 3 (II) (i) and 3 (XI) of the 2004 circular mandates that the approval of Chairman, Central Board shall be secured in individual cases where deviations from the provisions of the Policy is made. There is no contemplation, however, in the Policy that permits wholesale breach of its provisions, under any exigency, as proposed under January 16 H.O. circular.

Further, I apprise you, Sir, of the areas which are disregarded while effecting Annual General Transfers in previous years.

I. Skewed posting practice as OIC:

A small group of well connected officers are retained in the sensitive posts as Officer-in-Charge (OIC), continuously for many years. They are posted for the majority of the total length of their service, as OIC while others having equally long career span are hardly ever posted in this capacity or assigned this responsibility. This fact can be verified with reference to posting profile of Group 'A' officers collected by Head office vide circular bearing number HRM I/Misc/Officers Profile/09/82569 dated January 27, 2009 [Annexure IV]. This lowers the confidence of the officer community as a whole, in the sense of fair play and impartiality of the EPF administration. It can be seen, Sir, that absence of even-handed approach in this regard is an outcome of those considerations, which are extraneous to requirement of sound administration.

II. Delhi and the NCR is reserved for a few:

Another area that requires your attention, Sir, is the invariable posting of a select group of officers in or around Delhi or National Capital Region. Some such posting may be in compliance with the Government's policy of posting the serving spouses at same station and to that extent it may be accommodated. But far many officers are nestled in this region, without any tenable justification. This tradition denies fair opportunity to others who want to serve in the Head Office, the National Academy or other NCR offices. As Delhi is the National Capital, willing officers of all parts of the nation may be given a fair opportunity of posting in this region.

III. Head Office or National Academy are alien to majority:

Many officers have never served in Head Office, National Academy or Zonal Training Institutes. In this regard, para 3 (VII) (ii) (2004 circular) of the Policy provides that "*All officers must serve one tenure in the Head Office or the Zonal*

Training Institute or National Academy for Training & Research in Social Security (NATRSS).

This Policy objective can't be achieved so long as it remain subservient to personal needs of a few individuals who are posted and posted again in the Head Office in the name of their purported indispensability.

IV. Lack of information to make informed choice:

An officer can indicate choice for a particular station only if he knows that a vacancy exists for a particular post in one or the other office located in that station. As the information regarding status of vacancy in various offices of our Organisation is not disclosed, it is difficult to make an informed choice while deciding three stations for posting.

Lest the instant communication should reduce to a theoretical write up, now I attempt, Sir, to demonstrate, with the help of individual instances, as to how the transfer policy was invoked in the past for wholly unappointed purposes. In one instance a very senior public functionary of the Organisation, who, just before the scheduled superannuation, managed to secure four years extension of his service, was posted continuously in a sensitive post despite express prohibition against the officer for such posting in the light of CBI raid on his premises and the ongoing trial against him in a D. A. case in the CBI designated court. He was allowed to continue in the same sensitive assignment despite the Hon'ble High Court declaring the extension of service as being not in order. He was allowed to hold the sensitive post till last day, when he was removed from the service.

To cite another example, a senior officer with serious complaints of corruption against him, which was kept lingering at investigation stage for more than a decade, was posted in charge of one of the richest Regions of the Organisation and months ahead of his superannuation was given the charge of two such Regions before finally being chargesheeted on two counts, nearly coinciding with his superannuation. This transfer was done in the most opaque fashion and a copy of the note portion respecting this transfer, secured through RTI, revealed no more than "*as discussed*". Organisation is full of such instances.

It's not difficult, Sir, to decipher the intent and object of such transfers, where barred officials are posted in sensitive assignments, till the fag end of their service. Such cases

defile the trust of governmental power vested in public functionaries and stir the common conscience of the Organisation sending out a general signal that is antithetical to the cause of transparency and probity in administration.

Violation of the Transfer Policy has had many adverse effects, some of which are listed below, by way of illustration:

- I. It puts officers to considerable inconvenience, denies them a fair administrative treatment and divides officers into two classes of the haves and the have-nots.
- II. It renders the Policy instrument approved by the Central Board as a redundant piece of officialese and thereby fails to adhere to the principle of good governance and rule of law.
- III. It permits excessive and uncontrolled discretion in the hands of management exposing administrative action to allegations of favoritism and corruption. It also runs counter to the Central Vigilance Commission advisories on curtailing excessive discretion in administrative functions.
- IV. It's inconsonant with the provisions of Head Office circular bearing number Vig. XXV (02) 2000/3017 dated August 04, 2010 [Annexure V] that mandates (under sub-head E. HRM Activities): "there should be utmost fairness and transparency in the matter of transfer and posting of officials of all levels in the ROs and SROs".
However, it is interesting to note that this circular excludes the Head Office from the transparency mandate, in the matters of transfer.
- V. It generates avoidable but justified litigations, and

VI. It also destroys All India character of the service and creates cadres of regional enclaves, impeding All India outlook of those officers who are permanently posted in such enclaves.

The CVC has also, in the past, advised the EPFO to desist from general violation of Transfer policy.

It is therefore requested, Sir, that following measures may be considered for implementation:

- I. Provisions of Transfer Policy, particularly those pointed out hereinabove, may be implemented to the letter.
- II. Officers who have remained posted in one region or state, particularly those in Delhi or NCR, may be transferred out and substituted with others who opt for posting in these regions.
- III. Officers serving in sensitive post as OIC for long years may be transferred to non-sensitive post, where they may serve for three years, before being considered for sensitive post again. Those who have got less or no opportunity to serve as OIC, may be given this responsibility.
- IV. It should not be left for an individual officer to decide whether he/she is due for transfer and therefore should or shouldn't indicate choice of places. Instead, a list of those officers who are due for transfer alongwith the list of Region or Zone outside which they shall be transferred, in terms of the Transfer Policy, should be prepared and published by the Head Office and only those officers whose names find place in this list, may be asked to indicate choice of places in the light of such information. Request by other officers may be processed separately.
- V. Vacancy position in each cadre in each office of the Organisation may be published to enable officers to make informed choice of stations for posting.

- VI. Full note portion that records the deliberations among officials in the process of determination of places of posting for individual officers, be scanned and published alongwith the transfer order, to attain higher norm of transparency.
- VII. In aid to implementation of Transfer Policy, robust software database of posting profile of Group 'A' and 'B' officers may be ordered to be prepared for future use that can capture and sort the spatial and temporal profile of posting of officers.

It may also be considered, Sir, to factor in these principles in effecting transfers of non-Commissioner cadre officers in E. P. F.O.

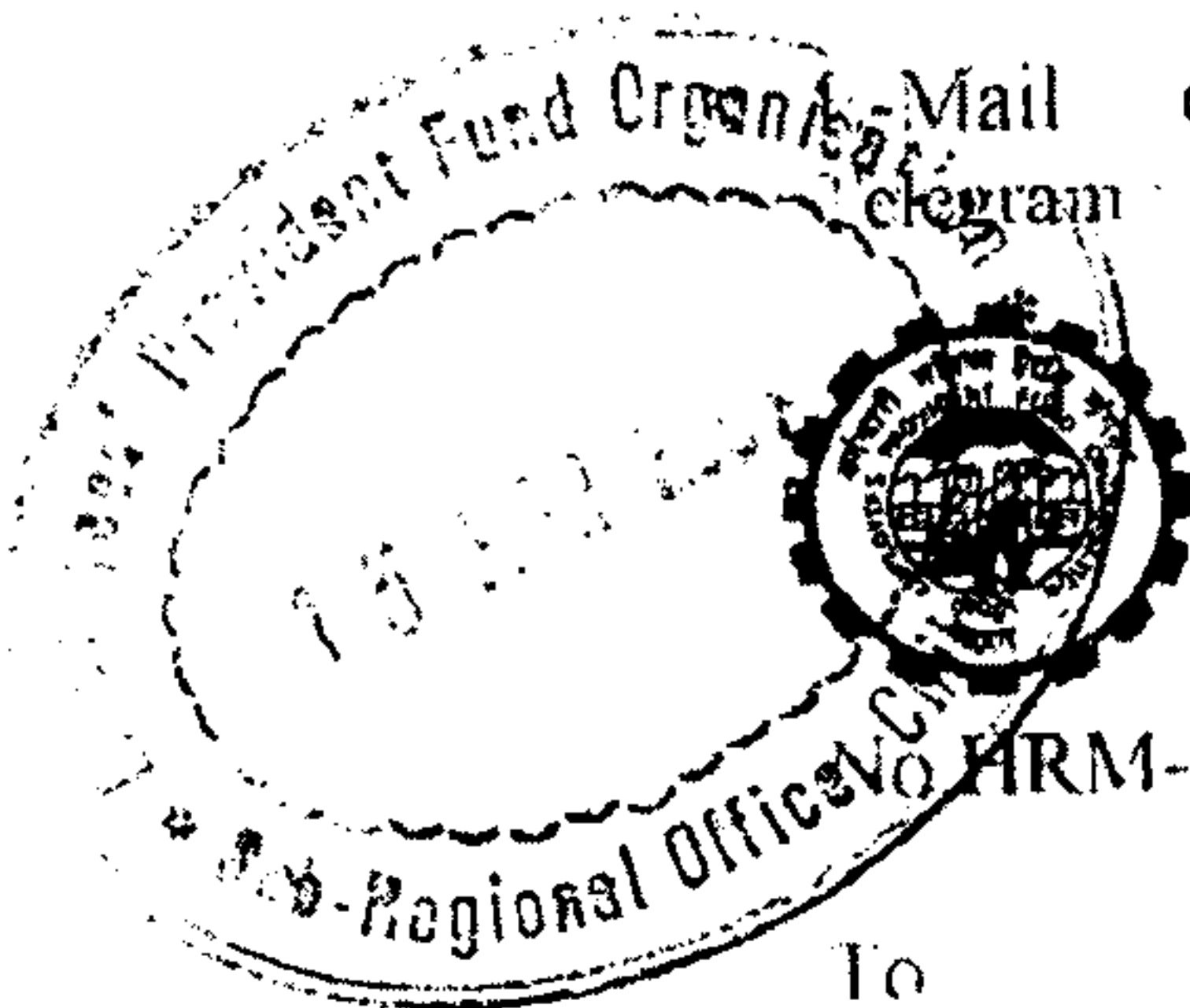
It is sincerely believed, Sir, that if you utilise your good office and implement these measures, the character of the Annual General Transfer (A.G.T.) shall change from being officer-centric, as is at present, to Organisation-centric, as proposed. It will also convert the whole process of A.G.T. from an exercise in opaqueness to one in transparency. Not the least, the transfer time, shall transform from uneasy moments into ones filled with hope and excitement to experience the new. We are looking to you, Sir, to usher in a new era of transparency and fair play in E.P.F.O.

Thanking you.

Yours faithfully,


Sudarshan Kumar
Secretary General

Annexure I



Mail eptfindia@vsnl.com
Telegram "KENDRIYA NIDHI" New Delhi

Telephone 26175100
FAX 2619088

Employees' Provident Fund Organisation
(Ministry of Labour, Govt. Of India)
Head Quarters, Bhavishya Nidhi Bhawan
14-Bhikaji Cama Place, New Delhi-110066

To Regional Office No. HRM-1/T-4 (1) 2000

Dated: 4 MAY 2003

Handwritten signature/initials.

- 1) All Additional Central Provident Fund Commissioners,
- 2) All Regional Provident Fund Commissioners, in-charge, Regional Office
- 3) The Regional Provident Fund Commissioner (ASD), Headquarters, New Delhi.
- 4) All ZTI, In-charges.
- 5) All SRO/ SAOs In-charges

Sub: Revised Transfer Policy Guidelines of Group 'A' officers in EPF regarding

Handwritten number '211' and signature/initials.

Sir,
I am directed to say that the Transfer Policy Guidelines of Group 'A' which were circulated vide letter No HRM-1/T-4(1)2000/921 dated 4.4.2000, reconsidered in this division and based on the experience gained in the implementation of the existing Transfer Policy Guidelines, certain modifications considered necessary were placed before the 43rd meeting of the Executive Committee held on 18.8.2003 and 45th meeting of the EC CBT, EPF held on 17.11.2003

2. The minutes of the Executive Committee have been confirmed and circulated vide letter No.Conf. 3(1)46th EC/2003/7:2755 dated 24.12.2003. Accordingly these Transfer Policy Guidelines of Group 'A' officers as approved by the Executive Committee, CBT, EPF in the following paragraphs is hereby circulated in supersession of the existing Transfer Policy Guidelines, as in the following paragraphs

3. TRANSFER POLICY OF GROUP 'A' OFFICERS – REVISED GUIDELINES

1. Timing:

General transfer of officers should be made at the commencement of financial year/academic session so that minimum difficulty is created for the officer transferred on account of children's education. Where general transfers are made in a session on account of administrative exigencies, option to retain accommodation and leased accommodation will be available upto six months as per provisions of EPF (Allotment of Residences) Rules 1972. The mid-session transfers shall mean June to September of the relevant year

II Tenure:

(i) The tenure of an officer of the grade of AIFC at one operational station will not extend beyond four years and total tenure shall be maximum for a period of five years. Extension beyond the normal tenure would be considered subject to administrative requirement and the grounds for extension. The extension will be granted by the CPFC with the approval Chairman, CBT, EPF. In the case of officers of RPFC-II the tenure will be for a period of four years at an operational station. For RPFC-I and Addl CPFC rank officers there will be no fixed tenure.

(ii) The operational station will include the tenure of the officer in an office located in the same station in the municipal limits for determining the tenure of an officer for instance the tenure in SAOs located in the Delhi region and SAOs located in Mumbai, Kolkata and Chennai will be treated as spent in the same station. The tenure at Headquarters and NATRSS, ZTIs & Sub ZTIs will be as treated separate stations for determining the tenure.

(iii) The total tenure in a Zone will be maximum for a period of 08 years in all. An officer aggrieved on account of his transfer may submit his representation through RPFC-In-Charge concerned which would be decided within a fortnight of receipt of the representation.

III. Geographical span of movement:

As far as possible officers at the level of APFCs and RPFC-I should be accommodated in the zone to which they belong. This will be subject to availability of vacancies and administrative exigencies. The total tenure on an officer in a Zone shall not exceed 08 years.

Officers due for transfer from the station after completion of prescribed tenure will be allowed to indicate three stations of their choice in order of preference and posting which will be subject to availability of posts but will not be considered as a matter of right.

IV. Special consideration for officers on the verge of superannuation:

Officers with less than three years of service should be retained in their home station or station where they choose to retire from in order to facilitate post superannuation settling down. However, this will be subject to the availability of vacancies and administrative exigencies.

V. Special consideration for Husband & Wife:

Husband & Wife will be retained at the same station subject to the availability of vacancies and administrative exigencies.

VI. Transfer of officers on promotion:

- i) On promotion of Gr. 'B' officers to the grade of APFC, they would be transferred out of the station except in those cases where the officer has less than three years of total service left at the time of promotion. The exception will however be subject to the availability of vacancies in the region concerned at the relevant time of promotion.
- ii) On promotion of officers, they will normally be transferred out from the station or the region as may be the case irrespective of their period of stay except when they have come to that region less than two years earlier. The exception will however be subject to the availability of vacancies in the region concerned at the relevant time of promotion.

VII. Transfer of officers on request :

An officer will forward his request with the recommendation of his Officer-in-charge for considering to Headquarters before completion of tenure. The transfer before completion of tenure will be treated in public interest if the officer has completed minimum tenure of two years.

VIII. Rotation of officers in different functional areas:

- i) In order to ensure well rounded manpower gets developed, officers must be rotated over each tenure across the different functions covering both programme area and administrative areas. These include Finance, Pension, Compliance, Client Service Administration, Training and Head Office.
- ii) All officers must serve one tenure in the Head office or the Zonal Training Institute or National Academy for Training & Research in Social Security (NATRSS) in order to ensure the development of proper perspective and a wider worldview. Officers at level of Addl. CPFC must also be rotated so that they get opportunity to serve in Head Office, in the zones and in NATRSS.
- iii) Ordinarily officers who have served a full tenure in Headquarters office should be accommodated in the first, failing which second place of choice given. Officers serving in Headquarters will be given preference in the matter of opportunities of training overseas.

IX. Constitution of a Personal Placement Committee (PPC) for overseeing transfer

The Screening of proposals for annual transfers will be undertaken by the Personnel Division which will also constitute a Personnel Placement Committee (PPC) consisting of the following members: -

- (i) Senior-most Addl. CPFC
Headquarters : Chairman
- (ii) Director (Vigilance): Member
- (iii) Chief Liaison Officer: Member

X. Deviation from the Guidelines:

All transfers and postings made in variance with the above guidelines will be reported to the Executive Committee of CBT (EPFA).

XI. Overriding provisions:

Transfers of Gr. 'A' officers or such consequential transfers can be ordered by the CPFC with the approval of Chairman, CBT, EPF for the reasons to be recorded in the larger public interest and administrative exigencies which may not be in accordance with any of the provisions of the paras as stated above.

4. You are requested to circulate the policy among all Group 'A' officers working under you. The receipt of this communication be acknowledged.

[This issues with the approval of the Central Provident Fund Commissioner]

Encl: As above.

Yours faithfully,


(K.C. PANDEY)
REGIONAL PROVIDENT FUND COMMISSIONER-I (HRM)

Copy to

1. Secretary General, Employees Provident Fund Organisation Officers Association, RO, Goa.
2. Secretary General, AIEPF Staff Federation, Headquarters


(SANJAY BISHIT)
REGIONAL PROVIDENT FUND COMMISSIONER-II (HRM-I)

Annexure II.



मुख्य कार्यालय/ Head Office
कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
श्रम एवं रोजगार मंत्रालय, भारत सरकार
MINISTRY OF LABOUR AND EMPLOYMENT, GOVERNMENT OF INDIA
भविष्य निधि भवन, 14 भीकाजी कामा प्लेस नई दिल्ली-110066
Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place, New Delhi 110066
www.epfindia.gov.in; www.epfindia.nic.in

No.HRM-I/T-4(1)2000

80424

Date 3 JAN 2010

To

1. All Additional CPFCs, (Zones),
2. All RPFCs, Regional Offices, including RPFC(ASD)Headquarters,
3. All officers-in-charge.

Sub: Amendment in Transfer Policy Guidelines in respect of Group 'A' Officers in EPFO-regarding

Sir,

The following modifications in the Transfer Policy Guidelines of Group 'A' officers have been approved by the Executive Committee, CBT, EPF in its 66th meeting held on 03.07.2009, and will therefore be applicable in super session of the corresponding instructions contained in Head Office letter No.HRM-I/T-4(1)2000/91119 dated 04.03.2004.

1. The Personnel Placement Committee (PPC) is discontinued.
2. The tenure of RPFC Gr.II will be for a period of 04 years as far as possible.
3. The jurisdiction of a zone is the area of jurisdiction falling under each Addl.CPFC in the field formation.
4. On promotion of Group B officers to the grade of APFC they would be transferred out of the station except in those cases where the officers have less than two years of total service left at the time of promotion(subject to administrative requirement).

[This issues with the approval of the Central Provident Fund Commissioner]

Yours faithfully,


(V.P. RAMAIAH)

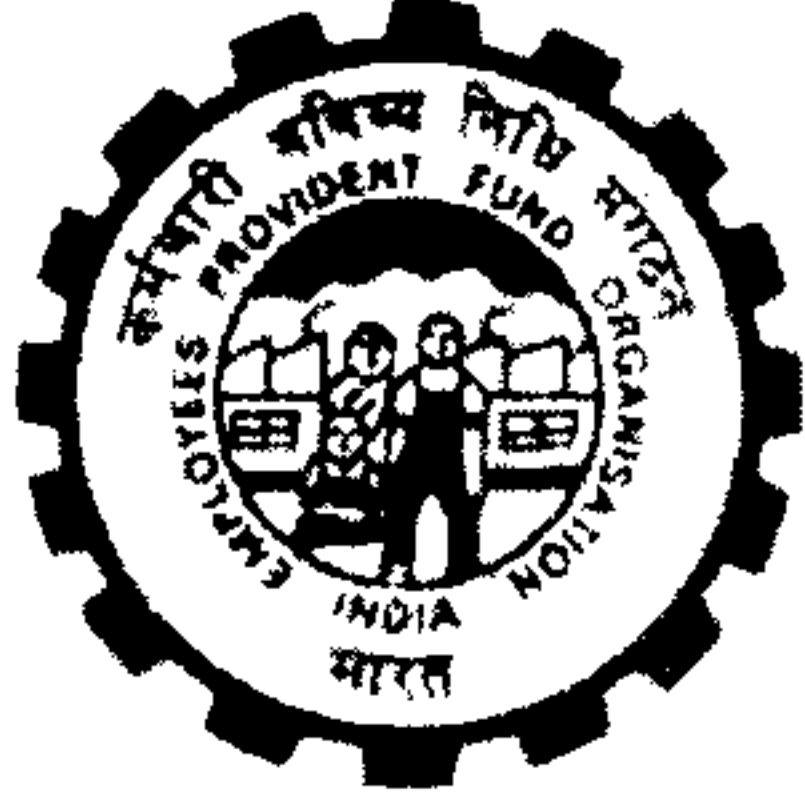
Addl. Central Provident Fund Commissioner (HR)

12.1.10

Copy to:

1. FA & CAO, Addl.CPFC(Head Office)
2. Chief Vigilance Officer
3. Chief Engineer, Head Office
4. Director(NATRSS), All ZTIs
5. All IAP in-charge/All DD(Vig) Zones.
6. Director(Audit)/RC(FA)
7. All officers in Head Office
8. Regional PF Commissioner, NDC
9. PS to CPFC
10. Secretary General, Employees Provident Fund Officers' Association.
11. Secretary General EPF Staff Federation


(V.P. RAMAIAH)



कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
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MINISTRY OF LABOUR AND EMPLOYMENT, GOVERNMENT OF INDIA
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 Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place, New Delhi 110066
www.epfindia.gov.in; www.epfindia.nic.in

No.HRM-II/T-1(1)/2012 /AGT/ 41297

Dated: 16.01.2012

To: (Through EPFO Website)

All ACC (Zones), Director (NATRSS)
 All Regional PF Commissioners-in-Charge of RO/SROs
 Regional PF Commissioner (ASD), Head Office

Sub: **Annual General Transfer 2012 -Calling for option**

Sir,

The Annual General transfer of Group 'A' officers to be made during the year 2012 and consequential administrative arrangements are to be considered shortly.

2. The officers in APFC and RPFC II grades completing four years tenure in their present posting as on 1st April 2012, may as per policy guidelines, indicate three stations of their choice in order of preference for consideration at the time of general transfer.

3. The SROs are requested to forward such options to their respective Regional Offices who in turn must ensure of forwarding the same to the Head Office. Any such option/request received directly from any Sub Regional Office/individual will not be entertained.

4. All RPFCs Grade I in-charge of the Regions including RPFC (ASD) and Director (NATRSS) are requested to forward a consolidated statement in respect of such options received from Group 'A' officers in the enclosed proforma along with all such individual options duly supported with relevant documents, if any. All the options received from Group 'A' officers must be forwarded so as to reach this office positively by **29th February 2012**.

(This issues with the approval of CPFC.)

Yours faithfully,

(P.K. AGARWAL)

Regional PF Commissioner-I(HRM)

दूरभाष/Telephone : 26184717



मुख्य कार्यालय/ Head Office
कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
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Bhavishya Nidhi Bhawan , 14, Bhikaiji Cama Place, New Delhi 110066
www.epfindia.gov.in; www.epfindia.nic.in

No. HRM-I/Misc/OfficersProfile/09/

82569

Dated :

27 जनवरी 2009
JAN 2009

To

All Zonal Additional CPFCs/Director NATRSS
All Regional Provident Fund Commissioners
Incharge of the Regions/RPFC(ASD), Head Office.

Sub.: Updation of Officers database – reg.

Sir,

In order to update the service particulars, the posting profile of all Group 'A' Officers is required urgently. For this purpose, you are requested to download the excel file 'Postingprofile' from our website i.e. www.epfindia.gov.in. The relevant details in respect of each of the Group 'A' Officer(s) working in your Region may be obtained in soft format and mailed to the email id rpfcchrn@epfindia.gov.in

2. Detail instructions in this regard is as below:
 - 2.1 First this file is to be downloaded by the individual officer in a separate folder.
 - 2.2 Rename this file in format of RO_INDIVIDUALNAME_CADRE. For example Sh. M.S.Kalia at Nehru Palace will rename this file as NehruPlace_MSKalia_rpfcll.xls.
 - 2.3 Relevant information is to be filled up in shaded cells only. There is no need to alter/delete/insert any row(s)/ column(s).
 - 2.4 DD stands for Date, MM stands for Month of the year and YYYY stands for Year. For example date of birth, 5th January 1970 should be entered as 05 in column 3.1; 01 in column 3.2 and 1970 in column 3.3.
 - 2.5 All postings should start in chronological order. It should start from APFC as initial posting in posting01 row. In 22.2 column, designation held by the officer at that time should be mentioned.

P.T.O.

-(2):-

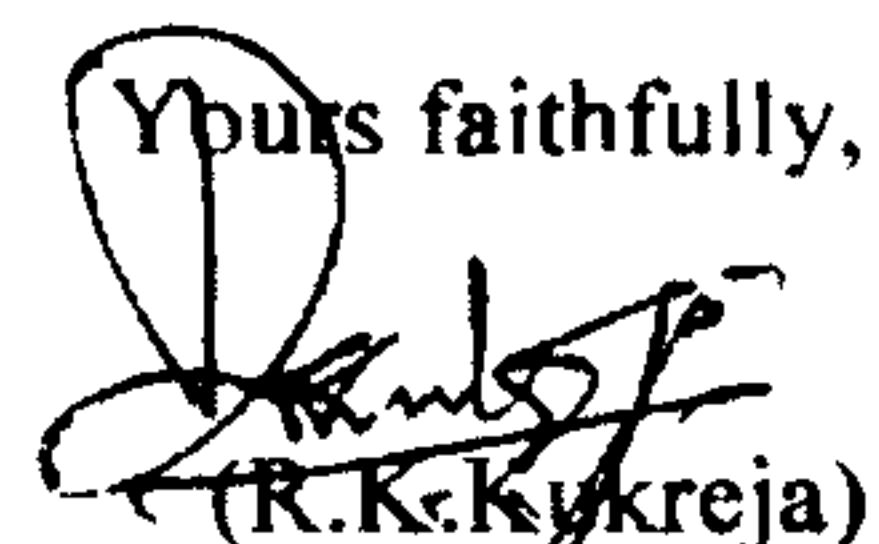
- 2.6 Place of Posting (column no. 22.3) stands for the office where the officer was posted e.g. NATRSS, Head Office, RO Delhi South etc.
- 2.7 The period of deputation/suspension/study leave should be clearly mentioned in column number 22.3 i.e. Place of Posting (Office).

After filling the above information, each officer will take a print out of his file, sign it and submit it to his Officer-in-Charge for onward transmission. Softcopy is to be mailed to rpfchrm@epfindia.gov.in and also to the RPFC Incharge of the Region.

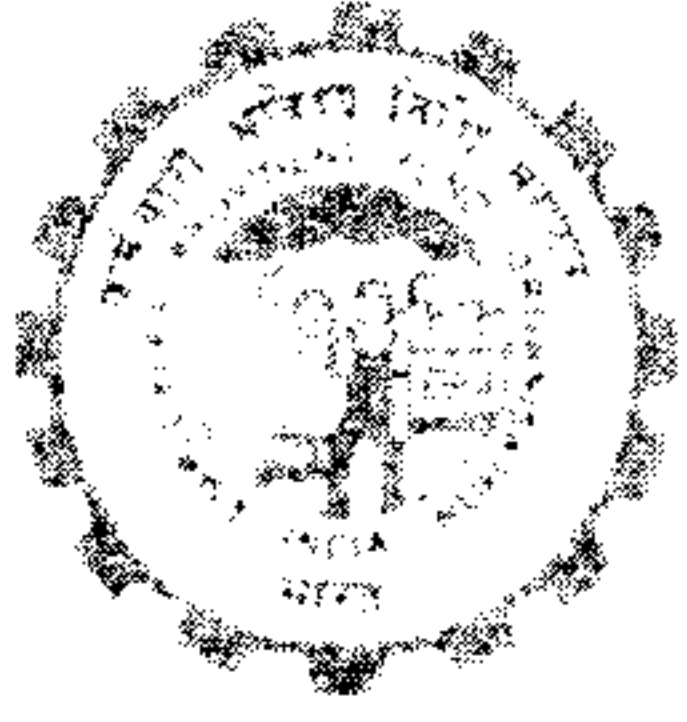
Hard copy (print out) duly signed should be sent to RPFC Incharge of the Region. RPFC Incharge will ensure that all officer(s) under his jurisdiction have submitted the required information in the desired format. Later all hardcopies, duly verified, should be forwarded to the undersigned.

CPFC has desired that the above exercise should be completed by 05.02.2009.

Yours faithfully,



(R.K. Kukreja)
Regional Provident Fund Commissioner (HRM)



कर्मचारी भविष्य निधि संगठन
(श्रम मंत्रालय, भारत सरकार)
Employees' Provident Fund Organisation
(Ministry of Labour, Govt. of India)
मुख्य कार्यालय / Head Office
भविष्य निधि भवन, 14, भिकारी कान्हा प्लेस, नई दिल्ली-110066
Bhavishya Nidhi Bhawan, 14, Bhikaji Kanha Place, New Delhi-110066

Annexure V

संख्या /
No Vig. XXV(02)2000/3017

दिनांक /
Dated = 4 AUG 2010

CIRCULAR

To

All Addl. CPFCs(Zones)
All RPFCs & In-charge of Regions
All OICs of SROs

Sub.: Combating Corruption- Need for greater Vigilance- regarding.

EPFO being, both, a public services delivery organization and a law enforcement agency has, naturally a wide public interface. It should, therefore be an organizational endeavor to ensure highest standards of service delivery at all times while refusing to make any compromise whatsoever with the interests of the multiple stake- holders. However, of late, recurrent instances of corruption have constituted a blot on the image and reputation of the organization. It is even more distressing to note that the incidents of trap and other corruption cases shows no signs of abatement and even senior officers have been found to be booked by CBI and other Anti-Corruption Bureaus in various cases. Needless to say such instances lower the Organization's reputation as a whole and all the EPFO functionaries run the risk of being tarred with the same brush. This cancer of corruption can be ignored only at our own peril.

It is seen that such unpalatable incidents often have their genesis in the reluctance on the part of the supervisory officers to ensure that the safeguards built into the system are not subverted. **There is a marked tendency among even senior officers to play a passive role when confronted with the challenge of combating corruption. It is conveniently perceived that this job is the responsibility of the Vigilance Wing alone and only when complaints are formally lodged the administrative authorities are supposed to take action of any kind. It is high time that this misconception is dispelled and it is emphasized that the Supervisory Authorities constitute the first line of defence against the onslaught**

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of corruption. Effective Supervision at all levels would thwart any attempt at mischief and ensure that efficient service is available at each point of delivery.

In this context, it would be worth reminding ourselves that it is not the case that we do not have proper procedures and practices. Nor is it that there exists any ambiguity regarding the duties and responsibilities of each post in the organization. The Manual of Accounting Procedure-Part-I (General) lays down the duties and responsibilities of the various functionaries and the same are well defined. These are further supplemented by various administrative instructions for regulating the work flow and optimizing performance. This is especially the case as regards the functioning of the Compliance and Recovery wings of the Organization. There have been instructions issued time to time on the subject including exercise of quasi-judicial powers under section 7A of the Act and section 14B of the Act. Therefore it is self evident that the system has not failed us but rather it is we who have failed the system.

With a view to ensure greater involvement and accountability of the various supervisory authorities the following measures are directed to be taken at all relevant levels:

A.) COMPLIANCE:-

i) 7A/7B Proceedings:

The contents of the circular No.RRC/28(31)07/53677-53777 dated 17.10.07 are reiterated for strict compliance. Enquiries under Section 7A are often seen as opportunities for indulging in malpractices and it is for the authorities specified in the said circular to carry out supervisory checks in letter and spirit. Any laxity on this count by any of the supervisory officers shall not be countenanced and appropriate action shall be initiated. It is often seen that scrutiny of orders is done in a routine manner without making serious efforts to pin-point irregularities and take necessary corrective action. At the other end of the spectrum, it is seen that some officers embark on an avoidable dissection of the orders passed, at times even imputing motives where none exist, reducing the entire exercise to a fault-finding mission. This should not be persisted with and the scrutiny exercise shall be undertaken with objectivity and sincerity so that the twin purposes behind the same, that is, bringing about qualitative improvement and identifying irregularities are served.

The assessing officer is a quasi judicial authority who has to pass a speaking and reasoned order. Most of the time, the orders passed u/s 7A/7B/14B are not speaking and therefore are quashed whenever challenged before a Court of Law.

Thus, passing a deficient order without due application of mind indirectly benefits the employer. The Court, prima-facie finding it not sustainable as per law, quashes it or remands it back for re-hearing or grants stay till further orders. Even when a 7A proceeding is closed without any assessment of dues or is dropped, it has to be done by a speaking order only. The assessing officer has to deal with all the factual and legal contentions and pass a speaking order with due justification even while disposing an appeal or review application u/s 7B. Further, the instructions issued vide order no. Coord/5(16)/2009/Misc./3380/5683 dated 01.12.2009 are reiterated for strict compliance.

ii) **Coverage:**

The officers manning the Enforcement sections and the OIC shall closely monitor the receipt and disposal of coverage applications without giving room for applicants to allege harassment. Exhaustive circulars are available on the subject and the same should be followed meticulously. Also the practice seen at some offices of all coverage applications being approved only at the level of the OIC should be stopped forthwith. It is seen that this function i.e. allotment of code numbers to Establishments attract the largest number of complaints and grievances and therefore, OICs should ensure that proper systems are put in place to prevent such complaints. ACCs, Zones shall also while visiting offices under their jurisdiction pay special attention to this aspect and shall issue directions wherever necessary.

iii) **Inspection:**

Detailed instructions regarding the duties of the Enforcement Officer have been issued vide CPFC's circular No.Coord/11(61)2005/Adm.Ins./Cir./Part/2163 dated 30-04-2009 and the same are to be meticulously followed. Also, it is felt that there is a need to bring about qualitative improvements in the Inspection Reports submitted by the Enforcement Officer. **It is often seen that the EO's report merely contains a summary of the remittances made by the employers along with the particulars reflected in Form-12-A. This report is often relied upon by the assessing officers, while passing the 7A orders. Such reports remain silent about the nature of the records scrutinized and their relevance for the 7A inquiry. Submission of such non-committal reports, whether motivated or not, has the effect of weakening the functioning of the entire compliance machinery and the quality and methodology adopted during inspections have drawn flak from various quarters including the Central Vigilance Commission.**

The Enforcement Officers are vested with adequate powers under Section-13 of the Act to access records and documents necessary for computation of the dues/liability of the establishments. **To bring in greater transparency in the submission of inspection report, it is directed that the EO while submitting his inspection report shall clearly mention the particulars of the records and documents seen by him. The details shall mandatorily find a place in the inspection report and the assessing officer while issuing the 7A orders shall scrutinize the inspection report and satisfy himself that the EO has inspected all the relevant records while submitting the report. As a general rule, the EO should verify the attendance and wages registers and co-relate the same with balance-sheet or Profit & Loss A/c wherever applicable to ensure that evasion is not left undetected. Cross-verification should also be made with statutory returns filed with other departments.** However different cases may require different inputs and the Assessing Officer should, as mentioned earlier fully satisfy himself regarding the quality and acceptability of the EO's report before concluding a case. Also where there are reasonable grounds to suspect the veracity of the documents or records produced by the establishment, the EO shall cross verify the same from other sources and make a specific mention in this regard in the Inspection Report.

An inspection proforma to be used mandatorily by EOs while conducting inspection is appended as Annexure-A. A copy of Part-II which contains the instructions given to the employer by the inspecting EO should invariably be submitted with inspection report.

APFC/RPFC II/RPFC I as the case may be shall scrutinize the inspection reports whenever received from the EOs and satisfy himself that the EO has prepared the same with due diligence. The APFC/RPFC II/RPFC I may, if he feels necessary, require a fresh report from the same EO or he may constitute a fresh squad of EOs for inspection. In case such subsequent inspection brings to light evasion in respect of an establishment which is already inspected by the jurisdictional EO, necessary punitive action should be taken against such inspector. However, before doing so the controlling officer should objectively assess the lapses on the part of such EO and come to reasoned conclusion regarding the culpability or otherwise of the EO concerned.

It is also noticed that in many cases there is a long gap between submission of the inspection report and action on the part of the office in initiating action wherever called for, against the establishment. To obviate such avoidable delays, a jurisdiction wise register of inspection may be maintained in the compliance section, which

would contain the date of inspection by the EO, date of submission of inspection report by the EO, the date of action subsequently initiated by the office and the results thereof. Non submission of inspection report after inspection is a serious issue which may lead to manipulation on the part of the establishment during this period. Therefore, the EOs should necessarily submit the Inquiry Report after inspecting the establishments on the first office day. There have also been instances where in spite of getting their tour programmes approved, EOs have not conducted inspections. On such instances coming to their notice the controlling officer should immediately call for the explanation of the EO concerned and take appropriate action.

It has also been noticed that in many cases there is an avoidable delay in the first inspection of the establishment post-coverage. Such delays in conducting the initial inspection almost invariably lead to default in compliance on the part of the Establishments and therefore, it should be ensured that every newly covered establishment is subjected to inspection within a reasonable period of time.

B.) RECOVERY:-

Prompt action is required to be taken by the Recovery Officer for realizing the outstanding arrears due from establishments. It is seen that cases are legion where appropriate recovery measures have not been taken in spite of the passage of considerable time. **Non initiation of appropriate timely action can very well be construed to be actuated by ill- motive and such erring recovery officers shall be proceeded against.** There should be continuous monitoring of the progress made by the RPFC-II/OIC, SRO or RPFC (C&R) RO on a month to month basis and at the end of the financial year they shall record a certificate in the recovery register of the office concerned that all files having arrears of more than one lakh have been scrutinized and appropriate directions wherever necessary have been given.

Recovery dossier containing all the relevant details including status of legal issues if any, in r/o each defaulting establishment should be maintained and it should be ensured that the Recovery Dossiers of establishments which have more than Rs.25 lakhs and Rs.10 lakhs as outstanding arrear dues are scrutinized by the ACC (Zones) and RC-I (Regions) respectively on a quarterly basis.

C.) ACCOUNTS:-

Compilation of annual accounts, settlement of all types of claims within the stipulated time-limit, ensuring early preparation of dispatch of cheques/effecting

electronic transfer to the members are all activities which are of immense significance, if we, as an organization are to fulfill the mandate given to us. Prompt, transparent and efficient service should be made available to the subscribers and for this, APFC(a/cs) and RPFC(F&A) shall be responsible. They may conduct surprise checks of the a/c sections of the office and verify the pendency with each dealing assistant. **They shall also take necessary steps to ensure that there is no queue-jumping or piecemeal objection while returning claim applications.** At the end of every month, APFC(a/cs) shall submit a report summarizing the supervisory activities undertaken by him during the month to RPFC-II(SRO) or RPFC, F&A (RO) as the case may be. They shall in turn, suggest remedial actions or render advice wherever felt-necessary. Wherever it is found that the officials have failed to stick to the timeline prescribed, appropriate action should be initiated. ACC, Zones shall also ensure that strict monitoring of the service delivery activities is done without any laxity on the part of any of the officers in the ROs and SROs under his control.

D.) GRIEVANCE HANDLING:

It has been noticed that a major source of discontent among our subscribers is the perceived apathy on the part of our offices when dealing with grievances or complaints. In this respect the instructions contained in circulars No. CSD/IV/CPFC/Circulars/2009/75216-75406 dated 07.01.2009 and No. Vig. XXV (10)2001/6216 dated 27.1.2009 should be unfailingly followed. The officer-in-charge of ROs and SROs should pay special attention to this pivotal work area and take all necessary steps to ensure that no grievance is left unattended. The zonal ACCs while undertaking review of the functioning of the offices under them shall also focus on this priority area and give necessary directions wherever necessary. Whenever a serious grievance or complaint is received the OIC shall personally intervene and after redressing the complaint, shall refer the case to the Zonal Vigilance Directorate, if in his opinion a vigilance angle emerges.

E.) HR ACTIVITIES

There should be utmost fairness and transparency in the matter of transfer and posting of officials of all levels in the ROs & SROs. Officials involved in serious offences/criminal cases should not be posted in sensitive tasks. The formal identification of posts as sensitive or non-sensitive has been made vide order no.HRD/4(1)2010/Misc/Circulars/Pt-I/291 dated 23-07-2010. Therefore, all the OICs

Why not in H.O.?