

Ph: 0361-2461191, 09435993131
Fax:08455-285135

E-mail: epfoaindia@gmail.com
www.epfoa.in

EMPLOYEES PROVIDENT FUND OFFICERS' ASSOCIATION
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> N Kishore Kumar, A.P.F.C</p> <p><u>Vice Presidents:</u></p> <p>(North) Manoj Yadav, R.P.F.C-II</p> <p>(South) Paritosh Kumar, R.P.F.C-II</p> <p>(East) Shekhar Kumar, RPFC-II</p> <p>(West) Ravindra Shinde, A.P.F.C.</p> <p><u>MEMBERS:</u></p> <p>(North) Rina Mandal, R.P.F.C-II</p> <p>(East) R. K. Sinha , A.P.F.C</p> <p>(West) G. R. Jilla, A.P.F.C.</p>	<p>Date: December 11, 2013 Place: Guwahati</p> <p>To, The Central P. F. Commissioner E.P.F.O., New Delhi.</p> <p><u>Subject:</u> Appointment with E.P.F. Officers' Association – Reg.</p> <p>Sir, The E.P.F. Officers' Association (E.P.F.O.A.) welcomes you to the Organisation and we express our enthusiastic support for your proactive approach for ushering reformative and accountability oriented system in the E.P.F.O..</p> <p>There are issues of importance respecting E.P.F. statute, Organisational and Cadre restructuring, administrative probity and infrastructural constraints which, we feel, your attention should be drawn to. Of particular concern is the absence of cadre restructuring and recruitment of officers with irregular periodicity. It is requested, Sir, that an appointment may be allowed to the E.P.O.A. on December 23, 2013, Monday or as convenient to you.</p> <p>Cadre Restructuring proposals from the Association has already been mailed to the Head Office. Agenda for the</p>
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meeting, alongwith other documents are attached to this letter as eight enclosures – Enclosure-I to VIII.

The office bearers of the Association who will attend the meeting are listed below.

Thanking you.

Yours faithfully



Sudarshan Kumar
Secretary General

List of office Bearers' proposed to attend the meeting:

1. Sri Shankar Pathak (RC I), President
2. Sri Sudarshan Kumar (AC), Secretary General
3. Sri E. Sanjeeva Rao (RC II), Working President
4. Sri Ganesh Kumar, Joint Secretary General
5. Sri M. S. Arya (RC II), Organising Secretary
6. Sri N. Kishore Kumar (AC), Treasurer & Member (South)
7. Sri Manoj Yadav (RC II), Vice President (North)
8. Sri Paritosh Kumar (RC II), Vice President (South)
9. Sri Shekhar Kumar (RC II), Vice President (East)
10. Sri Ravindra Shinde, Vice President (West)
11. Smt. Rina Mandal (RC II), Member (North)
12. Sri R. K. Sinha (AC), Member (East)
13. Sri G. R. Jilla (AC), Member (West)

THE AGENDA

I. Review of the action taken on the Agenda for previous meeting with the Central Commissioner:

In pursuance to the letter dated January 11, 2011 the last meeting with the Central P.F. Commissioner was held in April 2012 and in pursuance to the decisions in that meeting Action Points were circulated in December 2012. A large number of issues of common interest were covered under the previous Agenda. It is, therefore, desirable that the points in the Agenda and the Action Points may be revisited to ascertain as to what extent the decisions were implemented and what remains to be done. January 2012 Agenda is enclosed as [Enclosure-II] and December 2012 Action Points as [Enclosure-III].

II. Statutory Issues and Implementation of Statutory Provisions:

A. Wage Ceiling: "Excluded Employee" and related/analogous provisions may be deleted from the E.P.F. Scheme, 1952.

Elaboration and Basis for the demand:

The Act provides for extending social security benefits to P.F., Pension and Insurance to all employees [clause (f) of Section 2 of the Act]. Though the Act provides for the concept of "exempted employee" [which is defined under clause (ff) of Section 2 of the Act as "exempted employee" means an employee to whom a Scheme or the Insurance Scheme, as the case may be, would, but

for the exemption granted under Section 17, have applied], all benefits under the Act are guaranteed to them by the Act. Section 17 of the Act read with Scheme provisions ensure that exemption may be granted only on the condition that benefits provided to the exempted employees by the exempted establishment is no less than what is provided under the Act to others.

A provision is created in the E.P.F. Scheme and the same has rendered the Act itself an almost a defunct legislation. Clause (f) of Para 2 of the E.P.F. Scheme, 1952 introduced "*excluded employee*" defining it *inter alia*, as one who gets a salary in excess of Rs. 6,500/- per month. It provided no inbuilt inflation indexing and thereby through a provision in the Scheme the very existence and vitality of the Act is jeopardized as the minimum wage in states or the National Floor Level Minimum Wage (NFLMW) has either reached or surpassed Rs. 6,500/-. It the cardinal principle of Constitutionalism that a piece of delegated legislation or an executive action can't run counter to any provision of an Act nor can it defeat or emasculate the very essence or purpose of an Act. In the instant case the provision of "excluded employee" in the 1952 Scheme is existent and operating in stark breach of this principle of Constitutionalism and therefore it's untenable in law. However, till the time the provision of "excluded employee" is removed the wage ceiling may be enhanced to Rs. 45000/- per month in substitution to Rs. 6,500/- at present and the same should be indexed to inflation. The matter was dealt in detail and in this regard the Association had already written to the Chairman, CBT in August 2012 [Enclosure-IV]. It is, therefore, proposed that in terms of Section 7 of the Act changes as summarised in the August 2012 letter may be effected.

B. May index pension entitlement to increase in Annual Cost of Living.

Presently the pension entitlement under EPS is fixed and no dearness relief is provided. It results into reduced purchasing power of the pensioners over the year. It is therefore proposed that after suitable actuarial valuation, pension entitlement may be increased annually by indexing it to increase annual cost of living, after the Act/Scheme is suitably amended. It will make the social security robust.

C. May consider investment of fund collected under penal damages and unclaimed deposits in quality equities.

The amount collected under section 14B of the Act belongs to no individual. The amount lying unclaimed for 36 months commonly referred to as unclaimed deposits (UCD) may be considered for part or full investment in equities of sound corporate. This will help test suitability of the equity window of investment. It may also meet the demand for diversification of our corpus into equity sector without risking the investment of subscribers' asset in any manner.

D. May discontinue referring to the Ministry of Labour and Employment, those service and other matters which are wholly within the domain of the Central Board:

Elaboration and Basis for the demand:

The Act provides for only two occasions when a matter related to the affairs of the Central Board need to be referred to the Govt. of India i.e. Ministry of Labour and Employment.

- (i) where necessary to make a departure from necessary to make a departure from service rules of the Central Government, [S. 5D (7) (a)]or
- (ii) where the Board entertains any doubt in determining Board entertains any doubt in determining the Board entertains any doubt in determining the corresponding scale of pay between officers and staff of the Boar scale of pay d vis-à-vis those of Central Government. [S. 5D (7) (b)]

As against the statutory scheme that envisions autonomy of the Board, the actual practice is quite different. In fact a large matter relating to grant of service benefits, personnel management including routine matters like holding of D.P.C., grant of promotion, NFSG scales, enhancement of NFSG from 15% to 30%, or even whether a court order would be challenged and the like are referred to the Labour Ministry [that discharges the functions of Government of India in terms of Government of India (Allocation of Business) Rules, 1961 and Government of India (Transaction of Business) Rules, 1961] without any justification. It impedes the autonomy of the Organisation and results into delay in deciding H.R., service and other matter that impedes the administration of the Central Board.

This matter had also attracted judicial attention. The Punjab and Haryana High Court [in C.W.P. No. 8438 of 2011; Union of India vs. C.A.T. Chandigarh & others] has endorsed the following observation made by C.A.T. Chandigarh: "The Central Government would necessarily come in "..... 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. . ." *The above quoted provision [S. 5d (7) (a) & (b)] also provides that the*

conditions of service of ...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 employee of the Central Government drawing corresponding scales of pay." Thus, it is only when a departure from the rules aforementioned is envisaged that the Board would be obliged to obtain the prior approval of the Central Government.

8. In the facts and circumstances of this case as instance of departure from the rules could be envisioned only when the Central Board of Trustees recommends a higher grade of pay or special pay etc. to a category of employees whose counterparts in the Central Government are not enjoying the same."

In this regard, the letter dated February 20, 2012 written by the Association to the Chairman, Central Board is enclosed as [Enclosure-V].

E. Implementation of the statutory entitlements contained in clauses (a) and (b) of sub-section (7) of Section 5D of the Act by effecting immediate Organisational and Cadre Restructuring.

This aspect is dealt in detailed in the Cadre Restructuring Proposal sent on December 10, 2013 to the Central Commissioner. It is requested that each aspect of cadre restructuring proposal may be discussed in this meeting. The same is enclosed herein as [Enclosure-VI].

F. May make N.P.S. applicable in E.P.F.O. w.e.f. the date CBT adopted it in the year 2010.

The New Pension Scheme (NPS) is made effective from the year 2004 though the C.B.T. adopted it only in the year 2010. The decision by the CBT in this regard bears no indication that NPS was made applicable in E.P.F.O. from retrospective effect. In terms of letter bearing number HRM-II/C-1(25)2012/14072-14119 dated November 04, 2013 *“It is the normal convention that any scheme/policy is implemented with prospective effect, unless date of retrospective implementation is in-built in that scheme. In this case no such date for retrospective implementation was mentioned by the Central Board”* [Para 10 (4) of the letter, Page 4]. The very fact that many entities including state governments adopted NPS from different dates subsequent to the year 2004, is proof enough that there was no in-built retrospective implementation is mandated in NPS. The NPS may therefore be made applicable to those officers who joined the Organisation on or after the date in the year 2010 when C.B.T. adopted it. Those who are brought within its purview in between January 01, 2004 and the date of its adoption in the year 2010 may be reverted back from NPS to the earlier pension scheme.

G. May place annual statement before C.B.T summarizing statutory changes required for effective social security administration.

As with any Act or Rule, the E.P.F. Act and the related Schemes require periodic amendment to keep it in sync with the need of the time. The Act and the Schemes are not amended for years together and the crisis as at present in respect of wage ceiling perpetrates threatening the very utility of the Act and the Organisation. It is

therefore proposed that a permanent cell may be created in the H.O. tasked with the duty to find out those provisions of the E.P.F. or other Acts or the Schemes which may require amendment. A statement of this finding may be placed before the Central Board on annual basis or earlier as required for initiating the process of amendment.

H. May either utilise the accumulated surplus in the Special Deposit Account in augmenting physical infrastructure of the Organisation OR reduce administrative charges.

Our Organisation runs from the internally generated revenue collected as Administrative Charges which has an annual receipt of approx. Rs. 3,664 crores and outgo of approx. Rs. 2,047 crores. Thus it leaves a surplus of approximately 1,600 crores of Rupees annually. At the end of year 2012-13 an accumulated surplus of twelve thousand four hundred and forty four crores of Rupees is lying unused in Special Deposit Account with RBI.

On the one hand this huge fund is lying unused and on the other physical infrastructure in the Organisation is much below the requirement. Fixed assets in terms of office and residential land and buildings, including conference halls, guest houses, holiday homes, recreation clubs, community halls e.t.c. are grossly inadequate and of poor quality and measure. Massive infrastructure development may, therefore, be undertaken in our Organisation on mission mode to provide quality infrastructure to the Organisation. Fund lying idle in SDA may be utilised for the purpose. A full-fledged Directorate of Estate, as proposed in the Organisational Restructuring proposal may be created to undertake this mission.

Even a radical cadre restructuring, as required under applicable law, will require less than a fraction of what is accumulated under S.D.A.

Alternatively, the administrative charges levied from the establishment may be reduced to half or less as we are not able to utilise even half of what we receive annually for the administrative expenses. Such reduction will result into less overhead expenses for administering services provided by the Organisation and make us more competitive vis-à-vis administrative overheads charged under NPS.

I. May streamline applicability of various Rules, Circulars or Office Memoranda issued from D.o.P.T., Ministry of Finance, Ministry of Law, C.A.G., U.P.S.C., e.t.c.

Elaboration and Basis for the demand:

Clause (a) of sub-section 7 of Section 5D of the Act provides that *“the method of recruitment, salary and allowances, discipline and other conditions of service”* of the P.F. Commissioners of all description *“shall be such as may be specified by the Central Board...”*. It provides further that the Central Board shall specify the same *“in accordance with the rules and orders applicable to the officers ... of the Central Government...”*.

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.

Regulation 18 and 22 of the Employees' Provident Funds (Officers and Employees Condition of Service) Regulations, 2008 (2008 Regulations) are relevant in this connection.

Regulation 18 of 2008 Regulations deals with "Applicability of rules relating to appointments, pay, leave, pension, gratuity, General Provident Funds, e.t.c. to the employees of the Organisation" and it reads that *"In respect of the matters relating to appointments, pay, leave, pension, gratuity, General Provident Fund and other conditions of service for which no provision or insufficient provision has been made in these regulations, the Central Civil Services rules as set out in Schedule I, shall apply mutatis mutandis, to the employees of the Organisation..."*

Regulation 22 deals with *"Applicability of the Central Civil Services Rules to the Employees of the Organisation"* and it reads *"The Rules applicable to the Central Government employees as specified in Schedule II, shall also apply to the employees as specified in Schedule II, shall also apply the employees of the Organisation"*.

Schedule-I and Schedule -II list certain Rules of the Central Government which shall be applicable to the Organisation but there are various aspects related to conduct of governmental affairs for which neither rules were framed by the C.B.T nor were they covered under the list rules/regulations/orders e.t.c. listed under the Schedules of 2008 Regulations. To list a few, governmental directions on following areas are not made applicable in E.P.F.O.

1. Cadre Review Monographs and O.M.s on the subject.

2. Orders/guidelines on Grievance Redressal in public authority
3. Complaint handling policy
4. Recruitment Rules and instructions thereof
5. Manual of office procedure (MOP)
6. Annual Performance Appraisal Report (APAR)
7. Staff Car Rules
8. Rules concerning Departmental Canteen
9. National Litigation Policy, 2010
10. Central Civil Services (Recognition of Service Association) Rules, 1993
11. Communication to the President of India
12. ...
13. ...

Pension Rules were also adopted only through 2008 Regulations and the same was totally unregulated before that year. Thus these areas of activities are totally unregulated in E.P.F.O. not being made subject to any applicable rules.

It is therefore proposed that a comprehensive review may be conducted to find out those aspects or areas of activity for which neither rules are framed by neither the C.B.T. nor the Central Govt. rules are adopted. Rules may be framed and adopted in such areas.

J. May propose for residuary power clause in the delegation:

After various duties, powers and functions are delegated at different levels, there always exists a situation where some provisions fail to find mention in the delegation scheme. As a result even small work like setting up of lift or construction of boundary wall requires to be presented before the CBT for approval. For functional expediency it is, therefore, proposed that a clause

delegating all residual function may be inserted to take care of left out items.

III. May put in place a mechanism for adherence to Annual General Transfer Policy:

Every year transfer is made much after what is prescribed in the applicable Transfer Policy. It's usually effected after the admission for academic session end in schools. It causes acute difficulty to officers in securing admission and planning the studies of children. It also makes it difficult to manage personal affairs. This issue has been raised in the past and assurances were held out by the CPFC for effecting transfers in the month of April but things didn't change. Even this year, the Annual General Transfers has been delayed and the transfer orders have been issued only at the end of May, 2013. The Annual General Transfer for APFC has not been issued at all during the year 2012 and 2013. Letter dated February 20, 2012 written to the Central Commissioner on the subject is enclosed as [Enclosure-VII].

IV. Entitlements of officers:

A. Enhancement of Leased accommodation as in SB.I with in-built clause for annual increment of 10%.

Housing infrastructure is inadequate in the Organisation. Whatever little assets are there, it is concentrated at one or two place in big metro cities, much of them in dilapidated state. Officers, therefore, have to hire accommodation. To compensate the cost of such hire there is a provision of hiring houses on lease for which different entitlement is created based on the rank of an officer. Such entitlements are inadequate by any standard. As a

result, officers usually reside in accommodations which are below the prescribed norm for government accommodation in terms of measurement and in-house facilities. To accommodate within entitlement, small houses are usually hired at far off place from the location of the office thereby spending a large part of productive time in commuting to office and back home. Enhance in lease entitlement will help officers stay in decent localities in houses with better facilities and measure.

The lease entitlement for officers in State Bank of India [Enclosure-VIII] is at reasonable level with differential rates for Mumbai, metro cities and other places.

It is proposed that, till housing infrastructure is improved, the same entitlement as for officers in S.B.I. may be adopted in our Organisation.

B. Monthly lease amount for additional two months may be disbursed for every 11 months to meet recurring expenditure on brokerage and maintenance.

Leased houses are hired with the help of property brokers who charge a sum equal to one month rent for every eleven month of stay. House also needs periodic maintenance. Such costs are quite high and drain a large part of personal savings. To mitigate the financial rigour it is proposed that costs involved in payment towards brokerage and house-maintenance may be defrayed by the office by payment of two months lease entitlement amount for every eleven month.

V. Transparency Improvement:

A. May upload EPF Appellate Tribunal judgments including those delivered in the past, alongside written statements/petitions, counters and rejoinders on its website:

It bears no justification that even in the present age of transparency judgments delivered by the Tribunal is not uploaded on its website. It is, therefore, proposed that all orders passed or judgments delivered by the E.P.F.A.T. may be uploaded on its website. For wider access a link for E.P.F.A.T. may be provided on the websites which host judgments from all Courts and Tribunals in India viz. indiancourts.nic.in & judis.nic.in

B. Special Internal and C.A.G. Audit of evasion of statutory liability by Building and Construction Firms:

In recent years huge spurt in construction and infrastructure development has been witnessed. Thousands of kilometres of roads, bridges and metro are constructed. Many new townships are developed employing millions of workers entitled for P.F. and pension under the statute. The Organisational capability was not augmented to make such numerous firms of huge scale to comply under the Act. Such activities are labour intensive and evade statutory liability in billions of rupees. In this connection H.O. circulars bearing number C.IV/7(26)08/HR/NZ/30424 DATED December 19, 2008 may be referred to wherein the magnitude of evasion in by this sector was outlined. Recent detection of evasion by large construction firms in the NCR also point out to the widespread malaise of depriving social security to the most needy

workers by these firms. It is therefore proposed that a special audit may be conducted by CAG to ascertain extent of evasion in this sector and based on its findings appropriate corrective actions may be taken.

- C. May Upload on website posting details – indicating OICship and functional areas assigned - for complete period since joining of service by each Group ‘A’ and ‘B’ officer, on the lines of Executive Record Sheet for an IAS officer.

Background and Basis for this demand:

Once this proposal is implemented everyone may know the complete details about station of posting and functional areas assigned. It will fulfil the voluntary disclosure norm under Section 4 of the R.T.I. Act and improve transparency and public scrutiny. Information in this regard was already collected for Group ‘A’ officers in the past.

VI. Systemic Improvement:

- A. Time limit may be fixed for disposal of in-house work and file:

Though there exist a time limit for disposal of claims, no time limit is applicable for disposal of file/work related to in-house claims, application, grievances e.t.c. Manual of Office Procedure (M.O.P.) applicable to offices of the Central Government provides under para 121 as follows:

“Para121. Time limits—Time Limits will be fixed for disposal of as many types of cases as possible handled in the Department through departmental instructions. As a general rule, no official shall keep a case pending for more than 7 working days unless

higher limits have been prescribed for specific types of cases through departmental instructions. In case of a case remaining with an official for more than the stipulated time limit, an explanation for keeping it pending shall be recorded on the note portion by him. The system of exception reporting will be introduced to monitor the disposal of receipts.”

Though the DoPT O.M. bearing number No.11013/2/2004-Estt. (A) dated 16 February 2004 has declared delay in disposal of office work as misconduct the same is widely prevalent across the Organisation. As there is no MOP in E.P.F.O., it is desirable that MOP may be drafted for E.P.F.O. or M.O.P. applicable to offices of the Central government may be adopted for application in our Organisation.

B. Time line set by the CVC for vigilance inquiry may be adhered to:

The CVC circular/office order bearing number No.000/VGL/18 dated May 23, 2000 and 3.3.2003 prescribe time-schedule for each stage in conducting investigation and departmental inquiry. CVC Office order bearing number 30.4/04 dated April 26, 2004 reiterated that IO/PO should be appointed within four weeks from the date of submission of investigation report. Vide the office order bearing number No.51/08/2004 dated August 10, 2004 *“Adherence to time-limits in processing of disciplinary cases”* is reiterated by the CVC with warning in these terms- *“Delay in decision-making by authorities in processing of vigilance cases would also be construed as misconduct under the relevant Conduct Rules and would be liable to attract penal action. All administrative authorities are requested to take not and strictly*

adhere to the prescribed schedule of time-limits in dealing with disciplinary cases.”(Pra 2.)

Finally, non-adherence to the prescribed time limit has also been declared by the CVC [vide the Office Order No.74/12/05 (file no. 004/VGL/18) dated the December 21, 2005] to involve vigilance angle in these terms - “Any undue/unjustified delay in the disposal of a case, perceived after considering all relevant factors, would reinforce a conclusion as to the presence of vigilance angle in a case”. Despite these provisions delay is epidemic in the Organisation and time-limits are exceeded by wide margins. Majority of officers are chargesheeted in the last day, week or month of their superannuation for “sins” committed years or a decade or so ago. Scores of charged officials suffer in silence with no hope for justice. This norm is flouted with impunity. Situation requires urgent correction.

C. **May constitute a committee to examine reasons behind excessive number of chargesheets in the Organisation:**

At present there are almost 600 Group ‘A’ officers in the Organisation and 130 odd cases of running chargesheets against them. This means almost 20% Group ‘A’ officers are under chargesheet. On an average one to two percent of officers may be under chargesheet in other govt. departments discharging ‘sensitive’ functions. In E.P.F. this figure is disproportionately high indicating an alarming state of misfeasance in the Organisation. It is therefore proposed that, in consultation with the CVC, A committee may be constituted to identify the factors responsible for such high ratio of chargesheet in the Organisation compared

to other govt. departments of similar nature. Based on the finding of the Committee, remedial measures may be taken.

D. System based random selection of establishments for rigorous analysis of compliance status:

All establishments cannot be examined for their compliance status and therefore there is inherent element of discretion involved in selection of the establishments for detailed examination. In a number of cases, such discretion leads to inescapable consequence of misuse of power for unappointed purposes. The present system may be improved by introduction of an element of surprise and randomness in selection of a establishment to be subjected to rigorous scrutiny. Such establishment may be identified from the pool of establishment master at central level by the Head Office through a computerized random selection process chosen and forwarded to the RO/SRO for scrutiny. 70% of establishments scrutinized for compliance status by any office may be supplied by the Head Office through the suggested process. In respect of such establishments, outcome of the scrutiny may be forwarded to the Zonal office for examination and record. Such system is already in place in Income Tax and other departments and it has the potential to cut discretion and detect misuse of authority.

E. May issue circular that all housekeeping, guest house maintenance and security may be availed only through reputed hospitality and security agency to improve cleanliness, services and security of officials and office premises.

F. May appoint spokesperson for the Organisation:

E.P.FO. keeps the savings of millions of workers and is the frontline social security Organisation of our country. It keep taking decisions at regular intervals which affect eligibility and entitlement many with financial consequences. It is in the fitness of things that the various measures proposed to be taken and the effects of the decisions made by the Central Board, Government or the Head Office may be explained to media to disseminate such information to subscribers and other stake holders. It is, therefore, proposed to appoint an officer of a suitable rank as the spokesperson of the Organisation.

G. May improve the quality of circulars in the Organisation:

Presently circulars and various amendments are not available topic-wise at one place. Many relevant circulars miss the consideration while making decisions with adverse consequences. It is therefore proposed as follows:

- i. May collate all circulars and amendments on a particular topics at one place.
- ii. Annual compilations in the form of “consolidated instructions on (the subject)” may be published on the lines of the similar practice in DoPT.
- iii. Every amendment should list, on its body, all previous amendments.
- iv. Hyperlink for every amendment or circular which are referred to in the body proof a circular/amendment may be provided.
- v. All such documents should be uploaded on the website with multiple search criteria.

vi. Circular management Information System developed by DoPT through a website (URL <http://ccis.nic.in/>) may be implemented in our Organisation.

H. May creation of Android and i-phone applications for E.P.F.O.:

Once such application is created with certain facilities like updation of mobile number and address, inquiry of withdrawal history and month-wise balance, alerts on non-remittance by employer e.t.c. it will be very helpful for those who are frequently on the move. It will be an efficient mode of service delivery and will help build a modern outlook for the Organisation.

Similarly creation of an official facebook page for the Organisation may be considered.

I. Use of State Emblem of India (ASHOK STAMBH):

The use of the State Emblem by CBT or EPFO was prohibited by Recovery Wing (not Administration Wing) of the Head Office by issuing a circular bearing number RRC/28(13)/2003/7A-14B/Pt./87609 dated February 17, 2004. Basis for this prohibition was not detailed therein. Subsequent to the issuance of this circular the Parliament of India enacted a 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 stationary. 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:

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

Rule 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 officers of the court.

(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 I.P.C. is indisputable.” The Division Bench of the Court in the final judgment dated 02/05/2012 made following observations:

“This being the crux of the rival contentions, three questions which fall for consideration before this Court are:-

(i) Whether the Regional Provident Fund Commissioner while passing an order under section 7A is a Judge within the definition under section 19 of the IPC & section 2 of the Judges (Protection) Act, 1985?

(ii) ...”

In the final paragraph of the 81 page judgment the Hon’ble Court answered the question set above as under:

“Accordingly, the questions as framed in para 16 above are answered as under:-

<i>Questions</i>	<i>Findings</i>
<i>(i) Whether the Regional Provident Fund Commissioner while passing an order under section 7A is a Judge within the definition under Section 19 of the IPC & Section 2 of the Judges (Protection) Act, 1985?</i>	<i>In the affirmative</i>

(Para 50. of the Judgment)

Thus it is clearly held by the Hon’ble Bombay High Court that a Commissioner under the E.P.F. Act is a Judge within the meaning of Section 19 of IPC – the primary source of definition and concept of a “judge”.

Further, the Central Board or P. F. Commissioners of various descriptions are also Statutory Authorities created by Parliament of India under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and thereby falls within the clause (XV) of Schedule –I of the State Emblem of India (Prohibition of Improper Use) Act, 2005 entitled to use the Emblem.

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.

Ph: 0361-2461191
Fax: 0361- 2529265

E-mail: epfoaindia@gmail.com
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></p> <p>(North) Manoj Yadav, R.P.F.C-II</p> <p>(South) Paritosh Kumar, A.P.F.C</p> <p>(East) Shekhar Kumar, RPFC-II</p> <p>(West) Ravindra Shinde, A.P.F.C.</p> <p><u>MEMBERS:</u></p> <p>(North) Rina Mandal, R.P.F.C-II</p> <p>(South) N Kishore Kumar, A.P.F.C</p> <p>(East) R.K.Sinha , A.P.F.C</p> <p>(West) G. R. Jilla, A.P.F.C.</p>	<p>To, Shri R.C. Mishra, I. A. S. The Central P. F. Commissioner Employees' Provident Fund Organisation, New Delhi – 110066.</p> <p>Date: January 11, 2012 Place: Guwahati</p> <p>Sub: Holding of bilateral meeting; request for appointment-reg.</p> <p>Sir,</p> <p>The E. P. F. Officers' Association wish you a happy and prosperous new year. The new Central Executive of the Association has come into being w.e.f. January 01, 2012. There are issues of importance respecting service benefits, Organisational restructuring and infrastructural constraints which are to be taken up with the management. One such example is non-implementation of 6th Central Pay Commission recommendation on non-functional upgradation across all scales i.e. allowing pay scales to members of a service equivalent to one allowed to a member of IAS who is junior by two batches. The detailed agenda is enclosed as Annexure I.</p> <p>It is therefore requested, Sir, to allow an appointment to E.P.F.O.A. preferably on January 19, 2012, Thursday.</p> <p>A list of office bearers likely to attend the meeting is enclosed as Annexure II.</p> <p>Yours faithfully</p> <p></p> <p>Sudarshan Kumar Secretary General E. P. F. Officers Association</p>
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The Agenda

Annexure I

I. Service & Personnel Matters

a. May implement IAS + 2 NFSG provision in EPFO.

Basis for this demand:

Section 5 (D) (7) (a) & (b) of the E.P.F. Act provides for parity of service conditions between officers of C.B.T. and those of Central Government.

&

The decision of the C.B.T., as communicated by the H.O. circular dated September 18, 2008, through which the accepted recommendations of the 6th Central Pay Commission was adopted and made applicable to E.P.F.O. reads as follows "The C.B.T. in its special meeting held on 18.09.2008 has adopted the Resolution No. 1/1/2008-1C dated 29.08.2008 issued by the Government of India accepting the recommendations of the 6th CPC for applying to its officers and employees." It's patent that it does not exclude the application of this benefit (IAS+2) to E.P.F.O.

b. May Regularise all APFCs and RPFCS w.e.f. the date of vacancy.

Basis for this demand:

- i. Since the year 2004 no regularisation was made till March 2011 in the cadre of RC II. Similar for APFCs and RC Is. Officers who were compelled to serve on *ad hoc* basis were not responsible for the denial of regular service benefits to them. It's a settled principle that a person can't be denied his rights for no fault of his.
- ii. In **Hemraj Singh Chauhan [CIVIL APPEAL NO.2651-52 OF 2010], Delhi Jal Board** and many other like cases the Apex Court has laid down the principle that "**being considered for promotion is fundamental right of an employee**". It's so for officers of E.P.F.O. too. Still our officers were not considered for promotion for various periods extending upto six years.
- iii. Not holding D.P.C. for six years were in open violation to DoPT O.M. mandating to hold D.P.C. as per prescribed annual calendar.

- c. May Implement the increased entitlement to NFSG to 30% of Senior Duty Post (SDP) to our officers in Junior Administrative Scale (JAG) w.e.f. June 06, 2000.

Background and Basis for this demand:

The DoPT vide its O.M. bearing number 22/1/2000-CRD dated June 06, 2000 increased the percentage NFSG from 15% to 30%. However this was allowed to our officers, as communicated vide the HO circular dated January 02, 2012, only w.e.f. July 14. This violates the parity of service conditions as contained in Section 5 (D) (7) (a) & (b) of the E.P.F. Act. It's so held in **Chandok case [400/HR/2010]** by CAT, Chandigarh and affirmed – on this CAT judgment being challenged in High Court by C.B.T. – by the **Hon'ble Punjab & Haryana High Court in C.W.P. No. 8438 of 2011**. It's legally impossible to allow a High Court judgment to stand unchallenged and to take an administrative decision contrary to the decree of the judgment.

- d. May Reimburse all expenditure which is wasted in respect of children's admission on account of any transfer on or after the BEGINNING of the admission season i.e. April 01 of a year.

Basis for this demand:

A public servant should not be burdened with compulsory expenditure from his personal resources in performance of public duty.

- e. May Allow reimbursement of 'PAGRI'/security deposits or amount charged by property dealers - whether one time or periodically - which are expended in hiring accommodations only where officers' quarters are not available.

Basis for this demand: Same as for d.) above.

- f. May Allow hiring of accommodation on lease basis in any place irrespective of place of posting of an officer.

Basis for this demand:

An officer having all India transfer liability may like to keep his family at one place on account of the educational needs of his children or professional compulsions of the spouse. Though the officer is duty bound to serve in any part of India, his choice to retain his family at one place should be respected and accommodated. Children and spouse should not be inconvenienced or compelled to move along the public servant every three years at the expense of their educational or professional interests.

II. Matters related to HRM & Other Wings of the Head Office

- a. May Strictly implement D.P.C. calendar as laid down by DoPT and fix accountability for its non-adherence.**

Background and Basis for this demand:

Promotion on *ad hoc* basis is norm in E.P.F.O. and timely holding of D.P.C. an exception. As a result officers of all ranks were made to serve on *ad hoc* basis for as many as six years and consequently either forfeited their right to regular service or were mired in protracted litigation. This led to diversion of attention and energy from Organisational work to attending litigational requirements. The HRM wing of the Head Office has completely abdicated its responsibility in this regard. In total breach of the trust placed in public officials this wing of the Head Office practiced "*let the court decide*" approach to the hilt. This created an environment of all round despair, demotivation and mass distraction from Organisational objectives.

It's too much to expect from a man of average ordinary leaning to concentrate on Organisational goals when confronted with denial of legal and legitimate service entitlements.

Accountability should be fixed as few persons in HRM, by neglecting their duty, can cause all round Organisational chaos and demotivation.

- b. May Either rework the work norm (S.I.U. norm) or strictly implement the existing one.**

Basis for this demand:

In the absence of implementation of the work norm and the requirement based manpower provisioning, wide mismatch in per capita workload across the offices prevail. It violates the principle of equal pay for equal work, under-utilises the human resource of those offices where manpower-work ratio is favourable, promotes idleness in such offices, stretches and stresses officials in those offices where manpower-work ratio is adverse and most importantly adversely affects the quality and speed of service delivery and enforcement measures resulting into poor customer satisfaction, weak enforcement of law and unpopular Organisational image.

In a recent unfortunate event one staff in our Baroda office committed suicide leaving a death note that he suffers from excessive workload making officers in that office scurrying for their defence.

- c. May Impart mandatory and full training on promotion to Group 'A' before they are applied to work.**

Basis for this demand:

Efficient and trained manpower is vital for achievement of Organisational objectives. A large part of woes of present day E.P.F.O. is understood to owe its genesis to less-than-semi-trained officers and staff of the Organisation.

- d. May Draw up Manuals on i.) Office Procedure ii.) Industry Specific and General Compliance iii.) Quasi-judicial functions and iv.) Recovery

Basis for this demand:

Detailed and well drafted manual improves functional efficiency, reduces excessive discretion and brings about uniformity of work pattern across the Organisation. It gives a sense of direction and certainty in discharge of official work and expedites work disposal. It's no less useful in avoiding harassment to truthful officials who, in its absence, are subjected to vigilance investigation.

- e. May Digitise all office memoranda, circulars, rules, regulations, guidelines and manuals with topical collating and linkages among connected instruments and upload them on the respective websites of the Head Officer, Zonal Offices [for which websites need to be created] and Regional Offices

and

Issue a circular that any conduct of an officer or staff wouldn't be judged against those instruments which are not so uploaded on our website by a particular date.

Basis for this demand:

Easy accessibility of applicable rules and relevant documents is *sine qua non* for efficient and correct discharge of office function.

and

Instruments which are not within the knowledge of the Head Office or the office from which it is supposedly issued can safely be presumed not to exist and therefore not in force or binding.

- f. May Put in place long pending PIMS from C-DAC software or the software being used in IDBI bank for this purpose.

Basis for this demand: Efficient administration of personnel and HR issues.

- g. May Rework the Transfer Policy.

This new policy should contain a clause on mandatory cooling-off period of a minimum of two years after a stint of OICship for three/four years

and

the whole National Capital Region should be treated as ONE REGION in the matters of and for the purpose of implementation of transfer policy. Similar principle of ONE REGION should be applied to other metropolitan regions

and

Government of India policy on transfer in case of both spouses working may be added to our policy too.

and

Stricter implementation should be ensured and no mass violation should be practiced as witnessed in recent years.

Basis for this demand:

In our country whole bureaucracy is controlled and kept under check through the principal instrument of transfer. As it's a vital and weighty aspect in an officer's service consideration, a system should be put in place to ensure the objective use of this vital instrument. It must contain provisions for just and even-handed treatment to officers *inter se*.

h. May Implement National Litigation Policy (NLP).

Background and Basis for this demand:

It was formulated in the year 2010 and applied to all government departments with a principal objective of indentifying avoidable litigations and ensuring proactive administrative decisions in substitution of "let the court decide" approach. Its benefits are axiomatic.

i. May Install biometric based attendance registration devices in each office for generation of attendance record through it to improve punctuality.

j. May Equip all common spaces in all offices with CCTVs as done in Goa and Karnataka offices of EPFO:

Basis for this demand:

It will improve security, curtail idleness and loitering by officials and will prove useful in exigent and emergent situations.

k. May Discontinue recovery of overpayment made in settling claims or pension and substitute it with an institutional mechanism to file money suit for recovery of erroneous or excessive payment:

Background and Rationale for this demand:

Section 70 of the Indian Contract Act, 1872 under the marginal note "*Obligation of Person Enjoying Benefit of Non-Gratuitous Act*" provides that any payment made erroneously by anyone to any other can be recovered under law from the recipient of such money – whether consumed by him or not – if such payment was not intended to be gratuitous. As the overpayments made in our offices meet this description, provision of this Section of the Contract Act can be utilised to effect recovery of overpayment by filing money suit in a civil court that shall be filed by the CB.T. As this will be an institutional effort with pre-existing panels of advocates, chances of effecting recovery shall be high. Money expended in litigation may be treated as expended in welfare measure or only this amount can be apportioned and recovered as per existing formula, if money suit succeeds. Only in a case where money suit fails that full amount of overpayment may be recovered. This arrangement will create a worry-free and less-financially-hazardous work environment.

III. Infrastructural Constraints:

- a. May Set up of full-fledged NATIONAL SOCIAL SECURITY ACADEMY CAMPUS outside Delhi with all facilities and amenities to train officers recruited directly or promoted to Group 'A' cadre, exactly for the same duration and on the same line as officers of other cadres recruited through civil services examination.

Basis for this demand:

Presently officers recruited directly were given as less training as nil or two weeks before assignment of field work to them. Quality of manpower has direct correlation to the organised and comprehensive training imparted to them. Organisational objectives can't be achieved with any quantum of infrastructure unless the pool of manpower is trained to perform their duty and equipped to meet future challenges.

- b. May Provide all officers upto Section Supervisors with net & printer connected desktops.

Basis for this demand:

Once this facility is made available an instruction may be issued by the HO that each officer upto section supervisor is mandated to visit the EPF websites for updates and the practice of taking prints of each circular by OIC to be circulated among officers and other staff shall be discontinued. Thenceforth only Section Supervisor will take one print for the purpose of placing the same in the guard file and for the perusal by SSAs of such circulars. S.S. and above can always peruse them without taking their printouts. This will improve compliance of circulars, will reduce the time lag between the issuance of direction and when it is actually implemented in field offices and will reduce carbon footprint of the Organisation as it will cut the consumption of paper substantively.

- c. May lay down the norm and entitlement of physical facility and required support staff in detail to improve supervisory and work efficiency of officers.

1. May Frame rule to make all office campuses to mandatorily have officers quarters and to construct them wherever campus have enough space and where not, to get in a nearby vicinity, on lease, enough quarters on permanent basis for occupation by officers. This may be one go decision.
2. May Construct guest houses in each station we have office and holiday homes at each place of major tourist attraction or religious importance.

It will ensure reasonably comfortable stay at the place of posting in initial days after the transfer and will improve the quality of living index. It may be a one go decision to construct such structures at all places identified so.

3. May Provision for vehicle for all officers of the rank of EO and above to meet the functional needs. Recently Himachal HC ruled to this effect in connection with EPFO.
4. May Provide laptops and data cards with unlimited internet use facility to Group 'A' officers.
5. May Revise norm for size of chamber to provide for bigger chambers or alternatively common Court Rooms for all hearing to accommodate all workers and others who may be interested in attending such hearing. This will improve transparency during hearing of quasi-judicial proceedings.
6. May Provide net connected desktops, direct phone lines and all-in-one [printer, fax & scanner] device for all officers upto Section Supervisor level.

IV. Organisational & Functional Restructuring & Delegation:

- a. May Relieve all Group 'A' officers completely from all service related ORIGINAL work and to assign them only supervisory work in service related areas.

Elaboration and Basis for this demand:

It's proposed to assign to Group 'A' officers, work related to Compliance, Recovery, Legal and Administration only and areas of work related to Cash, Accounts and Pension should be taken away, in so far as discharge of original functions are concerned, from such officers. The nature of work in areas of service delivery and cash viz. comparing figures entered in challans with those in bank statements e.t.c. is routine and run-of-the-mill incompatible to intellectual requirement of and suitability for a Group 'A' officer. Such work results into wastage of their potential and dulls them. Unburdening Group 'A' officers from ORIGINAL WORK UNDER SERVICE AREAS may be duly compensated with assigning them the duty of test check of original work done in service areas by his subordinates and this new responsibility may be assigned due importance. This change will also make the subordinates attentive and watchful, who under the present system, know that they are not being monitored well as their superiors – Group 'A' officers – are left with little time to supervise their work for quality or conformity to rules and manuals. This will leave a Group 'A' officer with enough time for quality supervision and test check of original work done by his subordinates in the area of service delivery and will result in better service delivery and enforcement.

- b. May Elevate CPFC to Chair Executive Committee (E.C.) and rework delegation scheme to delegate all powers to him, except effecting major policy changes or its formulation, that should vest with CBT.

Elaboration and Basis for this demand:

Unlimited financial power should be delegated to the Central Commissioner for any purpose including acquisition of immovable asset subject to post-facto approval by E.C. or CBT depending upon the quantum expended or sanctioned exceeding a prescribed limit. This will expedite decision taking in various functional areas. Right level of delegation facilitates quicker decision making and expeditious achievement of Organisational goals.

V. Transparency Improvement:

- a. May Put scanned copies of all 7A, 7B and 7C Orders passed since January 01, 2011 on respective websites.

Basis for this demand:

All quasi-judicial hearings are public hearings and its outcome should be accessible to all. It will supply a large pool of readily available resource for potential assessing officers and will disincentive passing of unreasonable or dishonest orders as it will be open to public access and scrutiny on web.

- b. May Issue direction to put all such Orders to be passed in future on website with a provision that no 7A, 7B or 7C order shall be considered as delivered or issued till such Order is uploaded on website.

Basis for this demand: Same as above

- c. All dates of hearing and adjournment in quasi-judicial proceedings under Section 7A, 7B or 7C should be placed on website of Regional Offices on the lines of Cause List for Indian Courts.

Basis for this demand: It will allow quicker correspondence between parties and the quasi-judicial functionaries and will thereby permit shorter duration adjournments as recently instructed by the Head Office.

- d. May Each 7A, 7B, 7C Order be mandatorily reviewed by superiors to decide whether or not the EPFO will appeal against it or get it reviewed.

Basis for this demand

It will give a sense of security to assessing officers that once such review is done by superiors, the matter shall be considered as closed in so far as the accountability of the assessing officer is concerned. This system will also shift the focus from the present vigilance centric approach to one that will ensure that workers get their dues by way of getting the escaped amount reassessed under Section 7B or through the Tribunal.

- e. May Upload on website posting details – indicating OICship and functional areas assigned - for full period since joining of each Group 'A' and 'B' officer, on the lines of Executive Record Sheet for an IAS officer.

Background and Basis for this demand

Some information regarding Group 'A' officers were already collected in the past. As is the common knowledge in E.P.F.O., the discretion available to superiors in this regard may not have always been put to the use in the best interest of the Organisation. Placing such information on website will allow larger public scrutiny and will ensure greater compliance to mandate of voluntary disclosure under Section 4 of the R.T.I. Act.

- f. May Prepare a list of valuers and auctioneers to facilitate recovery

Background and Basis for this demand

There exists such a list for Income Tax Department but none for us. It will cut discretion of Recovery Officers and will facilitate recovery by promptly availing services of such empanelled resources.

- g. May Constitute a group to consider a set of measures to be undertaken to improve transparency in the Organisation in view of computerisation and impending bills - Time Bound Delivery of Services (Citizens' Charter) and Lokpal Bills.

Basis for this demand

It will help a smooth a painless transition to new transparency and accountability regime from the present system where these aspects are less pronounced.

VI. Vigilance Issues:

- a. May Fix accountability for vigilance functionaries for NOT following C.V.C. prepared vigilance manual provisions or C.V.C. or DoPT circulars

Basis for this demand

It's a matter of common knowledge with abundance of supporting documentary evidence that those norms, violation of which are visited with accountability for officials working in other functional areas, are breached no less by vigilance functionaries themselves. Yet, as is the experience, accountability is seldom fixed on them. There is no justification for such favourable treatment to those manning vigilance wings.

- b. May Put on website the promptness status [compliance to prescribed time schedule] on processing and disposal of vigilance work in terms of CVC circulars on the lines it is done for other EPFO functionaries viz. percentage of claims settled within 30 days.
- c. May Put on website scanned copies of all past VCs and all documents related to closed vigilance inquiries. Same to be done for future VCs and vigilance inquiries.

Basis for demand under b.) and c.) above: To improve transparency.

- d. May Allow higher weightage to twin factors of excessive work load [as compared to applicable norm] and little or non-existent training to EPF officials before clearing vigilance investigation in erroneous claim or pension settlement cases.

Rationale for this demand:

Section 18 of the Act provides for protection of action taken in good faith. This provision remains unimplemented and every case should be examined against this provision before giving green signal for vigilance or criminal investigation

- e. May Revisit the disconnect between rule provisions and actual practice in suspension matters

Annexure II

List of officers proposed to attend the meeting

1. Sri Shankar Pathak, President
2. Sri Sudarshan Kumar, Secretary General
3. Sri E. Sanjeeva Rao, Working President
4. Sri Ganesh Kumar, Joint Secretary
5. Sri M. S. Arya, Organising Secretary
6. Sri Pramod Singh, Treasurer
7. Sri Abhay Ranjan, Unit Secretary (H.O.)
8. Sri Manoj Yadav, Vice President (North)
9. Sri Paritosh Kumar, Vice President (South)
10. Sri Shekhar Kumar, Vice President (East)
11. Sri Ravindra Shinde, Vice President (West)
12. Smt. Rina Mandal, Member (North)
13. Sri N. Kishore Kumar, Member (South)
14. Sri R. K. Sinha, Member (East)
15. Sri G. R. Jilla, Member (West)



कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
(श्रम एवं रोजगार मंत्रालय, भारत सरकार)
(MINISTRY OF LABOUR & EMPLOYMENT, GOVT. OF INDIA)
मुख्यालय, भविष्य निधि भवन/HEAD OFFICE, BHAVISHYA NIDHI BHAWAN
14, भीकाजी कामा प्लेस, नई दिल्ली-110066
14-BHIKAJI CAMA PLACE, NEW DELHI-110066
www.epfindia.gov.in; www.epfindia.nic.in

No.IR/11(7)09/EPF/OFFICER/ASSO./

27856

Date 17 DEC 2012

To

Sh. Sudarshan Kumar,
Secretary General,
E.P.F. Officers Association,
Bhavishya Nidhi Bhawan,
G.S.Road, Near Bharalu Bridge,
Bhangagarh, Guwahati-781005
Assam.

Sub: Action points on the meeting of EPF Officers Association with the CPFC held on 27.04.2012 at Head Office, New Delhi regarding

Sir,

I am directed to inform that the action points on the items discussed in the EPF Officers Association meeting with the CPFC held on 27.04.2012 has been sent to the concerned Divisions/Sections for taking necessary action. A copy of the action points is enclosed for information please.

Encls:- AS above.

Yours faithfully,

(M.M. Ashraf)
Regional P F Commissioner -II (IR)

Action Points on the Meeting of EPF Officers Association with the CPFC held on 27.04.2012 at Head Office, New Delhi.

A meeting with the office bearers of the EPF Officers Association was held on 27.04.2012 in the Head Office to discuss the agenda items placed by the Association. The following officers and the office bearers of the EPF Officers Association attended the meeting:-

Officers of EPFO

1. Shri R.C. Mishra, CPFC
2. Shri Rajeev Kumar, CVO
3. Shri Rajesh Bansal, FA & CAO
4. Shri S.R. Joshi, ACC (HR)
5. Shri K.C. Pandey, ACC (Pension)
6. Shri P.K. Udgata, ACC (Compliance)
7. Shri B.K. Panda, ACC (IS)
8. Col. P. K. Chaturvedi, Chief Engineer
9. Shri P.K. Agarwal, RPFC-I (HRM)
10. Shri Anil O.K. RPFC-I (HRD)
11. Shri M.M. Ashraf, RPFC-II (HRD)

Office Bearers of the EPF Officers Association

1. Shri Shankar Pathak, : President, RPFC-I
2. Shri Sudarshan Kumar : Secretary General APFC
3. Shri E. Sanjeeva Rao : Working President RPFC-II
4. Shri Ganesh Kumar : Joint Secretary General RPFC-II
5. Shri M.S. Arya : Organizing Secretary RPFC-II
6. Shri Pramod Singh : Treasurer RPFC-II
7. Shri Manoj Yadav : Vice President (North) RPFC-II
8. Shri Paritosh Kumar : Vice President (South) RPFC-II
9. Shri Shekhar Kumar : Vice President (East) RPFC-II
10. Shri Ravindra Shinde : Vice President (West) APFC
11. Shri N. Kishore Kumar : Member (South) APFC
12. Shri G.R. Jilla : Member (West) APFC

Action Points on the meeting of EPF Officers Association with the CPFC held on 27.04.2012 at Head Office, New Delhi.

A meeting with the office barterers of the EPF Officers Association was held on 27.04.2012 in the Head Office to discuss the agenda items placed by the Association. The meeting was chaired by the CPFC.

ITEM NO.1: SERVICE & PERSONNEL MATTERS

a) Implementation of IAS+2 NFSG as per 6th Central Pay Commission in EPFO.

ACC (HR) informed that the file has been processed and a proposal is being sent to the Ministry for constitution of a Screening Committee in this regard.

(HRD/HRM-I)

b.) Regularisation of all APFCs and RPFCS w.e.f. the date of vacancy.

The CPFC stated that the DoPT instructions in this regard are very specific and clear. The promotions in the Organisation are regulated accordingly.

(HRM-I/II)

c.) Implementation of the increased entitlement to NFSG to 30% of Senior Duty Post (SDP) to our officers in Junior Administrative Scale (JAG) w.e.f. June 06, 2000.

ACC (HR) informed that NFSG benefits have been given to the eligible officers from the date from which NFSG has been adopted for implementation in EPFO.

(HRM-I)

d.) Reimbursement of all expenditure which is wasted in respect of children's admission on account of any transfer on or after the beginning of the admission season i.e. April 01 of a year.

The Secretary General requested that the annual general transfer of Group 'A' officers may be made before the beginning of admission session as there is a huge wastage of expenditure on school

admissions etc. if the transfers are made during mid-session of schools.

The CPFC appreciated the point and agreed that it is desirable to do so but sometimes due to administrative exigencies annual transfers get slightly delayed. However, he advised the HRM Division to make all efforts and complete the preparatory work by February month so that from the next year the annual general transfer is completed by first week of April.

(HR-I/II)

e.) Reimbursement of 'PAGRI'/security deposits of amount charged by property dealers -whether one time or periodically -which are expended in hiring accommodations only where officers' quarters are not available.

The Secretary General informed that hiring a leased accommodation for officers having all India transfer liability is getting increasingly difficult considering high rents, payment of initial security deposits and rent advance. He requested that the same may be reimbursed.

The CPFC agreed that such a problem do exist especially in bigger cities and metros. He stated that an interest free advance could be given for the payment of the security deposit and the rent advance.

Further, the CPFC advised the Chief Engineer to visit office quarters at Borivali Mumbai to find out the possibility for demolishing the old staff quarters and constructing high rise buildings as per the prevailing local rules and to put up a comprehensive proposal in this regard.

(HR-8 & PFD Division)

f.) Hiring of accommodation on lease basis in any place irrespective of place of posting of an officer.

The CPFC did not agree to the request.

(HR-8)

ITEM NO.2: MATTER RELATED TO HRM & OTHER WINGS OF THE HEAD OFFICE

a.) Strict implementation of DPC calendar as laid down by DoPT and fix accountability for its non-adherence.

The CPFC advised HR Division that DPC calendar for all cadres to be prepared and strictly implemented.

(HR-I/II)

b.) Reworking the work norms (S.I.U. norm) or strictly implement the existing one.

The CPFC informed that a committee has been constituted to examine the entire issue and submit its recommendations.

(HRD)

c.) Imparting mandatory and full training on promotion to Group 'A' before they are applied to work.

The Secretary General stated that there is almost non-existent training to officers who are promoted to Group 'A' and requested that they should be given mandatory and full training on their promotion before they are applied to work.

ACC (HR) informed that at present the officers who are promoted as APFCs, which is the entry grade in the Group 'A' cadre, are given induction training at NATRSS. They are also provided training in functional areas of EPFO and on managerial effectiveness periodically by NATRSS.

The CPFC advised the Association to prepare a proposal with specific details and training requirement which they feel should be incorporated as part of the training plan for officers' on their promotion to Group 'A' cadre and to be taken into consideration while designing the training programmes by NATRSS.

(EPFOA)

d.) Drawing up Manual on i.) Office procedure ii) industry Specific and General Compliance iii) Quasi-judicial functions and iv) Recovery.

The Secretary General stated that there is no existing manual in recovery, compliance etc.

CPFC stated that he has already advised ACC (Compliance) to study and develop guidelines. Compliance Division is working on it and it will soon come out with guidelines, procedure in these work areas. However, considering the ongoing computerization project, the situation is fluid, and it will take some time before we come up with comprehensive guidelines. Regarding office procedure, the CPFC stated that the government manual of office procedure is already there which has to be applied in dealing with official work.

(Compliance Division)

e.) Digitising all office memoranda, circulars, rules, regulations, guidelines and manuals with topical collating and linkages among connected instrument and upload then the respective websites of the Head Officer, Zonal Offices [for which websites need to be created] and Regional Offices. And issue a circular that any conduct of an officer or staff wouldn't be judged against those instruments which are not so uploaded on our website by a particular date.

The CPFC agreed that efforts should be made towards digitization for which MIS Division may take the necessary initiative.

(Compliance/MIS Division)

f.) Putting in place long pending PIMS from C-DAC software or the software being used in IDBI bank for this purpose.

The CPFC informed that the Phase II of the Computerisation project takes care of this requirement.

(MIS Division)

g.) Rework the Transfer Policy

ACC (HR) informed that the existing transfer policy for Group 'A' officers as approved by the CBT is elaborate and formulated taking into consideration the administrative requirements.

(HR-I/II)

h.) Installing biometric based attendance registration devices in each office and generation of attendance record through it to improve punctuality.

&

i.) Equipping all common space in all offices with CCTVs as done in Goa and Karnataka offices of EPFO.

The CPFC advised that the suggestions are welcome and the modalities for their implementation to be explored.

(PFD Division)

j.) Discontinuing recovery of overpayment made in settling claims or pension and substitute it with an institutional mechanism to file money suit for erroneous or excessive payment.

The CPFC did not agree to the request.

(Finance Division)

ITEM NO.3: INFRASTRUCTURE ISSUES

a. Setting up full-fledged National Social Security Academy Campus outside Delhi with all facilities and amenities to train all officers recruited directly or promoted to Group 'A' cadre exactly for the same duration and on the same line as officers of other cadre recruited through civil services examination.

ACC (HR) stated that EPFO already has an apex training institution namely the National Academy for Training & Research in Social Security (NATRSS) which caters to the training needs of its officers. NATRSS conducts foundation/induction training programmes for the direct recruit as well as promotee Gr 'A' officers alongwith periodical

train programmes in the EPFO functional areas and on developing managerial skills.

The CPFC advised, however, if the Association has any suggestion with regards to the training and the facilities, it may prepare and submit a proposal with specific details and training requirement for consideration.

(HRD/EPFOA)

b. Providing all offices upto Section Supervisors with net & printer-connected desktops.

The CPFC advised ACC (IS) that the matter should be pursued for providing necessary computer and internet support especially when the approval has already been given. The powers for computer and hardware purchase may be further delegated, if required, for bringing more efficiency in delivery and deployment of IT support.

(IS Division)

c. (i) Framing of rule to make all office compasses to mandatorily have officers quarters and to construct them wherever campus have enough space and where not to get in nearby vicinity on lease enough quarters on permanent basis for occupation by officers. This may be one go decision.

The Chief Engineer stated that as per requirement by RPFC of the Region and norms of the Govt. of India staff Qtrs. have been constructed as and when proposal received. If enough space is available at any campus of Office, RPFC of the concerned Region may send the complete proposal for taking further action by the PFD Division.

(PFD Division)

(ii) Construction of guesthouses in each station we have office and holiday homes at each place of major tourist attraction or religious importance.

The President of Association requested for proper guest house facilities. He said a place like New Delhi where EPFO, HO is located and has considerable movement of officers in transit does not have a proper guest house. He suggested that the guest house building located in RO, Delhi (S) may be made operational for guest house purpose.

The CPFC appreciated the suggestion of holiday homes/guest houses and said that it is a welcome proposition. The Welfare wing and the PFD division advised to take necessary action.

(Welfare & PFD Division)

(iii) Provision for vehicle for all officers of the rank of EO and above to meet the functional needs. Recently Himachal HC ruled to this effect in connection with EPFO.

ACC (HR) informed that as per Govt. of India, Ministry of Finance, Department of Expenditure, O.M. dated 11.07.2011 & 02.08.2011 the purchase of vehicle including those against condemned existing vehicle will not be permitted. The Hon'ble High Court, Shimla has been apprised of the Govt. instructions. However, there is a provision of hiring vehicle on need basis for official purposes.

(HR-8)

(iv) Providing Laptops and Data Cards with unlimited internet use facility.

The CPFC appreciated providing technical support and connectivity to the officers and field officials. He advised ACC (IS) to examine the providing of Laptop and data card enabled internet connectivity to all the officers.

(IS Division)

ITEM NO.4: ORGANIZATIONAL & FUNCTIONAL RESTRUCTURING & Delegation

- (a) **Relieving of all Group 'A' officers completely from all service related original work and to assign them only supervisory work in service related areas.**

The Secretary General requested that all Group 'A' officers to be made completely free from all service related original work and to be assigned only supervisory work in service related areas. This will help in averting the situation where because of the original work their ability to supervise gets compromised.

The CPFC did not agree to the request and stated that any suggestion relating to work processes should take into consideration the changes that are coming in because of the computerisation project. The suggestions should be forward looking and in tune with the changes. However, he said if the Association has very specific suggestions, it may send a proposal in this regard to the Head office for consideration.

(HRD)

- (b) **Elevation of the CPFC to Chair Executive Committee [E.C.] and rework delegation scheme to delegate all powers to him, except effecting major policy changes or its formulation that should vest with CBT.**

The CPFC stated that this is not the right forum for such a demand. The Competent Authority for this is the CBT.

(HRD)

ITEM NO.5: TRANSPARENCY IMPROVEMENT

- a. **Putting up scanned copies of all 7A, 7B and 7C Orders passed since January 01, 2011 on respective websites.**
- b. **Issuing direction to put all such Orders to be passed in future on website with a provision that no. 7A, 7B or 7C order shall be considered as delivered or issued till such time such order is uploaded on website.**
- c. **Placing of all dates of hearing and adjournment in quasi-judicial proceedings under Section 7A, 7B or 7C date on website of Regional Offices on the lines of Cause list for Indian Courts.**
- d. **Each 7A, 7B, 7C to be mandatorily reviewed by superior to decide whether the EPFO will appeal against it or get it reviewed.**
- e. **Uploading of on website posting details –indicating OIC’ship and functional areas assigned –for full period since joining of**

each Group 'A' and 'B' officers on the lines of Executive Record Sheet for IAS officers.

From 5 (a) to (e): The CPFC stated that all these are welcome suggestions. He advised ACC (IS) and ACC (Compliance/MIS) to consider the request and come out with a solution for web-upload.

(IS, MIS and Compliance Division)

f. Prepare a list of valuers and auctioneers to facilitate recovery.

The CPFC advised ACC (Compliance) to consider the request and take necessary action.

(Compliance Division)

ITEM NO.6: VIGILANCE ISSUES

a. Fixing accountability for vigilance functionaries for not following CVC prepared vigilance manual provisions or CVC or DoPT circulars.

The CVO stated that in all vigilance cases action is taken only after consultation with the CVC and on its advice. He further said that the recent increase in vigilance related cases may be due to conclusion of old cases which could not be earlier expedited as there was not a regular CVO for a long time. This may be a temporary phase.

The CPFC emphasized that following of guidelines and prescribed procedures in field functions is especially important and helps in bringing transparency.

(Vigilance Division)

b. May put on website the promptness status (compliance to prescribed time schedule) of processing and disposal of vigilance work in terms of CVC circulars on the lines it is done for other functionaries viz. percentage of claim settled within 30 days.

The CVO stated that the disposal of vigilance work is regularly being monitored even by the CVC and it may not be advisable to equate the vigilance cases with the general cases such as those of settlement of claims etc.

(Vigilance Division)

- c. Putting on website scanned copies of all past VCs and all documents related to closed vigilance inquiries. Same to be done for future VCs and vigilance inquiries.**

The CVO informed that VCCs are issued to HRM wing for specific personnel purposes.

(Vigilance Division)

- d. Allowing of higher weightage to twin factors of excessive workload (as compared to applicable norm) and little or non-existent training to EPFO officials in before clearing vigilance investigation in erroneous claim or pension settlement cases.**

The CVO stated that due diligence is observed at all stages of investigation.

(Vigilance Division)

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

ORGANISING SECRETARY

M. S. Arya, R.P.F.C-II

TREASURER

N. Kishore Kumar, A.P.F.C

Vice Presidents:

(North)

Manoj Yadav, R.P.F.C-II

(South)

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

(East)

Shekhar Kumar, RPFC-II

(West)

Ravindra Shinde, A.P.F.C.

MEMBERS:

(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.

To,

The Chairman, the Central Board

(By Name to Shri Mallikarjun Kharge)

Date August 03, 2012

Place: Guwahati

Subject: Removal of the pay ceiling of Rs. 6,500 for application of the EPF Act, 1952 and discontinuation of contribution of 1.16% of the pay by the Central Government to the Employees' Pension Fund – reg.

Sir/Madam,

This communication is to draw your attention to some of the issues relating to the provisions of the Employees' Provident Funds Act, 1952 (the Act) and the Schemes framed thereunder, which require your urgent attention to keep the Act relevant and effective.

Two such issues are identified and enlisted below:

- I. Removal of the pay ceiling of Rs. 6,500 per month of an employee for him/her to be covered under the sweep of the Act.
- II. Discontinuation of the contribution of 1.16% of the employees' pay by the Central Government payable to the Employees' Pension Fund.

The changes proposed and the reasons and urgency for these changes are explained in detail and the same is enclosed as [Annexure I].

In this regard, the Parliamentary Standing Committee on Labour in its 8th Report on the impugned subject strongly advocates the amendments proposed under the instant communication. Excerpts from the Report are reproduced hereunder: *"The Committee are saddened to note that the Ministry of Labour has been mulling over the wage ceiling revision proposal under the EPF Scheme for too long unwarrantedly. Such an attitude of apathy and indifference negates the very mandate to safeguard the interest of workers in general and of those who constitute the poor, the deprived and the disabled sections of society. Apparently, the Ministry is either oblivious or pays scant regard to the Constitutional mandate directing the State to strive to secure just socio-economic order, among others, and to try to secure a living wage and decent standard of living."* Extracts from the said Report is enclosed as [Annexure II].

It is requested to deliberate the issues raised in this communication, in the ensuing meeting of the Executive Committee of the Central Board and the Central Board scheduled on August 06 and 07 respectively.


It is noteworthy that the concept of "excluded employee" is not provisioned anywhere in the Act. By importing this definition through the P F Scheme, the whole Act is emasculated of its force and purpose and what was sought to be achieved through a Parliamentary legislation is negated through the executive measure of introduction of the definition of "excluded employee" in the P F Scheme.

In any case it is exhorted, Sir, that whatever pay limit is considered appropriate the same should be applicable to all employees to that extent irrespective of fact that he may be in receipt of pay in excess of the stipulated pay/wage limit. This vital objective can be achieved by a simple executive action of abrogation of sub-clause (ii) of clause (f) of Para 2 of the Employees' Provident Funds Scheme, 1952.

It is hoped that your timely intervention shall reposition the Act as the principal instrument in achievement of the Preamble Constitutional mandate of "JUSTICE, social, economic and ...". Prompt action on your part can ensure that the Act may continue to serve as bulwark against the Constitutional aspiration that the State should not allow the "cases of undeserved want" for its citizens.

Thanking you.

Yours faithfully


Sudarshan Kumar
Secretary General
EPF Officers' Association

Changes Required in the P F Scheme, 1952.

I. Removal of pay ceiling of Rs. 6,500 per month.

The Act and the schemes under it envisage that an employee whose pay at the time he is otherwise entitled to become a member of the Employees Provident Funds Scheme, 1952, (P F Scheme) exceeds Rs. 6,500 per month shall be an excluded employee and therefore the Act or the P F Scheme or the Pension Scheme shall not apply to them.

In this connection provisions of the Act and the Schemes may be considered hereinbelow: Section 6 of the Act provides that the employer shall be required to pay a fixed percentage (10/12%) of the pay of the employees under him to the Provident Fund. The employee shall make a matching contribution to the Provident Fund.

Para 3 of the Employees' Pension Scheme, 1995 (Pension Scheme) provides that *"from and out of the contributions payable by the employer in each month under Section 6 of the Act or..., a part of the contribution representing 8.33% of the employees' pay shall be remitted by the employer to the Employees' Pension Fund..."*

Thus membership to the Employees' Pension Fund (Pension Fund) is contingent upon the membership to the Provident Fund.

Para 26 of the P F Scheme under the marginal note "Classes of employees entitled and required to join the (Provident) fund" provides that *"Every employee...except an excluded employee, shall be entitled and required to become a member of the (Provident) fund..."* Thus an employee who is an "excluded employee" is NOT covered either under the P F Scheme or the Pension Scheme.

But the critical definition (relevant portion) as to who is an excluded employee is contained under sub-clause (ii) of clause (f) of Para 2 of the P F Scheme which sets out that *"excluded employee means an employee whose pay, at the time he is otherwise entitled to become a member of the (Provident) Fund, exceeds six thousand and five hundred rupees per month"*

It is this definition of the excluded employee that takes an employee drawing a pay of Rs. 6,500 per month beyond the scope of both Provident Fund and Pension Fund. As a matter of fact most of the Indian states including Delhi have raised the minimum wage to a level that works out to be higher than Rs. 6,500 per month. A combined reading of the definition of the excluded employee and the minimum wage prescribed by most of the stated lead to the inevitable conclusion that the Act has been quietly relegated to a voluntary piece of legislation having no binding force over an overwhelming majority of

establishments or employers. Thus, the EPF Act, 1952 which was created by Indian Parliament as the most vital pillar to shoulder the Constitutional responsibility that *“The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life.” [Article 38 (1) of the Constitution of India]. The Act has ceased to discharge its Constitutional mandate due to governmental inaction to abrogate or revise the definition of the “excluded employee” contained under sub-clause (ii) of clause (f) of Para 2 of the Employees’ Provident Funds Scheme, 1952.*

To restore the vitality and discharge of the Constitutional functions assigned to the Central Board under the EPF Act, 1952 it is exhorted to amend by way of deletion of the sub-clause (ii) of clause (f) of Para 2 of the Employees’ Provident Funds Scheme, 1952 that defines an “excluded employee” in terms of pay exceeding Rs. 6,500 per month.

It is explained further that the pay ceiling was revised last in June 2001 when it was raised from Rs. 5,000 per month to Rs. 6,500 per month. Since the year 2001 the real wage (adjusted to inflation) has doubled and the inflation too, as measured by consumer price index (CPI) for Industrial Worker, has doubled (taking 2001 as base year, CPI for Industrial Worker has reached 206 in May 2012. Source: Labour Bureau, Ministry of Labour, GoI) [Annexure III]. Thus compared to the wage limit of Rs. 6500/- prevailing in June 2001 the comparable amount at present is Rs. 26,000 (Rs. 6,500x2x2).

In the light of this analysis it is suggested that if the doing away of the wage ceiling is not possible for any reason, the “six thousand five hundred rupees” appearing in all provisions mentioned above in the tabular form should be substituted by “twenty six thousand rupees” or any other sum considered fit for effective discharge of Constitutional mandate under the Act.

II. Discontinuation of the contribution of 1.16% of pay by the Central Government to the Employees’ Pension Fund.

Paragraph 3 of the Employees’ Pension Scheme, 1995 provides for contribution to the Pension Fund. Sub-para (2) provides that *“The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees’ Pension Scheme and credit the contribution to the Employees Pension Fund..”*

Under this provision the Central Government pays a sum in the range of a thousand crore Rupees per annum towards Pension Fund. Though this sum is not substantive, given the volume of Central Government outgo, this has proved a major obstacle in the way of doing away the pay ceiling of Rs. 6500/- per month or to raise this ceiling to match the increase in the real wage adjusted to the obtaining level of inflation. This inference is evidenced from

the fact that the wage ceiling provided under the ESIC Act, 1948 is revised six times within a span of 14 years and raised to Rs. 15,000/- per month since May 2010. Now the same is being considered for being raised to Rs. 25,000/- per month. It is so because there exist no provision in the ESIC Act that requires any contribution from the Central Government. Thus on the one hand, while enacting the legislation the Central Government assumes those responsibilities upon itself that displays its keenness in achievement of Constitutional objectives and on the other, when it comes to discharging those responsibilities, it acts unmoving and a laggard. In the name of this contribution by the Central Government that all affairs related to the Central Board/ EPFO are sent to the Department of Expenditure, which in turn vetoes and had vetoed in the past many decisions of the Central Board and its Executive Committee meant to meet the legitimate needs of Organisational expansion and growth of the Cadre. It is expected that if the Central Government is relieved of the obligation to contribute the said share of 1.16% of the pay to the Pension Fund it will act promptly to update the provisions of the Act and the Schemes to keep pace with the needs of the time.

It is pertinent to note that the recent study undertaken regarding the viability of the Pension Fund applying PROST Model shows no deficit in the Pension Fund and therefore doing away the pay ceiling or raising it to a higher pay level shall have no bearing upon the viability of the Pension Fund.

Further, these changes are required not in the Act but in the Schemes framed under the Act and therefore these changes require only administrative action and no prior Parliamentary approval is required. Despite the relative ease to amend the provisions of the Scheme to keep the Act relevant, the same was not undertaken by the Central Government to avoid increase in liability on account of 1.16% contribution by the Central Government towards the Pension Fund.

Suggested Changes:

Certain provisions of the Schemes require urgent amendment. For easy comprehension, details of the amendments required in the Schemes to incorporate the suggested changes, for the reasons recorded above, are summarised below in a tabular form:

Sl. No.	Section/ Para	Act/Scheme	Provision	Recommendation	Note
1.	sub-clause (ii) of clause (f) of	Employees' Provident Funds Scheme,	<i>"excluded employee means an employee whose pay, at the time he is otherwise entitled to become a member</i>	To be DELETED.	The principal obstacle in allowing

	Para 2	1952	<i>of the (Provident) Fund, exceeds six thousand and five hundred rupees per month"</i>		the Act to discharge its constitutional duty
2.	Sub-para (6) of Para 26	Employees' Provident Funds Scheme, 1952	<i>"Notwithstanding anything contained in this paragraph an officer not below the rank of Assistant Provident Fund Commissioner ... allow him to contribute on more than rupees six thousand and five hundred of his pay per month if..."</i>	To be DELETED.	As this provision is analogous to and contingent upon the principal provision 1.) above.
3.	Proviso to sub-para (2) of Para 26 A	Employees' Provident Funds Scheme, 1952	<i>"Provided that subject to the provisions contained in sub-paragraph (6) of paragraph 26 and ... where monthly pay of such a member exceeds six thousand and five hundred rupees..."</i>	To be DELETED.	As this provision is analogous to and contingent upon the principal provision 1.) above.
4.	sub-paragraph (2) of Para 3	Employees' Pension Scheme, 1952	<i>"The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees Pension Fund..."</i>	To be DELETED.	This provision serves as principal obstacle to updating the provisions of the Scheme.

It is requested to deliberate the issues raised in this communication, in the ensuing meeting of the Executive Committee of the Central Board and the Central Board scheduled on August 06 and 07 respectively.

It is hoped that your timely intervention shall reposition the Act as the principal instrument in achievement of the Constitutional mandate of social equity and security.

8

**STANDING COMMITTEE ON LABOUR
(2009-2010)**

FIFTEENTH LOK SABHA

MINISTRY OF LABOUR AND EMPLOYMENT

**[Action taken by the Government on the Recommendations/Observations
contained in the Thirty-Ninth Report of the Standing Committee on Labour on
the `Employees' Provident Fund Organisation – Employees' Pension Scheme,
1995']**

EIGHTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

March, 2010/ Phalguna, 1931 (Saka)

CHAPTER I

REPORT

This Report of the Standing Committee on Labour deals with the action taken by the Government on the recommendations/observations contained in the Thirty-Ninth Report (14th Lok Sabha) on 'Employees' Provident Fund Organisation-Employees' Pension Scheme, 1995' relating to the Ministry of Labour and Employment which was presented to Lok Sabha, and laid in Rajya Sabha, on 20.02.2009.

2. The Ministry of Labour and Employment were requested to furnish action taken replies to the recommendations contained in the Thirty-Ninth Report within three months from the presentation of the Report *i.e.* by 20.05.2009. The report contained 8 recommendations/observations. The action taken replies of the Government in respect of all the recommendations contained in the report were received on 09.11.2009. These have been categorized as under:-

4. The Committee will now deal with the action taken by the Government on some of their recommendations which merit comments in the succeeding paragraphs.

A. Increase in Wage Ceiling

(Rec. Sr. No.1, Para 75)

5. The Committee noted that the wage ceiling of Rs.6,500/- for the purpose of coverage under EPF Scheme was last revised w.e.f. 1st June 2001. Keeping in view the rapid transformation that had taken place in our economy, leading to substantial increase in the wages of the employees, the wage limit in vogue had lost its relevance. While accepting the changing trend in our employment scenario, ESIC, the another organisation of the Ministry, accordingly revised the wage ceiling to Rs.10,000/- for the purpose of coverage. The Committee were of the consistent view that the Scheme called for self valuation based on sound and real principles of economic management for revamping and reorienting the Scheme ensuring maximum coverage of workers as well as enhanced rate of pension to them. The Committee, therefore, strongly recommended that the Government should come out of its slumber and retrograde approach by adapting itself to the opportunities

being thrown by the new employment scenario of high wages and revise the wage ceiling for coverage under EPFO to Rs. 15,000/- without any delay.

6. In their action taken reply furnished to the Committee, the Ministry have stated:-

‘In order to implement the recommendation of the Committee regarding increase in wage ceiling for coverage under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 from Rs.6,500/- to Rs.15,000/-, various options to neutralize the associated liability on Pension Fund due to this revision are being explored in consultation with the experts and thereafter, the proposal shall be moved for carrying out the requisite amendments in the Act/Scheme’.

7. The Committee are saddened to note that the Ministry of Labour has been mulling over the wage ceiling revision proposal under the EPF Scheme for too long unwarrantedly. Such an attitude of apathy and indifference negates the very mandate to

safeguard the interest of workers in general and of those who constitute the poor, the deprived and the disabled sections of society. Apparently, the Ministry is either oblivious or pays scant regard to the Constitutional mandate directing the State to strive to secure just socio-economic order, among others, and to try to secure a living wage and decent standard of living. Considering the whopping contributions which have accumulated with the EPFO over the years and which continue to mount, the Committee have sound reasons to believe that given proper will, commitment and concern expected of a welfare State, the EPF wage ceiling can be enhanced suitably, as recommended by the Committee, and also revised periodically to safeguard the interest of the intended beneficiaries.

B. Need to revise rate of contributions

(Rec. Sr. No.2, Para 76)

8. The Committee noted that EPS, 1995 is a contributory scheme wherein the employers' contribution towards the pension of the employee is diverted @ 8.33% from the total contribution of 12% made

Ph: 0361-2461191
Fax: 0361- 2529265

E-mail: epfoaindia@gmail.com
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,
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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</p> <p>(South) Paritosh Kumar, A.P.F.C</p> <p>(East) Shekhar Kumar, RPFC-II</p> <p>(West) Ravindra Shinde, A.P.F.C.</p> <p><u>MEMBERS:</u> (North) Rina Mandal, R.P.F.C-II</p> <p>(South) N Kishore Kumar, A.P.F.C</p> <p>(East) R.K.Sinha , A.P.F.C</p> <p>(West) G R Jilla, A.P.F.C.</p>	<p>To,</p> <p style="text-align: right;">Date: February 20, 2012 Place: Guwahati</p> <p style="text-align: center;">Shri Mallikarjun Kharge Hon'ble Chairman, CBT Shram Shakti Bhawan, Rafi Marg, New Delhi. 110001.</p> <p><u>Subject:</u> Referring the CBT matters to Ministry of Labour, in breach of provisions of EPF Act and non-implementation of its decisions– reg.</p> <p>Sir,</p> <p>This communication is to bring to your knowledge, some aspects of working of the Central Board. It is known to all of us that the Central Board is a creation of the statute, tasked with the management of social security Funds in India. Section 5 (1A) of the Act declares <i>"The Fund shall vest in, and be administered by the Central Board constituted under section 5A."</i> It leaves no doubt in the mind of anyone that the Organisation that is set up to administer these Funds - the E.P.F.O. – shall be administered by the Central Board and the Board alone. There are three provisions, <i>inter alia</i>, in the statute that provide for the role of the Central</p>
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Government in the affairs of the administration of Funds. These are contained in Sections 5D and 20 of the Act.

Proviso to S. 5D (7) (a) provides *“that where the Central Board is of the opinion that it is **necessary to make a departure from the said (service) rules or orders in respect of any of the matters aforesaid, it shall obtain the prior approval of the Central Government”***.

S. 5D (7) (b) provides that *“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.**”*

And finally, S. 20 declares *“The Central Government may, from time to time, give such directions to the Central Board as it may think fit for the efficient administration of this Act and when any such direction is given, the Central Board shall comply with such direction.”*

Thus the Board can refer the matter to the Central Government in following two cases:

- (i) where **necessary to make a departure from service rules** of the Central Government, or
- (ii) where the **Board entertains any doubt in determining the corresponding scale of pay** between officers and staff of the Board vis-à-vis those of Central Government, and

Finally, the Central Government can give direction to the Board for the defined purpose of efficient administration of the Act.

As against the statutory scheme of almost total autonomy of the Board and very limited role of the Central Government in the affairs of Central Board, the actual practice is quite different. In fact almost every matter relating to personnel management including routine matters like holding of D.P.C., grant of promotion, NFSG scales, decision whether a court order would be challenged, matters related to transfers of officers and the like are referred to the Labour Ministry [that discharges the functions of Government of India in terms of Government of India (Allocation of Business) Rules, 1961 and Government of India (Transaction of Business) Rules, 1961] without any rhyme or

reason. This practice, that runs counter to the express statutory provisions, shows no sign to abatement.

Recently a proposal to upgrade certain posts of Commissioners and to draw parity with service conditions of IRS cadre, in furtherance of the mandate of Section 5D (7) (a) of the Act, was placed before the Executive Committee which was approved it unanimously. Instead of being implemented, the same was referred to the Ministry in a routine matter even though none of the contingencies envisioned in the Act for such reference, as laid out above, had occasioned. Most importantly proposals for those posts (upto Director level, as per Para 22 A of the E.P.F. Scheme, 1952), which the Board is competent to create without any reference to anyone, were also sent to the Ministry.

Now I come to the aspect of non-implementation of those decisions taken by the Central Board. The Board, in its special meeting held on September 18, 2008, had adopted the accepted recommendations of the 6th CPC for applying to its officers and employees. The E.P.F. Head Office circular dated September 18, 2008, through which the event of accepted recommendations of the 6th Central Pay Commission having been adopted by the Board for implementation in E.P.F.O. reads as follows *"The C.B.T. in its special meeting held on 18.09.2008 has adopted the Resolution No. 1/1/2008-1C dated 29.08.2008 issued by the Government of India accepting the recommendations of the 6th CPC for applying to its officers and employees."* One of the accepted 6th CPC provisions adopted by the Board requires non-functional upgradation across all scales of Group 'A' officers in E.P.F.O., by allowing them the same pay scales as allowed to a member of I.A.S. who is junior by two batches. **This provision (I.A.S. – 2 provision) is not yet implemented in E.P.F.O. in clear defiance to the Board's direction.**

It is pointed out that unpermitted references to the Ministry and non-implementation of decisions taken by the Central Board is neither an isolated event nor an intermittent activity; it is state of affairs that runs counter to the statutory scheme and creates free-for-all in E.P.F.O.

This state of affairs have many adverse implications, some of which are listed below:

- I. It is violative of the statutory scheme of the EPF Act, 1952, as elaborated above.
- II. It is destructive of autonomy and independence of the Central Board that is guaranteed through the statute and it amounts to abdication of the function and surrender of authority of the Board in the hands of Government.

- III. It amounts to unpermitted intervention in the affairs of the Board by the Central Government. This sentiment is also echoed in a recent judgment of the CAT **[Annexure I]** and affirmed by the Hon'ble Punjab and Haryana High Court **[Annexure II]** in **Chandok Case**.

- IV. It retards the process of administrative decision making and generates duplication of office work; first at all levels in E.P.F.O. and then again at all levels in the Ministry. It results into many references and counter references of little utility. Thus it creates inefficiency in the administration of the Funds, in contrast to statutory provision that created the Board for the efficient administration of the Funds.

- V. It (non-implementation of the Board's decisions in IAS-2 pay scale and other matters) lowers the authority of the Board and leads to arbitrariness and disorder in the administration of the Funds.

It is therefore requested, Sir, to take up these matters in the coming meetings of the Executive Committee and the Central Board and to set right these aberrations.

Following specific measures may be considered for implementation:

- A. The secretariat of the Central Board may be clearly defined and set up wherein the matter may go directly to the Chairman, Central Board, without being routed through any functionary of the Ministry, after the same is processed by the Central Commissioner. This secretariat may have a non-overlapping structure separate and apart from the Ministry and the Board's affairs may be dealt through this secretariat alone without any reference to the Ministry.

- B. The proposal regarding parity with IRS cadre and upgradation of posts which have already been approved in the 72nd meeting of the Executive Committee (item number 3) held on July 14, 2011, may be implemented immediately, in so far as the posts upto Director level are concerned, without waiting for the outcome of the Govt. decision. In any case the

referring the matter to the Government is a pure surplus and also counter to statutory requirements.

- C. The IAS -2 pay scales which are not implemented in the E.P.F.O., despite its adoption by the Central Board in its special meeting held on September 18, 2008, may be implemented without loss of further time.

I hope that these measures, if implemented, will go a long way in sound administration of the Funds and restoration of Constitutionalism in the affairs of the Board.

Thanking you.

Yours faithfully



Sudarshan Kumar
Secretary General
E. P. F. Officers' Association

CENTRAL BOARD OF TRUSTEES

EMPLOYEES' PROVIDENT FUND ORGANISATION [E.P.F.O.]

[ENCLOSURE-VI]

GROUP 'A' CADRE RESTRUCTURING PROPOSAL, 2013

by E.P.F. OFFICERS' ASSOCIATION

[In response to H.O. letter bearing number No. HRD/I(1)2011/Cadre Re-structuring/8818 dated August 07, 2013.]

2013

**Proposals, views, suggestions and comments
by the E.P.F. Officers' Association in respect of
Cadre of P.F. Commissioners in C.B.T./E.P.F.O.**

[In response to the HO. Letter bearing number No. HRD/I(1)2011/Cadre Re-structuring/8818 dated August 7, 2013]

The exercise of cadre review should begin with the realisation of the fact that in its existence of six decades, no cadre review was ever undertaken in C.B.T./E.P.F.O. though as per governmental direction this exercise should be undertaken every five years. The cadre of P.F. Commissioners should have been reviewed more than ten times by now. True import and ingredients of "Cadre Review", properly so called, are explained, *inter alia*, in eleven documents of/approved by the DoPT which are listed towards the end of the instant proposal. Cadre related exercise undertaken in the past – whether partial implementation of the "INTERIM REPORT ON THE RECOMMENDATIONS OF XLRI ON ORGANISATIONAL RESTRUCTURING AND H.R. POLICY" by a Sub-Committee of C.B.T. (the final report is not yet submitted since the year 2009) or yet-to-be-implemented decisions taken in the 72nd meeting (July 14, 2011) of the Executive Committee of the C.B.T. - were more in the nature of avoiding cadre review than undertaking it. This is probably the only cadre in India where out of the cadre strength of 840 odd officers, no one is (or maybe two or three who are not yet granted NFSG) in the cadre of Junior Administrative Grade (Ordinary Grade) and yet the proposal for putting Regional Commissioners-II in that grade was shelved by

the Finance Ministry (albeit under ignorance of the fact that JAG {Grade Pay 7,600} is totally vacant in a cadre of 840 odd Group 'A' officers) and obediently acceded to as final word. A small move in the form of proposal (before the 70th meeting of the E.C. on February 11, 2011) for granting Senior Administrative Grade (SAG, Grade Pay 10,000) to 15 Additional Central Commissioners in the Organisation was considered too much and the same was quietly shelved to five with remaining 10 proposed to be downgraded to an irregular grade pay of 8,900, that was finally approved by the 72nd meeting of the E.C. It was so downgraded without assigning any reason and as a result officers in C.B.T./E.P.F.O. are suffering from low morale. The sense of hurt is aggravated further when the little changes done in the past are dubbed as "cadre-review-exercise-has-been-completed".

The disposal by the Ministry of Finance is more in the nature of denial than permission and more of what can't be done than what can be done. Prohibitions are sweeping in nature and based on no principle of general application. For example, in our case humble upgradation of Regional Commissioner – II from Grade Pay of 6,600 to 7,600 (a grade that is totally vacant and occupied by none at present) is not allowed whereas in the Income Tax Department high level upgradation from SAG to the scale of 67,000-79,000 and a fantastic back-to-back double upgradation from the scale of 67,000-79,000 to 75,500-80,000 and then to Apex scale (80,000) was allowed. Comparison in the Table below explains the differential treatment.

Table I.

Sl. No.	Income Tax Dept. Cadre Restructuring (Letter from Ministry of Finance, Deptt. of Revenue bearing number F. No. A-11013/1/2013-Ad. VII dated 31 st May, 2013)	C.B.T./E.P.F.O. Cadre Changes (letter from the Ministry of Finance bearing number MoF DoE ID No. 2(30)/E.III Desk/2011 dated 09.10.2012)
1.	<i>"... permitted ... filling up of additional posts ... immediately, without awaiting amendment in the recruitment rules on the basis of model recruitment rules by DoPT."</i> [Para 2 (ii)]	<i>"The pay scale of none of the posts may be changed during the process of cadre restructuring and only the number of posts at various levels may be modified."</i> [Para 2(i)(a)]
2.	<i>"... approved the filling up of the additional posts in the HAG+ with all the existing CCsIT being placed in the HAG+ directly and thereafter a DPC being conducted to place 26 of these CCsIT in the Apex grade."</i> [Para 2(iii)]	<i>"It may be ensured that there is no increase in the overall strength of the organization in the current financial year and any increase in organizational strength (which may not exceed the number proposed) may take place only after 2012-13."</i> [Para 2(i)(b)]
3.	<i>"The number of posts in the HAG scale (67,000-79,000) to be increased from 116 to 300. CTI level officers will be placed in this scale and re-designated as Principal Commissioner/Principal Director."</i> [Para (b) of Annexure B to the letter no. D.O. F. No. HRD/CM/102/3/2009-10(Pt)/1102 dated July 02, 2013]	<i>"10 posts in the Grade Pay of Rs. 8900 (PB-4) for the 10 Zones in the country"</i> [Para 2(ii)(a)] <i>"2 posts in the Grade-Pay of Rs. 10,000 in the Headquarters."</i> [Para 2(ii)(a)] <i>"The creation of 1 post in the HAG grade of Rs. 67,000-79,000 is not agreed to at this stage"</i> [Para 2(ii)(c)]

Further, the proposal to upgrade the Regional Commissioner-II into the Grade Pay of 7,600 is well thought out and the Executive

Committee had approved it. Even this was curtailed by the Finance Ministry whereas the similar proposal in E.S.I.C. for *en bloc* upgradation of the cadre of Joint Director from the grade pay of 6,600 to 7,600 [Ministry of Labour and Employment letter bearing number S-38012/2/2008-SS.I (Vol. II) dated 01/06/2011 and the ESIC Head Office letter bearing number B-11/14/1/07-E.III (Vol.II) dated 06/06/2012] was assented to and implemented. **There can't be a principle that upgradation is allowed in the Income Tax Department and the E.S.I.C. but not in the C.B.T./E.P.F.O.**

In E.P.F.O., the part of the proposal related to the grade pay ranging upto 8,700 was not required to be sent either to the Ministry of Labour and Employment or to the Ministry of Finance as held by the Chandigarh Bench of C.A.T. (OA-400/HR/2011) and the Hon'ble Punjab and Haryana High Court in Chandok case (C.W.P.No.8438 of 2011). If the Finance Ministry disagrees to a proposal or the decision arrived at by the Central Board after thorough deliberation, the same should have been challenged at least on three grounds:

- a. that the reasons for the disagreement is not disclosed
- b. that the proposal is disposed in a differential manner as the similar proposals for upgradation was allowed in the Income Tax Deptt. and
- c. that, most importantly, the executive advice by the Ministry of Finance can't override statutory decision by the Central Board.

One page note by the Ministry of Finance, unsupported with any reason whatsoever cannot be taken as final word on the matter.

We should be open to realise and admit the fact that non-implementation of statutory provision under section 5D (7) of the

Act is responsible for the present state of affairs. The whole cadre is in complete disarray and radical overhauling is needed to streamline it. To avoid the situation like this, in the year 1988, The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (the Act) was amended (section 5D) guaranteeing parity of service condition with officers of the Central Government. If the Act was amended by the Parliament of India, it must have some purpose to serve and it is incumbent upon all of us to achieve the appointed purpose. Though the needful was done by our august Parliament some 25 years earlier, this provision of the statute is still baying for actualisation.

Clause (a) of sub-section 7 of section 5D of the Act reads *"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.

Clause (b) reads *"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.”

The said provisions were introduced with a view to ensure that conditions of service of the P.F. Commissioners of all descriptions may be equated to the similarly placed officers of the Central Government. Almost 23 years since then, first step was taken in the year 2011 when the Executive Committee of the Central Board (E.C.) in its 72nd meeting held on July 14, 2011, declared that the service condition of the P.F. Commissioners in E.P.F.O. will be equated to those of Indian Revenue Service (Income Tax). Despite such categorical statutory guarantee and elapse of more than two years since the said E.C. resolution and 25 years since the amendment of the Act, the same has not been implemented till date and the officers in E.P.F.O. continue to suffer hugely stunted service conditions compared to its peers in the Government of India.

Just to assuage the feeling of the officers and the employees of the Organisation, assurances were held out from time to time by setting up studies (XLRI Report) and constituting committees.

[viz. Sub-Committee of the C.B.T. on XLRI Report that was constituted under the authority of the C.B.T. (in its meeting held on 24.09.2007) having the mandate to *“Examine the recommendations on the cadre review in respect of officers and staff and recommend the changes, which are necessary to meet the aspirations on career growth of both the officers and staff with special emphasis in improving the administration of the Act and the Schemes.”* and *“To suggest policy timeline for subsequent cadre reviews at appropriate intervals.”*].

It is pertinent to mention here that, for this purpose, no fund is required from the Consolidated Fund of India and the whole Organisation runs from the internally generated revenue collected as Administrative Charges which has an annual excess of more than sixteen hundred crores (receipt 3663.9 crores and outgo 2046.78 crores at the end of 2012-13) and an accumulated surplus of twelve thousands four hundreds and fourty four crores of rupees lying unused in Special Deposit Account with RBI.

Despite the fact that the Organisational functions are computerised and the service delivery had improved (so hugely that against the statutory norm of thirty days claims, majority of claims are settled within three days), the management had shown little inclination in formulating or effecting Cadre Restructuring, properly so called, and implementing of service conditions as stipulated in the Act. Such persistent denial usually results into litigation by the aggrieved officers/Association as the last measure. It can legitimately be expected that any public authority or governmental organ that professes to be guided by the principle of Constitutionalism and fair play, shall not require collective or indivisual canvassing or litigation for getting a provision of the Parliamentary statute actualised.

The matter is explained in the following paragraphs:

i. **Grossly stunted and skewed cadre structure in E.P.F.O.:**

The concept of cadre review owes its origin to the recommendations made by the Administrative Reforms Commission's Report on Personnel Administration (Recommendation no. 10) released in 1969. The recommendation for periodic cadre review was accepted by the Government of

India and implemented vide the Department's O.M. No.5/1/71-PP (VI), dated the 1st February, 1971. Further, the Fifth Central Pay Commission recommended and the Central Government accepted the structure of a cadre by prescribing defined percentages of cadre strength at various levels of the service. In pursuance, the detailed Monograph on Cadre Review was published. In the light of accepted recommendations of Sixth Central Pay Commission, in the year 2010, yet another Monograph on Cadre Review was published on December 09, 2010 by the DoPT. Reiterating the earlier provisions, the D.o.P.T. vide the O.M. bearing number No. I-11011/1/2009-CRD dated December 14, 2010 provided that the strength of a cadre should ideally be distributed across various levels in the following proportion: 30% in Time Scale (Junior+ Senior); 30% in Junior Administrative Grade (Ordinary Grade), 20% in JAG (Selection Grade) i.e. NFSG, 17% in Senior Administrative Grade (SAG) and 3% in HAG, Higher HAG+ and Apex Scale together. As against it, the whole cadre in E.P.F.O. is confined upto NFSG scale only and there is no officer in SAG, HAG, HAG+ or Apex scale. Even within NFSG, almost 60% of cadre strength is scrambled into Junior Time Scale – the lowest entry level scale for Group 'A' officers. The ideal/organised services cadre structure/ratio is compared vis-a-vis that in E.P.F.O. and the same is juxtaposed below:

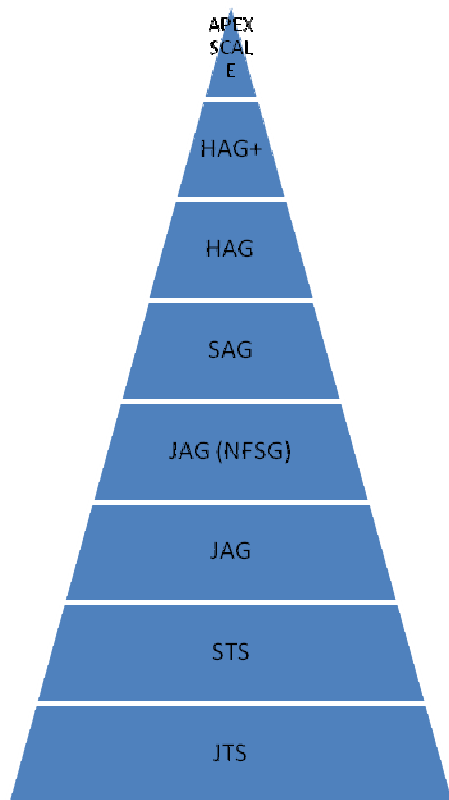
Table II:

Sl. No.	Cadre	Apex Scale/HAG+ & HAG	SAG	JAG (Functional)	JAG (NFSG)	JAG	STS	JTS
1.	Ideal/	3%	17%	0%	20%	30%	30%	

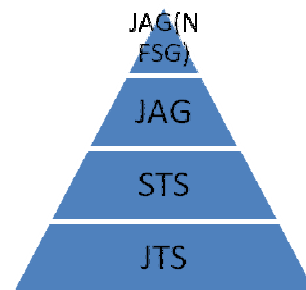
	Organised							
2.	E.P.F.O.	0%	0%	5%	22%	0%	73%	65%
								#

Of total cadre strength including JTS.

Pyramidal Comparison of Cadre Structure:



Ideal/Central Govt. Services
(Cadre Structure)



E.P.F.O.
(Cadre Structure)

From the analysis and the comparison made above it is patent that Human Resource Management is grossly mismanaged and long neglected in E.P.F.O., in breach of the statutory guarantee to the contrary.

- ii. **No cadre review ever undertaken in E.P.F.O in the last six decades.:**

“Cadre Review of Group ‘A’ Central Services, A Monograph (2010 edition)” prepared by the Cadre Review Division of the D.o.P.T. in the Section 5 titled “Objectives of a Cadre Review” reads as follows:

“The main objective of a cadre review has traditionally been to strike a healthy balance between the functional requirements and career progression. It need not be emphasized that a satisfied workforce leads to its enhanced efficiency and sense of belongingness and thereby benefits the organization immensely. Generally speaking, the objectives of a cadre review are to:

- a) estimate future manpower requirements on a scientific basis for a period of 5 years at a time;*
- b) plan recruitment in such a way as to avoid future promotional blocks and at the same time prevent gaps from building up;*
- c) restructure the cadre so as to harmonize the functional needs with the legitimate career expectations of its members; and*
- d) enhance the effectiveness of the service.”*

To this effect, sub-section (3) of Section 5D of the Act provides that *“The Central Board may appoint ... as many Provident Fund Commissioners (of various descriptions) ...as it may consider necessary for the efficient administration of the Scheme, the Pension Scheme and the Insurance Scheme.”*

The Central Board can ascertain as to how may P. F. Commissioners at what level are *“necessary for the efficient administration of (the Act) and the Schemes..”* only through the tool of cadre review prescribed by the government, as explained above.

Further, the Government of India and its administrative head – the Cabinet Secretary – has exhorted [letter bearing number D.O. No.

I-11019/6/2008-CRD dated April 29, 2008] the Cadre Controlling Authorities to undertake such exercise every five years.

It is the most glaring injustice that despite such categorical statutory provisions, C.B.T. Resolutions, accepted recommendations of the Administrative Reform Commissions, accepted recommendations by three consecutive Central Pay Commissions, Governmental directions from the Apex level and the persistent demand by the E.P.F. Officers' Association [(<http://epfoa.in/bulletin/source/BB15.pdf>),(<http://epfoa.in/bulletin/source/B45.pdf>),(<http://epfoa.in/bulletin/source/BB47.pdf>),(<http://epfoa.in/bulletin/source/BB48.pdf>),(<http://epfoa.in/bulletin/source/BB50.pdf>)], no cadre review is undertaken in the C.B.T./E.P.F.O. ever since its inception almost six decade ago.

It is in this depressing background that the invitation for suggestions is made by the Head Office to the E.P.F. Officers' Association.

Before enlisting the substantive proposals, preliminary issues of fundamental nature are listed below.

Preliminary Issues of Fundamental Nature:

A. Cadre Controlling Authority is NOT defined in C.B.T./E.P.F.O.:

As per Monograph on Cadre Review, it is the primary responsibility of the Cadre Controlling Authority to undertake cadre review and keep the cadre in proper shape. As this vital functionary is not yet defined in the E.P.F.O. the first step in the direction of cadre review should be to define a single Cadre Controlling Authority for the P.F. Commissioners of all description, as is the case in the Indian Revenue Service (Income Tax) and other Central Group 'A' Services.

B. Composition of the Cadre Review Committee in terms of D.o.P.T. O.M. bearing number No. I-11011/1/2009-CRD dated December 14, 2010 and the Monograph on Cadre Review by D.o.P.T.:

As pointed out earlier, Cadre Review Committee can be constituted only under the authority of the Cadre Controlling Authority which is not yet defined under any Rule, Regulation or Scheme applicable to the Central Board/E.P.F.O.. Further, the Cadre Review Committee has to be constituted in a manner prescribed under Para 6 of the D.o.P.T. O.M. bearing number I-11011/1/2009-CRD dated December 14, 2010 and therefore the composition of the Cadre Review Committee that may be constituted for undertaking this exercise in the C.B.T./E.P.F.O. may conform to its requirement. The Association had requested in the past [vide the letter dated December 03, 2010 (<http://epfoa.in/bulletin/source/BB32.pdf>)] for the constitution of proper Cadre Review Committee in terms of the said D.o.P.T. O.M. It may be considered whether non-adherence to this requirement may result into whole proposal being rejected on this account.

It's pertinent to point out that under Para 2. [*“Formulation of Proposal”*] of the D.o.P.T. O.M. dated December 14, 2010 requires that *“The proposal would be formulated, to the extent possible, in consultation with the representatives of service association (s)”*.

C. Quality of disposal of cadre related proposal by the Finance Ministry:

Statutory provision overridden by administrative direction;
Organisational needs were ignored: Objective of Cadre
Restructuring left unmet: No reason assigned for denial.

The Head Office letter bearing number No. HRD/I(1)2011/Cadre Re-structuring/8818 dated August 7, 2013 inviting comments from the Association reads "*In the backdrop of the above developments, I am directed to request you to offer your views /comments /opinion within the directions of the Executive Committee and Ministry of Finance.*" This letter annexes the letter from the Ministry of Finance bearing number MoF DoE ID No. 2(30)/E.III Desk/2011 dated 09.10.2012. This letter was written by the Finance Ministry in response to the reference made by the Ministry of Labour and Employment regarding proposal for upgradation and creation of certain posts in E.P.F.O.

Before the disposal by the Finance Ministry may be analysed, the facts which were not disclosed by the E.P.F.O. to the Ministry of Finance are listed:

1. That the Organisational Restructuring was never undertaken in E.P.F.O. in the last six decades despite exponential expansion of the Organisational work both horizontally and vertically.
2. That since 1952, when the Organisation came into existence, no cadre review was ever undertaken against the Government norm for undertaking this exercise every five years.
3. That there is no recruitment planning in the Organisation and in the last two decades direct recruitments were made only on five occasions and no direct recruitment is made since the year 2006.
4. That as a consequence of erratic recruitment, the whole strength of entry level Group 'A' officers i.e. Assistant P.F. Commissioners, under Direct Recruitment quota, have exhausted completely.

5. That more than 200 posts of Assistant Commissioners are vacant and out of 320 odd Assistant Commissioners in place, almost half are serving in *ad hoc* capacity.
6. That almost whole strength (253/270) of entry level Group 'A' officers of Assistant Commissioners are recruited in one go without the slightest regard to the career prospects of recruits and the resultant Organisational inefficiency.
7. That appointment/promotion on *ad hoc* basis continued upto six years as no D.P.C. was held in the Organisation for years together rendering officers ineligible for promotion on account of short "regular service".
8. That officers recruited in Group 'A' stayed in junior time scale for almost a decade before being granted the next time scale - STS.
9. That almost 90% of the total cadre strength are confined in time scale, most of which in Junior Time Scale (J.T.S.).
10. That both functional and non-functional posts exist in Selection Grade in violation of Govt. direction on the subject [DoPT O.M. bearing number No. 5/12/79-PP-II dated 31-7-1982].
11. That after grant of 30% NFSG no officer is left in the scale of Junior Administrative Grade (J.A.G.) as against the norm of 30% of the Senior Duty Post (S.D.P.).
12. That an unprecedented and unheard of situation is created in E.P.F.O. wherein the rank/post of Additional Central Commissioner is planned to be spread over three different Grade Pays of 8,700, 8,900 and 10,000.
13. That after one promotion, officers expect the next one only after a decade or a decade and a half or never.
14. That the Govt. decision to grant the pay scale of IAS officer of a particular batch, to the officers of other services, senior by two

batch than a particular batch of IAS officers, is not yet implemented since 2006.

It is in the background of the ignorance of the facts listed above that the disposal was made by the Finance Ministry. It's not difficult to find out that any disposal which is made under ignorance of the vital facts can't meet the appointed objective. Thus, it imposed sweeping ban – *“scale of none of the posts may be changed”* on upgradation – particularly on the proposal to upgrade Regional P.F. Commissioners –II from STS to JAG. The disposal reads further as herein:

“Creation of the following posts is agreed to:-

- a) 10 posts in the Grade Pay of Rs. 8900 (PB-4) for the 10 Zones in the country*
- b) 2 posts in the Grade-Pay of Rs. 10,000 in the Headquarters.*
- c) The creation of 1 post in the HAG grade of Rs. 67000-79000 is not agreed to at this stage.”*

Against the proposal for upgradation of 5 posts of Additional Central Commissioners at Head Office and the Director of the National Academy to SAG level, the Finance Ministry has agreed for two but left no cue as to how the remaining three posts of Additional Central Commissioner at the Head Office or National Academy level will do with lower level.

Similarly, assent was given for creation of posts in the Grade Pay of 8,900, though it is not the regular scale for Organised/Non-Technical services in the Central Government.

Now we examine the disposal by the Finance Ministry with reference to the provisions of the Monograph on Cadre Review of

Group 'A' Services. *"Cadre Review of Group 'A' Central Services, A Monograph (2010 edition)"* prepared by the Cadre Review Division of the D.o.P.T. Section 5 titled *"Objectives of a Cadre Review"* reads as follows:

"The main objective of a cadre review has traditionally been to strike a healthy balance between the functional requirements and career progression. It need not be emphasized that a satisfied workforce leads to its enhanced efficiency and sense of belongingness and thereby benefits the organization immensely.

Generally speaking, the objectives of a cadre review are to:

a) estimate future manpower requirements on a scientific basis for a period of 5 years at a time;

b) plan recruitment in such a way as to avoid future promotional blocks and at the same time prevent gaps from building up;

c) restructure the cadre so as to harmonize the functional needs with the legitimate career expectations of its members; and

d) enhance the effectiveness of the service."

Para 26 (*"Adverse effects of over or under recruitment"*) of the *"Monograph on Cadre Management of Group 'A' Central Services"* (first edition) prepared by the Cadre Review Division of the D.o.P.T. exhorts for taking bold action to correct the distortions created by over or under recruitment. It reads *"Where ad-hoc appointments are sizeable and have been continuing for long periods creating problems for the Cadre Authority and adversely affecting the morale of officers concerned, bold measures may have to be thought of, say in the directions of a radical restructuring of the cadre, a reassessment of promotion quotas and review of recruitment rules."*

It is very much expected that the wing of the Finance Ministry dealing with cadre review matters are in the know of these provisions of the Monograph and should abide by it irrespective of the fact that these aspects may not have been brought to its knowledge specifically by the E.P.F.O.. However, the content of the disposal is clearly at variance with the provisions cited above and squarely fails to meet the objectives underlying these provisions. Both the proposal and the disposal clearly show absence of “*bold measures*” and “*radical restructuring of the cadre*” exhorted under the Monograph which the cadre of P.F. Commissioners in the E.P.F.O. are most eligible to.

Moving further, absence of reason in support of decisions conveyed by the Finance Ministry is most glaring. No reason was given for any provision in the disposal – be it sweeping ban on upgradation, reducing proposal for five S.A.G. posts to two, allowing 8,900 grade pay not allowed in regular non-technical central services, permitting functional posts in selection grade despite existence of N.F.S.G. and denying creation of post at HAG level. Requirement of reason is all pervasive and still no effort is made as to how the said disposal meets the end of Cadre Review listed in the DoPT Monograph, as set out above.

Such sweeping restrictions appear bizarre as in a recent cadre restructuring proposal in relation to Income Tax Department, the Finance Ministry has agreed for massive upgradation and creation of posts – 300 Commissioner (I.T.) level officers were placed from SAG to HAG and re-designated as Principal Commissioner (IT) and Chief Commissioners/Directors General were placed from HAG to HAG+ and 26 of them to the apex scale by re-designating them as Principal Chief Commissioner/Principal Director General. Even in

E.S.I.C. the cadre of Joint Director was upgraded en bloc from the grade pay of 6,600 to 7,600 [Ministry of Labour and Employment letter bearing number S-38012/2/2008-SS.I (Vol. II) dated 01/06/2011 and the ESIC Head Office letter bearing number B-11/14/1/07-E.III (Vol.II) dated 06/06/2012]. Thus all those measures which the Finance Ministry gently prohibited in our case were agreed to and assented in the case of Income Tax department and the ESIC. It establishes that there exists no general principle that posts can't be upgraded under the exercise of cadre review as mentioned in the said disposal.

Finally, we examine whether, while making the disposal of cadre proposals, the Finance Ministry has abided by the principle of the supremacy of the statutory mandate. The said disposal observed that *"...the Central Board has powers to create posts upto the Grade Pay of Rs. 8,700. Ministry Of Labour & Employment is advised to consider this restructuring/creation/upgradation of posts within the delegated powers in consultation with the FA for posts upto Grade Pay of Rs. 8700."* In the paragraph that follows it writes:

"However, the same is subject to the following:-

- a) The pay scale of none of the posts may be changed during the process of cadre restructuring and only the number of posts at various levels may be modified. There is also no justification for revision of grade pay of ex-cadre posts.*
- b) It may be ensured that there is no increase in the overall strength of the organization in the current financial year and any increase in organizational strength (which may not exceed the number proposed) may take place only after 2012-13."*

It, thus, clearly acknowledged that in so far posts bearing grade pay of 8,700 are concerned, the Central Board is the sole statutory authority on the matter under E.P.F. Act, 1952. However, in the very next paragraph it circumscribes the statutory powers by providing, inter alia, that *“pay scale of none of the posts may be changed...”*. Thus, it has clearly transgressed into the area reserved by statute for the Central Board and made observations contrary to provisions under Section 5D (7) of the Act. It is the fundamental principle of jurisprudence and Constitutionalism, which is repeated and affirmed, time and over again by the Apex Court, that executive instructions can't fetter, circumscribe or override the statutory provisions.

Such disposal by the Finance Ministry that offers little help to meet functional needs of the Organisation, streamline the cadre structure or mitigate the acute stagnation, seems to have been made primarily on account of absence of disclosure of true picture of the cadre in E.P.F.O., inability to appreciate the importance of reasoned disposal, supremacy of the statutory mandate and under ignorance of Cadre Management/Review instruction from Department of Personnel and Training. It can't be a principle of the governance that the whole Organisation shall unquestioningly obey any letter from the Finance Ministry even if its content is infirm (as explained above), barely capable of objective interpretations and its adherence may have serious bearing on the functioning, performance and future growth of the Organisation. Even a Judicial order is amenable to correction or appeal if some error is apparent on its face.

For the aforesaid reasons, the Association is of the view that there is absolutely no way that the terms of the said disposal by the

Finance Ministry can achieve the objectives of cadre review in this frontline Social Security Organisation of our country. No fetter of being cribbed within the fourcorners of one page letter from the Ministry of Finance should therefore, be put on suggestions to be offered by the Association. Instead, we should move forward as per the statutory mandate under Section 5D (7) of the Act waiting implementation for almost 25 years. We must contemplate "***bold measures***" and "***radical restructuring of the cadre***" exhorted by DoPT Monograph as elaborated below under "Substantive Proposals for Cadre Review".

Substantive Proposals for Cadre Review:

I. **Structural ratio of the cadre may be adjusted to confirm the ideal cadre structure/ratio pyramid prescribed in the DoPT Monograph:**

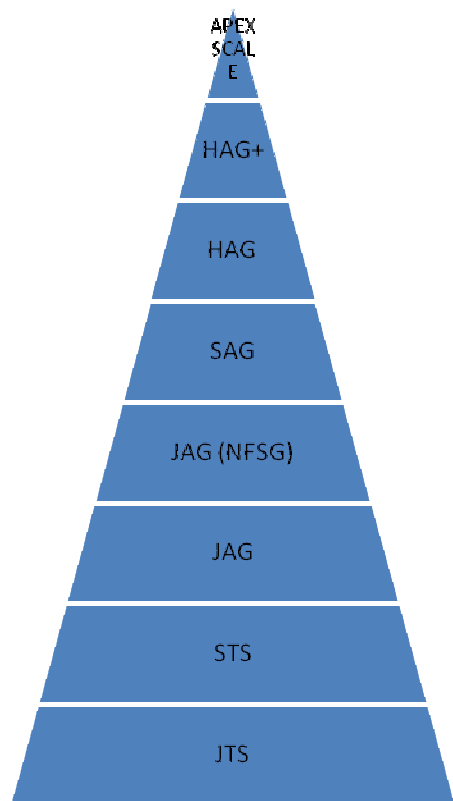
As explained in the foregoing paragraphs, the "*Cadre Review of Group A' Central Services, A Monograph (2010 edition)*" and its earlier version prepared by the Cadre Review Division of the DoPT alongwith its O.M. bearing number No. I-11011/1/2009-CRD dated December 14, 2010, provide that the strength of a cadre in the senior duty posts should ideally be distributed across various levels in this proportion: 30% in Senior Time Scale); 30% in Junior Administrative Grade (Ordinary Grade), 20% in JAG (Selection Grade) i.e. NFSG, 17% in Senior Administrative Grade (SAG) and 3% in HAG, Higher HAG+ and Apex Scale together. As against it, the whole cadre in E.P.F.O. is confined upto NFSG level and there is no officer in SAG, HAG, HAG+ or Apex scale. Even within NFSG, almost 90% of cadre strength is scrambled into Time Scale of which 75% in Junior Time Scale – the lowest entry level scale for Group

'A' officers. The ideal cadre structure of Organised Non-Technical Services of the Central Government is compared vis-a-vis that in E.P.F.O. and the same is juxtaposed below:

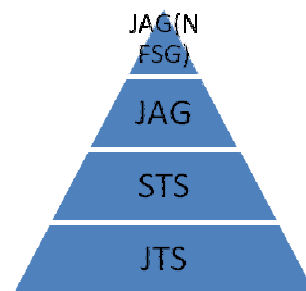
Sl. No.	Cadre	Apex Scale/HAG+ & HAG	SAG	JAG (Functional)	JAG (NFSG)	JAG	STS	JTS
1.	Ideal/ Organised	3%	17%	0%	20%	30%	30%	
2.	E.P.F.O.	0%	0%	5%	22%	0%	73%	65% #

Of total cadre strength including JTS.

Pyramidal Comparison of Cadre Structure:



Ideal/Central Govt. Services
(Cadre Structure)



E.P.F.O.
(Cadre Structure)

This comparison reveals that the cadre in E.P.F.O. is hugely bottom-heavy structure with absolutely no post at higher level - SAG and above. To analyse the matter further we take the example of Income Tax Department. There are nine distinct levels of posts and scales in the department namely, Assistant Commissioner, Deputy Commissioner, Joint Commissioner, Additional Commissioner, Commissioner, Principal Commissioner, Chief Commissioner, Principal Chief Commissioner and finally Member, C.B.D.T.. Opposed to this, there are only three categories of officers available in E.P.F.O. namely, Assistant Commissioner, Regional Commissioner and Additional Central Commissioner. Availability of limited numbers of posts/rank (only three) is the core aspect of the cadre distortion and it may be addressed by adding five more categories of posts/ranks in the Organisation. Measures suggested below may be considered to achieve the prescribed ideal cadre structure/ratio:

- A. May activate the post of Deputy P. F. Commissioner and create posts of Joint P.F. Commissioner and Additional P.F. Commissioners. Then divide the existing cadre of Regional Commissioner-II into Deputy, Joint or Additional Commissioner.

The post of Deputy P. F. Commissioner finds express mention under Section 5D (3) of the Act and the same may be activated by a resolution to this effect by the Executive Committee.

Now the creation of posts of Joint Commissioner and Additional Commissioner are explained.

Para 24A (2) of the 1952 Scheme reads as follows:

"(2) The Central Board may also, by a resolution, empower its Chairman to appoint such officers ... 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."

Sub-section (1) [of section 5D] creates the post of the Central P.F. Commissioner and sub-section (2) of the F.A. & C.A.O.. Sub-section (3) vests in the Central Board power to appoint "*such other officers...as it may consider necessary...*" apart from P. F. Commissioners of various descriptions.

This power has already been exercised in the past to divide the post of Regional P.F. Commissioner into two namely, Regional P.F. Commissioner Grade-II and Regional P.F. Commissioner Grade-I. Further, in a govt. department (Income Tax), the posts of Joint and Additional Commissioner bear the Grade Pay of 7,600 and 8,700 respectively and the Central Board is competent, under Para 22A of the 1952 Scheme, to create the posts upto 8,700 level in E.P.FO.. Thus the Central Board alongwith its Chairman are vested with enough statutory powers which need to be invoked to create the named categories of posts.

Deputy, Joint and Additional Commissioners may be placed in STS, JAG (Ordinary Grade) and JAG (NFSG) respectively as is the usual practice in the Central Government.

The pool of officers currently posted as Regional Commissioner Grade-II, may be divided into three parts and appointed/designated as Deputy P.F. Commissioner, Joint P.F. Commissioner and Additional P.F. Commissioner. Criteria for such division should be the number of years put in the Group 'A' service. Regional Commissioner-II with service length in Group 'A'

- i. four years or more but less than nine years – be designated as Deputy P.F. Commissioner
- ii. nine years or more but less than thirteen years – be designated as Joint P.F. Commissioner
- iii. thirteen years or more – be designated as Additional P.F. Commissioner.

B. Regional Commissioner-I with less than sixteen years of service in Group 'A' may be posted as Additional P.F. Commissioner.

Apart from Regional Commissioner-II with thirteen years or more length of service in Group 'A', those Regional Commissioner-I, who have not completed minimum eligibility of sixteen years of service may also be designated as Additional Commissioner and place in the scale of the Additional Commissioner i.e. 8,700 grade pay on non-functional basis.

C. Cadre strength for Joint Commissioner and Additional Commissioner may be fixed at a combined strength:

Both Joint Commissioner and Additional Commissioner are part of Junior Administrative Grade and the Additional Commissioner is posted in the NFSG segment of the JAG. In the interest of flexibility and for the reason that both posts are part of J.A.G., it is suggested that cadre strength for these two posts may be jointly ascertained to a determined figure. Thus, instead of 'x' number posts for Joint Commissioner and 'y' number of posts for Additional Commissioner; the joint cadre strength for two posts may be fixed at 'x+y'. Similar arrangement is made in the recent Income Tax Cadre restructuring where strength of these two posts are augmented from earlier 1253 and fixed jointly at 1575

http://incometaxindia.gov.in/archive/BreakingNews_Department_Order_03072013.pdf).

D. May abrogate functional scale in Selection Grade i.e. N.F.S.G (i.e. 8,700):

Presently the posts of Additional Central Commissioner and Regional Commissioner Grade-I, both are placed in Selection Grade of 8,700 grade pay. Former is placed on functional basis and the latter on Non functional basis i.e. under 30% NFSG quota as a segment of Junior Administrative grade. This arrangement in E.P.FO., is against the cadre norm laid down by the Department of Personnel & A.R. (Policy Planning Division) vide the Office Memorandum (O.M.) bearing number No. 5/12/79-PP-II dated 31-7-1982. It was through this O.M. that concept of Non-Functional Selection Grade (NFSG) was introduced as part of Junior Administrative Grade (JAG). Provisions of this O.M. are set out below:

"Central Services Group "A" where the scale of Rs. 2000-2250/- exists as a part of the cadre structure on functional basis, will not be eligible to have a non-functional Selection Grade unless the cadre controlling authorities decide to do away with the functional selection grade and opt in favour of the non-functional selection grade." [Para 3 (b)].

"In the case of these Services where Rs. 2000-2250/- exists as a Functional Selection Grade (list given in Annexure-'B') these guidelines shall apply only when the Cadre Controlling Authorities decide to do away with the functional Selection Grade and opt in favour of non-functional Selection Grade." [Para 5].

Another DoP&T O.M. bearing number No. 22/1/2000-CRD dated
June 6, 2000

(<http://ccis.nic.in/WriteReadData/CircularPortal/D2/D02adm/g.pdf>),

([https://docs.google.com/document/d/1QdVuR-](https://docs.google.com/document/d/1QdVuR-NSVh6rjhoRrWVeHyAVbDIRhIHC54rmgJ5k_wg/edit)

[NSVh6rjhoRrWVeHyAVbDIRhIHC54rmgJ5k_wg/edit](https://docs.google.com/document/d/1QdVuR-NSVh6rjhoRrWVeHyAVbDIRhIHC54rmgJ5k_wg/edit)) read with
Para 4.8 of the Monograph on Cadre Management of Group 'A'
Central Services [First version by the CADRE REVIEW DIVISION of
the D.oP.T.] reiterates the main features of Selection Grade as
below:-

*(i) Central Service Group 'A' where the scale of Rs. 14300-18300/-
exists as part of the cadre structure on functional basis will not be
eligible to have non-functional Selection Grade unless the Cadre
Controlling Authorities decide to do away with the functional
Selection Grade.*

*(ii) The non-functional Selection Grade posts should be carved out
of the Junior Administrative Grade; they thus do not represent net
additions.*

*(iii) The strength of the Selection Grade should be equal to 30% of
the senior duty post. The Selection Grade should strictly remain
non-functional and in no case be converted into functional. They
are thus personal to the officers concerned. An Officers to be
eligible to be placed in Selection Grade must have entered the
14th year of service on the 1st January of the year calculated from
the year following the year of the examination on the basis of
which he was recruited.*

(vi) ...

(vii) ...

From the above deliberation it's clear that Selection Grade can't
exist in a cadre on both functional and non-functional basis.

Though all services under Govt. of India has implemented this provision, in E.P.F.O. Selection Grade [P.B.4 with Grade Pay of Rs. 8,700/-] continue to exist both in functional as well as non-functional basis. To bring parity with other Non-Technical Central Services (now IRS (I.T.)), there should be no Selection Grade in functional scale and all Selection Grade posts should only be non-functional in nature. This can be achieved by abolishing functional posts in the grade pay of Rs. 8,700/- and the officers who are recipient of this scale on functional basis viz. Additional Central P. F. Commissioner must necessarily and inevitably be placed in the higher scale of Senior Administrative Grade (SAG) or above.

E. May scrap the proposed scale of 8,900 Grade Pay:

Grade pay of 8,900 is not a regular scale applicable to officers of Central Government. It is not available in Non-Technical Services of the Central Government. This scale is allowed only in those services where the number of ranks in a service outnumbers the regular scales. In this event officers are accommodated in the grade pay of 8,900 - an intermediate scale between JAG (NFSG 8,700) AND SAG (10,000). Keeping this in view, agenda for 70th meeting (February 11, 2011) of the Executive Committee contain proposal that all Additional Central Commissioners may be placed in SAG (10,000). Instead of approving and implementing this proposal, it was quietly shelved and the new agenda for 71st meeting of the Executive Committee proposed a reduced grade pay of 8,900 for ten out of them. This is not only contrary to the another proposal before the same meeting of the Executive Committee for parity of service condition with Indian Revenue Service (IT) but also violative of the statutory provision under Section 5D (7)(a) of the Act that

guarantees equal service conditions with (non-technical service) officers of the Central Government. The proposal for grade pay of 8,900 may, therefore, be shelved and instead all such officers may be placed in the Senior Administrative Grade of 10,000 or higher scales as proposed below.

Abrogation of functional scale in 8,700 and the irregular scale of 8,900 must be attached utmost importance and urgency as forced presence of these scales are responsible for scrambling the whole cadre within junior scales and these scales do not allow their elevation to senior levels of SAG and above.

F. Regional P.F. Commissioner, Grade-I may be redesignated as Regional P.F. Commissioner:

As proposed above, the post of Regional P.F. Commissioner-II will cease to exist with its division into three categories namely, Deputy Commissioner, Joint Commissioner and Additional Commissioner. Now it will be desirable to restore the statutory nomenclature of Regional P.F. Commissioner. As per section 5D (3) there is no Grade-I or Grade-II; it is only Regional P. F. Commissioner. Thus, there will not be Regional Commissioner of two descriptions and it will be the post of Regional P.F. Commissioner, simpliciter, as provided in the Act.

G. Regional P. F. Commissioner-I with 16 years or more in Group 'A' may be elevated to Senior Administrative Grade (SAG, Grade Pay 10,000).

The scale next to the Junior Administrative Grade is the Senior Administrative Grade and the scale post next above the proposed Additional P.F. Commissioner will be the Regional P.F.

Commissioner. Thus the Regional Commissioner will naturally be the recipient of the SAG. As per DoPT norm a minimum of 16 years of service in Group 'A' is required for elevation to SAG. As all Regional Commissioners-I have completed sixteen years of service in Group 'A' they should be placed *en bloc* in the SAG. As the power of the Central Board is limited to appointment of officers upto the Grade Pay of 8700, the appointment of Regional Commissioner in the scale of 10,000 may be done by the Central Government on the recommendation of the Central Board following the prescribed governmental procedure.

The Executive Committee of the Central Board, in its 72nd meeting, has already made the service conditions of Indian Revenue Service (Income Tax) applicable in the Central Board and therefore a Regional P.F. Commissioner-I shall be equivalent in rank to the Commissioner (I.T.) in the Income Tax department.

H. Additional Central P. F. Commissioners may be elevated to Higher Administrative Grade (H.A.G., scale 67,000-79,000).

Additional Central P.F. Commissioner is the post next above the Regional P.F. Commissioner-I and the HAG is the next higher scale to the SAG. Additional Central P.F. Commissioner should therefore naturally be placed in the HAG scale. Same process may be followed as for placing Regional P.F. Commissioners in the Senior Administrative Grade. All Additional Central P. F. Commissioners in charge of zones/states may be placed in this scale.

The constraint of requisite number of service in the next below scale may not be allowed to deny such elevation and a total number of years of service in Group 'A' may be taken as criterion for such elevation. This should be done by formulating suitable

Recruitment Rule as explained in the relevant section. Such multiple upgradation is hallmark of radical cadre restructuring required to set right the twisted cadre structure as in E.P.F.O.. There are precedents to the similar exercise. In a recent cadre restructuring implemented in the Income Tax Department, out of 116 Chief Commissioners (CCs), a total of 26 CCs [Cadre Controlling CCs-18; Directors General-7 and the DG (International Taxation)] were elevated from HAG (67,000-79000) to HAG+ (75,500-80,000) and then to Apex scale – an upgradation by two scales.

(http://incometaxindia.gov.in/archive/BreakingNews_Department_Order_03072013.pdf) &
(https://docs.google.com/document/d/1QdVuR-NSVh6rjhoRrWVeHyAVbDIRhIHC54rmgJ5k_wg/edit)

- I. **New posts of Chief P.F. Commissioner may be created in Higher Administrative Grade+ (H.A.G.+ scale 75,500-80,000) by elevating five senior most Additional P. F. Commissioners.**

Senior Additional Central P. F. Commissioners may be posted in the Head Office and they may be re-designated as Chief P.F. Commissioner. As an Additional Central P. F. Commissioner posted in the Head Office is the country head of a functional area, he should be placed in HAG+ scale in terms of Section 5D (7)(b) of the Act and consonant with equivalent post of Chief Commissioner (I.T.) in Income Tax Department.

It is emphasised that the managing Social Security is the sovereign function and Constitutional obligation of the State under the Directive Principles and the Section 5D (7) (b) of the Act provides

for taking this fact into account in deciding the rank of officers in the Central Board.

This proposal for creation of new designations is also justified on the ground that there is no point in spreading the rank/post of Additional Central Commissioner over three different Grade Pays of 8,700, 8,900 and 10,000, which is being considered at present.

- J. Posts in Apex Scale: May make statutory changes to appoint five Central Government nominees in the Central Board from the Cadre of P.F. Commissioners and all such members may be placed in the Apex Scale (80,000).

Presently the Central Board and its Executive Committee are convened once in a while and consists of members who are engaged in some other vocation. They associate with the work of the C.B.T. for few days when agenda is sent to them. In between two meetings of the C.B.T. they are usually not actively associated with affairs of the C.B.T.. Thus the work related to the E.P.F.O./Central Board does not get desired effort or attention. This situation breeds *ad hocism* in the functioning of the Central Board. Given the sovereign function and Constitutional responsibility of utmost importance that the Central Board discharge, it will be eminently gainful if some full-time exclusive members are appointed to the Board tasked with policy initiative and formulation in assigned areas and overseeing the general trend of Organisational functioning. They may take policy decisions collectively and function on the lines of Central Board of Direct Taxes. Officers most eligible to be appointed as full-time members are those who have largest experience and working knowledge of

the affairs and functioning of the E.P.F.O./C.B.T. namely, Provident Fund Commissioners of the highest grade. These five members of the Central Board may be chosen from the proposed Chief Commissioners (Social Security) and till this post is created from the existing Additional P.F. Commissioners. They will serve as permanent executive of the Board and may deal with dynamic needs of the Organisation on a continual basis. This will cut delay, improve decision making in the Organisation and make the administration of the Act and Schemes very efficient. Policy stagnation being witnessed at present in the form of non-revision of wages and long obsolescence of various statutory and Scheme provisions may be avoided with high level representation of Organisational officers in the Central Board.

- K. Director of the National Academy may be appointed as the Director General of the proposed Directorate of Training and be placed in the Apex Scale.

Training infrastructure and regime in E.P.F.O. is in real bad shape. It's extremely rudimentary in nature. An Assistant Commissioner recruited directly after graduation by the U.P.S.C. is hardly trained for few weeks and sent to field. In many cases no training is imparted at all and they are deputed for field work involving responsibility of statutory compliance, grievance handling, administrative, financial and judicial nature including powers of arrest and imprisonment. Same is situation with non-Group 'A' officials.

It is therefore proposed to create a full-fledged Directorate of Training on the lines of one in the Income Tax Department and the officer heading the Directorate may be designated as Director

General (Training). He may be placed in the Apex Scale. This structure will give help meet the training needs of the Organisation and give boost to holistic research in the matters of social security in India.

L. May assign the year of vacancy as batch of officers and put in place Annual Recruitment Plan for Group 'A' officers.

The need and importance of systematic annual recruitment plan is emphasised in the Annexure VII to "Monograph on Cadre Management of Group 'A' Central Services" prepared by the Cadre Review Division of the D.o.P.T.. Relevant provisions are set out below:

"Recruitment Planning:

18. Rate of recruitment to a cadre is essentially a function of the maintenance and growth needs of the Service. A third important factor that determines recruitment size is the quantum of 'gaps', i.e. the number of vacancies remaining unfilled for a period of one year or more. It would be convenient to discuss recruitment plan under the three main heads representing the three basic components, viz. (1) maintenance needs (ii) growth needs and (iii) gaps. While drawing up the recruitment plan, promotion prospects will also have to be kept in view.

Adverse effects of over or under recruitment:

26. Under recruitment and ad-hoc appointments should be avoided as far as possible, as these will create distortions in the cadre. In any case, it should be ensured that ad-hoc appointments do not persist for more than a year at the most. Where ad-hoc appointments are sizeable and have been continuing for long

periods creating problems for the Cadre Authority and adversely affecting the morale of officers concerned, bold measures may have to be thought of, say in the directions of a radical restructuring of the cadre, a reassessment of promotion quotas and review of recruitment rules.

Over recruitment is as harmful, if not more, as under recruitment. The former leads to future blockades in promotions. The scope of undoing the damages done by past over-recruitment is very limited. The first objective of recruitment planning should, therefore, be to ensure that recruitment is made regularly every year and the rate of annual intake by direct recruitment and promotion from Group 'B' is kept within a fixed optimum rate. A study carried out by the Cadre Review Division has indicated that the optimum rate of annual intake should be 3% of the authorised cadre strength. If a cadre is suffering from gross under recruitments in the past, the aforesaid optimum rate may fall short of the number required to fill the big gap in the cadre. A special method should be adopted on a one-time basis to ensure that gap is filled without creating future blockades in promotion. An appropriate method would be to hold a limited departmental competitive examination of the eligible Group 'B' officers for filling the gap by promotion."

"Need for advance planning of personnel requirements:

8. The need for advance planning of the requirements of personnel is to be stressed for following reasons:-

a) Timely recruitment of personnel in adequate numbers is essential to prepare them for future deployment.

b) The process of getting the new posts sanctioned is time consuming.

c) In the absence of advance planning of manpower requirements, there may be violent fluctuations from time to time in the rate or recruitment with obvious adverse effects on the quality of recruits and cadre management.

"7. The basic objectives of periodical review of a cadre are as follow:-

a) To make advance projections of requirements of personnel for the next three years and to plan recruitment programme on a scientific basis..".

As a matter of fact, in E.P.F.O., vacancies are allowed to accumulate over multiple years and then bulk recruitment is made in one year. At present, more than 200 vacancies are there in the post of Assistant Commissioners and out of 320 odd Assistant Commissioners in place, almost half are serving on *ad hoc* basis. Large-scale recruitment of 130 odd officers in the entry cadre of Group 'A' - Assistant Commissioner - was resorted to in the year 1998 followed by no recruitment for next four years. Similarly the last recruitment of Assistant Commissioners is made in E.P.F.O. some seven years ago in the year 2006. Recruitments in the cadre of Assistant Commissioners are made only thrice in the last ten years – 1998, 2003 and 2006. In a move without precedence, almost whole strength of Assistant Commissioners numbering 253 are recruited in one go this year which will require unforeseen manoeuvring for securing any modicum of career to young recruits in this Organisation. It is obvious that all principle laid

down by D.o.P.T. are given a go by and recruitment of Group 'A' officers are conducted in as irregular a manner as possible.

To mitigate the rigour, it is proposed that when bulk recruitment is made in a year for vacancies accumulated over two or more previous years then, in order of their ranks, a particular number of recruits equal in number of vacancies of the earliest year may be assigned the batch year same as the vacancy year. For example, vacancy of 15 and 17 Assistant Commissioners arose in the years 1997 and 1998 respectively and a total of 32 Assistant Commissioners were recruited in the following year 1999. In this case first fifteen of the recruits shall be assigned 1997 batch and the next 17, 1998. For the reasons dealt in detail in the foregoing paragraph such arrangement will reduce the rigour of bulk recruitment and shall also be in sync with the "*bold*" measures suggested by DoPT in cases of bulk/accumulated recruitments.

Annual recruitment plan may also be put in place for the cadre of E.O./A.O who serve as feeder cadre for 50% quota of Assistant Commissioner that is filled through promotion. Recruitment of E.O./A.O. is no less erratic than of Assistant Commissioner.

II. May amend the upper age limit and other eligibility for direct recruitment of Assistant P.F. Commissioners to match the eligibility for Civil Services exam and recruitment be made through Civil Services Examination.

Upper age limit for recruitment of Assistant P.F. Commissioner is 35. Higher age limit for direct recruitment is prescribed in those cases where the eligibility requires certain number of years of prior work experience. The eligibility for Assistant Commissioners

recruited through UPSC is graduation degree and no prior work experience is required. There is, therefore, no justification for keeping the upper age limit at 35 which is very high by any standards. As the lower age limit is 21, a range of 14 years is applicable to the direct recruit. This created difficulty in managing coherent cadre structure and creates uneven manpower composition.

Further, in the eligibility criteria for recruitment of Assistant Commissioners, a degree or experience in Labour Law is indicated as desirable qualification. Such conditions in the eligibility restrict the pool of potential applicants thereby lowering the quality of recruits through open competitive examination. Utility of such qualification may be examined in the light of the fact that there is no such desirable qualification for other services conducted through Civil Services examination though they are recruited to administer many laws of complex nature.

The proposal for recruitment of Assistant Commissioners through Civil Services exam, if implemented, will help ensure that annual recruitment plan is indeed implemented. It will lessen the burden of UPSC in managing the annual schedule of examination and will avoid the requirement to conduct a separate exam for 20/30 Assistant Commissioners each year for which lakhs apply.

III. May formulate Integrated Recruitment/Service Rule with liberal relaxations and NO DEPUTATION CLAUSES:

In this Organisation recruitment was made at irregular intervals and DPC was not held and service was not regularised for years together. Appointment and promotion was continued on *ad hoc*

basis without any periodical review. There were also instances of appointment of Enforcement Officers/Accounts Officers to the post of Assistant Commissioner on, unheard of, "*current charge basis*" (where not only services were not considered regular but even the salary attached to the post of Assistant Commissioner was not allowed: Reference – H.O. letters bearing number HRM-I/A-10(7)2004/833 dated 02/04/2004 and HRM-I/A-10(7)2004/3120 dated 15/04/2004 and R.O. Kolkata letters bearing number T-69 dated 13/05/2004 and T-83 dated 18/05/2004). It was so because no DPC was held for years together say six years. To take an example, the DPC for the post of Regional Commissioner-II was held in the year 2004 and the next one in the year 2010, despite availability in abundance of eligible Assistant Commissioners with regular service ranging from five to eleven years. Taking eligibility of five years regular service as per existing R.R., no Assistant Commissioner shall be eligible for promotion to Regional Commissioner-II till the year 2015. Same with all other cadres. As a result, unique situation prevails in the Organisation where officer at no level is eligible to be promoted to the next higher level as they all have lesser years of regular service than required under the existing Recruitments Rule.

Under such circumstances there are two options to fill the vacancy.

- i. through deputation by inviting application from outside, or
- ii. through providing liberal provisions in the R.R. or relaxation of existing conditions of qualifying service.

If deputation is resorted to the officers of the Organisation will be wronged doubly – first by denial of regular promotion and then allowing outside officers to occupy higher posts in the Organisation which legitimately belong to the officers of the

Organisation. Further, at present, Recruitment Rules are in a fragmented state with one for each description of P.F. Commissioner. Thus the only equitable course of action available in this circumstance is draft a single integrated Recruitment Rule for P.F. Commissioners of all descriptions as per Cadre Review Monograph and the guidelines laid down by the D.o.P.T. vide the O.M. bearing number AB.14017/48/2010-Estt..(RR) dated December 31, 2010 and after taking the unique circumstances into account.

Therefore, following provisions are recommended in Recruitment Rules:

- a. Eligibility requirement of a particular number of years of regular service at one below level should be substituted by a particular number of years of service – whether regular, *ad hoc* or “current charge basis” - in Group ‘A’

OR

the number of years between the year of vacancy against which appointment is made and the year of appointment for which panel of select list is drawn– whichever is earlier.

- b. Eligibility for promotion should be defines in terms of certain number of years of service in the next below SCALE and not the next below POST (in other Non-Technical Central Govt. Services Service Rules are defined as suggested).

In no case provision for deputation should be allowed at any level in Group ‘A’. This provision militates against the very idea of the cadre of P.F. Commissioners manning the Central Board.

A model integrated R.R. for the cadre of P.F. Commissioners [Annexure-III], as per currently available posts, prepared by the

E.P.F.

Officers’

Association

<http://epfoa.in/bulletin/source/Draft%20service%20rule.pdf>) may be considered for adoption.

IV. May effect structural changes in the Organisation:

A. May Create various Directorates as below;

Organisational structure may be unbundled and following Directorates may be created in the interest of specialization and efficiency.

- i. Directorate of Human Resource Development
- ii. Directorate of Administration
- iii. Directorate of Training
- iv. Directorate of Investigation
- v. Directorate of Estate
- vi. Directorate of International Workers
- vii. Directorate of Audit
- viii. Directorate of Systems
- ix. Directorate of Legal Services & Research and
- x. Directorate of Vigilance

Each wing in the Head Office headed by an Additional Central P.F. Commissioner may be converted into directorate thereby creating Directorates of Pension, Compliance, Recovery, Customer Services, Publicity and the like.

For these changes we may study the structural pattern in Income Tax and other departments in the Central Government. These changes will make functioning of the Organisation systematic and effective and will create opportunity for promotion at the highest levels.

B. May define threshold of geographical spread or membership to open new Regional and sub-Regional Offices and split all big R.Os and SROs into multiple units:

In metropolitan cities, Regional and Sub-regional offices cater to huge number of subscribers and establishment. This results into poor services and ineffective compliance. All metropolitan offices are examples of this malady. It may be considered to open new Regional offices once membership for an office crosses five lakh subject to maximum geographical spread consists of ten administrative districts. Similarly for Qualification for opening the Sub-regional offices may be lowered to the membership of three lakhs subject to geographical spread of a maximum of five districts. There is strong empirical evidence that in the Organisation small offices have consistently performed better than bigger offices. Proposals made in the XLRI report may be referred to in this connection.

C. May designate Regional or sub-regional offices to be headed by officers of different levels.

Presently many sub-regional offices in the metropolitan cities having large memberships are headed by a relatively junior officer in the time scale. Such offices should have ideally been divided into multiple regional and sub-regional offices each headed by an officer of commensurate rank e.g.. Joint Commissioner [JAG (Ordinary Grade)], Additional Commissioner [JAG (NFSG)] or Regional Commissioner (SAG), depending upon the importance of the office concerned, arrived at by factoring in aspects like member strength, metropolitan region, industrial area, high-end corporate units within jurisdiction and the like.

It may also be considered that the concept of Regional or Sub-Regional offices may be substituted by designating all offices as Regional Offices only but of different grade like Regional Office Grade I will mean Regional office of highest order to be headed by Regional Commissioners (SAG level). Similarly Regional Offices Grade II and Grade III may be headed by Additional or Joint Commissioners.

Categorisation of offices to be headed by officers of different rank is a necessity to achieve structural ratio and threshold analysis as prescribed by DoPT Monograph on Cadre Review.

D. May reduce the spread of local jurisdictional of Additional Central P.F. Commissioner.

Presently there is huge disparity among the jurisdiction of Additional Central P.F. Commissioners in terms of territorial spread and membership. There are many states which include metropolitan cities which alone create huge membership sufficient for the office of one Additional Central Commissioner. Similarly industrialised states in the western and southern parts of our country need to be divided into smaller territorial jurisdictions for Additional Central Commissioners in the field. On the other hand, whole North-East Region (NER) of the country, though it consists of huge swath of countryside and eight states, does not have an exclusive jurisdiction for an Additional Central Commissioner. Considering these aspects territorial jurisdictions of an Additional Central Commissioner may be reduced with a maximum of one state under jurisdiction with the exception only in cases of smaller states within NER wherein whole NER may be put in the charge of one Additional Central P.F. Commissioner. This structure shall not

only unleash efficiency but will also help achieve better structural ratio of the cadre.

E. May create posts of Chief Engineer in each Zone.

Fixed assets in terms of office and residential land and building, including conference halls, guest houses, holiday homes, recreation centres, community halls e.t.c, are grossly inadequate and of poor quality and measure in our Organisation. Massive infrastructure development may, therefore, be undertaken in our Organisation on mission mode. It will require the creation of full-fledged Directorate of Estate to be manned adequately at appropriate level. For swift acquisition and construction of quality infrastructure, post of Chief Engineers may be created in each Zone, with adequate supporting pool of engineers of different levels and work areas, analogous to the territorial jurisdiction of Additional Central Commissioner.

F. May vest in Additional Central Commissioners appellate powers against orders in quasi-judicial proceedings:

V. May convert C.B.T/E.P.F.O. into a full-fledged independent Department of Central Government – Department of Social Security and the cadre of P.F. Commissioners into a new Service – Indian Social Security Service.

This proposal may be officially brought to the notice of the Cabinet Secretariat and to consider the statutory and changes required for this transition a high-powered committee may be constituted by the Cabinet Secretary. If required, other wings of the Central

Government like ESIC, which render duplicate or similar social security services in scattered manner, may be identified and merged into the proposed "Department of Social Security". It should be made into an independent department as is the case with some departments like Department of Space or of Nuclear Energy. In a decade or so India will be the most populous nation in the world and at the same time a sizeable part of its population will start ageing. Social Security system in our country require complete overhaul to equip us better to serve the needs of the countrymen and senior citizens in a holistic and effective manner. Social Security is the *sine qua non* of the Sovereign State Function.

VI. May change all designations from "Provident Fund" to "Social Security".

Designations may be named as Assistant/Deputy/Regional/Additional Central Commissioner (Social Security) in substitution of the existing ones. This will reflect the reality better because the pension services provided by the Central Board are increasingly acquiring prominence as the core component of social security.

VII. Cadre Review of other officials/wings.

Information Services Division:

At present many technical support persons are manning the computer/system section in our offices having free access to system information and data. System data are sensitive in nature and its safekeeping requires that outsourced persons should have no access to them. It is, therefore, proposed that the outsourced personnel manning system/computer section may be removed

and the same may be substituted by regular officials of the Information Services division. Present cadres of D.P.A. and Programmer may be merged into one and the new cadre may be created and designated as the Cadre of Technical Officer in the grade pay of 4,800 with time bound escalation to grade pay of 5,400 in P.B.-2 in line with what is proposed for the cadre of E.O.. Within I.S. division, functions may be segregated into specialized work areas viz. I.T. (Development), I.T. (Security), I.T (Innovation), Hardware, Software, Networking and the like, to improve efficiency. Once this is done the requirement of number of posts at various levels may be reassessed and filled. Selection criteria for IS cadre officials involve possession of technical knowledge and degree and therefore the quality applicants can be attracted only by offering them remunerative pay scales. Since the whole Organisational function has shifted from manual to computerized system, morale of officials/officers manning IS division is crucial for better Organisational efficiency. and therefore the care review need of the IS division may be taken up with due urgency. Service conditions and promotional prospects of officials/officers posted in Systems/Information Services [DPA, Programmer, A.D. (IS), D.D.(IS)] may be undertaken on the lines of what is prevalent in the Income Tax Department.

Rajbhasha wing:

Officers/officials in Rajbhasha wing may be restructured in terms of direction issued by the Rajbhasha Wing of the Ministry of Home Affairs.

E.O./A.O.

Enforcement Officers/Accounts Officers may be upgraded in 4,800 grade pay with timely upgradation after four year in the

grade pay of 5,400 in Pay Band-2. Cadre of E.O. may be separated from A.O. and E.O. may be recruited exclusively through direct recruitment or departmental exam. Feeder cadre to Assistant Commissioner should be reserved only for E.O. and not for A.O.

PA./P.S.

Enough number of P.A./P.S. may be recruited to provide support to officers and everytime officers are recruited, in suitable proportion P.A./P.S should also be promoted/recruited. The cadre of Personal Secretaries may be removed from the feeder cadre for Assistant Commissioners. This provision is most bizarre as a P.S. cadre is a cadre of support staff who doesn't discharge functions of administering the Act or scheme. Sudden elevation of a P.S. to Assistant Commissioner doesn't suit needs of functional composition of the cadre of Assistant Commissioner nor does it appeal to reason.

VIII. May convene a joint meeting of senior officials in C.B.T., Ministry of Labour and Employment, Deptt. of Expenditure, DoPT, U.P.S.C. and Cabinet Secretariat for bold and radical cadre restructuring:

Experiences in the past show that the restructuring proposed were feeble in nature which may be partially based in the fear that an adequate restructuring may look bold and the same may not pass muster with Finance Ministry, DoPT or U.P.S.C. On the other hand, the grave situation in the E.P.F.O. is neither communicated nor appreciated in full measure by the authorities concerned who consider the proposals severally and in isolation. To make sense of the whole exercise it is incumbent on us that the proposals are considered in conjunction with its difficult background. It is,

therefore, suggested that the real picture summarised as fourteen points, listed below, may be brought to the knowledge of all the authorities concerned with the exercise of Cadre Restructuring in the Central Board.

1. That the Organisational Restructuring was never undertaken in E.P.F.O. in the last six decades despite exponential expansion of the Organisational work both horizontally and vertically.
2. That since 1952, when the Organisation came into existence, no cadre review was ever undertaken against the Government norm for undertaking this exercise every five years.
3. That there is no recruitment planning in the Organisation and in the last two decades direct recruitments were made only on five occasions and no direct recruitment is made since the year 2006.
4. That as a consequence of erratic recruitment, the whole strength of entry level Group 'A' officers i.e. Assistant P.F. Commissioners, under Direct Recruitment quota, have exhausted completely.
5. That more than 200 posts of Assistant Commissioners are vacant and out of 320 odd Assistant Commissioners in place, almost half are serving in *ad hoc* capacity.
6. That almost whole strength (253/270) of entry level Group 'A' officers of Assistant Commissioners are recruited in one go without the slightest regard to the career prospects of recruits and the resultant Organisational inefficiency.
7. That appointment/promotion on *ad hoc* basis continued upto six years as no D.P.C. was held in the Organisation for years together rendering officers ineligible for promotion on account of short "regular service".
8. That officers recruited in Group 'A' stayed in junior time scale for almost a decade before being granted the next time scale - STS.

9. That almost 90% of the total cadre strength are confined in time scale, most of which in Junior Time Scale (J.T.S.).
10. That both functional and non-functional posts exist in Selection Grade in violation of Govt. direction on the subject [DoPT O.M. bearing number No. 5/12/79-PP-II dated 31-7-1982].
11. That after grant of 30% NFSG no officer is left in the scale of Junior Administrative Grade (J.A.G.) as against the norm of 30% of the Senior Duty Post (S.D.P.).
12. That an unprecedented and unheard of situation is created in E.P.F.O. wherein the rank/post of Additional Central Commissioner is planned to be spread over three different Grade Pays of 8,700, 8,900 and 10,000.
13. That after one promotion, officers expect the next one only after a decade or a decade and a half or never, and
14. That the Govt. decision to grant the pay scale of IAS officer of a particular batch, to the officers of other services, senior by two batch than a particular batch of IAS officers, is not yet implemented since 2006.

These authorities are the Central Board and its Chairman and the Executive Committee themselves, the Members of the Central Board, the Ministry of Labour and Employment, the Department of Expenditure, the Department of Personnel and Training and the UPSC. This should also be brought to the knowledge of the Cabinet Secretary – the executive head of Central Government with reference to his letter bearing no. number D.O. No. I-11019/6/2008-CRD dated April 29, 2008. Once these facts are brought to their knowledge and a joint meeting is held they may realise the gravity of the situation and agree to “*bold*” or “*radical cadre restructuring*”, as required under the DoPT Monograph, to

address the situation like this. The authorities who are interested in the level of performance of the E.P.F.O. should also be made aware of H.R., recruitment and cadre mismanagement in the Organisation to help them understand as to what is holding the E.P.F.O. back. The cadre issue has reached such a level that it should cease to be an in-house affairs of the C.B.T./E.P.F.O. and the Ministry of Labour and Employment and all stake-holders should jointly push a radical proposal through. The instant proposal of the Association should be placed for consideration in the said joint meeting.

IX. May immediately implement approved proposals upto 8,700 grade pay.

Pending the formulation of the cadre restructuring as suggested herein, proposals approved by the Executive Committee in its 72nd meeting (on July 14, 2011) may be approved upto the level of Grade Pay of 8,700, which is completely within the statutory powers of the Central Board.

X. May undertake Cadre Review in terms of provisions in the following documents:

- a. *"Monograph on Cadre Management of Group 'A' Central Services"* (first edition) (<http://persmin.nic.in/DOPT/CSWing/CRDivision/main2.html#contents> OR <http://epfoa.in/bulletin/source/BB25.pdf>)
- b. *"Cadre Review of Group 'A' Central Services, A Monograph (2010 edition)"* (http://persmin.nic.in/DOPT/CSWing/CRDivision/CRD_Monograph_2010.pdf OR http://epfoa.in/bulletin/source/Cadre%20Review%20Monograph_2010.pdf)

- c. Department of Personnel & A.R. (Policy Planning Division) O.M. bearing number No. 5/12/79-PP-II dated 31-7-1982 [It was through this O.M. that concept of Non-Functional Selection Grade (NFSG) was introduced as part of Junior Administrative Grade (JAG)].
- d. "Grant of Non-Functional Selection Grade to the Organized Group A Central Services- increase in percentage ceiling" No. 22/1/2000-CRD dated 06/06/2000 (<http://ccis.nic.in/WriteReadData/CircularPortal/D2/D02adm/g.pdf>)
- e. Latest directions of Cabinet Secretary dated April 29, 2008 (<http://persmin.nic.in/DOPT/CSWing/CRDivision/Directcabsecy.pdf>)
- f. D.o.P.T. O.M. bearing number No. I-11011/1/2009-CRD dated December 14, 2010. (<http://ccis.nic.in/WriteReadData/CircularPortal/D2/D02adm/gg.pdf>)
- g. D.o.P.T. vide the O.M. bearing number AB.14017/48/2010-Estt.(RR) dated December 31, 2010. (http://ccis.nic.in/WriteReadData/CircularPortal/D2/D02est/AB.14017_48_2010-Estt.-RR.pdf)
- h. "Threshold analysis and statistical profile of Central Group 'A' Services" by DoPT (http://persmin.nic.in/DOPT/CSWing/CRDivision/Nontech_Threshold_010711.pdf)
- i. Provision of reserve posts in Organized Central Group 'A' Services No. I-11019/2/2013-CRD dated 11/02/2013. (<http://ccis.nic.in/WriteReadData/CircularPortal/D2/D02adm/Reserve.pdf>)
- j. "Guidelines to be followed by the Cadre Controlling Authorities while formulating proposals for cadre review of Group 'A' Services" (<http://persmin.nic.in/DOPT/CSWing/CRDivision/guidelines.htm>).
- k. Cadre restructuring approved in the Income Tax Department in the month of May 2013. (http://incometaxindia.gov.in/archive/BreakingNews_Department_Order_03072013.pdf) & (https://docs.google.com/document/d/1OdvuR-NSVh6rjhoRrWVeHyAVbDIRhIHC54rmgJ5k_wg/edit)

All these documents are prepared or approved by the Cadre Review Division of the DoPT and includes collation of information in 22 forms (form IA to IX-A in year 2010 Monograph) and 21 checkpoints.

Conclusion:

Earlier, in terms of the direction of the Central Commissioner contained in the Minutes (dated August 19, 2010) of the Meeting held on July 06, 2010 between the Central Commissioner and the E.P.F. Officers' Association, the Cadre Review Proposal dated March 11, 2011 was formulated by the Association and forwarded to the Chairman of the Central Board, Chairman of the Executive Committee of the Central Board and the Central Commissioner and Chief Executive Officer of the Central Board. In addition to the proposals made herein the Association reiterates the proposals contained in the "Final Proposal of Cadre Review" dated March 11, 2011 and the same be treated the integral part of the instant proposal. In case of inconsistency between the proposals made herein and those made earlier (dated March 11 2011), the ones proposed herein may be taken to prevail over the March 2011 proposals to the extent of incongruence.

Para 26 ("Adverse effects of over or under recruitment") of the first DoPT Monograph on Cadre Review is of unique relevance to our situation and even at the cost of repetition this provision is again set out below:

"Where ad-hoc appointments are sizeable and have been continuing for long periods creating problems for the Cadre

Authority and adversely affecting the morale of officers concerned, bold measures may have to be thought of, say in the directions of a radical restructuring of the cadre, a reassessment of promotion quotas and review of recruitment rules."

Such bold measures is displayed and radical restructuring is undertaken recently in reviewing IRS cadre in Income Tax department where the approved cadre proposals were implemented without waiting for changes in Recruitment Rules, without holding DPC for upgradation and without waiting for the current financial year to end, even without any such emergency as obtains in E.P.F.O.. As the Executive Committee has already approved that the service condition as applicable to I.R.S. (I.T.), it's time to implement the "*bold measures*" for "*radical restructuring of the cadre*".

Ph: 0361-2461191
Fax: 0361- 2529265

E-mail: epfoaindia@gmail.com
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, RPF-C-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</p> <p>(South) Paritosh Kumar, A.P.F.C</p> <p>(East) Shekhar Kumar, RPF-C-II</p> <p>(West) Ravindra Shinde, A.P.F.C.</p> <p><u>MEMBERS:</u> (North) Rina Mandal, R.P.F.C-II</p> <p>(South) N Kishore Kumar, A.P.F.C</p> <p>(East) R.K.Sinha , A.P.F.C</p> <p>(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>i.) Tenure (continuous) of an Assistant Commissioner "<i>at one</i></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
E. P. F. Officers' Association



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State Bank of India
Corporate Centre - Mumbai

e-Circular

P&HRD.
Sl. No. : 319/2012 - 13
Circular No. : CDO/P&HRD-PM/20/2012 - 13
Tuesday, July 03, 2012.
12 Aashadh 1934 (S).

All LHOs/Offices/CC Establishments of State Bank of India

Madam/Dear Sir,

STAFF : SUPERVISING **REVISION IN RENTAL CEILINGS FOR** **LEASED ACCOMMODATION/ CAR PARKING CHARGES/** **MAINTENANCE CHARGES**

The rental ceilings for leased accommodation provided to officers in JMGS-I to SMGS-V were last revised w.e.f. 1.1.2011 and for officers in TEGS-VI & VII were last revised w.e.f. 1.4.2011 vide circular no. CDO/P&HRD-PM/3/2011-12 dated 6th April, 2011. The rental ceilings for Mumbai and New Delhi was revised vide circular no. CDP/P&HRD-PM/2/2012-13 dated 9th April, 2012.

2. In the recently held CDO Conference at Kolkata on 12th and 13th May, 2012, which was attended by Circle DGM&CDOs we have received feedback that after establishment of B&Os at centres categorised as 'A' & 'B' Category, the officials of various grades posted there are finding it difficult to take houses on lease befitting their status within the present rental ceilings prescribed for the centres. Further, officers posted in project area centres are also facing the same problems.

3. It has therefore, been decided :-

- i) that the rental ceilings applicable to 'A' Category centre shall be applicable at centres where B&Os (if not in major 'A') have been established and also for Project Area centres.
- (ii) that state capitals situated in "other than major 'A' centres", the rental ceilings applicable shall be that of 'A' category centres.

(iii) In the composite areas of New Delhi (including Gurgaon) consisting Noida, Gaziabad and Faridabad, the rental ceilings applicable will be of New Delhi and for Maharajpur, Loni and Ballabhgarh the rental ceilings of Major 'A' category shall be applicable.

4. It has also been decided to club the car parking and maintenance charges prescribed separately earlier **The revised rental ceilings are inclusive of car parking and maintenance charges.** Out of the total entitlement, a maximum 25% of the rental amount will be available for car parking/maintenance charges / security charges/society charges.

5. The revised lease rental ceilings for all centres except Mumbai and New Delhi are as per **Annexure-'A'** and for Mumbai and New Delhi as per **Annexure-'B'**

6. It has also been decided to revise lease rental ceilings for officers placed in assignments as DGM (B&O), Head of MCG/CAG, DGMs heading CAG/MCG branches, Regional Managers, Branch Managers, Head of CPCs, Manager of Divisions, Relationship Managers, RMMEs and RMSEs as per their grades as follows:

(i) Rental ceilings applicable for such officers for all centres except Mumbai and New Delhi are as per **Annexure-'C'**.

(ii) Rental ceilings applicable for such officers for Mumbai and New Delhi are as per **Annexure-'D'**.

(iii) The officers who are entitled to higher rental ceilings by virtue of their posting will continue to be eligible for the same ceiling if transferred to a different position in the same centre provided he continues to occupy the same house. In case of change of house, his entitlement as per his posting will be applicable

(iv) For officer in Scale TEGS-VI and VII posted in Circles, Verticals and Business Groups, the CGM of the Circle and CGM of Vertical/Business group, respectively, will be the competent authority to allow additional rent of Rs.2000/- per month over and above the prescribed rental ceilings. For TEGSS-I officials, the Group Executive will be the competent authority to approve additional rent of Rs. 2000/- p.m. over the applicable ceiling. However, the above discretion shall be exercised only if suitable accommodation befitting the image of the Bank is not available within the prescribed rental ceilings.

7. The other instructions issued in the matter earlier from time to time shall remain unchanged. The revision of rental ceilings will be effective from **1st July, 2012.**

Yours faithfully,

**For Dy. Managing Director &
Corporate Development Officer**

Annexure 'A'

PROPOSED REVISED RENTAL CEILINGS FOR LEASED ACCOMMODATIONS
Inclusive of car parking and maintenance charges

(Rs p.m.)

Grade/ Scale	Major 'A' *		'A Category'		'B' Category		'C' Category	
	Exst. #	Prop.#	Exst.#	Prop.#	Exst.#	Prop.#	Exst.#	Prop.
TEGSS-I	--	52000	--	37000	--	29000	--	22000
VII	39500	50000	26800	35000	20200	27000	14250	20000
VI	35300	40000	21100	30000	15000	20000	10250	17000
V	22700	29000	15000	23000	9500	16000	7150	13000
IV	21300	26000	14300	21000	8900	14000	6450	12000
III	19900	23000	13300	18000	8500	12000	6150	11000
II	19200	21000	13000	16000	8200	11000	5550	9000
I	18500	20000	12300	15000	7800	10000	5350	8000

* Kolkata, Chennai, Ahmedabad, Bangalore and Hyderabad
Inclusive of car parking/ maintenance/security charges

Annexure 'B'

PROPOSED REVISED RENTAL CEILINGS FOR LEASED ACCOMMODATIONS
Inclusive of car parking and maintenance charges

MUMBAI

(Rs p.m.)

Grade/ Scale	Ceiling
TEGSS-I	81500
VII	79500
VI	74500
V	49500
IV	39500
III	34500
II	32500
I	29500

NEW DELHI

Grade/ Scale	Ceiling
TEGSS-I	76500
VII	74500
VI	64500
V	39500
IV	32500
III	29500
II	27000
I	26500

Annexure 'C'

PROPOSED REVISED RENTAL CEILINGS FOR LEASED ACCOMMODATIONS
Inclusive of car parking and maintenance charges
FOR DGM(B&O)/DGM HEADING MCG/CAG BRANCHES/REGIONAL MANAGERS/BRANCH MANAGERS
ETC.

(Rs p.m.)

Grade/ Scale	Major 'A' *		'A Category'		'B' Category		'C' Category	
	Exst.#	Prop.#	Exst.#	Prop.#	Exst.#	Prop.#	Exst.#	Prop.#
TEGSS-I	--	54000	--	39000	--	31000	--	24000
VII	39500	52000	26800	37000	20200	29000	14250	22000
VI	35300	42000	21100	32000	15000	22000	10250	19000
V	22700	31000	15000	25000	9500	18000	7150	15000
IV	21300	28000	14300	23000	8900	16000	6450	14000
III	19900	24000	13300	19000	8500	13000	6150	12000
II	19200	22000	13000	17000	8200	12000	5550	10000
I	18500	21000	12300	16000	7800	11000	5350	9000

* Kolkata, Chennai, Ahmedabad, Bangalore and Hyderabad
Inclusive of car parking/ maintenance/security charges

Annexure 'D'

PROPOSED REVISED RENTAL CEILINGS FOR LEASED ACCOMMODATIONS
Inclusive of car parking / maintenance charges/security charges
FOR DGM(B&O)/DGM HEADING MCG/CAG BRANCHES/REGIONAL MANAGERS/
BRANCH MANAGERS ETC (Rs p.m.)

MUMBAI

Grade/ Scale	ceiling
TEGSS-I	83500
VII	81500
VI	76500
V	51500
IV	41500
III	35500
II	33500
I	30500

NEW DELHI

Grade/ Scale	ceiling
TEGSS-I	78500
VII	76500
VI	66500
V	41500
IV	34500
III	30500
II	28000
I	27500