

EPFO COMMISSIONERS' CADRE

Presentation before Hon'ble MoS & Chairman Ad Hoc
Committee on Human Resources / Establishments
Matters

31st January 2022

EPF OFFICERS' ASSOCIATION

CR (2016-17) – MYTH VS FACTS

- Post restructuring, the Section Supervisor Cadre pay was enhanced from GP Rs 4200 to GP Rs 4600/-, which is the pay scale of Inspectors in Income Tax and Customs and Central Excise.
- In EPFO the Inspectors and Accounts Officers, post restructuring are in GP Rs 4800/- with further NFU of Rs 5400/- in four years.
- In EPFO 60% of SSA cadre in Group C (now 80%, post restructuring) get the Group B pay scale of GP Rs 4200 in four years.
- Extant guidelines of DoPT on MACP state that if a scheme for time-bound/in-situ/any other promotion scheme exists for a category of employees then MACP will not be admissible. However, both benefits are available to EPFO staff in SSA cadre, SO/EO/AO cadre.
- Prior to restructuring Commissioners' cadre was 76% of Group A; Now it is 71%.
- The Information Services cadre in Group A was increased from 79 to 220, post restructuring.
- Only rational way to promote Group B & C officials is to increase percentage of posts in Group A and bring it at par with other Orgns. which will open up promotional avenue for all.

PARAMETERS

- CENTRAL BOARD IS MANDATED TO APPOINT AS MANY OFFICERS (AND EMPLOYEES) AS ARE NECESSARY FOR EFFICIENT ADMINISTRATION {SECTION 5D(3)}
- SERVICE CONDITIONS, PAY ETC. IS REQUIRED TO BE THE SAME AS ARE AVAILABLE TO CENTRAL GOVERNMENT OFFICERS DRAWING CORRESPONDING SCALES OF PAY. {SECTION 5D(7)}
- STRUCTURAL RATIOS ACCORDINGLY NEEDS TO BE AS PER COMPARABLE CENTRAL GOVERNMENT SERVICES
- CENTRAL BOARD EPFO HAS ALLOWED PARITY WITH INCOME TAX DEPARTMENT.
- DRASTIC INCREASE IN EPFO WORKLOAD REQUIRES URGENT NEED OF MORE OFFICERS/ OFFICIALS

CHALLENGES BEFORE WORK FORCE – I (GROWTH)

Parameter	Contributing Members	Total Claims	Contributing Establishments	Pensioners
At time of CR (2016-17)	3,16,72,977	92,19,325	3,94,385	48,87,548
As on June 2021	6,72,24,074	4,01,13,295	6,79,116	69,11,190
Increase	3,55,51,097	3,08,93,970	2,84,731	20,23,642
% Increase	112.24%	335.1%	72.2%	41.4%

CHALLENGES BEFORE WORK FORCE – II

Increasing Coverage & Compliance Gap

- Evasion in every sector. Actual coverage reaches only 25% of the coverable bracket (Source: Economic Survey 2021).
- Minimum wage has crossed PF wage ceiling limit yet average PF wage is approx. Rs 8200 implying evasion.
- Monthly remittance of only 50% of contributory members is deposited timely.

Increasing Responsibilities

- New initiatives being undertaken regularly
- Implementing agency for many GoI Schemes-PMRY, ABRY, PMGKY, etc
- Code of Social Security puts on added responsibility on EPFO

COMPARATIVE ANALYSIS

Ministry / Orgns.	Group A	Group B	Group C
Ministry of Labour and Employment	17%	18%	65%
Ministry of Law and Justice	13%	29%	57%
Ministry of Micro, Small and Medium Enterprises	13%	33%	54%
Ministry of Micro, Small and Medium Enterprises	27%	8%	65%
Ministry of Social Justice and Empowerment	17%	33%	50%
Ministry of Women and Child Development	16%	30%	55%
Ministry of Commerce and Industry	21%	31%	48%
EPFO (prior to CR in 2016-17)	5%	26%	69%
EPFO (post Cadre Restructuring 2016-17)	6%	32%	62%

SKEWED GROUP-A PYRAMID OF EPFO

NAME OF SERVICE	APEX LEVEL	HAG (ABOVE AS)	HAG (AS)	SAG	JAG	STS	JTS	RESERVE POSTS
INDIAN REVENUE SERVICE	0.40%	2%	5%	11%	27%	24%	19%	13%
INDIAN RAILWAY TRAFFIC SERVICE	0%	0.30%	2%	11%	32%	26%	21%	8%
INDIAN STATISTICAL SERVICE	0%	1%	2%	17%	22%	22%	31%	6%
INDIAN AUDIT & ACCOUNTS SERVICE	1%	1%	7%	13%	17%	29%	12%	21%
INDIAN RAILWAY ACCOUNTS SERVICE	0%	0%	3%	10%	27%	41%	11%	7%
INDIAN RAILWAY PERSONNEL SERVICE	0%	0%	0%	10%	29%	34%	20%	7%
INDIAN CIVIL ACCOUNTS SERVICE	0%	1%	2%	15%	22%	19%	17%	23%
INDIAN COST ACCOUNTS SERVICE	1%	1%	2%	12%	33%	24%	16%	11%
EPFO	NIL	NIL	NIL	0.87%	26%	29%	44%	0%

COMPARATIVE ANALYSIS WITH IRS

EPFO	IRS
Settling 4.2 Crore claims in a year (<u>mostly manual settlement of claims</u>)	6.8 Crore returns per year (<u>mostly auto-verification of returns</u>)
Serving 70 lakh pensioners	No pensioners. No service delivery
Processing 7 lakh ECR per month	Monthly TDS return processing per month of around 8.4 lakh Taxpayer / Corporate Tax Payers
Assessment, Recovery, Legal and Penal Damages	Assessment, Recovery, Legal and Penalties.
Handling of other schemes like PMRPY, ABRY etc	Responsibility of few other Acts
24,073 personnel	78,544 personnel Workload: 1.5 times of EPFO Workforce: 3.5 times of EPFO
1035 Group A Officers	5872 Group A Officers
Ratio of Group A to Group B & C combined is 1:22	Ratio of Group A to Group B & C combined is 1:12

STAGNATION IN GROUP A CADRE

Batch & (No of officers)	Year when 1st officer will be in ACC (GP 8900)	Year when last officer will be in ACC (GP 8900)	Year when 1st officer will be in ACC (HQ) (GP 10000)	Year when last officer will be in ACC (HQ) (GP 10000)	Remark
1994 (18 no)	-	-	-	2025	5 officer will retire in GP 8900
1997 (20 no)	-	-	2026	2030	9 officer will retire in GP 8900
1999 (102 no)	2023	2032	2030	2035	10-15 officer will retire in GP 8700; 50% will retire in GP 8900
2003 (20 no)	2032	2034	2035	2037	2 will retire in GP 8700 50% will retire in GP 8900
2006 (43 no)	2034	2036	2036	2039	8 will retire in GP 8700 40% may not get GP 10000
2014 (170 no)	50 officers will get timely promotion till RC-I		Maximum officers will retire in GP 8700		
2016 (132 no)	Maximum officers will retire in GP 8700				
2017 (1999 Batch EO/AO) (230 no)	Maximum will retire in GP 6600				

SUGGESTIONS

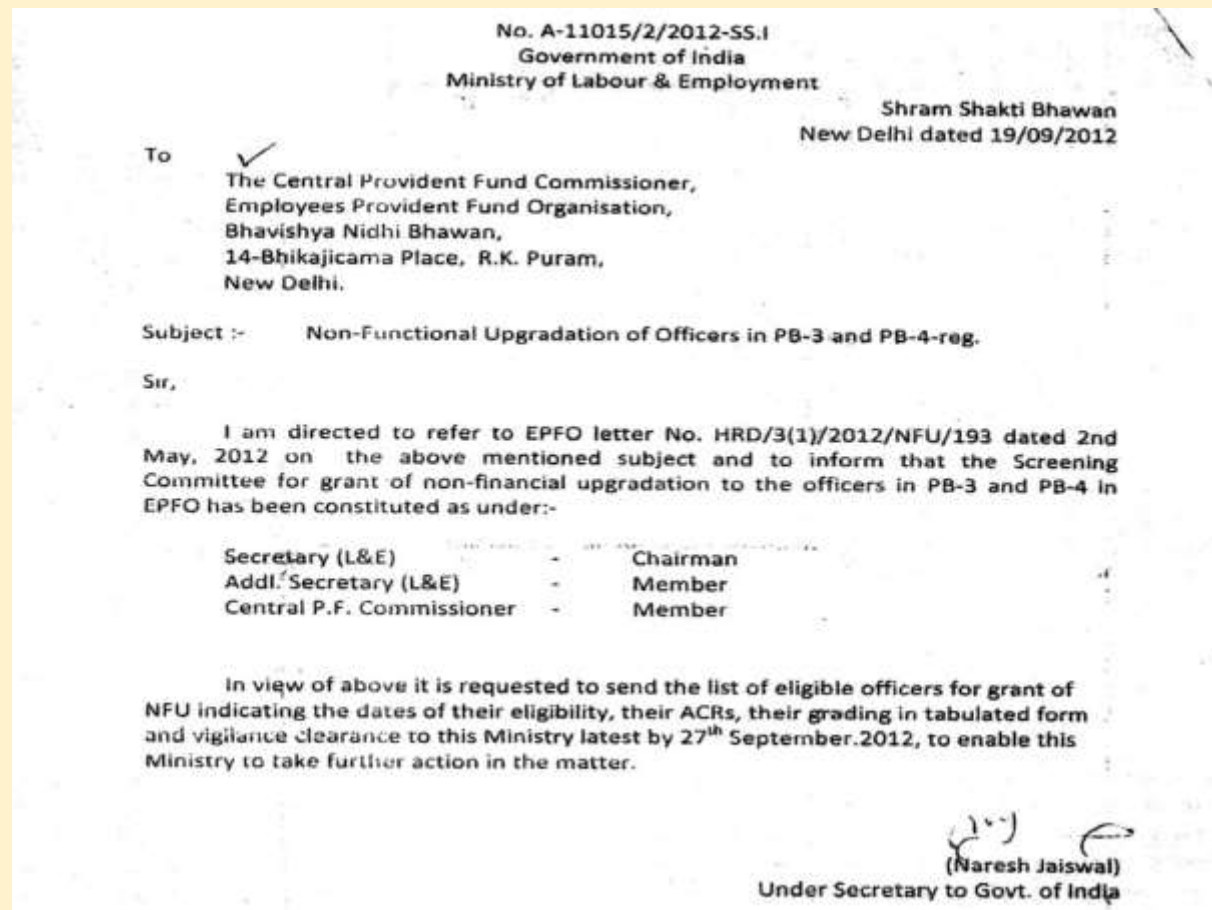
- STRENGTH OF GROUP A SHOULD BE AT LEAST 10% OF TOTAL STAFF STRENGTH
- THIS TRANSLATES INTO 2407 POSTS IN GROUP A CADRE.
- 20% GRP A POSTS SHOULD BE FOR OTHER THAN COMMISSIONERS' CADRE. THIS TRANSLATES TO 481 POSTS. AT PRESENT IT IS 431.
- 80% OF 2407 FOR COMMISSIONERS' CADRE TRANSLATES TO 1926 POSTS.
- THE 1926 POSTS MAY BE DISTRIBUTED AS PER EXTANT PATTERN IN OTHER SERVICES AT 40% FOR JTS; 30% FOR STS, 20% FOR JAG AND 10% FOR SAG.
- GREATER PROMOTIONAL OPPORTUNITIES FROM GROUP B TO GROUP A
- IT WILL ALSO ALLOW SERVICE BENEFITS TO STAGNATING OFFICERS IN APFC CADRE

SUGGESTIONS

- TIMELY CONDUCT OF DPC AS PER MODEL CALENDAR
- ANNUAL RECRUITMENT PLAN AS PER DOPT INSTRUCTIONS
- COMPOSITE SERVICE RULES FOR GROUP A COMMISSIONERS' CADRE IN ACCORDANCE WITH DOPT INSTRUCTIONS.
- MERGER OF LEVEL 13A WITH LEVEL 14
- LEAVE, TRAINING AND DEPUTATION RESERVE PROVISIONS MAY BE MADE.

NON-IMPLEMENTATION OF NFU

NFU FOR EPF OFFICERS APPROVED SINCE 2012 BY CENTRAL BOARD AND GOVERNMENT OF INDIA IS STILL PENDING IMPLEMENTAION IN 2022.



SALIENT FEATURES OF CADRE RESTRUCTURING - I

Rationalization of Zonal Offices- Congruent with political states

Rationalizing the existing work so as to efficiently handle the increased workload through commensurate increase in workforce

Upgradation of District Offices to SROs and bifurcation of larger Regional Offices

Proposal: A committee may be constituted to study manpower requirements considering mandate of the organisation in changed scenario and propose a commensurate restructure of the organisation

SALIENT FEATURES OF CADRE RESTRUCTURING - II

For impartial investigation of complaints Separate **Vertical of Analysis and Intelligence Wing** is required along with regional Offices under direct control of Zone.

With growing digitalisation training of group C staff is very much required and hence a **Vertical of training institute** at the Regional Level is required.

Every Region should be provided with Separate **Vertical for Legal and Exemption** work as it need specialization. Such work along with regular one causes quality compromise.

Concurrent audit work is being done by the office and staff of the same office where it is being pointed out, there is need to create separate **Vertical for Audit Work** in direct control of Zone

Proposal: A committee may be tasked to study how these vertical set up can be created and monitored to ensure no conflict of interest within structure of the organisation

Thank You