



EMPLOYEES' PROVIDENT FUND OFFICERS' ASSOCIATION
EMPLOYEES' PROVIDENT FUND ORGANISATION
MINISTRY OF LABOUR AND EMPLOYMENT, GOVT. OF INDIA
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October 18th, 2023

To,

**Hon'ble Chairman,
Central Board of Trustees, EPF /
Hon'ble Minister for Labour & Employment,
Government of India, New Delhi 110001**

**Subject: Scapegoating EPFO officers and Staff for
unresponsive & obsolete software systems of
EPFO - regarding**

Respected Sir,

EPFO is about to celebrate its 71st Foundation Day on the 1st of November 2023 at the grand Bharat Mandapam, New Delhi, and by all accounts this year's celebrations will eclipse previous events in terms of scale and magnitude. Of course, it is a matter of pride for all EPFO officers & staff that this event, marking a major step towards ensuring Social Security for Indian employees & workers, is officially being recognised for the past 6 years.

2. However, this year's celebration has come at a time when EPFO family is mourning the untimely and unfortunate loss of a dedicated and honest officer Late Shri Jaideep Chakrabarti, Regional PF Commissioner-I, Jaipur who left for his heavenly abode on 11th of October 2023.

3. Sir, an important barometer to analyse any office's performance in terms of service to subscribers is the claims rejection ratio. It would indeed be great for EPFO and our members if the claims rejection ratio is negligible, if at all. However, it has to be recognized that claims rejection ratio cannot be brought down without software intervention. At present our software is working on GIGO (Garbage-In Garbage Out) principle. A member is permitted to submit a

claim for any purpose even if he is not eligible for the same as per the scheme. While we welcome the scrutiny of claim rejection ratios, the monitoring standard should exclude in-admissible claims, which are bound to be rejected. The statute itself states that **claims complete in all respects** submitted along with the requisite documents shall be settled and benefit amount paid to the beneficiary within twenty days. Monitoring of incomplete claims as a performance metric is against the provisions of Schemes, yet officers are being routinely, mechanically, and unfairly targeted for rejection of invalid claims.

4. EPFO has been suffering from serious software infrastructure-related issues for past few years which have exacerbated in past 2-3 years. Our archaic application software which is the backbone for claims settlement process is now so unresponsive that it takes a herculean effort to complete routine tasks. Machine assisted work processes should increase work output and efficiency. Unfortunately, the only thing that it increases is stress levels in our officers and staff. So much so that the officials are routinely working beyond office hours and on public holidays.

5. As a part of Ministry of Labour family it pains us to see all round trampling of labour rights, which presuppose a good work-life balance and time for rest and recreation. The stress is an outcome of years of neglect and apathy to augmentation of systems and manpower. It is pertinent to note here that the Act empowers the Board to appoint as many officers and employees, as may be required for **efficient administration of Schemes**. This is in accordance with Article 309 of Constitution of India which mandates that appointments and service conditions for public posts may be regulated by the Legislature.

6. When most of the world is moving towards technological solutions to complex issues we are moving backwards since for the top management of EPFO, it would appear that the solution to every technological problem is to make officers personally responsible. For every deficiency in software the solution given is manual certification of computer output. This is a truly regressive state of affairs. If there is no trust or certification of computerised work processes, we suggest that EPFO may shift completely to manual work processes. In that scenario please consider increasing the staff and officers' sanction at least by three times from current numbers to handle all work processes. That this is so obviously a regressive and absurd solution is in itself a marker of very sorry state of affairs.

7. Till recently, annual accounts updation was an automatic process and EPFO has had the distinction of ensuring updation of all the annual accounts almost overnight a few years back. However, this year it has been made the responsibility of field offices to update the annual accounts. The APFC / RPFC-II cadre officers are required to press the "approve" button to update annual accounts from their respective log-in. The strangest thing is that there is no other button available to him/her! No option to reject or send the task back to the dealing assistant if there is any issue. Only option given to field offices is to send an e-mail to the IS Division for every problem that they may face during approval of the accounts! This way the responsibility is squarely fixed on EPFO officers for approving any wrong updation or even for not taking decision to approve and delaying the updation if there is any problem in the accounts. Meanwhile EPFO Head Office has started posting daily WhatsApp messages on pendency along with periodic reviews and Video Conferences to create pressure.

8. The EPF Scheme states that without "sufficient cause" claims should not be settled beyond twenty days, otherwise penal consequences follow. Hugely deficient software and hardware, monitoring tools (MIS), lack of sufficient manpower, poorly done delegations etc. would all qualify as sufficient cause. Yet we are able to achieve the statutory mandate of settling claims within twenty days.

9. The EPFOA has been constantly trying to bring these chronic problems to attention through letters dated 22.06.2021, 24.06.2021, 29.11.2021, 26.07,2023 and 03.10.2023 (copies attached for kind reference). But solution for EPFO management to all these issues continues to be to increase the workload and pressure on officers and staff of the organisation. If you would seek a study on the number of new official tasks that have been assigned at officer level in past 2-3 years, you may get a better picture on the number of daily activities that have increased. In the name of frauds prevention, an officer-in charge is now required to perform numerous original activities such as claims settlement, Appendix-E, VDR Special, KYC modifications, etc. in addition to ensuring proper supervision and monitoring in his/her office. The basic working assumption of present dispensation seems to be that a dealing assistant or section supervisor may commit fraud, but an officer in-charge will not! The answer to prevention of frauds cannot be this. It must be systematic and technological not based on whims and assumptions.

10. It is humbly submitted that several legitimate service rights of EPFO officers such as grant of Senior Time Scale (STS), Non-Functional Selection Grade (NFSG), Non-Functional Upgradation (NFU), timely holding of Departmental Promotion Committees (DPC) & Screening Committees, finalisation of seniority lists, timely grant of promotions, etc. are routinely delayed or even denied to the beneficiaries. Because of lack of timely promotions a large number of posts of officers which were sanctioned by the Board in 2016 for handling increasing workload remain unfilled. This is generating lot of resentment in the officer fraternity and also leading to unwarranted litigation and runs counter to Government mandate of minimising litigation.

11. Lack of timely promotions has resulted in a peculiar anomaly where unfilled posts are "blocked", i.e. no-one is stationed to those posts and other officers being assigned additional charge to these posts. Blocked posts are an affliction unique to EPFO and are unprecedented in administrative parlance. We request that promotions may be made urgently to remove this anomaly. There should be no unfilled post sanctioned by the Board. If there are any administrative issues in making regular promotions, ad-hoc promotions may be made immediately to appoint officers to man these posts full-time.

12. In latest of series of such administrative misadventures is the advice by DoP&T to remove the classification of Group A/B/C to EPF officers and staff. We understand that this is an outcome of an unwarranted reference by MoL&E to DoP&T. It is submitted that it is the statutory mandate of the Act that service conditions of EPFO officers and staff mirror those of Central Government employees. Only in case of any deviation from such rules, prior permission of Central Government is required. Thus, if there is no deviation no reference or permission is required to be taken, more so from DoP&T which does not deal with service conditions of EPF officers and staff. This has been judicially certified and continues to be the correct legal provision. The classification, on rule books since 1963, is a part of the EPF & MP Act 1952 and has been continued in the Code on Social Security 2020 also. We strongly protest this and request that the advice of removing the classification should not be acted upon. The advice, if implemented would seriously impair

personnel management in EPFO, which closely mirrors the provisions for Central Government employees.

13. Sir, Late Shri Jaideep Chakrabarti passed away on 11.10.2023. An EPFO officer has passed away in an untimely manner, leaving behind a bereaved wife and young daughter. There has not been a word of condolence or holding of any condolence meeting from the top management to-date. At a time when EPFO officers have been directed to settle death claims and accidental death claims on *due basis* (i.e. by actively pursuing and hand holding the beneficiaries for claims settlement), a letter or communication to the family of deceased officer from the top management showing solidarity & continued support could at least have been considered. Unfortunately, it has been business as usual. Frantic preparations are underway for the Foundation Day. However, we, the EPFO officers are in a state of shock.

14. We sincerely pray for your kind intervention so that EPFO officers and staff are not made scapegoats for the abject failure of top management in ensuring capable software and hardware infrastructure and sufficient manpower resources in a timely manner. It is therefore requested that the suggestions and issues as indicated in aforementioned letters (copies attached for kind reference) may kindly be considered at the earliest.

Thanking you.

Yours sincerely,



**[Saurabh Swami]
Secretary-General**

Copy to:

1. Hon'ble Co-Vice-Chairperson, CBT, EPF and Chairperson, Adhoc Committee on IT & Communications / Secretary (L&E), Govt. of India.
2. All Hon'ble Members, CBT, EPF
3. Central PF Commissioner, EPFO.