MOBILE APP LAUNCHED FOR EPFO SUBSCRIBERS

Shri Bandaru Dattatreya, Hon’ble Minister of State for Labour & Employment (Independent Charge), Govt of India launched a mobile app for EPFO subscribers on 15th Sept 2015.

The members who have a smartphone with Android OS can download the app from the EPFO website and can activate their Universal Account Number (UAN). After activation, the members can access their individual accounts reflecting monthly credits in their PF accounts as well as the basic information available with EPFO. Similarly, the EPF Pensioners can access their pension disbursement details. Likewise, the individual employers can view the remittance details regarding their establishments.

The members who do not have a smartphone can activate their UAN account by sending an SMS to 07738299899 from the comfort of their mobile phones which would enable them to avail all UAN related facilities.

A Short Code SMS based service for UAN registered members has also been introduced. This facility is available in ten different languages namely English, Hindi, Punjabi, Gujarati, Marathi, Kannada, Telugu, Tamil, Malayalam and Bengali.

Launching the three services, Hon’ble Minister informed that this will benefit nearly 3.54 crore contributing members, 49.22 lakh pensioners and 6.1 lakh employers.

It is a matter of great pleasure to report that almost 13 lakh members used the ‘missed call’ facility during 16-30 September 2015. Further, approximately 30,000 members used the short code SMS based services for activation of their UAN during this period.

CBT, EPF RECOMMEND ENHANCEMENT OF EDLI BENEFITS TO Rs. 6 LAKH

In a major decision, the Central Board of Trustees under the Chairmanship of Shri Bandaru Dattatreya, Union Minister for Labour & Employment & Chairman, Central Board of Trustees (CBT), EPF recommended enhancement of EDLI benefits under the Employees Deposit Linked Insurance Scheme 1976 admissible to dependants of EPF members from the present maximum of Rs 3,60,000 to Rs 6,00,000/-.

At present, in case of demise of a subscriber before completing one year of continuous service in the same establishment, the nominee gets 20 times of the average monthly wage drawn during the preceding 12 months with 20% additional amount under recent amendment. And therefore with the wage ceiling of Rs. 15,000 per month, the maximum benefit amount works out to Rs 3.6 lakh.

The CBT has now recommended maximum benefit of Rs. 6,00,000/- and removal of the condition of continuous employment of one year within the same establishment. This will benefit more than 3 Cr. EPF contributing members.
As a part of ‘Digital India Week’, EPFO on 06th July 2015 unveiled its new revamped website at a function organized at EPFO Headquarters. Inaugurating the website, Shri Shankar Aggarwal, IAS, Secretary, Labour & Employment expressed his happiness on the various initiatives taken by EPFO in the recent past to bring about a transformative effect on the benefit delivery mechanisms by adopting IT enabled tools and techniques. He further said that in the coming days EPFO shall be a centre for excellence in governance and would adopt more such citizen friendly initiatives. He complimented EPFO in particular for undertaking the mammoth exercise of allotting UAN for all EPF members which would make the services of the organization faster and more transparent.

Sh. Aggarwal further stated that the fruits of consistent economic growth should reach all sections of society including those belonging to the disadvantaged sections and those below the poverty line. Although the country has performed well in the services sector, stress should be given on creation of jobs in the manufacturing sector to maximize employment generation. Labour reforms should also be accorded due importance as simplification of jobs would lead to more jobs being created. Towards this objective, efforts are on to condense the 44 labour laws into 4 labour codes. There is also a move to put all information pertaining to compliance administration in the public domain so that all processes are completely objective and transparent.

On 06th August, 2015, EPFO made history in a way that it participated in equity investment for the first time. The Central Board (EPF) has mandated that the initial investment may start with 1% and subsequently be scaled upto 5% of the total accretions of the current year by the end of the current financial year.

The function held at Mumbai was chaired by Shri Bandaru Dattatreya, Hon’ble Union Minister for Labour & Employment and was attended by many dignitaries including Shri Shankar Aggarwal, IAS, Secretary Labour & Employment, Shri K.K. Jalan, IAS, CPFC, Smt. Arundhati Bhattacharya, Chairman, SBI, Shri V.G. Kanak, MD SBI, Shri B. Sriram, MD SBI, Shri Dinesh Khara, MD & CEO SBI Mutual Funds, Shri Ashish Chauhan, CEO BSE, Shri Sanjay Kumar, FA & CAO, EPFO, Shri P.D. Sinha, Addl. CPFC (MH & CH), Shri K.L. Goel, Addl. CPFC (Bandra) and some other Senior Officers from Ministry of Labour & Employment, EPFO and SBI.

208th Meeting of CBT (EPF) was held on 16.09.2015 at Hyderabad. In this meeting the Board:

- Approved the proposals for next phase of computerization of EPFO.
- Approved an incentive hanced e. enabled service to EPF scheme for employers for members facilitating Updation of member records. Better
- Approved the proposal to identification of members engage EdCIL, a Government of is an essential require- India enterprise for handling ment for providing en- recruitment for EPFO.
Important Decisions by EPFO

July 2015

1. Implementation of Social Security Agreement between Republic of India and the Republic of Austria with effect from 01st July 2015. (For details please visit circulars section of www.epfindia.com at serial No.229)

2. Launching of ‘Nidhi Aapke Nikat’ or ‘PF Near You’. (For details please visit circulars section of www.epfindia.com at serial No.237)

3. Judgment by Hon’ble High Court, Nagpur Bench in WP No. 5565/2010 filed by CBT through APFC Vs M/s Veekay Cotsyn Ltd. Yavatmal quashing the order for reduction of damages by EPFAT. (For details please visit circulars section of www.epfindia.com at serial no.273)

4. Rescheduling of Special Recovery Drive during the month of September 2015 against defaulting establishments. (For details please visit circulars section of www.epfindia.com at serial no. 275)

5. Implementation of Social Security Agreement between India and Canada with effect from 01st August 2015. (For details please visit circulars section of www.epfindia.com at serial no. 285)

Aug 2015

1. Gazette Notification of Amendment in Statutory Claim settlement period to 20 days in all three Schemes. (For details please visit circulars section of www.epfindia.com at serial No.292)

2. Android based APP for GEO-tagging of offices of EPFO. (For details please visit circulars section of www.epfindia.com at serial No.302)

3. Compliance Audit of Exempted/Relaxed Establishments to be conducted on regular basis annually. (For details please visit circulars section of www.epfindia.com at serial No.311)

4. Dispensing with the procedure of affixing of Re. 1/- Revenue Stamp on claim form in case of payments through NEFT. (For details please visit circulars section of www.epfindia.com at serial No.322)

Sept 2015

1. Restrictions regarding issue of summons for personal appearance of Employers. (For details please visit circulars section of www.epfindia.com at serial No.347).

2. Payments from Account No. 21 (for EDLI benefits) may also be effected through NEFT system to facilitate an efficient, secure, economical, reliable and expeditious payment system. (For details please visit circulars section of www.epfindia.com at serial No.360).

3. EPF & MP Act made applicable to religious establishments and trusts and society running on grant and aid due to non extension of exemption under section 16 (2) of the Act to certain classes of Establishments. (For details please visit circulars section of www.epfindia.com at serial No.361)

4. Seeding of KYC by EPFO offices in respect of employers having employees less than 50 and without any Digital Signatures registered with EPFO. (For details please visit circulars section of www.epfindia.com at serial No.364)

5. Resolution of issues between CPWD and EPFO regarding execution of construction projects of EPFO. (For details please visit circulars section of www.epfindia.com at serial No.373)

6. The Ministry of Labour & Employment vide notification no. 1433 (E) dated 29th May 2015 has notified a new Investment pattern 2015 for investment by Exempted Establishment. The CBT has decided to invest in Exchange Traded Fund (ETFs) in the category of equity and related investment (For details please visit circulars section of www.epfindia.com at serial No.397)
Un-Claimed Deposit Account, renamed as In-operative Account
& EPF Head Office directions to the field offices

In-operative Accounts

As per para 72(6) of the EPF Scheme “any amount becoming due to a member as a result of (i) supplementary contribution from the employer in respect of leave wages/arrears of pay, instalment of arrear contribution received in respect of a member whose claim has been settled on account but which could not be remitted for want of latest address, or (ii) accumulation in respect of any member who has either ceased to be employed or died, but no claim has been preferred within a period of thirty six months from the date it becomes payable, or (iii) if any amount remitted to a person, is received back undelivered, and is not claimed again within a period of thirty six months from the date it becomes payable, shall be transferred to an account to be called the ‘Unclaimed Deposits Account’ now renamed as ‘In-Operative Account.’

Inoperative deposits consist of the funds belonging to the members but just kept under separate account head. As per Section 10 of EPF & MP Act, 1952, Provident Fund money cannot be attached even under any decree of any court. Further, there is no provision in the EPF Scheme to forfeit the balances lying in Inoperative Account and distribute it to other provident fund members in the form of interest. Even if the provisions of the Act & Scheme are changed, it may be taken as a breach of trust by the PF members. Notification has been issued by the Central Government to the effect that the Inoperative Account will not be credited with any interest with effect from 01.04.2011.

The implication of the above notification is that no interest shall be earned in an inoperative account from 37th month. However, these accounts will continue to remain included in the accounts of EPFO and if any member subsequently claims it, the balance, as existing in the account, will be paid to him. However, in those cases where an establishment defaults in contribution for more than 36 months, such accounts would, on payment of the dues, be made operative with interest added thereon.

Reasons for Unclaimed Deposits (Inoperative Accounts) are:

- Non-submission of claims
- Non-availability of the latest address of employees.
- Multiple accounts of a member.
- Desire to earn more returns.
- Balances in PF cannot be attached.
- Interest earned is exempt from Income Tax.

EPF Headquarters has issued directions to all In-charges of the Regions to:

- Undertake special drive to settle these accounts to the rightful claimants or to transfer the amount to the present accounts of the members.
- Advertise in the Newspapers informing the members about the special drive launched by EPFO to settle the accounts of those members who have not contributed to their PF accounts for more than 3 years.
- Depute Enforcement Officers to the establishments having more number of such accounts to give list of such accounts to the employers and to get the addresses of such members as per employers’ records. Individual members may be addressed on the basis of addresses so obtained.
- Provide list of such accounts to the recognized trade unions of the establishments and their help may be sought to approach the rightful claimants for submission of claims.
What are the eligibility conditions for pension under EPS, 95?
Answer: Superannuation/early pension under EPS, 95 is payable on fulfilling:
- minimum 10 years of eligible service; and
- attaining the age of 58/50 years.

However, in case of disablement or death of the member, membership with one month contribution is sufficient for grant of disablement or widow and children or orphan pension. For grant of nominee and dependent parent pension also only one month contribution suffices in cases of death in service but requires 10 years eligible service in case of death away from service.

What provisions have been implemented for ensuring minimum pension under EPS, 95?
Answer: The Central Government had issued Gazette Notification No.593(E) dated 19.08.2014 providing a minimum pension of Rs.1,000/- per month for member/widow(er)/disabled/nominee dependent parent pensioners whose original pension were less than Rs.1000/- per month have been fixed at the minimum of Rs.1000/- p.m. Deductions on account of benefits availed by members on the basis of choice exercised at the time of making claims like commutation, Return of Capital and Short Service are applied on the minimum pension of Rs.1000/- p.m. The determination of pension under EPS, 1995 after implementation of the minimum pension notification is in consonance with the provisions of the scheme as well as the amendments introduced thereto vide the minimum pension notification referred above. Allowing the minimum pension of Rs.1,000/- p.m. without regard to deduction on account of Commutation, Return of Capital etc. would be iniquitous and unfair vis-a-vis the members/pensioners who had not taken these benefits at the time of claim and opted to take only the original pension without any optional benefits.

Why the Government has implemented minimum pension notification from 01.09.2014 instead of 01.04.2014?
Answer: The issue has been considered by the Government and it has been decided that the notification will be implemented from 01-09-2014 as contained in the notification.

How the minimum pension of Rs.1000/- is fixed to those members who availed commutation, Return of Capital and Short Service at the time of claim?
Answer: It may be mentioned that after implementation of the minimum pension notification the pension for all member/widow(er) /disabled/nominee/ dependent parent pensioners whose original pension were less than Rs.1000/- per month have been fixed at the minimum of Rs.1000/- p.m. Deductions on account of benefits availed by members on the basis of choice exercised at the time of making claims like commutation, Return of Capital and Short Service are applied on the minimum pension of Rs.1000/- p.m. The determination of pension under EPS, 1995 after implementation of the minimum pension notification is in consonance with the provisions of the scheme as well as the amendments introduced thereto vide the minimum pension notification referred above. Allowing the minimum pension of Rs.1,000/- p.m. without regard to deduction on account of Commutation, Return of Capital etc. would be iniquitous and unfair vis-a-vis the members/pensioners who had not taken these benefits at the time of claim and opted to take only the original pension without any optional benefits.
Employees’ Pension Scheme: Central Govt. Releases Rs. 2, 250 Crore

As per the provisions of the Employees’ Pension Fund Act 1995 (EPS 1995), the Central Government has re-leased Rs. 250 crore to the Pension Fund members for providing minimum pension of Rs. 1,000/- to the Pensioners of EPS 1995.

- EPFO has mandated payment of contribution by establishments through internet banking. 80% of total amount in August came through this mode. 90% of the contribution will be made through internet banking by October 2015. The facility to small employers for making EPF contribution through cheques/DDs will be withdrawn by 01st January 2016.
- For facilitating extension of UAN to employees of small establishments, a facility has been provided to EPFO field offices wherein the KYC details of employees in such small establishments can now be activated by the EPFO field offices. This is expected to provide a major relief to small employers as the requirement of having own digital signature by such establishment for authenticating KYC details of employees no longer exist.
- For streamlining the HR Management and operations, an in-house software namely, Human Resources Personnel Information System (HRPIS) has been launched. EPFO have completed data capturing of more than 90% of its employees.
- The UPSC approved the revised Recruitment Rules for the post of EO/AO in EPFO and the same are in the process of being notified. This is likely to facilitate direct recruitment in the EO/AO grade in respect of more than 700 vacancies. Direct recruitment in the EO/AO grade was last held in the year 1998.

New Initiatives by EPFO

Facts & Figures

As on date EPFO has already crossed 2 crores in the number of persons who have activated their UAN.

All 122 Offices (Regional and Sub Regional Offices) of the EPFO have been geo-tagged on the 'Bhuvan Portal of ISRO'. EPFO is perhaps the first Organisation under the Ministry of Labour & Employment to have completed this task.

Upcoming Training Programmes —NATRSS & ZTIs

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

- General Management & Customer Relationship Management Programme for the officers of EPF Nepal on 26th to 30th October 2015.

Zonal Training Institute (ZTI)

- Workshop for Employers/EPF members on 29th & 30th October 2015 at Zonal Training Institute (WZ), Ujjain.

AWARDS RAINING ON EPFO!

The initiatives taken by EPFO for providing prompt and hassle free service to its members and employers has got a wide spread acclaim. EPFO has been conferred with a series of awards in recognition of the excellent services.

- EPFO has been conferred with the award for best e-governance initiatives during 2015 by NDTV – CISCO.
- EPFO has been conferred with the SKOCH Award by the SKOCH Foundation (a leading think tank focusing on social issues) for transformation of Social Security Agenda in India.
- EPFO has also been conferred with the SKOCH Award on Smart Governance for UAN programme.
- Earlier in the last two years, EPFO has got four more awards, one for financial inclusion, second for introduction of CCPAP, third for UAN and fourth for e-governance.

NDTV-CISCO AWARD BY HON’BLE UNION MINISTER FOR COMMUNICATION & IT

SKOCH SMART GOVERNANCE AWARD 2015 FOR UAN PROGRAMME

SKOCH AWARD FOR TRANSFORMATION OF SOCIAL SECURITY AGENDA IN INDIA
Nidhi Aapke Nikat – Programmes held in various EPF offices

NIDHI AAPKE NIKAT
RO, NIZAMABAD

NIDHI AAPKE NIKAT
RO, MEERUT

NIDHI AAPKE NIKAT
SRO, AMRITSAR

NIDHI AAPKE NIKAT
SRO, KARIMNAGAR

NIDHI AAPKE NIKAT
SRO, SALEM

NIDHI AAPKE NIKAT
SRO, CHIKMANGALUR

NIDHI AAPKE NIKAT
SRO, CUDDAPAH

NIDHI AAPKE NIKAT
SRO, NARODA

NIDHI AAPKE NIKAT
SRO, AGRA

NIDHI AAPKE NIKAT
SRO, UDAIPUR

NIDHI AAPKE NIKAT
SRO, AMBATTUR

NIDHI AAPKE NIKAT
SRO, VASHI