

Secretary (L&E) Chairs 112th EPFO Executive Committee Meeting

Highlights Strengthening Pension System, IT Infrastructure Enhancements & Service Delivery Improvements

Stresses the Need to Reduce Validations and Implement Partial Withdrawal through simplified processes in a Time-Bound Manner

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The 112th meeting of the Executive Committee (EC) of the Central Board of Trustees, EPF, was chaired by Ms. Sumita Dawra, Secretary (Ministry of Labour and Employment), at the EPFO Head Office in New Delhi on February 25, 2025. Shri Ramesh Krishnamurthi, CPFC, along with other senior officials from the Ministry of Labour and Employment and representatives of employers and employees, also attended the meeting. Key agenda items discussed included:

Adoption of the Unified Pension Scheme (UPS) for EPFO Officers and Staff: The EC formally adopted the Unified Pension Scheme for EPFO officers and staff, aligning with the recent gazette notification issued by the Ministry of Finance. This marks a significant step toward establishing a structured and assured pension framework for EPFO employees covered under the National Pension System (NPS). Effective from April 1, 2025, the UPS ensures financial security post-retirement, offering a minimum guaranteed pension along with additional benefits such as family pension provisions and dearness relief adjustments. EPFO officers and staff will now have the option to transition from NPS to UPS.

Updates on the Centralized Pension Payment System (CPPS): The EC was informed that the Centralized Pension Payment System (CPPS), implemented across all regional offices in January 2025 through NPCI (NACH) payments, has begun yielding positive outcomes. CPPS represents a **paradigm shift** from the previous decentralized pension disbursement system, enabling pensioners to access their pensions seamlessly from any bank, any branch, anywhere in the country. In January 2025, 69.4 lakh pensioners received their pensions through CPPS, achieving a 99.9% success rate.

EC emphasized the need to transition to the Aadhaar-Based Payment System (ABPS) in a time-bound manner, ensuring that pension payments are credited directly into Aadhaar-linked bank accounts for a more secure and efficient system.

Centralized IT-Enabled System (CITES 2.01) & EPFO 3.0 – The EC reviewed **progress under CITES 2.01**, whereby EPFO is transitioning from decentralized databases to a centralized system, laying the foundation for enhanced performance. This modernization effort, set for completion by March 31, 2025, aims to streamline claims settlement and payments, replacing the aging Field Office Application Software to enhance efficiency and service delivery.

Additionally, EPFO updated EC on plan under EPFO 3.0, an exercise to transform itself into a future-ready, member-centric, and technology-driven organization. This vision involves developing a new system, adopting cutting-edge technologies, and re-engineering processes to expand social security coverage. The EC directed EPFO to prepare a **Vision Document** for EPFO 3.0 by March 31, 2025.

Pension on Higher Wages (PoHW): The EC was updated on progress on applications received under Pension on Higher Wages (PoHW), for implementation of the Hon'ble Supreme Court judgment dated November 4, 2022. EPFO updated on the multiple steps taken by their regional offices to facilitate members, pensioners, and employers, and informed that 70% have already been processed. EPFO aims to complete the processing of all applications by March 31, 2025. The EC instructed EPFO to expedite the cases of members who have already deposited the required amount, including for the large PSUs.

Rationalization of Validations and Partial Withdrawals through simplified processes: With the goal of providing **ease of living** for its members, EPFO is working on a plan for simplification of claim processing, including rationalization of validations for partial withdrawals. EC was also provided an update on the progress. A technical committee has recommended simplification of validations in Form 31 for advance withdrawals.

EC decided that the reduction in unnecessary validations and the implementation of simplified partial withdrawals should be carried out in parallel with ongoing IT reforms. It was emphasized that these measures would significantly enhance ease of living for EPFO members.

EPFO reaffirmed its commitment to digital transformation and member-centric reforms, ensuring faster claim settlements, seamless pension disbursements, and improved service delivery for its members. EC decided to meet again within a month to review progress.

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