



Nirbadh: Seamless Service EPFO to e-EPFO - Journey from Offline to Online

The Employees' Provident Fund Organisation (EPFO) is the third largest pension fund globally in terms of membership and the eighth largest sovereign pension fund in terms of assets under management. It is the custodian of rainy-day savings of more than 58 million members, their families and over 6.7 million pensioners.

While delivering this essential service to so many in their times of need has been a privilege, it hasn't been easy. EPFO till a few years back used to grapple with mountains of files, long queues of people, and overwhelming backlogs despite a well-intentioned work-force slogging extra-hours. That was partly because this mammoth organisation caters to a size of membership that is more than the population of many countries like Spain, South

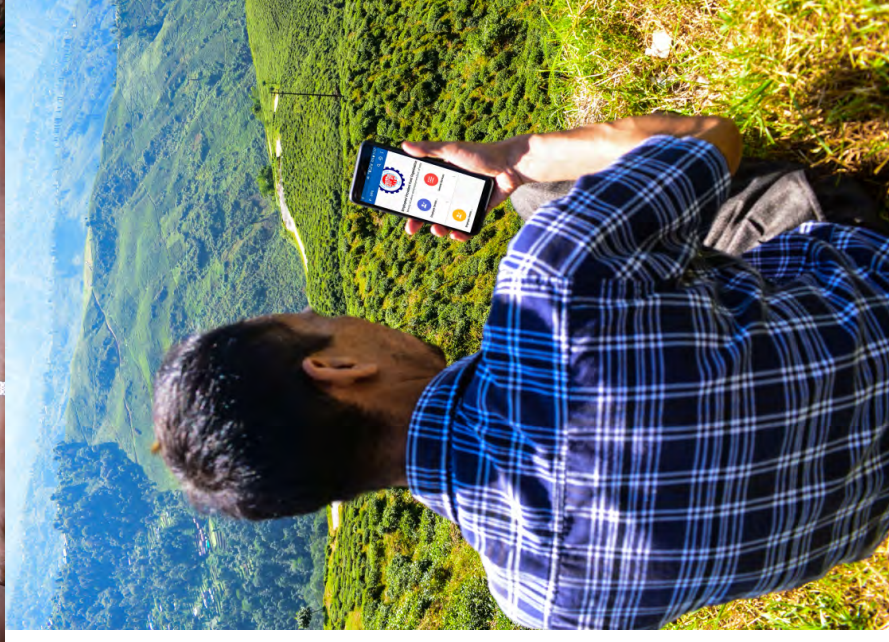


Africa and South Korea. Moreover, the organisation has to deal with individual emergencies on daily basis.

Recognizing that fact, the organization initiated a transformative digital revolution to make lives of its stakeholders (i.e., employers, employees and the pensioners) easy by bringing social security access just a click away. This has led to a series of initiatives in last few years to migrate most of EPFO's service-delivery online.

Members' interface with EPFO has traditionally been mediated through their employers, and therefore EPFO never maintained individual KYC (Know your customer) of its members. Full-proof KYC was imperative for the initiative "Offline to Online" to succeed identification of the members. For this, EPFO partnered with C-DAC (Centre for Development of Advanced Computing).

Building incentives for uptake of KYC by crores of its members wasn't easy as 75 per cent of EPFO's members hail from socio-economically disadvantaged class earning less than Rs. 15,000 per month with limited access to IT tools. Pan-India external outreach strategies like dedicated service centers, Aadhar counters, en-masse camps at industrial clusters, regular





seminars through its 21 zonal, 138 regional and 117 district offices to exhort members to update their KYC were adopted. This helped in seeding of 71.8 million members with Aadhar numbers enabling them to avail multiple services from EPFO's e-platform. Simultaneously many rules were amended swiftly and elements were added to the digital architecture to fundamentally transform the way services were delivered at EPFO, making it efficient and seamless.

EPFO has achieved a 180-degree transformation in the way claims are filed. It has moved from 100 per cent paper claim in May 2017 when the initiative was launched to 93.48% (195.58 lakh) online paperless claims in March 2020. EPFO now receives

over 99% claims online. This has ensured fast and faceless transactions.

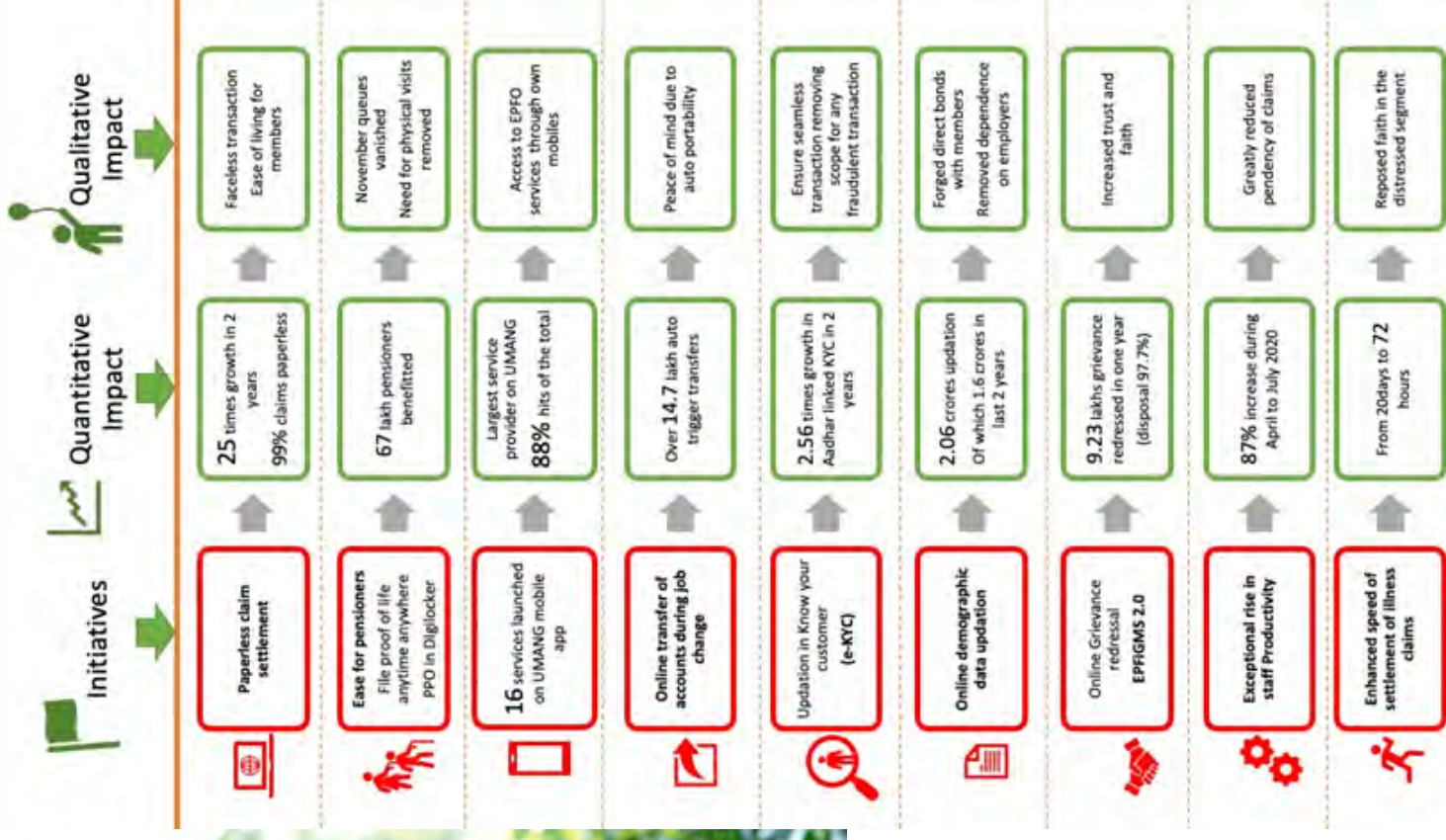
Going a step further EPFO aided by IT solutions with faster data validation allowed for settlements of claims without human intervention for the KYC compliant accounts. The solution came very handy during the lockdown phase caused by the pandemic when offices functioned with bare minimum staff. Over 21 Lakh claims were settled in auto-mode. More than half of the COVID 19 advances were settled in this mode.

Another pain-point for subscribers was the absence of auto portability of members'



previous PF account to the current one during their job shifts. Members chose to withdraw their funds as the transfer process remained cumbersome defeating the very purpose of creating a handsome corpus for the rainy day. An auto-trigger mechanism was introduced for portability of members' previous account to the account with the successive employer after verification and matching of the details of the member between the old and the new employers. Over 14.7 Lakh such transfers have been done through auto-trigger mode.

At 67 Lakh, EPFO serves more pensioners than the entire central Government. Earlier, they formed long queues for filing their life certificates in November every year. 'Nirbadh' seamless services would have remained incomplete had it not been extended to this most important stakeholder of EPFO. To make life easy for pensioners EPFO leveraged Government of India initiatives like Jeevan Praman Patra (JPP), DigiLocker, Common Service Centers (CSC) and Unified Mobile Application for New-age Governance (UMANG) mobile app. The e-initiatives of allowing filing of JPP year-round has led to vanishing of November long queues.



EPFO services are available on UMANG mobile app. The organization has onboarded 16 of its core services on UMANG. EPFO services on UMANG App account for over 88% of total hits. This is when 144 government departments have listed over 1450 of their services on the App.

Lockdown triggered by the pandemic (Covid-19) brought all economic activity to standstill causing distress among members. Non-refundable Covid-19 advance was allowed in these extraordinary circumstances. Faster servicing of claims helped many survive the challenge in the job-insecure context of Covid-19. The advances were settled on an average within 72 hours with a 50 per cent increase in

speed of settlement from past. The average manpower productivity rose by 87%. Over 40 Lakh such advances were sanctioned and around Rs. 11 thousand crores disbursing to the members when they needed it the most.

The innovations in the functioning have made the organization almost disaster-proof. In future if a flood, earthquake or an epidemic were to shut down a part of the country, the work in EPFO offices will not stop. This tech powered mission and the transactions it enabled turned the relationship with crores of its members completely seamless, and uninterrupted-Nirbadh.