

## EPFO settles 1.37 Lakh EPF withdrawal claims to fight Covid-19 in less than 10 days

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Employees Provident Fund Organisation (EPFO), an statutory body under Union Ministry of Labour & Employment has processed about 1.37 lakh claims across the country disbursing an amount of Rs. 279.65 crore under a new provision especially formulated by amending the EPF Scheme to help subscribers fight Covid-19. The remittances of the moneys have already started taking place. The system as it stands today is processing all applications which are fully KYC compliant within less than 72 hours. Members, who have applied for claims in some other category, can also file claim to fight pandemic and depending upon the KYC compliance condition of each member, every effort is being made to settle claims at the earliest.

The provision for a special withdrawal from the EPF Scheme to fight Covid-19 pandemic is part of the PMGKY scheme announced by the government and an urgent notification on the matter was made to introduce a para 68 L (3) of the EPF Scheme on 28th March 2020. Under this provision non-refundable withdrawal to the extent of the basic wages and dearness allowances for three months or up to 75% of the amount standing to member's credit in the EPF account, whichever is less, is provided. The member can apply for lesser amount also. This, being an advance, does not attract income tax deductions.

Anticipating the huge surge in the demand, EPFO came out with a completely new software which has been developed from scratch and a receipt module for on-line receipt of the claims was introduced within 24 hours and deployed on 29th March 2020. Further, the application was required to be in paperless form to curtail any physical movement in view of social distancing. It was decided to introduce a system of settling claims in auto mode directly by the system in respect of all such members whose KYC requirements was complete in all respects.

The COVID-19 pandemic has posed a serious threat and considering dire need of money in these trying times, it has been decided to process advance to fight COVID-19 pandemic on top priority.

Claims for availing advance to fight pandemic are filed online, necessitating every EPF account to be KYC compliant as pre-cursor. EPFO has relaxed date of birth correction criteria to ease KYC compliance enabling submission of claim to fight pandemic online. EPFO would accept the date of birth recorded in the Aadhaar card of a subscriber as a valid proof for rectification of the date of birth in PF records. All cases with variation in date of birth up to three years are now being accepted by EPFO.

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