

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 3783
TO BE ANSWERED ON 24.03.2025**

COLLAPSING SOFTWARE SYSTEM OF EPFO

3783. SHRI MOHMAD HANEEFA:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the Government is aware of the collapsing software system and outdated servers of the Employees' Provident Fund Organization (EPFO), resulting in a sharp surge in pending claims and grievances from the EPFO members;**
- (b) if so, the details thereof and the response of the Government thereto;**
- (c) whether the EPFO members face significant difficulties in accessing the portal and submitting their claims online;**
- (d) whether even the field offices of the EPFO are now use to experiencing slow or deadworking speed of the software, if so, the details thereof;**
- (e) whether the situation is primarily due to low budget allocation for software development, lack of dedicated human resources and the absence of a clear IT policy; and**
- (f) if so, the details thereof?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a) to (f): EPFO has undertaken several steps, such as storage upgrade and addressing high load on specific database server ports and performance tuning etc., which has resulted in improvement of performance of IT systems.

During FY 2024-25, Software interventions have been made in the existing Applications for ease of living and ease of doing business. As a result of these initiatives, there has been an improvement in speed of the processing of various transaction requests of the members like claims etc. Further, the following simplifications in the claims processing have been made:

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i. For Auto mode processing of advance claims, the amount limit enhanced to Rupees One lakh and in addition to Illness / Hospitalization advances, advances for Housing, Education and Marriage have also been enabled.

ii. Over 196 Lakh claims have been auto settled since April 1st 2024 till Feb 15th 2025. Now 60% of advance claims processed are in auto mode.

iii. Dispensing with mandatory upload of cheque leaf for claim filing in 2024-25, benefiting approx 30% of claimants.

iv. Certain upfront validations deployed to guide members as to eligibility /admissibility of claims to prevent filing of ineligible claims

v. A Simplified Joint Declaration process was launched in January 2025 to enable EPFO members to self-update or self-correct their profile in a more efficient and hassle-free manner subject to certain system-driven validations. As a result, only 4-5% Joint declarations are required to be processed & approved by Staff & officers at Regional Offices.

vi. EPF members with fully compliant e-KYC EPF accounts can now file their Online Transfer Claims directly with EPFO without requiring approval of employer.

vii. The Centralized Pension Payments System (CPPS) was fully implemented in December 2024, ensuring centralised pension disbursement to over 69 lakh pensioners.

As part of Centralized IT Enabled System (CITES 2.01). 'Field Office Application' processes (Claims- EPF, EDLI & Pension, annual EPF accounting & payments) are being redeveloped with addition of new features & functionalities on a centralized database with upgrade of hardware and OS as a part of the new EPFO 2.01.

Further, as part of EPFO 3.0, stakeholder consultations have been held for transforming EPFO into a future-ready, member-centric, and a technology-driven organization.

With reference to the fund availability, there is adequate provisioning in the budget for the maintenance, software developments, upgrade of Infra including hardware, OS, database and cyber security.