

Date: 10th June 2021

To,

The Central Employees Provident Fund Commissioner,
Employees Provident Fund Organization, Head Office,
Bhavishya Nidhi Bhavan,
14, Bhikaji Cama Place,
NEW DELHI-110 066.

Sir,

Sub: Aadhar Seeding in employees accounts.
Ref: 2021/VAISAKHA 13, 1943 SO 1730 (E)

The employers are now instructed by EPFO to upload the ECR, with effect from 01.06.2021 of only those employees whose Aadhar number is seeded into their account. This is consequent to implementation of Sec 142 of Code on social security 2020.

The employers are facing problems in completing the process of seeding Aadhar card of all the pending employees due to the following reasons:

1. The first June cut off for completing the pending work has been issued with no prior notice. Consequently the employers are not able to upload even the May 2021 ECR. The problem involved in seeding the pending Aadhar card of the employees has the following problems.
 - a. The employers are facing problem since substantial number of the employees have taken Aadhar cards subsequent to taking employment and have given different date of birth than what is there in the Aadhar card. Amended Aadhar cards will have to be furnished by the employees which they are not doing since no service is available outside due to Covid 19 lockdown restrictions.
 - b. Most of such employees have returned to their native villages and likely to return only after 2 -3 months. This is more so because the central government has announced free ration to all BPL card holders up to September 2021.

- c. In substantial number of cases, the date of birth difference is very high which requires production of DOB proof documents such as TC/SSLC marks card/passport/district medical officer certificate. The employees are not cooperating with the employers in such cases resulting in the delays. The employers are totally helpless in this situation. It requires at least 3 months time to talk to all such employees and collect the amended Aadhar card from them.
 - d. The EPFO portal during 2017 (when Aadhar number was made compulsory) up to 2019, only entry of Aadhar number was mandatory. In many such cases where Aadhar number is furnished during this period, the portal is now showing particulars mismatch. In this cases also employers are unable to upload the ECR from May 2021.
 - e. We have now seen that “mismatch” display is shown in case of minor differences also, such as gap between two words of the name, change of position of prefixes etc, probably because particulars are drawn from Aadhar server and matched with PF KYC particulars in a computerised process.
2. We would like to state that we are in a labour intensive industry and engaged workers from lower strata of the society, out of which 80% are women and most are from the rural background. As such, the employees without knowing the consequence, have given different particulars in different places. These mistakes can not be corrected in a short span of time. It is also to be noted that we are 100% legal compliant and non payment of PF contribution for all employees, non payment of PF contribution within prescribed time, non coverage of employees, will adversely affect our business since our business is export oriented and regularly subjected to strict audits by the overseas customers, for continuation of business.
 3. We have initiated the process of correcting this mistakes immediately but non availability of workers and non production of rectified Aadhar cards by the workers is crippling the Aadhar seeding of the remaining employees.

4. We have seen that EPFO has permitted filing of supplementary ECR in case of such employees. However this will not protect us from non compliances of late payment and consequential interest and damages.
5. Our organisation represents large number of manufacturers totally employing around 7-8 lakhs within the state of Karnataka.
6. We assure you that we shall put our best efforts to complete the process at the earliest. However it is dependent on the restoration of all support services (now closed due to lockdown), which is essential for correction of Aadhar particulars by the employees.

We request you to consider the above aspects and withhold implementation of your directive for a period of at least 3 months and oblige.

Thanking you,

Yours faithfully,
For The Clothing Manufacturers Association of India,



(AUTHORISED SIGNATORY)