

EPFO Expands Banking Network, 15 Additional Banks Empanelled for Collection of EPFO Contributions Taking Total Number to 32 Banks

**EPFO 3.0 will make EPFO as Accessible and Efficient as Banks:
Dr. Mandaviya**

With nearly 8 crore active members and more than 78 lakh pensioners, EPFO provides benefits that ensure social security for millions – Union Minister

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EPFO entered into agreements with 15 additional Public/Private Sector Banks in the presence of Dr. Mansukh Mandaviya, Union Minister for Labour & Employment, Youth Affairs & Sports and Sushri Shobha Karandlaje, Union Minister of State for Labour & Employment, Micro, Small & Medium Enterprises, in New Delhi today. The newly empanelled 15 banks will enable direct payment of nearly Rs. 12,000 Crore in annual collections and enable direct access to employers who maintain their accounts with these banks. For enabling employers covered under the Act to pay their monthly contributions, EPFO has already empanelled 17 banks, taking the total to 32.



Union Minister of Labour & Employment and Youth & Sports, Dr. Mansukh Mandaviya, in his address,

stated that the country's progress towards a "Naya Bharat" is being significantly supported by institutions like the EPFO, which plays a crucial role in shaping the nation's future. With nearly 8 crore active members and more than 78 lakh pensioners, EPFO provides benefits that ensure social security for millions, he added.



He emphasized how EPFO continues to evolve and adapt, with the recent implementation of EPFO 2.01, a robust IT system that has significantly improved claim settlements. He said in the Financial Year 2024-25, EPFO settled record over 6 crore claims, a 35% increase compared to the 4.45 crore claims settled in the previous year (2023-24).

Dr. Mandaviya pointed out that customer satisfaction has risen significantly, and EPFO is actively working on evolving towards EPFO 3.0 to make it as accessible and efficient as banks. He said that a significant milestone was also marked with the introduction of the Centralized Pension Payment System. "This system will benefit over 78 lakh pensioners, enabling them to receive their pensions in any bank account across the country. Previously, pensioners were required to have an account in a specific zonal bank, this compulsion has now been removed," Union Minister explained.



Dr. Mandaviya also touched upon the significant reforms EPFO has introduced recently. "Auto claim settlement process is a major reform which has improved claim processing speed. With auto-processing, claims are now being settled in just three days. In FY 2024-25, we settled 2.34 crore claims under this system, a 160% increase from the 89.52 lakh claims in 2023-24", Union Minister said.

Union Minister expressed happiness that EPFO is offering 8.25 % interest rate to its beneficiaries. The participation of banks in service delivery would further enhance efficiency of EPFO and improve good governance.

Looking ahead, Dr. Mandaviya reiterated EPFO's commitment to continuous improvement. "We are focused on providing Ease of Living for members and Ease of Doing Business for employers. With the continued support of our banking partners, employers, and members, we are determined to take strong strides toward realizing the vision of a Viksit Bharat, while further strengthening our social security framework."

EPFO, one of the largest social security Organisations in the world has been taking a series of efforts to simplify processes for members and enhance employers' experience in transacting with it. In FY 24-25, EPFO has collected over Rs. 3.41 Lakh Crore in contributions remitted by employers through 1.25 Crore electronic challan cum returns (ECRs) till 20th March 2025.

Earlier, the Central Board of Trustees (CBT), EPFO in its 236th Meeting held on 30.11.2024 had approved the empanelment of all Agency Banks listed with RBI and Scheduled Commercial banks with collection share more than or equal to 0.20% of total EPFO collection as additional banks authorised to collect EPFO contributions. From 1st April 2025, the total number of empanelled banks has gone up to 32, providing employers with a wider array of choices for remittance to EPFO.



The empanelment of new banks will bring seamless integration of EPFO collections/dues payments by employers, further reducing the need of aggregator payment mechanism for employers, which will help both EPFO & employers to reduce transactional delays and thereby strengthening operational efficiency. This will yield financial benefits for EPFO, as dues remitted through empanelled banks will be available for investment on T+1 day, compared to T+2 day through aggregator. This will also significantly reduce costs to EPFO payable for name validation of members' accounts held in non-empanelled banks. EPF members will also be benefitted by this empanelment in a big way. Now when members will seed their bank accounts maintained in these banks, these will be verified in a speedier manner by these banks instead of routing these through any other channel.

This initiative will enhance both the Ease of Doing Business and the Ease of Providing Service for employers and it will also translate these benefits for the members, reducing lags in payments of their

contributions. Further, it will also help employers to interact with these banks directly for grievances related to payment of dues.

Shri Ramesh Krishnamurthi, Central PF Commissioner, MD/CEO and senior officers of banks, Ministry of Labour & Employment and EPFO were also present on the occasion.

Himanshu Pathak

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