Founded on 31.10.1920
Founder President, Lala Lajpat Rai

अखिल भारतीय ट्रेड यूनियन कांग्रेस
All India Trade Union Congress

President : Ramendra Kumar
General Secretary : Amarjeet Kaur

Press Release

The following statement was issued to the press by AITUC today- 16th October 2025

**AITUC terms new rules of EPFO as anti- workers
Demands withdrawal with immediate effect**

AITUC takes a very strong objection to the new withdrawal rules released by the EPFO and demands scrapping of the same forthwith. The new rules stipulate 25% of the savings to remain as minimum balance. The other changes in the rules that include 12 months of continuous unemployment for final PF withdrawal and 36 months of continuous unemployment for final pension withdrawal. These are draconian.

The retirement security rationale presented by the government to impose restrictions is not acceptable. Financial prudence in the face of privation is a rude joke played on the unemployed. EPFO data that reveals 87% of the members have less than Rs 1 lakh and 50% of them hold only less than Rs20000/ is itself testimony to the levels of financial wellness of the employees. 'One size fits all' doctrine cannot be applied. The low levels of financial stability are directly attributed to the low wages of majority members. This being the case holding back 25% of the savings as minimum balance is nothing but preying on the weak. Besides, for the vast majority the protected amount is too small to be a retirement safety net but large enough to cause significant hardship when denied.

Job losses leading to patterns of frequent job change, precarity and uncertainty of income coupled with sky rocketing price rise, increased cost of education, health etc., leave the member with no choice except to withdraw from the savings. Increasing the waiting period and denying a portion in the garb of "safeguarding retirement" and "preventing impulsive withdrawals" is unjust. Everyone has his or her control over one's savings. The state denying it to compulsorily build a corpus out of the employees' savings is nothing less than a 'theft'.

Further shocking is the fact that under the new rules 'full withdrawal' means 100% of the eligible balance, excluding the locked in 25% minimum balance. The rules said to be intended to inculcate financial discipline, desperately fail the test of individual lived reality and logical consistency for the average salaried person facing financial instability.

AITUC views this change of EPFO rules irrational and illogical. 'Protecting" a non-existent corpus, punishing the unemployed to "help" them amount to denying right of the member on his/her savings. This shall not be allowed. AITUC urges upon the CBT to immediately withdraw the notifications without any loss of time.

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