

**CONSOLIDATED ANNUAL ACCOUNTS
WITH AUDIT REPORT
FOR THE YEAR 1989-90**



**OFFICE OF THE
CENTRAL PROVIDENT FUND COMMISSIONER
NEW DELHI**

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**INCOME AND EXPENDITURE ACCOUNT
AND
BALANCE SHEET OF
EMPLOYEES' PROVIDENT FUND SCHEME**

**EMPLOYEES' PROVIDENT
INCOME AND EXPENDITURE ACCOUNT
(EMPLOYEES' PROVIDENT**

<i>Previous Year</i>	<i>S. No.</i>	<i>Expenditure</i>	<i>Amount</i>
(1)	(2)	(3)	(4)
27,19,77,656.19	1.	Salaries of Officers & Staff	26,92,58,490.41
5,25,49,277.88	2.	Allowances & Honoraria	5,88,28,561.79
1,01,66,615.95	3.	T.A. & L.T.C.	94,30,850.17
2,72,26,195.75	4.	Pension/Family Pension/Death-cum-Retirement Gratuity	1,97,40,314.18
12,287.00	5.	(a) Staff Provident Fund (Board's share)	-----
1,26,360.15		(b) S.P.F., D.L.I. Benefits	10,793.37
6,38,53,842.00	6.	(a) Other charges (Recurring/non-recurring)	6,12,45,550.09
24,56,423.19		(b) Maintenance of Office Building/Staff quarters	37,99,041.59
15,39,754.86	7.	(a) Grants	16,26,706.65
3,88,666.30		(b) Refund of G.I.S. Savings Fund	2,17,551.80
----- 43,02,97,079.27 -----		Total Expenditure incurred on E.P.F. Scheme	----- 42,41,57,860.05 -----
	8.	Expenditure incurred on Administration of :	
4,08,80,423.50		(a) E.P.F. Scheme	12,38,33,781.68
90,87,256.05		(b) E.D.L.I. Scheme	12,07,381.77
3,03,422.04		(c) A.E.C.D. Scheme	2,31,592.62
16,69,36,359.52	9.	Excess of Income over Expenditure	13,48,21,635.77
64,75,04,540.38		TOTAL :	68,42,52,251.89

**FUND ORGANISATION
FOR THE YEAR 1989-90
FUND SCHEME. 1952)**

<i>Previous Year</i>	<i>S. No.</i>	<i>INCOME</i>	<i>Sch. No.</i>	<i>Amount</i>
(5)	(6)	(7)	(8)	(9)
54,35,20,979.77	1.	Receipt by way of Administrative charges, Inspection charges and penal Damages.	(I)	60,98,03,480.56
1,11,18,659.95	2.	Interest earned on Investment of surplus Administration Fund.		2,79,50,028.97
7,85,41,479.36	3.	Receipt from Govt. & other Accounts	(II)	3,20,80,740.35
1,43,23,421.30	4.	Miscellaneous Receipts		1,44,18,002.01
---	5.	Excess of Expenditure over Income		---

64,75,04,540.38

TOTAL :

68,42,52,151.89

INCOME & EXPENDITURE

<i>Previous Year</i>	<i>S. No.</i>	<i>EXPENDITURE</i>	<i>Amount</i>
----	1.	Excess of Expenditure over Income	----
5,00,00,000.00	2.	Provision for Building Construction Fund	5,00,00,000.00
43,576.81	3.	Provision for Maintenance (Repair, renewal & replace- ment) Fund	12,00,958.41
11,68,92,782.71	4.	Balance carried down to Balance Sheet	8,36,20,677.36
16,69,36,359.52		TOTAL :	13,48,21,635.77

APPROPRIATION ACCOUNT

<i>Previous Year</i>	<i>S. No.</i>	<i>INCOME</i>	<i>Amount</i>
16,69,36,359.52	1.	Excess of Income over expenditure	13,48,21,635.77
----	2.	Balance carried down to Balance Sheet	----
16,69,36,359.52		TOTAL :	13,48,21,635.77

Previous Year

Foot Note :

	(i) The accounts have been compiled on actual basis	
Rs. (-) 125.47 Lakhs	(ii) Interest earned on investment of surplus Adm. Fund of previous years included in the current year	Rs. (-) 8.10 Lakhs
Rs. 170.50 Lakhs	(iii) Expenditure incurred for Administration of F.P.F. Scheme due from the Government	Rs. 1045.71 Lakhs
Rs. 3.03 Lakhs	(iv) Expenditure incurred for admn. of A.E.C.D.	Rs. 2.31 Lakhs
	(v) Estimated amount in arrear due from the employers but not received	
Rs. 274.82 Lakhs	(a) Administrative charges	Rs. 325.63 Lakhs
	(b) Inspection charges	
Rs. 146.08 Lakhs	(c) Penal Damages on Adm. Account	Rs. 128.21 Lakhs

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

**EMPLOYEES' PROVIDENT
BALANCE SHEET AS AT
(EMPLOYEES' PROVIDENT**

<i>Previous Year</i>	<i>S. No.</i>	<i>LIABILITIES</i>	<i>Sch No.</i>	<i>Amount</i>
6694,15,26,210.93	1.	Employees' Provident Fund Account	III	7779,26,39,651.96
37,61,22,316.91	2.	Unclaimed Deposit A/c.	IV	70,57,97,324.30
156,37,63,414.09	3.	Forfeiture Account	V	188,93,88,034.53
5,60,00,000.00	4.	Special Reserve Fund Account		5,60,00,000.00
23,22,078.55	5.	Death Relief Fund Account	VI	11,11,770.05
	6.	<i>Interest Suspense Account</i>		
1328,29,44,340.61	(a)	Balance in the account to be credited to members upto 31.3.1999	VII	1639,22,71,847.16
937,74,05,127.08	(b)	Amount received during the year and to be credited to members account next year		1108,19,56,266.23
12,00,49,158.17	7.	(a) Staff Provident Fund Account	VIII	15,14,99,099.96
1,98,562.33	(b)	Staff Provident Fund Interest Account	IX	3,63,067.40
17,48,43,196.49	8.	Pension-cum-Gratuity Account (Staff)	X	20,46,72,124.77
74,01,81,480.37	9.	Investment Fluctuation Account	XI	101,00,71,305.50
5,13,885.76	10.	Security Deposits		5,31,591.96
9263,58,69,771.29		TOTAL C/O		10928,63,02,083.82

FUND ORGANISATION
31ST MARCH, 1990
FUND SCHEME, 1952)

<i>Previous Year</i>	<i>S. No.</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
9230,11,13,773.44	1.	Investment Account		
		(a) Employees' Provident Fund	XVI	10899,91,86,171.86
11,64,83,959.27		(b) Staff Provident Fund	XVII	14,99,92,402.66
17,16,84,312.83		(c) Pension cum-Gratuity Fund	XVIII	20,25,81,334.81
40,16,73,529.10		(d) Administration Fund	XIX	50,57,73,529.10
23,55,82,134.82	2.	Land and Building		25,92,52,375.96
7,27,33,033.33	3.	Recoverable Advance (Staff)	XX	9,60,41,635.63
3,44,38,862.39	4.	Special Reserve Fund (Recoverable)		3,83,15,849.71
16,30,998.20	5.	Security Deposits (Advance to parties)		3,98,862.20
9333,53,40,603.38		TOTAL C/O		11025,15,42,161.93

<i>Previous Year</i>	<i>S.No.</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
9263,58,69,771.29		Total B/F		10928,63,02,083.82
35,30,18,180.86	11.	Building Constuction Fund	XII	~ 41,80,37,287.28
72,08,823.22	12.	Building Maintenance (Re- pair, renewal & replace- ment) Fund	XIII	93,07,851.63
37,79.03.295 99	13.	Revenue Surplus	XIV	46,15,23,973.35
69,55,606.26	14.	(a) Group Insurance Scheme (Old)		76,49,818.87
(-) 35,493.34		(b) Group Insurance Scheme (New)		(-) 22,848.74
31,24,14,270 94	15.	Sundry Credits	XV	37,02,56,036.77
9369,33,34,455 22		T O T A L :		11055,30,54,202.98

<i>Previous Year</i>	<i>S No.</i>	<i>ASSETS</i>	<i>Sch.No.</i>	<i>Amount</i>
9333,53,40,603.38		Total B/F		11025,15,42,161.93
14,69,05,179.23	6.	Remittance in transit	XXI	26,75,20,704.48
18,197.80	7.	Cash in hand		17,192.25
14,05,15,453.40	8.	Cash at Bank (Both SBI & RBI)	XXII (-)	5,34,51,244.92
7,05,55,021.41	9.	Sundry Debits	XXIII	8,74,25,389.24
9369,33,34,455.22		TOTAL :		11055,30,54,202.98

Previous Year

Foot Note :

- | | | |
|-----------------|---|-------------------|
| | (i) The accounts have been compiled on actual basis. | |
| | (ii) Estimated amount due from the employers but not received. | |
| Rs. 8827 Lakhs. | (a) E.P.F. Contribution | Rs. 9875.88 Lakhs |
| Rs. 4096.62 " | (b) Penal Damages on Contribution, Adm. charges and Inspection charges. | Rs. 4497.53 " |
| | (iii) The investment of E.P.F., S.P.F. & Pension-cum-Gratuity Fund are shown in the Balance Sheet at Cost Price. | |
| | (iv) Out of the Building Construction Fund of Rs. 41,80,37,287.28, the cost of Land & Building acquired as on 31.3.90 is Rs. 25,92,52,375.96 and the balance of Rs. 15,87,84,911.32 is invested alongwith E.P.F. Administration Fund. | |

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

SCHEDULE NO. I

Details of Income :

	1988-89	1989-90
(1) Adm. charges	48,57,07,506.08	54,87,91,711.97
(2) Inspection charges	5,70,70,239.13	6,03,12,494.15
(3) Penal Damages	7,43,234.56	6,99,274.44
	<u>54,35,20,979.77</u>	<u>60,98,03,480.56</u>

SCHEDULE NO. II

Receipt from Govt. & Other Accounts :

(1) From Govt. for Admn. of Family Pension Scheme A.E. (C.D.) Scheme	7,30,00,000.00	4,20,00,000.00
(2) From other Accounts	55,41,479.36	(-) 99,19,259.65
	<u>7,85,41,479.36</u>	<u>3,20,80,740.35</u>

DETAILS OF RECEIPT FROM OTHER ACCOUNTS APPEARING IN SCHEDULE NO. II

(1) From Administration A/c. of E.D.L.I. Scheme	26,16,907.55	49,80,632.54
(2) From other Accounts	---	---
	<u>26,16,907.55</u>	<u>49,80,632.54</u>

Less :

1. Amount transferred to other Accounts in Adjustment	47,11,207.65	51,42,379.82
2. Transfer from A/c. No. 2 to Account No. 4 and vice-versa as per Regional Offices Accounts and Central Office Accounts	(-) 76,35,779.46	97,57,512.37
	<u>(-) 29,24,571.81</u>	<u>1,48,99,892.19</u>
Net Total :-	55,41,479.36	(-) 99,19,259.65

SCHEDULE NO. III	1988-89	1989-90
Employees' Provident Fund A/c Balance as per last Balance Sheet	5907,28,67,119.85	6694,15,26,210.93
Add :—		
Contribution (including refund of withdrawal and transferred securities) received during the year.	1035,92,86,653.80	1313,31,78,646.92
Contribution received by way of transferred securi- ties (H.Q. Office contra)	12,00,45,328.71	9,40,45,617.92
Interest credited to members account.	491,62,44,829.97	593,64,83,617.24
Other Receipts	5,92,78,283.54	8,74,86,712.40
Total :—	<u>7452,77,22215.87</u>	<u>8619,27,20,805.41</u>
Less :		
Payment made during the year to out going members on final settlement.	524,85,95,144.14	563,45,86,566.94
Premia paid during the year on members Life Insurance Policies.	79,31,325.31	82,88,090.73
Loan paid during the year to the members	181,21,22,119.84	213,86,51,598.42
Employer's share for- feited during the year	28,53,98,916.40	13,84,38,607.96
Unclaimed Deposit A/c.	12,35,55,757.07	34,71,22,729.02
Miscellaneous Payment	9,08,38,642.18	12,66,47,260.38
Amount of securities trans- ferred back to exempted Establishments	1,77.54,100.00	63,46,300.00
Total :—	<u>758,61,96,004.94</u>	<u>840,00,81,153.45</u>
Balance as on 31.3.1990	6694,15,26,210.93	7779,26,39,651.96
SCHEDULE NO. IV		
Unclaimed Deposit Account Balance as per last Balance Sheet	25,82,76,845.43	37,61,22,316.91
Add :		
Amount transferred during the year	12,35,55,757.07	34,71,22,729.02
Total :—	<u>38,18,32,602.50</u>	<u>72,32,45,045.93</u>

Less :	1988-89	1989-90
Amount paid during the year	57,10,285.59	1,74,47,721.63
Balance as on 31.3.1990	<u>37,61,22,316.91</u>	<u>70,57,97,324.30</u>

SCHEDULE NO. V

Forfeiture Account Balance as per last Balance Sheet.	87,30,96,239.36	1,56,37,63,414.09
Add :		
Employer's share for-feited during the year	28,53,98,916.40	13,84,38,607.96
Interest on for-feiture Account	43,17,10,393.79	18,76,51,610.00
	<u>159,02,05,549.55</u>	<u>1,88,98,43,632.05</u>
Less :		
(1) Amount transferred to Special Reserve Fund during the year	2,50,00,000.00	---
(2) Amount transferred to Death Relief Fund	10,00,000.00	---
(3) Amount paid from for-feiture Account during the year	4,42,135.46	4,65,597.52
	<u>2,64,42,135.46</u>	<u>4,65,597.52</u>
Balance as on 31.3.1990	156,37,63,414.09	188,93,88,034.53

SCHEDULE NO. VI

Death Relief Fund Balance as per last Balance Sheet	19,73,039.30	23,22,078.55
Amount received from for-feiture Account	10,00,000.00	---
Amount recouped during the year	---	303.00
	<u>29,73,039.30</u>	<u>23,22,381.55</u>
Less :		
Payment made during the year	6,50,960.75	12,10,611.50
Balance as on 31.3.1990	<u>23,22,078.55</u>	<u>11,11,770.05</u>

SCHEDULE NO. VII

Interest Suspense Account

**Balance as per last
Balance Sheet**

1988-89

1989-90

1878,86,65,964.94

2266,03,49,467.69

Less :

1. Interest credited to
members A/c. during
the year

491,62,42,829.97

593,64,83,617.24

2. Interest paid on depo-
sits refunded to exempted
establishments.

3,06,518.00

1,40,370.86

3. Interest paid to vendors

1,07,81,500.95

5,49,80,244.83

4. Interest accrued on
For-feiture A/c. adjusted

43,17,10,393.79

18,76,51,610.00

5. Interest accrued on
Fluctuation Account
adjusted

14,66,78,381.62

8,88,21,797.60

550,57,21,624.33

626,80,77,620.53

**Balance in the Accounts
to be credited to the
subscribers members A/c.
upto 31.3.1990**

1328,29,44,340.61

1639,22,71,847.16

Add :

1. Interest realised on
investment of securities

935,56,34,223.68

1106,12,04,667.22

2. Interest on S.B. A/cs.
(Central)

8,31,899.95

29,78,313.30

3. Interest on S.B. A/cs.
(Regional)

29,54,856.06

36,05,456.66

4. Interest on securities
received from the estts.

5,54,736.60

30,705.75

5. Interest realised from
members on loans

4,78,606.00

83,564.50

6. Penal Damages on belated
contributions received
during the year

1,69,50,804.79

1,40,53,558.80

937,74,05,127.08

1108,19,56,266.23

Balance as on 31.3.1990

2266.03,49,467.69

2747,42,28,113.39

SCHEDULE NO. VIII

	1988-89	1989-90
A. Staff Provident Fund		
Balance as per last Balance Sheet	9,64,74,397.39	11,85,82,687.83
Add :		
Contribution (including refund of withdrawal) received during the year	6,17,14,164.03	7,32,55,113.96
Interest credited to member's account	1,10,65,955.61	1,41,43,244.30
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
	16,92,54,518.03	20,59,81,046.09
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Less :		
Payment made during the year to outgoing members on final settlement	1,04,83,476.54	1,12,15,128.81
Premia paid during the year on members life insurance policies	3,76,732.04	23,658.15
Loan paid during the year to the members	3,67,32,147.20	4,23,64,135.53
Other payment (Transfer to other Regions)	30,79,474.42	23,47,881.56
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
	5,06,71,830.20	5,59,50,804.05
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Balance as on 31.3.1990	11,85,82,687.83	15,00,30,242.04
B. S.P.F. A/c. transferred from other Regions		
Balance as on 1.4.1989	16,51,105.65	14,66,470.34
Add :		
Amount transferred out to the regions	30,79,474.42	23,47,881.56
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
	47,30,580.07	38,14,351.90
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Amount received from other regions	32,64,109.73	23,45,493.98
Balance as on 31.3.1990	14,66,470.34	14,68,857.92
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total (A+B)	12,00,49,158.17	15,14,99,099.96
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>

SCHEDULE NO. IX

1988-89

1989-90

Staff Provident Fund

Interest Account

Balance as per last

Balance Sheet

57,047.89

1,98,562.33

Add :

(1) Interest realised on
investment of securities

1,12,56,831.93

1,43,44,922.47

(2) Interest on S.B. Account

9,140.84

1,620.10

1,13,23,020.66

1,45,45,104.90

Less :

(1) Interest credited to
members Account during
the year

1,10,65,955.61

1,41,43,244.30

(2) Interest paid to vendors

58,502.72

38,793.20

1,11,24,458.33

1,41,82,037.50

Balance as on 31.3.1990

1,98,562.33

3,63,067.40

SCHEDULE NO. X

Pension-cum-Gratuity Account

Balance as per last

Balance Sheet

14,66,09,404.58

17,48,43,196.49

Add :

Amount transferred during
the year from A/c. No. 4

1,22,59,000.00

1,00,00,000.00

Interest realised on S.B.
Account

1.91

2,393.10

Interest realised on Securities
during the year

1,60,35,048.50

1,98,27,669.40

17,49,03,454.99

20,46,73,258.99

Less :	<i>1988-89</i>	<i>1989-90</i>
Payment made by the regions	—	—
Interest paid to vendors during the year	60,258.50	1,134.22
	<u>60,258.50</u>	<u>1,134.22</u>
Balance as on 31.3.1990	17,48,43,196.49	20,46,72,124.77
SCHEDULE No. XI		
Investment Fluctuation A/c.		
(A) Gain on redemption of securities accounted upto 1988-89	50,43,51,990.20	74,01,81,480.37
(B) Gain on redemption of securities accounted for the year 1989-90	14,88,79,490.05	19,59,03,417.03
(C) Interest on Fluctuation A/c.	14,66,78,381.62	8,88,21,777.60
Total	<u>79,99,09,861.87</u>	<u>102,49,06,675.00</u>
Less :		
Loss on sale of securities	5,97,28,381.50	1,48,35,369.50
Balance as on 31.3.1990	74,01,81,480.37	101,00,71,305.50

SCHEDULE NO. XII	<i>1988-89</i>	<i>1989-90</i>
Building Construction Fund	29,24,18,043.39	35,30,18,180.86
Balance as per last Balance Sheet		
Add :		
1. Provision made during the year	5,00,00,000.00	5,00,00,000.00
2. Interest credited to the fund	1.06,00,137.47	1,50,19,106.42
 Balance as on 31.3.1990	<u>35,30,18,180.86</u>	<u>41,80,37,287.28</u>

Note :-

The cost of Land and Building acquired as on 31.3.1989 is Rs. 25,92,52,375.96
and the amount available for construction purposes as on 31.3.1990 is
Rs. 15,87,84,911.32

SCHEDULE NO. XIII		
Building Maintenance (Repair, renewal, replacement) Fund		
Balance as per last Balance Sheet	64,23,982.73	72,08,823.22
Add :		
1. Amount appropriated from Revenue Surplus during the year	43,576.81	12,00,958.41
2. Interest credited	7,41,263.68	8,98,070.00
 Balance as on 31.3.1990	<u>72,08,823.22</u>	<u>93,07,851.63</u>

SCHEDULE No. XIV		
Revenue Surplus		
Balance as per last Balance Sheet	26,08,82,480.95	37,79,03,295.99
Less :		
1. Amount adjusted by the Regional Office	---	---
2. Excess of Expenditure over Income during the year as transferred from Income and Expenditure Appropriation Account.	---	---
 Balance as on 31.3.1990	<u>26,08,82,480.95</u>	<u>37,79,03,295.99</u>

	1988-89	1989-90
Add :		
(i) Amount adjusted by Regional Office	1,28,032.33	---
(ii) Excess of Income over expenditure during the year as transferred from Income & Expenditure Appropriation A/c.	11,68,92,782.71	8,36,20,677.36
	-----	-----
Balance as on 31.3.1990	37,79,03,295.99	46,15,23,973.56
	-----	-----

SCHEDULE No. XV

Sundry Credits :

(a) Suspense Account (Unclassified)	3,67,63,749.30	5,17,93,068.54
(b) Erroneous Receipt	----	----
(c) Irregular Payments	10,01,641.47	10,08,987.97
(d) Over Payments	4,10,344.27	4,34,397.59
(e) A.E.C.D. (D.A.) A/c.	40,578.32	40,578.32
(f) Amount repayable to E.D.L.I. Account	7,00,000.00	3,95,000.00
(g) Pension Fund Investment <i>A/c. and s/f</i>	38,800.00	----
(i) Amount invested in EPF A/c.	14,13,200.00	4,13,200.00
(h) Erroneous Credit to Account No. 8	----	1,02,10,804.45
(i) Amount not accounted for by the Regions though received in A/c. No. 5 from A/c. No. 1	8,75,009.00	8,75,009.00
(ii) Extra credit given by Bank to A/c. No. 3 without any corresponding debit to A/c. No. 5	68,26,503.38	1,34,15,517.03
(iii) Amount credited to A/c. No. 3 but not debited to A/c. No. 5	20,84,81,566.00	21,01,56,566.00
(iv) Erroneous/credit to Account No. 5	5,26,26,869.36	7,90,12,205.89
(i) <i>Erroneous/Excess credit to A/c No. 8</i>	<i>24,33,009.84</i>	<i>25,00,701.98</i>
(j) Excess credit to A/c. No. 9	8,03,000.00	----
	-----	-----
	31,24,14,270.94	37,02,56,036.77
	-----	-----

SCHEDULE No. XVI

**Investment Account of
Employees' Provident Fund**

	1988-89	1989-90
(a) Securities purchased centrally (cost price)		
Balance as per last Balance Sheet	7890,75,78,742.94	9139,59,39,472.94
Add :		
(i) Amount invested centrally during the year (cost price)	1890,90,13,109.95	2425,72,04,813.47
(ii) Gain on the purchase of securities for the years 1989-90	14,88,79,490.05	19,59,03,417.03
	9796,54,71,342.94	11584,90,47,703.44
Less :		
(i) Loss on sale of securities during the year	—	—
(ii) Value of securities redeemed during the year	656,95,31,870.00	784,27,35,150.00
	656,95,31,870.00	784,27,35,150.00
Balance (a) as on 31-3-1990	9139,59,39,472.94	10800,63,12,553.44
B. Securities transferred by regions balance as per 1 st balance sheet (Accepted value)	80,13,89,465.24	90,51,74,300.50
Add :		
Securities received during the year (Accepted value)	12,00,45,328.71	9,40,45,617.92
Other Adjustment	15,60,000.00	—
	92,29,94,793.95	99,92,19,918.42
Less :		
Securities returned back to Establishment (Accepted value)	1,77,54,100.00	63,46,300.00
Other Adjustment	66,393.45	—
Balance (b) as on 31.3.90	90,51,74,300.50	99,28,73,618.42
Total (a) & (b)	9230,11,13,773.44	10899,91,86,171.86

SCHEDULE No. XVII	1988-89	1989-90
Investment Account to Staff Provident Fund		
Balance as per last Balance Sheet	9,34,42,868.64	11,64,83,959.27
Add :		
Amount invested centrally during the year (Purchase price)	2,97,32,890.63	4,11,69,893.39
	<u>12,31,75,759.27</u>	<u>15,76,53,852.66</u>
TOTAL ;		
Less ;		
Value of securities redeemed during the year	66,91,800.00	76,61,450.00
	<u>11,64,83,959.27</u>	<u>14,99,92,402.66</u>
Balance as on 31.3.1990		

SCHEDULE No. XVIII		
Investment Account of Pension-cum-Gratuity Fund (Staff)		
Balance as per last Balance Sheet	14,44,25,978.45	17,16,84,312.83
Add :		
Amount invested centrally during the year (Purchase price)	3,53,52,934.38	4,46,73,171.98
	<u>17,97,78,912.83</u>	<u>21,63,57,484.81</u>
Less :		
Value of securities redeemed during the year	80,94,600.00	1,37,76,150.00
	<u>17,16,84,312.83</u>	<u>20,25,81,334.81</u>
Balance as on 31.3.1990		

SCHEDULE No. XIX	1988-89	1989-90
Investment Account of Administration Fund		
Balance as per last Balance Sheet	31,09,81,029.10	40,16,73,529.10
Add :		
Amount invested in FDR	15,36,92,500.00	23,58,00,000.00
	<hr/>	<hr/>
	46,46,73,529.10	63,74,73,529.10
Less :		
Securities redeemed during the year	6,30,00,000.00	13,17,00,000.00
	<hr/>	<hr/>
Balance as on 31.3.1990	40,16,73,529.10	50,57,73,529.10

SCHEDULE No. XX

Recoverable Advance (Staff)
as on 31.3.1990

(a) Conveyance Advance	1,19,17,975.74	1,83,20,241.03
(b) House Building Advance	5,19,38,415.10	6,83,11,150.93
(c) Fan Advance	46,116.00	25,829.50
(d) Warm Clothing Advance	1,793.75	1,807.75
(e) Festival Advance	20,24,251.60	19,39,277.10
(f) Natural Calamity Advance	1,03,583.80	2,66,698.80
(g) Advance of Pay/DA/TA	14,39,081.27	9,30,392.05
(h) Food Grain Advance	3,433.55	3,433.55
(i) Advance to Staff Co-operative Canteen/Stores	4,35,072.71	4,35,072.71
(j) Miscellaneous Payment	48,23,309.81	58,07,732.21
	<hr/>	<hr/>
	7,23,33,033.33	9,60,41,635.63
	<hr/>	<hr/>

SCHEDULE No. XXI

	1988-89	1989-90
Amount in transit		
(a) E.P.F. Account No. 4	58,54,671.00	44,82,010.00
(b) E.P.F. Account No. 5	13,38,62,495.84	25,64,40,365.32
(c) S.P.F. Account No. 8	57,36,012.39	55,61,629.16
(d) Pension-cum-Gratuity Account No. 9	-----	6,23,000.00
(e) S.P.F. Investment A/c.	-----	1,59,900.00
(f) Pension-cum-Gratuity Fund Investment Account	14,52,000.00	2,53,800.00
	-----	-----
	14,69,05,179.23	26,75,20,704.48
	-----	-----

SCHEDULE No. XXII

Cash Balance as on 31st March :

(a) State Bank of India		
E.P.F. Account No. 1	10,57,48,276.65	13,49,144.29
E.P.F. Account No. 2	3,87,30,045.45	4,25,03,017.66
E.P.F. Account No. 3	(-) 9,47,82,962.76	(-) 29,77,84,584.43
E.P.F. Account No. 4	83,98,879.67	2,19,92,101.45
E.P.F. Account No. 5	5,12,79,415.12	15,10,28,165.65
E.P.F. Account No. 8	1,28,448.64	8,76,578.23
E.P.F. Account No. 9	14,62,038.14	31.24
	-----	-----
	11,09,64,140.91	(-) 8,00,35,545.91
	-----	-----
(b) Reserve Bank of India		
E.P.F. Investment A/c.	2,84,06,310.38	2,50,82,799.80
S.P.F. Investment A/c.	6,30,042.10	8,20,427.98
Pension-cum-Gratuity Investment A/c.	5,14,960.01	6,81,073.21
	-----	-----
	2,95,51,312.49	2,65,84,300.99
	-----	-----
Total (a)+(b)	14,05,15,453.40	(-) 5,34,51,244.92

SCHEDULE No. XXIII

	1988-89	1989-90
Sundry Debits :		
A. Suspense A/c- (Unclassified)	1,28,31,710.03	1,78,31,835.88
B. Irregular Payments	10,01,641 47	10,08,987.98
C Over Payments	4,10,344 27	4,34,397.59
D. Erroneous debit to Account No. 5	---	---
(a) Excess accounted for by Regional Office as transfer to A/c. No. 5 from Account No. 1	30,49,490 04	1,14,93,086.00
(b) Extra debit made to A/c. No.5 by Bank	5,32,61,835.60	5,66,11,621.15
E. Theft	---	45,460.65
	----- 7,05,55,021.41 -----	----- 8,74,25,389.24 -----

**RECEIPT AND PAYMENT ACCOUNT
AND
BALANCE SHEET OF**

**EMPLOYEES' FAMILY PENSION
SCHEME**

**EMPLOYEES' FAMILY PENSION
RECEIPT AND PAYMENT ACCOUNT
(Contribution**

<i>S No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 1989	2928,75,22,081.03
2.	(i) Contribution of Employees' & Employers	278,81,29,926.81
	(ii) Contribution of Govt. (1989-90)	110,10,57,017.13
	(iii) Arrears of contribution of Govt. up to the year 1989-90	36,52,42,982.87
3.	Interest on the balance in the Public Account	262,60,00,000.00
4.	Interest on Saving Bank Account	9,34,460.53
5.	Other Receipts :	
	(a) Regional Contribution Account No. 10	2,09,44,812.61
	(b) Central Contribution Account No. 11	—
TOTAL :		3618,98,31,280.98

SCHEME, 1971
 FOR THE YEAR 1989-90
 Account)

<i>S No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	<i>Amount paid to outgoing members/beneficiaries</i>	
	(a) Amount of Employee's share with interest	97,63,231.95
	(b) Withdrawal/Retirement Benefits	25,01,81,236.41
	(c) Life Assurance Benefits	3,70,60,231.92
	(d) Family Pension	41,30,26,563.82
2.	<i>Other Payments :</i>	
	(a) Regional Contribution Account No. 10	1,71,11,087.24
	(b) Central Contribution Account No. 11	615.00
3.	Closing Balance	3546,26,88,315.24

TOTAL :

3618,98,31,280.98

sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

**EMPLOYEES' FAMILY PENSION
RECEIPT AND PAYMENT ACCOUNT
(Administration)**

<i>S No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Amount received from Government towards cost of Administration 1989-90	4,20,00,000.00
2.	Miscellaneous Receipt	38 87
3.	Amount received from E.P.F. Administration Account C/F	10,45,71,187.58
TOTAL :		14,65,71,226.45

SCHEME. 1971
FOR THE YEAR 1989-90
Account)

S.No.	PAYMENT	Amount
1.	Balance amount incurred from E-P F Administration Account B/F as on 1.4.89	1,70,50,749.74
2.	Payment on Administration :	
	(i) Revenue expenditure :	
	(a) Salaries	7,78,48,009.78
	(b) Allowances & Honoraria	1,59,10,814.65
	(c) Travelling Allowance	26,33,330.06
	(d) Pension/Gratuity (Staff)	75,77,600.99
	(e) S.P.F. Board's share & E-D.L.I. Benefits	23,246.40
	(f) Other charges	1,83,44,082.49
	(g) Grants	5,84,600.37
	(h) Charges on maintenance and repairs of Office Building	9,12,096.94
	(ii) Capital expenditure: Construction (Office Building etc.)	56,86,695.03
		12,38,33,781.68 584,600.37
	TOTAL	14,65,71,226.45

Sd/-
(B.N. SOM)
CENTRAL PROVIDENT FUND COMMISSIONER

**EMPLOYEES' FAMILY PENSION
BALANCE SHEET**

<i>Balance as at 31st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
2928,75,22.081.03	1. Employees' Family Pension Fund Contribution Account.		3546,26,88.315.24
1,70,50,749.74	2. Family Pension Fund Admn. Account Amount incurred from EPF Administration Account		10,45,71,187.58
4,90,06,847.12	3. Sundry Credits	1	6,70,54,858.05
2935,35,79,677.89	TOTAL		3563,43,14,360.87

**SCHEME 1971
AS AT 31ST MARCH, 1990**

<i>Balance as at 31st March Previous Year</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
2920,61,19,929.35	1. <i>Family Pension Fund Contribution Investment Account kept in Deposit with Public A/c</i>	II	3538,50,63,371.48
1,70,50,749.74	2. <i>Family Pension Fund Ad- ministration Account Amount recoverable from Central Government</i>		10,45,71,187.58
4,17,31,483.73	3. <i>Cash Book Balance FPF Contribution Account.</i>	III	1,07,50,015.93
8,00,70,112.69	4. <i>Remittance in transit</i>		10,16,19,069.22
86,07,402.38	5. <i>Sundry Debits</i>	IV	3,23,10,716.66
2935,35,79,677.89	TOTAL		3563,43,14,360.87

Note :

- | | |
|--|---------------------|
| (i) Family Pension Contribution due from employers of exempted and unexempted establishments as on 31.3.1990 | Rs. 1051 Lakhs |
| (ii) Family Pension Contribution due from Govt. as on 31.3.90 | Rs. 29,30,07,946.27 |
| (iii) Family Pension Administration cost due from Govt. as on 31.3.1990 | Rs. 10,45,71,187.58 |

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER'

SCHEDULE No. I

1988-89

1989-90

Sundry Credits :

1. Account No. 10	60,27,361.95	78,10,933.88
2. Account No. 11	4,29,79,485.17	5,92,43,924.17
	<hr/>	<hr/>
Balance as at 31st March :	4,90,06,847.12	6,70,54,858.05
	<hr/>	<hr/>

SCHEDULE No. IIAmount kept in deposit with
Public Accounts

Balance as per last Balance Sheet	2376,39,90,717.28	2920,61,19,929.35
--------------------------------------	-------------------	-------------------

Add :

(i) Amount deposited in Public Account during the year	192,04,29,212.07	208,66,43,442.13
(ii) Govt. share of contribution	1,70,00,000.00 135,00,00,000.00	110,10,57,017.13 36,52,42,982.87
(iii) Interest on Public Account	215,47,00,000.00	262,60,00,000.00
	<hr/>	<hr/>
	2920,61,19,929.35	3538,50,63,371.48
	<hr/>	<hr/>

SCHEDULE No. III

Cash Book Balance

1. Account No. 10	3,98,11,837.23	(-) 11,36,543.07
2. Account No. 11	19,19,646.50	1,18,86,559.00
	<hr/>	<hr/>
	4,17,31,483.73	1,07,50,015.93
	<hr/>	<hr/>

SCHEDULE No. IV

Sundry Debits :

1. Account No. 10	27,97,181.13	5,88,655.80
2. Account No. 11	58,10,221.25	3,17,22,060.86
	<hr/>	<hr/>
	86,07,402.38	3,23,10,716.66
	<hr/>	<hr/>

**RECEIPT AND PAYMENT ACCOUNT
AND
BALANCE SHEET OF
EMPLOYEES' DEPOSIT LINKED INSURANCE SCHEME**

**EMPLOYEES' DEPOSIT LINKED
RECEIPT AND PAYMENT ACCOUNT
(Contribution)**

<i>S. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 89	5,41,78,34,809.04
2.	(i) Contribution of Employers	37,91,87,085.12
	(ii) Contribution of Govt. (1989-90)	19,37,76,580.58
	(iii) Arrears on contribution upto the year 1988-89	1,50,23,419.42
3.	Interest on Investment in Public Account	48,37,00,000.00
4.	Interest on Investment in securities	33,50,447.70
5.	Interest on S.B. Account	1,80,215.58
6.	Penal Damages	4,13,441.78
7.	Other receipts in :	
	Account No. 21	28,66,070.19
	Account No. 25	—
		----- 28,66,070.19
TOTAL :		6,49,63,32,069.41

INSURANCE SCHEME, 1976
FOR THE YEAR 1989-90
Account)

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Assurance Benefits	10,86,55,959.70
2.	Amount refunded to employers on grant of exemption	—
3.	Other payment in :	
	Account No. 21	15,40,041.51
	Account No. 25	555.00

4.	Closing Balance	6,38,61,35,513.20
<hr/> TOTAL :		<hr/> 6,49,63,32,069.41 <hr/>

Sd/-
(B.N. SOM)
CENTRAL PROVIDENT FUND COMMISSIONER

**EMPLOYEES' DEPOSIT LINKED
RECEIPT AND PAYMENT ACCOUNT
(Administration)**

<i>S. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 1989	1,22,86,94,289.39
2.	Administration charges received from the employers during the year	2,81,36,356.98
3.	Inspection charges received	74,37,308.05
4.	Penal Damages.	1,19,498.58
5.	Amount received from Govt. towards cost of Administration of the fund for the year 1989-90	1,72,40,000.00
6.	(a) Interest received on investment from Administration Account	23,81,16,703.42
	(b) Interest on S.B. Account	2,38,242.33
		1,25,389.00
	(c) Interest on Advance	1,049.25

7.	Other Receipt	8,19,523.71
	Account No. 22	---
	Account No. 24	---
TOTAL :		152,09,28,360.71

**INSURANCE SCHEME, 1976
FOR THE YEAR 1989-90
Account)**

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Payment on Administration :	
(a)	Revenue Expenditure :	
	(i) Salaries	10,54,264.17
	(ii) Allowances & Honoraria	46,538.49
	(iii) T.A. & L.T.C.	(-) 29,428.18
	(iv) Pension/Gratuity (Staff)	1,80,480.52
	(v) Staff Provident Fund (Board's share)	1,064.23
	(vi) Other charges (Recurring and non-recurring)	(-) 48,618.35
	(vii) Grants	5,292.93
	(viii) Maintenance and repairs of Office Building etc.	(-) 2,212.04
(b)	Capital Expenditure Construction of Office Building/ Staff quarters etc.	72,796.84
2.	Other Payment :	
	Account No. 2	44,70,632.54
	Account No. 22	8,28,630.01
	Account No. 24	346.35
		52,99,608.90
3.	Closing Balance	1,51,43,48,573.20
TOTAL :		1,52,09,28,360.71

Sd/-
(B.N. SOM)
CENTRAL PROVIDENT FUND COMMISSIONER

**EMPLOYEES' DEPOSIT LINKED
BALANCE SHEET AS AT**

<i>Balance as at 31 st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
5,41,78,34,809.04	1. Employees' Deposit Linked Insurance Fund Account		6,38,61,35,513.20
1,22,86,94,289.39	2. Employees' Deposit Insurance Fund Adm. Account		1,51,43,48,573.20
8,37,76,892.21	3. Sundry Credits	I	18,24,53,139.73
6,73,03,05,990.64	TOTAL :		8,08,29,37,226.13

INSURANCE SCHEME 1976
31st MARCH, 1990

<i>Balance as at 31st March Previous Year</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
	1. Investment Account		
	(a) Employees' Deposit Linked Insurance Fund Account		
5,16,80,665.83	(i) Investment in Securities	II	3,12,37,265.83
5,43,20,39,258.25	(ii) Deposit in Public Account	III	6,43,89,46,806.97
	(b) Employees' Deposit Linked Insurance Admb. Fund Account		
1,20,30,94,000.00	(i) Amount invested in Term Deposits	IV	1,54,54,96,000.00
(-) 1,54,81,102.01	(ii) Amount due from EPF Adm Account	V	(-) 1,53,60,292.98
1,32,61,394.05	(2) Cash Balance	VI	2,30,47,048.92
4,01,15,597.81	(3) Remittance in transit	VII	5,03,76,545.40
55,96,176.71	(4) Sundry Debits	VIII	91,93,851.99
6,73,03,05,990.64	TOTAL :		8,08,29,37,226.13

<i>Previous Year</i>	<i>Foot Note :</i>	
Rs. 296 Lakhs	1. E.D.L.I contribution due from employers as on 31.3.90	Rs. 329.05 Lakhs
Rs. 117.01 "	2. E.D.L.I. Adm. and Inspection charges due from employers as on 31.3.90	Rs. 285.95 "
Rs. 150,23,419.42	3. E.D.L.I. contribution (Govt.) share due as on 31.3.90	- Nil - Rs. 41,83,038 received in excess
Rs. 1.50 crores receipt in April	4. E.D.L.I. Adm. charges (Govt.) share due as on 31.3.1990	Rs. 2,89,67,279.67
	5. Out of Rs. 5.04 crores shown as remittance in Transit against S.N. 3 of the Balance Sheet (Asset side) Rs. 29.75 lakhs have been cleared in April, 90	Out of this amt Govt. has remitted Rs. 42,60,000 during 1989- 90 But the amount has been erroneously credited EPF Adm. A/c. which is being reversed in 1990-91

Sd/-
(B.N. SOM)
CENTRAL PROVIDENT FUND COMMISSIONER

SCHEDULE NO. I

1988-89

1989-90

Sundry Credits

1. Excess credit in A/c. No. 21	22,03,044.13	33,32,425.76
2. Excess credit in A/c. No. 25	6,08,32,737.05	8,54,32,687.23
3. Excess credit in R.B.I. A/c.	16,00,672.95	13,34,287.05
4. Excess credit in A/c. No. 22	21,68,572.54	28,88,432.33
5. Excess credit in A/c. No. 24	1,69,71,865.54	8,94,65,307.36
	<hr/>	<hr/>
Balance as on 31st March :	8,37,76,892.21	18,24,53,139.73
	<hr/>	<hr/>

SCHEDULE NO. II**Investment in Securities :**

Balance as per last Balance Sheet	8,65,01,065.83	5,16,80,665.83
Less :		
Securities redeemed during year	3,48,20,400.00	2,04,43,400.00
	<hr/>	<hr/>
Balance as on 31st March :	5,16,80,665.83	3,12,37,265.83
	<hr/>	<hr/>

SCHEDULE NO. III**Amount Deposited in Public A/C.**

Balance as Per last Balance Sheet	4,55,68,33,267.09	5,43,20,39,258.25
1. Deposits made during the year	29,85,05,991.16	31,44,07,548.72
2. Govt. share of contribution 1989-90	16,58,74,900.05	19,37,76,580.58
3. Govt. share arrears upto 1988-89	27,25,099.95	1,50,23,419.42
4. Interest on balance in Public Account	40,81,00,000.00	48,37,00,000.00
	<hr/>	<hr/>
Balance as on 31st March :	5,43,20,39,258.25	6,43,89,46,806.97
	<hr/>	<hr/>

SCHEDULE NO. IV	<i>1988-89</i>	<i>1989-90</i>
Amount Invested in Fixed Deposits :		
Balance as per last Balance Sheet	1,01,37,98,000.00	120,30,94,000.00
Add :		
Amount deposited during the year	53,07,96,000.00	100,30,00,000.00
	<u>1,54,45,94,000.00</u>	<u>220,60,94,000.00</u>
Less :		
Amount redeemed during the year	34,15,00,000.00	66,09,98,000.00
Balance as on 31st March :	<u>1,20,30,94,000.00</u>	<u>154,54,96,000.00</u>

SCHEDULE NO. V		
Amount due from EPF Adm. A/C.		
(a) Transaction in A/c. No. 24		
Balance as per last Balance Sheet	2,02,58,882.79	(—) 154,81,102.01
Add :		
During the year	2,46,94,330.00	10,85,00,000.00
Less :		
Amount received back	5,03,50,000.00	10,88,05,000.00
Balance as on 31st March :	<u>(—) 53,96,787.21</u>	<u>(—) 1,57,86,102.01</u>
(b) Transaction in regard to Account No. 22		
Amount transferred to E.P.F. Account No. 2	(—) 1,00,84,314.80	4,25,809.03
Balance as on 31st March (a+b)	<u>(—) 1,54,81,102.01</u>	<u>(—) 1,53,60,292.98</u>

SCHEDULE NO. VI		
Cash Book Balance		
1. Account No. 21	47,94,819.52	25,75,734.13
2. Account No. 25	6,11,990.15	10,34,039.70
3. Account No. 22	77,21,195.82	55,83,537.29
4. Account No. 24	1,33,388.56	138,53,737.80
Balance as on 31st March :	<u>1,32,61,394.05</u>	<u>230,47,048.92</u>

SCHEDULE NO. VII

1988-89

1989-90

Remittance in Transit :

1. From A/c. No. 21 to 25	2,44,70,226.09	322,95,514.47
2. From RBI A/c. to A/c. No. 25	8,526.90	8,526.90
3. From A/c. No. 22 to 24	1,56,36,844.82	1,80,72,504.03
	<hr/>	<hr/>
Balance as on 31st March :	4,01,15,597.81	503,76,505.40
	<hr/>	<hr/>

SCHEDULE NO. VIII**Sundry Debits :**

1. Account No. 21	(-) 17,57,732.91	(-) 18,02,165.80
	(-) 27,87,324.30	
2. Account No. 25	1,42,824.90	20,64,741.36
3. Account No. 22	6,44,794.66	7,96,299.26
4. Account No. 24	93,23,914.36	81,34,977.25
	<hr/>	<hr/>
Balance as on 31st March :	55,96,176.71	91,93,851.99
	<hr/>	<hr/>

AUDIT CERTIFICATE

I have examined the Receipts and Payments Accounts and Income and Expenditure Account for the year ended 31st March, 1990 and the Balance Sheet as on 31st March, 1990 of the Employees Provident Fund Organisation (Consolidated Accounts). I have obtained all the information and explanations that I have required, and subject to the observations in the appended Audit Report, I certify, as a result of my audit, that in my opinion these accounts and Balance Sheet are properly drawn up so as to exhibit a true and fair view of the State of affairs of the Employees Provident Fund Organisation according to the best of information and explanation given to me and as shown by the books of the Organisation.

Sd/-

(DHARAM VIR)

DIRECTOR GENERAL OF AUDIT,
CENTRAL REVENUES

Place : New Delhi

Dated : 7th March 1991

AUDIT REPORT
ON THE CONSOLIDATED ACCOUNTS OF THE
EMPLOYEES' PROVIDENT FUND ORGANISATION
FOR THE YEAR 1989-90

Audit Report on the Employees' Provident Fund Organisation for the year 1989-90

1. Introductory

The Employees' Provident Fund Organisation is a statutory body established under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. It has 16 Regional Offices and 48 Sub-Regional Offices with a Central Office at New Delhi.

The accounts of the Organisation are audited under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. Apart from the Employees' Provident Fund (E.P.F.) Scheme, 1952, the organisation has been entrusted with the administration of Employees' Family Pension (E.F.P.) Scheme, 1971, the Additional Emoluments (Compulsory Deposit) (AECD) Scheme, 1974 and the Employees' Deposit Linked Insurance (E.D.L.I.) Scheme, 1976. The administrative expenses of Employees Provident Fund Scheme are met out of separate contributions levied on employers for the purpose, the Employees' Deposit Linked Insurance Scheme is administered out of contributions both from employers and the Central Government at specified rates. For administering Employees' Family Pension and Additional Emoluments (Compulsory Deposit) Scheme, the Organisation is provided with funds by the Central Government by way of recoupment of expenditure initially incurred by the Organisation. The Organisation is required to maintain separate sets of accounts for each of these scheme except Additional Emoluments (Compulsory Deposit) Scheme in respect of which the transactions are incorporated in the Employees' Provident Fund Accounts.

An analysis of the Income and Expenditure of Employees' Provident Fund for 1988-89 and 1989-90 is as shown belows :-

Income	1988-89	1989-90
	(Rupees in lakhs)	
1. Receipt by way of administrative charges, inspection charges and penal damages.	5,435.21	6,098.03
2. Interest earned on investment of Surplus Administrative Fund	111.19	279.50
3. Receipts from Government and other Accounts	785.41	320.81
4. Miscellaneous Receipts	143.23	144.18

Expenditure	1988-89	1989-90
	(Rupees in lakhs)	
1. Salaries of officers and staff	2,719.78	2,692.58
2. Allowances and honoraria	525.49	588.29
3. Travelling allowance and leave travel concession	101.67	94.31
4. Pension/Family Pension/Death-cum-Retirement Gratuity	272.26	197.40
5. Staff Provident Fund		
(a) Board's share	0.12	—
(b) Staff Provident Fund, Employees Deposit Linked Insurance Scheme benefits	1.26	0.11
6. Other charges		
(a) Recurring/non-recurring	638.54	612.46
(b) Maintenance of office building and staff quarters	24.56	37.99
7. (a) Grants	15.40	16.27
(b) Refunds of Group Insurance Scheme Saving Fund	3.89	2.18
8. Expenditure incurred on administration of :—		
(a) Family Pension Fund scheme	408.80	1,238.34
(b) Employees' Deposit Linked Insurance Scheme	90.87	12.07
(c) Additional Emoluments (Compulsory Deposit) Scheme	3.03	2.32

2. Comments on Accounts :

2a) Balance Sheet of Employees' Provident Fund Scheme

(i) Valuation of assets

The total value of land and building acquired upto the end of March, 1990 as per Balance Sheet aggregated to Rs. 25.93 crores. The value of assets shown in the Balance Sheet was not verifiable as the Centralised Assets Register maintained by the Organisation was incomplete and did not contain the details of land and building indicating the Khasara No./plot No. of the land, its boundaries, the approved design according to which the building was constructed etc. in each region. This basic record was not being maintained even in the regional offices. This was also pointed out in the Audit Report for 1988-89.

The Organisation had stated, in December 1989, that centralised Assets Register was incomplete for want of information/details from some Regional Offices and all the Regional Provident Fund Commissioners had been advised to maintain the Assets Register in the regions and also furnish the required information to the central office. However, the deficiency still persisted.

Besides, advance payments/deposits made to Central Public Works Department/Public Works Department by the Organisation for construction of office buildings were booked under the head 'Land and Building' instead of showing them under the head 'Advances'. In the cases of Regional Provident Fund Commissioners, Haryana and Assam, and Central Provident Fund Commissioner (HQ) Delhi, the advances of Rs. 84.59 lakhs, Rs. 11.36 lakhs and Rs. 1.64 lakhs respectively made to the Central Public Works Department during 1989-90 were booked under the head 'Land and Building.' As such, the Balance Sheet did not depict the true picture of assets. A similar irregularity was pointed out in the Audit Report for 1988-89. The Organisation stated, in February 1991, that at the time of preparations of accounts for the year 1989-90, certain details were not available and that, therefore the advance payments/deposits could not be reflected separately. The Organisation further stated that these would be segregated and shown separately in the accounts for 1990-91.

(ii) Special Reserve Fund (Rs. 383.16 lakhs)

A Special Reserve Fund was created for making payments to outgoing members or their nominees in cases where the employers of the unexempted establishments had failed to deposit the whole or part of the contribution deducted from the wages of the subscribers to the Employees' Provident Fund. The amount paid was subsequently recoverable from the employer of the defaulting establishments concerned. A sum of Rs. 427.43 lakhs had been paid to the outgoing members or their nominees from 1960-61 to 1989-90 out of which Rs. 44.27 lakhs had been recovered from the employers upto the end of March, 1990 leaving a balance of Rs. 383.16 lakhs as recoverable, as shown in the Balance Sheet as on 31st March, 1990.

Years	Amount (Rs. in lakhs)
1960-61 to 1975-76	76.05
1976-77	4.37
1977-78	4.77
1978-79	3.32
1979-80	2.33
1980-81	2.57
1981-82	3.11
1982-83	4.14
1983-84	16.30
1984-85	22.45
1985-86	9.46
1986-87	54.23
1987-88	117.51
1988-89	23.78
1989-90	38.77
	383.16

Huge amounts were lying under this head since 1960-61 onwards and no recovery had been made from the defaulting employers during 1989-90 though it was also pointed out in the Audit Reports for previous years.

The Organisation stated, in October 1990 and February 1991, that major portion of the amount pertained to establishments which had already been closed or gone into liquidation. The details of the employers were only available with the regional offices where the payments were actually made. The Organisation further stated that suitable action had been initiated by the regional offices but the realisation process would always be tardy because of the legal formalities involved.

(iii) Discrepancies in the balances under various funds and assets created there from :-

The credit balances under the heads (1) Employees' Provident Fund (2) Staff Provident Fund (3) Pension-cum-Gratuity Fund and (4) Central Administration Fund, shown on the 'Liabilities' side of the Balance Sheet should tally with the investments, cash balances and other assets created therefrom, but this was not so as is evident from the details of last five years given below :-

Year	Liabilities	Assets	Difference
Employees Provident Fund			
(Rupees in lakhs)			
1. 1985-86	601057.64	601064.98	7.34
2. 1986-87	695361.60	695246.71	114.89
3. 1987-88	798578.05	798343.81	234.24
4. 1988-89	925912.51	925961.82	49.31
5. 1989-90	1092303.45	1092226.82	76.63
Staff Provident Fund			
1. 1985-86	626.18	663.29	37.11
2. 1986-87	790.00	783.70	6.30
3. 1987-88	990.61	972.41	18.20
4. 1988-89	1226.81	1229.78	2.97
5. 1989-90	1645.74	1574.11	71.63
Pension-cum-Gratuity Fund			
1. 1985-86	1014.62	1009.29	5.33
2. 1986-87	1191.90	1186.57	5.33
3. 1987-88	1466.09	1460.76	5.33
4. 1988-89	1756.46	1736.61	19.85
5. 1989-90	2046.72	2041.39	5.33
Central Administration Fund			
1. 1985-86	4825.31	4868.82	43.51
2. 1986-87	5205.50	5332.01	126.51
3. 1987-88	5923.78	6170.95	147.17
4. 1988-89	7463.05	7646.21	183.16
5. 1989-90	8974.63	9305.06	330.43

The difference had increased by more than seven times in the case of the Central Administration Fund, and more than 10 times in the case of Employees' Provident Fund between 1985-86 and 1989-90. The Organisation stated, in October 1990, that accumulations under various funds were transferred to Employees' Provident Fund Investment Account from where all investments were made centrally till 1966-67 and the difference in figures between liabilities and assets was only due to intermixing of funds for the above period. The Organisation also stated that the transactions dated back to the period 1952-53 and onwards for which the records were not traceable.

However, as is evident from the above analysis of discrepancies in different funds, the contention of the Organisation that these pertained to the period prior to 1966-67 only is not tenable.

(iv) Interest Suspense Account (Rs. 2747.42 crores)

The interest earned on investments was initially credited to "Interest Suspense Account" to which debit was afforded on the basis of total interest credited to individual accounts of the subscribers. The credit balance of Rs. 2747.42 crores under this head was very heavy considering that interest earned during 1989-90 was only Rs. 1108.20 crores.

According to the Organisation, the reasons for such a huge surplus was due to non-reconciliation of the accounts of the subscribers. The balance under the head "Employees' Provident Fund Account" showed the total liability towards the subscribers. Despite the issue of instructions by the central office regarding timely reconciliation of accounts of the subscribers to the Regional Commissioners, the accumulation of interest payable to subscribers was increasing every year as is evident from the following details :-

(Rupees in crores)

Year	Balance of the previous year	Interest earned during the year	Interest credited to subscribers account	Closing balance under 'Interest Suspense Account'
1	2	3	4	(2+3-4) 5
1985-86	1225.29	529.01	281.43	1472.87
1986-87	1472.87	659.44	300.63	1831.68
1987-88	1831.68	801.53	754.34	1878.87
1988-89	1878.87	937.74	550.58	2266.03
1989-90	2266.03	1108.20	626.51	2747.42

It is seen that accumulations of interest had increased from Rs. 1472.87 crores in 1985-86 to Rs. 2747.42 crores in 1989-90. The Organisation did not have any record to show the year-wise break up of accumulated balance of interest of Rs. 1639.22 crores which was to be credited to subscriber's account upto 31st March, 1989. The Organisation stated, in February 1991, that instructions had been issued to the regional offices to constitute special cells to verify the figures of Interest Suspense Account for the year 1988-89 and 1989-90 and that progress of adjustment of interest to the accounts of the subscribers was being monitored against targets.

(v) Sundry credits Rs. 37.03 crores and sundry debits Rs. 8.74 crores

(a) The Balance Sheet of the Organisation as on 31st March, 1990 depicted sundry credits of Rs. 37.03 crores and sundry debits of Rs. 8.74 crores, which included Rs. 517.93 lakhs and Rs. 178.32 lakhs respectively on account of un-classified receipts and payments. The year-wise break-up of sundry credits (Rs. 5.41 crores) and sundry debits (Rs. 1.93 crores) together with the reasons of non-adjustment of outstanding balances were not available with the Central Office. Though this irregularity had continuously been pointed out in the earlier Audit Reports, the details of transactions had

not been indicated in the annexure required to be attached by each regional office with its annual accounts in pursuance of the instructions issued by the central office in September 1978 and November 1987.

(b) The figures of sundry debtors included Rs. 10.09 lakhs and Rs. 4.34 lakhs on account of irregular payments and overpayments respectively. These amounts were also included in the figures of sundry credits as they were payable to the rightful subscribers. It was further observed that a sum of Rs. 5.20 lakhs on account of irregular payment had been lying unsettled since 1975-76 despite having been pointed out continuously in the Audit Reports for the years from 1983-84 to 1988-89.

The Organisation stated in February 1991 that departmental proceedings/criminal cases had been initiated against the persons responsible for irregular payments and the Regional Commissioners were taking action to recover the amount over-paid.

(c) Extra debit made to Account No. 5 by the Bank

The sundry debits also included an amount of Rs. 566.12 lakhs being extra debit made by the bank during the period from 1982-83 to 1989-90.

Year-wise details are furnished below :—

Year	Amount of extra debit (Rs. in lakhs)
1982-83	23.00
1983-84	8.77
1984-85	17.96
1985-86	88.50
1986-87	96.65
1987-88	22.34
1988-89	22.03
1989-90	286.87
	566.12

A similar observation was made in the Audit Reports for 1987-88 and 1988-89 but the progress of clearance had been slow. The Organisation stated in February 1991, that the matter had already been taken up with bank to get the wrong debits withdrawn and that vigorous efforts were being made to get the amounts adjusted in the accounts for 1990-91 as far possible.

(d) Remittance in Transit

As on 31st March, 1990 an amount of Rs. 26.75 crores was shown on the assets side of the Balance Sheet under the head "Remittance in transit." Year-wise details are given below ;—

Year	EPF Account No 5 (Rs. in lakhs)	SPF Account No. 8	EPF Account No. 4	Pension-cum-Gratuity Fund investment Account No. 9
1970-71 to	12.22	—	—	—
1979-80				
1980-81	2.23	1.12	—	—
1981-82	16.21	—	—	—
1982-83	25.07	0.11	—	—
1983-84	23.74	0.23	—	—
1984-85	66.12	2.16	—	—
1985-86	135.87	0.80	—	—
1986-87	32.49	12.30	—	—
1987-88	61.22	8.42	—	—
1988-89	124.03	25.36	—	—
1989-90	2065.20	6.72	44.82	8.77
	-----	-----	-----	-----
	2564.40	57.22	44.82	8.77
	-----	-----	-----	-----

A sum of Rs. 56.96 lakhs upto 1982-83 was still to be adjusted under the proper head of account though a period of more than seven years had elapsed. The clearance of old items which had become sticky was negligible.

The Organisation intimated in February 1991 that out of Rs. 26.75 crores as on 31st March 1990 a sum of Rs. 21.13 crores had since been cleared and this would be reflected in the next year's account, and that the matter had already been taken up with the bank to clear the outstanding items.

(vi) Recoverable advances

As on 31st March 1990 there were recoverable advances of Rs. 961.42 lakhs as shown in the Balance Sheet, as per details given below :—

S. No.	Advances	Amount (Rs. in lakhs)
01.	Conveyance	183.20
02.	House Building	683.11
03.	Fan Advance	0.26
04.	Warm Clothing	0.02
05.	Festival	19.39
06.	Natural Calamity	2.67
07.	Pay/DA/TA	9.31
08.	Food Grain	0.03
09.	Staff Co-operative Canteen Stores	4.35
10.	Miscellaneous Payments	58.08

		960.42

The Organisation did not have any record to show the year-wise break-up of the recoverable advances. The figures of conveyance, festival, fan and house building advances of central office did not tally with the board-sheet/register maintained by the central office. Thus, the correctness of figures could not be verified in Audit. A similar observation was made in the Audit Report for 1988-89. The Organisation intimated in November, 1990 that the year-wise details were being maintained at regional offices, and central office did not maintain the records.

2/2 Non-transfer of provident fund contributions to Board of Trustees and non investment of provident fund contribution of exempted establishments by the Board of Trustees

Certain establishments are allowed to maintain their own Provident Fund accounts under the conditions prescribed in the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and such exemption is cancelled on violation of conditions prescribed therefor.

As on 31st March 1990, there were 150 exempted establishments which failed to transfer contributions to the tune of Rs. 131.75 crores to the Board of Trustees as against 164 establishments with a default of Rs. 129.56 crores at the end of 31st March, 1989.

As on 31st March	No. of exempted units which failed to transfer contributions to the Board of Trustees	Amount involved	Arrears during the year
(Rs in crores)			
1986	139	84.24	—
1987	142	98.51	14.27
1988	169	111.43	12.92
1989	164	129.56	18.13
1990	150	131.75	2.19

While the number of defaulting establishments peaked from 139 at the end of March 1986 to 169 at the end of March 1988 and declined thereafter to 150 at the end of March 1990, the amount of contributions not transferred rose by 56 per cent from Rs. 84.24 crores to 131.75 crores between March 1986 and March 1990. Besides, the Board of Trustees of 484 establishments were in default for not investing provident fund amount balances to the extent of Rs. 77.06 crores as on 31st March 1990. The position at the end of the last four years was as under :

As on 31st March	No. of establishments for which Board of Trustees were in default	Amount involved (Rs. in crores)
1987	1122	44.91
1988	425	27.16
1989	971	45.39
1990	484	77.06

The number of defaulting establishments declined by 56.86 per cent between 1987 and 1990. However, the amount involved increased by 72.59 per cent during the same period.

The Organisation stated, in February 1991 that the Regional Commissioners were seized of the matter and all possible actions were being initiated against defaulting exempted establishment and that central office was also keeping a close watch on the progress of recovery.

2.3 Arrears in reconciliation of establishmentswise records with annual accounts figures.

As per provisions of para 196-199 of Manual of Accounting Procedure, the Organisation should maintain establishment-wise records showing transactions of contribution, refund, interest,

withdrawal etc. in respect of employees of respective establishments and the totals of these records are required to be reconciled with the figures in the cash book and ultimately with the annual accounts figures.

The reconciliation had been in arrears in most of the regions for several years. This was also commented upon in the various inspection Reports of the regions concerned besides being mentioned in Audit Reports for the year 1983-84 to 1988-89. The Organisation stated in October 1990 that the closing of annual accounts of establishments was in arrears in almost all the regions and hence, the reconciliation could not be completed.

2.4 Annual Accounts of Employees' Family Pension Scheme and Employees' Deposit Linked Insurance Scheme

The Employees Family Pension Scheme is financed by diverting 1-1/6% of the wages of the employees from out of their share of contributions towards provident fund with an equal amount of employers' contributions. The Central Government also contributes at the same rate. Under the Employees' Deposit Linked Insurance Scheme, the employees are not required to pay any contribution but the employers are to contribute at the rate of 0.5 percent of wages of the employees. The Central Government contributes one half of this contribution.

As on 31st March, 1990 Rs. 10.51 crores and Rs. 29.30 crores towards Family Pension contribution were due from employers of exempted/un-exempted establishments and from Central Government respectively Similarly Rs. 3.29 crores towards Employees Deposit Linked Insurance contribution were due from employers.

Non-receipt of the amount of contributions due from employers/Central Government had resulted in short investment in public account and consequent loss of interest to the fund.

2.5 Remittance under Employees Family Pension Scheme

As on 31st March, 1990 an amount of Rs. 10.16 crores was shown on the assets side of the Balance Sheet under the head "Remittance in Transit". Year-wise details are given below :—

Year	Amount (Rupees in lakhs)
1982-83	25.86
1983-84	26.32
1984-85	42.99
1985-86	155.43
1986-87	151.91
1987-88	88.21
1988-89	135.15
1989-90	390.32
Total	1016.19

The Organisation intimated in February 1991 that out of Rs. 1016.19 lakhs, a sum of Rs. 427 lakhs has been cleared after 31st March, 1990.

The Organisation also stated that the matter had been taken up with the banks and the Regional Commissioners to clear the outstanding amount.

2.6 Remittance under Employees Deposit Linked Insurance Scheme

As on 31st March, 1990 an amount of Rs. 5.04 crores was shown on assets side of the Balance Sheet under the head "Remittance in Transit" Account-wise details are given below :—

Account No. 21 to 25	Rs. 322.96 lakhs
Account No. 22 to 24	Rs. 180.73 lakhs
Reserve Bank of India Account to Account No. 25	Rs. 0.08 lakhs
Total	Rs. 503.77 lakhs

The Organisation stated, in February 1991 that a sum of Rs. 84 lakhs had since been cleared and that action had been taken to adjust substantial amount in the next year's accounts.

3. Other Irregularities

3.1 (a) Arrears of Provident Fund dues from employers

The dues on account of Provident Fund in respect of un-exempted establishments, both of employers and employees, Administration/Inspection charges and penal damages had increased from Rs. 51.38 crores in 1981-82 to Rs. 147.00 crores as on 31st March 1990 as detailed below. The dues on account of administration and inspection charges are shown in foot notes of the Income and Expenditure Account and dues on account of contributions and penal damages are shown in foot notes in the Balance Sheet.

(Rupees in crores)

Year	Provident Fund Contribution	Administration/ Inspection charges	Penal damages	Total
1981-82	31.37	0.94	19.07	51.38
1982-83	42.83	1.09	21.80	65.72
1983-84	41.82	1.47	26.57	69.86
1984-85	52.30	1.49	29.13	82.92

1985-86	58.30	1.79	31.33	91.42
1986-87	71.97	1.95	34.97	108.89
1987-88	78.74	2.51	42.49	123.74
1988-89	88.27	2.75	40.67	131.99
1989-90	98.76	3.26	44.98	147.00

As many as 12640 unexempted establishments were in default in the matter of remittance of Provident Fund contribution amounting to Rs. 98.76 crores to the Fund as on 31st March, 1990. The Organisation stated in February 1991 that all possible action were being initiated by the Regional Provident Fund Commissioners for realisation of arrears from the defaulting establishments.

(b) Revenue Recovery Certificates

(i) As against 31793 Revenue Recovery Certificates initiated under Section 8 of the Act involving a sum of Rs. 11466.37 lakhs pending as on 31st March, 1989. Recovery Certificates in 33927 cases involving a sum of Rs. 12279.65 lakhs were pending as on 31st March, 1990.

(ii) The number of defaulting establishments against which prosecution proceedings were launched under Section 14 of the Act rose from 6539 during 1988-89 to 10777 during 1989-90. The number of cases pending adjudication in various courts rose from 52502 as on 31st March 1989 to 60383 cases as on 31st March, 1990 out of which 17724 cases were more than 3 years' old.

(iii) Prosecution cases under section 406/409 of Indian Penal Code were launched against 454 defaulting establishments during the year 1989-90 and 6497 cases were pending with the police as on 31st March, 1990.

The Organisation stated in February 1991 that it had already set up its own recovery Machinery which had started functioning from 1st July 1990.

3.2 Claims pending settlement

(a) Employees Provident Fund Scheme

As on 31st March, 1990, 53955 claims relating to Employees' Provident Fund Scheme were pending with the Organisation. The position of claims compared to previous years was as under :-

Year	Opening Balance	Claims received during the year	Total	Claims returned	Claims settled	Closing Balance
1985-86	59852	6,26,251	6,86,103	1,01,233	5,18,497	66373
1986-87	66373	6,57,907	7,24,280	1,09,495	5,48,813	65972
1987-88	65972	6,94,719	7,60,691	1,10,596	5,92,002	58093
1988-89	58325	6,92,150	7,50,475	1,14,844	5,81,360	54271
1989-90	54271	6,88,261	7,42,532	1,08,861	5,79,716	53955

Out of 53955 claims pending settlement as on 31 st March, 1990, 10894 claims were pending for a period between 2 to 6 months and 234 between 6 months to one year and 3 were pending for more than one year and the remaining (42824) were stated to be under process. The opening balance for 1988-89 did not agree with the closing balance of 1987-88. The organisation stated that this was due to the revision of figures by certain regions.

(b) Employees' Family Pension Scheme

As on 31 st March, 1990, 63975 claims (inclusive of benefits i. e. life assurance, retirement and withdrawal benefits etc.) relating to Employees' Family Pension Scheme were pending out of which 11080 claims were pending between 6 to 12 months 965 claims were pending between 6 to 12 months and 150 were pending for more than one year.

(c) Employees' Deposit Linked Insurance Scheme

As on 31 st March, 1990, 5383 claims relating to Employees' Deposit Linked Insurance Scheme were pending out of which 891 claims were pending for the period between 2 to 6 months, 134 claims between 6 to 12 months and 3 cases were pending for more than one year, and the remaining (4355) were stated to be under process.

3.3 Arrears of Annual statements of Accounts to subscribers

The Employees' Provident Fund Scheme, 1952 provides for the issue of annual statements of accounts to the members at the close of every financial year. However, as on 31 st March, 1990, the number of pending annual statement of accounts was 136.53 lakhs out of which 76.11 lakhs statements of accounts were stated to have been not issued due to non-submission of returns by the employers and 60.42 lakhs statements of account due to other reason viz., accounts at various stages of reconciliation. The details of annual statement of accounts pending for issue were as under :-

	Accounts Statements Pending for issue
More than 4 years	22,37,710
3 to 4 years	12,40,094
2 to 3 years	17,65,475
1 to 2 years	29,10,260
Less than one year	54,99,836

Total	1,36,53,375

The number of pending accounts statements had decrease from 147.21 lakhs as on 31 st March 1989 to 136.53 lakhs as on 31 st March 1990.

3.4 Non-levy of damages under Section 14-B of the Act.

The dues payable by the employers under Employees' Provident Fund, Family Pension Fund, Employees Deposit linked Insurance etc. are required to be deposited with the State Bank of India on or before 15 th of the month following the month to which the dues relate. However, five days' grace period is allowed to the employers for the remittance and thus any remittance made beyond

20th of the following month will be treated as delayed remittance and damages under Section 14-B of the Act are leviable on all such delayed remittances,

It was however observed that levy of damages was considerably in arrears and there were 9825 cases as on 31st March 1990. Region-wise break-up of number of cases in the last 5 years, in which levy of damages was in arrears, was as under :—

S. No.	Region	Number of cases				
		1985-86	1986-87	1987-88	1988-89	1989-90
1.	Andhra Pradesh	—	13	629	316	494
2.	Assam (NER)	92	—	89	82	48
3.	Bihar	65	250	1831	—	1429
4.	Delhi	748	880	74	706	40
5.	Gujarat	—	—	216	624	566
6.	Haryana	5	6	373	256	228
7.	Karnataka	187	614	559	1167	2087
8.	Kerala	2027	90	995	614	240
9.	Madhya Pradesh	—	—	2379	183	654
10.	Maharashtra	2049	2670	5130	198	363
11.	Orissa	115	59	617	—	12
12.	Punjab	253	342	2228	250	351
13.	Rajasthan	02	1301	186	1370	47
14.	Tamil Nadu	6689	1274	2980	1658	1089
15.	Uttar Pradesh	629	629	1753	1258	1214
16.	West Bengal	55	37	616	892	963
Total		11,916	8,165	20,655	9,574	9,825

While the number of cases had come down in some of the regions like Delhi, Kerala, Maharashtra and Tamil Nadu, the position had deteriorated in Andhra Pradesh, Bihar, Karnataka, Uttar Pradesh and West Bengal. The Organisation stated in February 1991 that the Regional Commissioners were seized of the matter and that action was being taken to clear the arrears in levy of damages.

3.5 Declaration of lower rate of interest on Provident Fund Accounts of exempted establishments

The position of investment in exempted establishment vis-a-vis un-exempted establishments in relation to investment was as under :—

Establishments	Amount invested as on 31st March 1990 (Rupees in crores)
Un-exempted	Rs. 10,899.57
Exempted	Rs. 12,514.76

The total investment by the exempted establishment was more than the amount invested by the un-exempted establishments. A survey of 1319 exempted establishments out of 2907 exempted establishments was undertaken by the Organisation to assess the position regarding rate of interest declared. It revealed that 17.59 per cent exempted establishments declared lower rate of interest on the Provident Fund Accounts than the statutory rate.

The Organisation had stated, in October 1989 and February 1991 that it had already issued instructions to all Regional Provident Fund Commissioners to ensure that the exempted establishments declared interest at least at par with the rate declared by the Government.

The Organisation also stated that the condition that the rate of interest in the case of exempted establishments shall not be less than the rate for un-exempted establishments was not stipulated in the case of establishments granted exemption prior to August 1983 and that the matter was under examination of Ministry of Labour.

3.6 Loss of interest due to delay in crediting Provident Fund accounts by bank

The amount of Provident Fund contribution and other dues deposited in and received every day by any branch of State Bank of India are required to be remitted to the link branch on the same day and the link branch, in turn, is required to credit the same to the relevant receipt accounts of the Organisation on the same day or on the next working day.

It was noticed that the receiving branch of the bank did not remit the day's collection of Provident Fund contributions and other receipts to the link branch on the same day nor did the link branch afford corresponding credits to the relevant receipt account immediately on receipt of the challans from the branches under its control.

In the Karnataka Region, it was seen that the receiving branch of the bank remitted the amounts to the link branch after a delay of over seven days and more. Due to such delayed remittance to the link branch, the Organisation had suffered a considerable loss of interest.

The Organisation stated, that the State Bank of India was requested for payment of interest on all the delayed credit of amounts. The bank had neither replied nor credited the interest amount claimed.

In the Audit Report for 1988-89 loss of interest to the tune of Rs. 87.76 lakhs due to delayed crediting of amount in the relevant receipt account was pointed out. The Organisation stated in February 1991 that after protracted meetings at a high level, the bank had since agreed to pay interest on delayed credits and that one of the regional offices at Calcutta recovered Rs, 3.02 lakhs on this account.

New Delhi
Dated : 7.3.1991

Sd/-
DIRECTOR GENERAL OF AUDIT,
CENTRAL REVENUES