



ANNUAL REPORT

ON THE

WORKING OF THE
EMPLOYEES' PROVIDENT FUNDS
SCHEME 1952

FOR THE YEAR 1966-67

EMPLOYEES' PROVIDENT FUND
ORGANISATION



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ANNUAL REPORT OF THE EMPLOYEES' PROVIDENT FUNDS SCHEME FOR THE YEAR 1966-1967

INTRODUCTION

The Employees' Provident Funds Scheme, established in 1952, under the Employees' Provident Funds Act, 1952, to provide for the institution of provident funds for employees in factories and other establishments, has completed 15 years of its working. Starting with 6 major industries in 1952, the Act covered on 31st March, 1967, 106 industries/classes of establishments. During this period, spectacular progress has been made both with regard to the scope of coverage under the Scheme and also with regard to the contents of its benefits. The Contributory Provident Funds have played a very significant role in providing social protection in our country.

COVERAGE

2. Scope and application.—The Employees' Provident Funds Act extends to the whole of India except the State of Jammu and Kashmir and applies to the industries and classes of establishments listed in Appendix 'A'. During the year, the Act was extended to three more industries/classes of establishments, namely:

- (i) Tobacco industry that is to say, any industry engaged in the manufacture of Cigars, Zarda, Snuff, Qivam and Guraku from Tobacco;
- (ii) Paper products;
- (iii) Licensed salt.

3. At the end of March, 1967, 106 industries/classes of establishments were covered under the Act as against 103 at the end of 1965-66.

4. Survey of 11 more classes of establishments with a potential membership of about 45,000 was completed and survey of 7 classes of establishments is in progress. The Act does not apply (i) to any establishment registered under any Law relating to Co-operative Societies employing less than 50 persons and working without the aid of power, or (ii) to any establishment during the first three years or first five years of its being set up depending on whether it employs fifty or more persons, or twenty or more but less than fifty persons.

5. Coverage during the current year.—During 1966-67, an additional coverage of 4,530 establishments and membership of 3.29 lakhs were registered as against 4,843 establishments and membership of 3.61 lakhs in 1965-66. The fall in additional coverage is mainly for the reason that only three industries/classes of establishments were covered during the period under report.

6. Eligibility for membership of the Fund.—Conditions for membership like wage ceiling (not exceeding Rs. 1,000 per month) and minimum qualifying service (one year's continuous service or 240 days of actual work during a period of 12 months or less) remained unchanged. Several persons

employed in establishments to which the Act applied, drawing more than Rs. 1,000 per month, were admitted as members of the Provident Fund on a voluntary basis.

YEARWISE COVERAGE

Year ending	No. of establishments covered	No. of subscribers (in lakhs)
31-3-1961	12,133	29.29
31-3-1962	17,416	31.52
31-3-1963	22,413	35.17
31-3-1964	25,663	39.07
31-3-1965	29,578	42.09
31-3-1966	34,421	45.70
31-3-1967	38,951	48.99

CONTRIBUTIONS

7. **Rate of contribution.**—The statutory rate of Provident Fund contribution both for employees and employers is 6½% of basic wages and dearness allowance including the cash value of any food concession and retaining allowance, if any. During the year, the enhanced rate of 8% applicable to specific industries/classes of establishments (employing 50 or more persons) was extended to:—

- (i) Textiles made wholly or in part of Natural Silk;
- (ii) Biscuit making industry including composite units making biscuits and products, such as bread, confectionery and milk and milk powder;
- (iii) Plywood;
- (iv) Automobile repairing and servicing;
- (v) Rice milling;
- (vi) Dal milling;
- (vii) Flour milling;
- (viii) Road motor transport;
- (ix) Sugar;
- (x) Hotels;
- (xi) Restaurants;
- (xii) Establishments engaged in the storage or transport or distribution of petroleum or natural gas or products of either petroleum or natural gas;
- (xiii) Cinemas including preview theatres;
- (xiv) Film Studios;
- (xv) Film production concerns;
- (xvi) Distribution concerns dealing with exposed films;
- (xvii) Film processing laboratories;
- (xviii) Every cane farm owned by the owner or occupier of a sugar factory or cultivated by such owner or occupier or any person on his behalf;

148.22
80.84
67.51

- (xix) Starch;
- (xx) Petroleum or natural gas exploration, prospecting, drilling or production;
- (xxi) Leather and leather products;
- (xxii) Stoneware jars;
- (xxiii) Crockery.

8. **Voluntary contribution.**—Contributions at a higher rate on a voluntary basis were received during 1966-67 from 97,774 subscribers as against 95,624 subscribers in 1965-66.

9. **Quantum of contribution.**—The total contribution received during the year was Rs. 148.35 crores including Rs. 80.84 crores from exempted establishments. This compares with Rs. 123.72 crores including Rs. 68.84 crores from exempted establishments in the previous year. The increase is the result of special measures taken by the organisation to recover the contributions in time and from those in default.

RECOVERY OF PROVIDENT FUND ARREARS

10. Accumulation of Provident Fund arrears continued to cause anxiety. The total quantum of Provident Fund arrears went up from Rs. 4.90 crores as on 31-3-1966 to Rs. 5.96 crores as on 31-3-1967. Despite special steps and greater efforts having been undertaken during 1966-67, the arrears position worsened mainly due to recessionary trends partly attributable to effects of devaluation and crisis in Textile industry. Several textile units either closed down or the workers were laid off. Heavy payments had to be made as advances from Provident Fund under para 68-H of the Employees' Provident Funds Scheme. The credit squeeze, failure of rains, spiralling prices, powercuts, labour unrest and several other factors affected the industries retarding the progress and aggravating the Provident Fund arrear position.

11. A statement showing the names of establishments which were in default to the extent of rupees one lakh or more is at Appendix 'C'.

12. During the year 1966-67, 4,109 recovery cases involving a sum of Rs. 363.92 lakhs had been instituted as against 5,072 cases involving a sum of Rs. 268.96 lakhs in 1965-66.

13. The experiment of appointment of Certificate Officers at the expense of the Employees' Provident Fund Organisation in West Bengal region, which was held in abeyance, is being revived to retrieve the arrear position which worsened when the officers were withdrawn. Suitable amendments to the Employees' Provident Funds Act to strengthen the penal provisions are under consideration of the Government. It is necessary that the Regional Commissioners should be vested with greater powers in the matter of launching of prosecutions and instituting revenue recovery proceedings, creation of first charge in favour of Provident Fund dues on the unsecured assets of employers even superior to Government dues, as in certain countries—enhanced punishments for offences under the Employees' Provident Funds Act, have been included in the proposed amendments to the Act.

INVESTMENT

14. The pattern of investment during 1966-67, remained the same as in earlier years viz.,

(i) Government of India Securities (including National Defence Bonds)	80%.
(ii) 12-year National Defence Certificates and Defence Deposit Certificates	20%.

15. During the year, a sum of Rs. 60.07 crores was invested in Central Government Securities in respect of unexempted establishments as against Rs. 45.95 crores in 1965-66.

16. Interest accrued on investment during 1966-67 was Rs. 11.84 crores as against Rs. 8.65 crores in 1965-66. The rate of interest to subscribers' account declared for 1967-68 was 5% as against 4.75% for 1966-67.

17. As in the past, there have been persistent representations for declaring higher rate of interest in view of the prevailing high Bank rate on fixed deposits. Measures for making the investment yield better by diversification of investments with a view to earning higher rate of interest consistent with safety of the Fund are under the active consideration of the Government.

18. A classified summary of the assets of the Fund for the period ended 31-3-1967, is given in Appendix 'D'.

PROSECUTIONS

19. Details of the prosecution cases filed, disposed of, etc., during 1966-67, are given below:—

Launched	Disposed of	Pending in Courts	Pending with State Governments
3,546		4,659*	3,708*
	Convicted	2,135	
	Acquitted	120	
	Withdrawn	561	
	Dismissed/Discharged.	43	
3,546	2,859	4,659*	3,708*

*Includes cases of previous years also.

20. Inadequacy of the penal provisions in the Employees' Provident Funds Act/Scheme and still more of the punishment actually awarded by the Courts and delays in obtaining sanction from the State Governments in a number of cases forced the organisation to invoke sections 406 and 409 of the Indian Penal Code to deal with situations where employers, having deducted from the wages the employees' share of contributions, failed to remit them to the Fund.

21. Better results could not be achieved in view of the observance of procedural formalities relating to prosecutions which tend to be time-consuming, depending on the normal operation of the law and delay in disposal of cases by courts. Measures for accelerating the process of collection of provident fund arrears are under consideration of the Government.

PENAL DAMAGES

22. The general scale of damages to be levied is set out below:—

Number of default	Period of default					
	One month or less	More than 1 month up to 2 months	More than 2 months up to 3 months	More than 3 months up to 4 months	More than 4 months up to 5 months	More than 5 months
1st default	Per cent 2	Per cent 5	Per cent 10	Per cent 15	Per cent 20	Per cent 25
2nd default	5	10	15	20	25	..
3rd default	10	15	20	25	..	..
4th default	15	20	25	..	..	..
5th default	20	25	..	..	..	..
6th default	25	..	..	..	..	..

Note.—The percentage in every case is that of total amount in arrears.

23. The above scales were subject to the following concessions:

- 5 days of grace for payment during which no damages are levied.
- Damages at half the rates for delay upto 15 days including five days of grace.

24. The State Governments have been empowered to levy the damages. The Regional Commissioners intimate to the State Governments the amount leviable in terms of the scales laid down but the State Governments can, in their discretion, reduce the quantum of damages in appropriate cases.

25. During 1966-67, a sum of Rs. 16.90 lakhs was collected as damages on Provident Fund Contributions as against Rs. 13.56 lakhs for 1965-66. The penal damages collected on overdue Administrative charges and Inspection charges for 1966-67, was Rs. 0.37 lakhs.

REFUNDS AND CLAIMS

26. During 1966-67, a sum of Rs. 15.76 crores in respect of 2.16 lakhs claims was paid as against Rs. 13.04 crores in respect of 1.87 lakhs claims for 1965-66. A sum of Rs. 72.89 crores has been paid up to the end of March, 1967 in respect of 13.94 lakhs claims. Category-wise particulars of the claims settled in 1966-67 are given below. The figures in brackets relate to 1965-66:

Category	No. of claims settled	Amount paid (Rupees in lakhs)		
(i) Death	10,962	(11,056)	121.82	(102.32)
(ii) Superannuation	11,928	(11,120)	215.04	(178.75)
(iii) Permanent invalidation	8,569	(8,324)	108.17	(85.49)
(iv) Resignation/Termination of services	1,21,602	(1,03,976)	686.98	(529.33)
(v) Retrenchment	55,089	(43,566)	387.67	(319.06)
(vi) Dismissal	4,263	(4,168)	26.65	(25.18)
(vii) Migration	1,209	(995)	13.47	(10.99)
(viii) Others	2,702	(3,782)	15.88	(53.30)
TOTAL	2,16,324	(1,86,987)	1,575.76	(1,304.42)

Besides, 10,163 cases were transferred from one region to another or from the Fund to Exempted establishments. The following table gives the period within which claims were settled during 1966-67. The figures in brackets give the comparative position in 1965-66.

	Claims	Percentage		
(i) Claims settled within 10 days	1,33,007 (1,32,525)*	62	(71)*	
(ii) Claims settled within 1 month but after 10 days	71,380 (45,293)†	33	(24)†	
(iii) Claims settled within 3 months but after one month	10,985 (8,617)	5	(5)	
(iv) Claims settled within 6 months but after 3 months	714 (396)	..	..
(v) Claims settled within 9 months but after 6 months	90 (130)	..	..
(vi) Claims settled within 12 months but after 9 months	26 (26)	..	..
(vii) Claims settled after 1 year	122	..	..
TOTAL	2,16,324 (1,86,987)	100	(100)	

* Settled within 15 days.

† Settled within 1 month but after 15 days.

ADVANCES

27. Advances are admissible under the Scheme for the following purposes:

- (i) financing Life Insurance Policy;
- (ii) housing building, etc.;
- (iii) purchasing shares of Consumers' Co-operative Societies;

- (iv) during temporary closure of an establishment;
- (v) unemployment relief;
- (vi) illness.

28. **Advance for financing Life Insurance Policy.**—An amount of Rs. 34.39 lakhs was remitted towards payment of premia in respect of 47,738 policies during the year as against a sum of Rs. 40.25 lakhs covering 50,374 policies during 1965-66.

29. **Advance for house building, etc.**—A sum of Rs. 63.56 lakhs was advanced towards house building during the year in 5,038 cases as against Rs. 44.93 lakhs in 3,921 cases in 1965-66. The tightening up of the conditions for grant of advances to check the abuse of facility for advances for house building continued to be exercised.

30. **Advance for purchasing shares of consumers' co-operative societies.**—A sum of Rs. 1.95 lakhs was advanced during the year in 6,511 cases as against Rs. 3.93 lakhs in 13,644 cases in 1965-66.

31. **Special advance during temporary closure of an establishment.**—A sum of Rs. 111.48 lakhs was paid in 56,762 cases as against Rs. 71.80 lakhs paid in 53,577 cases in the preceding year. The increase in the number of cases and the amount is due mainly to closure of several Textile mills and demand for relief by a large number of workers repeatedly. The regionwise details of the payments made are given in Appendix 'E'. Special arrangements had to be made in certain cases for the convenience of members for payment of advance on the spot at the establishment site.

32. **Unemployment Relief Advance.**—During the year, a sum of Rs. 1.74 lakhs was paid in 780 cases as against Rs. 5.979 paid in 27 cases in 1965-66. There was a perceptible increase in the demand for this type of advance due to higher incidence of unemployment in certain industries.

33. **Advance for illness.**—A sum of Rs. 3.50 lakhs was paid in 1,155 cases as against Rs. 1.46 lakhs in 521 cases in 1965-66. The facility of grant of advance, originally restricted to cases of illness of members only, was extended to the members of their families also.

RESERVE AND FORFEITURE ACCOUNT

34. The Reserve and Forfeiture Account is fed by the accretions by way of forfeiture of a portion of Employers' share of Provident Fund Contributions in individual accounts finally settled, where the total service fell short of 15 years or where the payment of employers' share was partly withheld in cases of dismissal for serious and wilful misconduct. The total amount received in this account till the end of 1966-67, was Rs. 314.06 lakhs as against Rs. 248.50 lakhs at the end of 1965-66. The details are:

(i) (a) Amount forfeited till 31-3-1966	Rs. 248.50 lakhs
(b) Amount forfeited in 1966-67	Rs. 65.56 lakhs
Total amount forfeited	Rs. 314.06 lakhs

(ii) Amount utilised :

(a) On account of Money Order Commission and grant of financial assistance to outgoing members where inadequate deposits had been made by employers prior to the introduction of Special Reserve Fund	Rs. 11.55 lakhs
(b) On account of transfer to Special Reserve Fund	75.00 lakhs
(c) On account of transfer to Death Relief Fund	Rs. 28.00 lakhs
Total amount utilised	<u>Rs. 114.55 lakhs</u>

(iii) Net amount available in the Reserve and Forfeiture Account at the end of 1966—67 Rs. 199.51 lakhs

SPECIAL RESERVE FUND

35. A Special Reserve Fund was created on 15th September, 1960, with a view to making payment to outgoing members or their nominees/heirs where the employers had failed to remit to the Fund the whole or part of the Provident Fund Contributions deducted from the wages of the members pending recovery of the arrears from the employer. The conditions under which assistance from this fund was made available changed from time to time and finally Government decided with effect from 10th March, 1965, that assistance from Special Reserve Fund would be available to the extent only of employees' share of contributions re-covered from his wages by the employer but not remitted to the Fund by the employer together with interest thereon; and that the employers' share of contributions not remitted by the employer shall not be paid to the members till the amounts were actually recovered from or remitted by the employer. The total amount transferred from the Reserve and Forfeiture Account to the Special Reserve Fund was Rs. 75 lakhs. Of this, a sum of Rs. 71.35 lakhs, including Rs. 7.37 lakhs paid during the year, had been paid out up to the end of March, 1967. The amount recovered from the employers against these payments was Rs. 21.70 lakhs including Rs. 7.56 lakhs recovered during the year. The balance in the Special Reserve Fund at the end of March, 1967, was Rs. 25.35 lakhs as against Rs. 25.16 lakhs at the end of March, 1966.

DEATH RELIEF FUND

36. This Fund was started on the 1st January, 1964, with a sum of Rs. 10 lakhs transferred from the Reserve and Forfeiture Account with the idea of assuring a minimum sum of Rs. 500 to every nominee or heir of a deceased member whose monthly pay and also the provident fund balance did not exceed Rs. 500 at the time of death. This benefit would not be available to the nominees or heirs of those deceased members who after having once received full retirement benefit had secured employment in a covered establishment. The total amount transferred to this Fund up to the end of March, 1967, was Rs. 28 lakhs of which a sum of Rs. 19.47 lakhs had been paid out till the end of March, 1967, leaving a balance of Rs. 8.53 lakhs.

ANNUAL STATEMENTS OF ACCOUNTS

37. Of a total number of 38.29 lakhs accounts, including 6.57 lakhs of backlog, 32.13 lakhs accounts were issued during the year under report as against 27.85 lakhs accounts out of a total of 33.41 lakhs accounts (including a backlog of 4.93 lakhs) during the year 1965-66. As on 31st March, 1967, 16% of annual statements of accounts were in arrears.

EXEMPTED ESTABLISHMENTS

38. The Employees' Provident Funds Act provides for exemption of establishments which have their own provident funds and other superannuation benefits not less favourable than the statutory benefits. The Act also permits employees of an establishment individually or as a class to seek exemption if they are members of employers' own provident fund schemes. The number of exempted establishments was 1,982 as on 31st March, 1967 as against 1,920 establishments as on 31st March, 1966. Non-compliance with the conditions for grant of exemption led to the cancellation of exemption in respect of 96 establishments during the year. The exempted establishments accounted for 17.65 lakhs out of a total membership of 48.99 lakhs. The information regarding working of exempted establishments is given below:—

	In crores of rupees
(i) Balance uninvested as on 1-4-1966	1.33
(ii) Contributions received (excluding other receipts of Rs. 28.40 crores such as proceeds of matured securities, interest earned on investments, etc.)	52.44
(iii) Investment made in Central Government securities	44.16
(iv) Amount refunded:	
(a) On account of final settlement of claims	16.49
(b) On account of recoverable loans	11.20
(c) On account of refunds (non-recoverable)	8.91
(v) Balance in hand	1.41

} 36.60

39. The position of total investment of the accumulation of provident fund schemes of exempted establishments as on the 31st March, 1967, was as follows:—

	(In crores of rupees)
(i) Investment in Central Government Securities	308.26
(ii) Earlier investments in other securities, etc.	4.99

CENTRAL BOARD OF TRUSTEES

40. A list of the members of the Central Board of Trustees is given in Appendix 'F'. Shri P. C. Mathew, I.C.S., Secretary to the Government of India, Department of Labour and Employment continued to be the Chairman of the Board during the year except during his tour abroad when Shri P. M. Nayak, I.C.S., Additional Labour Secretary was the Chairman. During the year under report three meetings of the Board were held.

41. The more important decisions and recommendations of the Board taken during the year are given below :

A. 31st Meeting—4th July 1966

(i) Paragraph 38 of the Employees' Provident Funds Scheme, 1952, may be amended to provide for the inclusion of "actual" bank collection charges if payment is made by an outstation cheque;

31 8/100
22 778

(ii) Paragraph 68-J of the Employees' Provident Funds Scheme may be amended to grant advances for medical treatment of the family members of a member on an experimental basis for one year in the first instance;

(iii) The Regional Provident Fund Commissioners may be authorised to obtain their requirement of funds from the State Bank of India, Bombay by direct requisition subject to an upper limit to be set in advance by the Central Provident Fund Commissioner;

(iv) A Sub-Committee may go into the working of the mechanisation of accounts in the Maharashtra Region;

(v) The recommendation of the IBCON be first considered by the Regional Provident Fund Commissioners and then the entire matter should be looked into by a Sub-Committee;

(vi) The payment out of the Special Reserve Fund should be continued on the basis of existing instructions;

(vii) The implementation of the Employees' Provident Funds Act and the Scheme in Public Sector establishments should be pursued more energetically.

B. 32nd Meeting—3rd October, 1966

(i) The Annual Report on the working of the Employees' Provident Funds Scheme was approved;

(ii) The Death Relief Fund, on the existing terms may continue for another year from 1-1-1967 and another Rs. 8 lakhs may be transferred from the Reserve and Forfeiture Account to the Death Relief Fund;

(iii) The Special Report of the Sub-Committee on IBCON's was approved and it was desired that the Government be requested to raise the upper age limit for recruitment to the posts of Lower Division Clerks from the existing 21 years to 25 years;

(iv) The proposals for purchase of land or buildings should, as far as possible, be first examined and cleared in consultation with the local trustees before being placed before the Central Board.

C. 33rd Meeting—16th January, 1967

(i) The Revised Estimates for 1966-67 and Budget Estimates for 1967-68 were approved;

(ii) The rate of interest of 5% may be declared for credit during 1967-68 to the accounts of the members; the same rate was approved for members of the Staff Provident Fund;

(iii) The Certificate Officers in West Bengal may not be continued beyond their present term and the Regional Provident Fund Commissioner, Deputy Regional Provident Fund Commissioner and Assistant Provident Fund Commissioners may be vested with the powers of Certificate Officers;

(iv) The Central Government and the State Governments may be requested to take more energetic steps to improve the position of compliance by the public sector undertakings;

(v) Paragraph 68-C of the Employees' Provident Funds Scheme may be amended to provide for the following:

- Collection of interest from the members who having made a co-operative society and taken loan, changes his mind subsequently and is no longer interested in acquiring the tenement;
- Enabling the Commissioner to direct recovery of advance together with the interest from the wages of a member where the allotment is cancelled and the member does not refund the advance;
- Grant of a second advance where the cost of construction goes high after the grant of first advance;

(vi) Paragraph 68-H of the Employees' Provident Funds Scheme may be amended to provide for advances in case of locked up or closed down establishment for more than thirty days for reasons other than a strike;

(vii) Paragraph 72(5) of the Employees' Provident Funds Scheme may be amended to provide for:

- Payment of provident fund accumulations through the employer if the employee so chooses, and
- Fixation of six months time limit (from the date of preferment of claim application complete in all respects) beyond which no complaint of non-receipt of money order would be entertained;

(viii) Paragraph 60(2)(b) of the Employees' Provident Funds Scheme may be amended to allow members to get interest even for a broken currency period at the rate declared for the year in which that period would fall.

REGIONAL COMMITTEES

42. During the year, Regional Committee for the State of Kerala was set up. Such Committees were formed earlier in the States of Andhra Pradesh, Gujarat, Madhya Pradesh, Madras, Maharashtra, Orissa, Punjab, Uttar Pradesh and West Bengal. These Committees assisted the Central Board of Trustees by their advice on matters relating to the administration of the Scheme in their respective regions.

43. The following are some of the important suggestions made by the Regional Committees:

- The operation of Special Reserve Fund should be further liberalised so as to permit full withdrawal against employers' share due but not paid by any employer while settling applications for final withdrawal, transfer, advances, interim relief, etc. (Regional Committee, Madhya Pradesh).
- The Act should be suitably amended, empowering Regional Provident Fund Commissioners to levy damages. The Committee recommended that para 68-B of the Employees' Provident Funds Scheme be amended to make a provision for refunding the amount and returning the documents, before the expiry of 5 years, if the outstanding amounts are unpaid. (Regional Committee, Madras).
- The Scheme should be amended limiting the right of the employer in cases of dismissal to forfeit the contribution only to the extent to which he had contributed to the provident fund. (Regional Committee, Madras).

- (iv) The Government of India may be requested to reconsider their decision not to extend the Act to Beedi Industry. (Regional Committee, Madras).
- (v) The provisions of para 68-H of the Scheme be amended suitably to include cases where the Factory/Establishment was locked up or closed for more than 15 days in a month. (Regional Committee, Madras).
- (vi) The rate of interest allowed on provident fund accumulations should be increased commensurate with the increase in the rate of interest by Reserve Bank of India. (Regional Committee, Andhra Pradesh).
- (vii) The present pay limit of Rs. 500 per month for getting benefit under the Death Relief Fund may be raised to Rs. 750 per month. (Regional Committee, Andhra Pradesh).

44. The details of the meetings held by these Committees are given below:

Region	Meeting held	
Andhra Pradesh	2nd Meeting	4-1-1967
Bihar	11th Meeting	28-9-1966
Gujarat	No Meeting held	
Kerala	No Meeting held	
Madhya Pradesh	4th Meeting	23-11-1966
Madras	16th Meeting	27-8-1966
Maharashtra	17th Meeting	18-4-1966
	18th Meeting	24-10-1966
	19th Meeting	30-12-1966
Orissa	No Meeting held	
Punjab	1st Meeting	18-5-1966
Uttar Pradesh	8th Meeting	5-9-1966
West Bengal	20th Meeting	16-6-1966
	21st Meeting	29-11-1966

ADMINISTRATIVE SET UP

45. The Central Provident Fund Commissioner is the Chief Executive Officer of the Organisation and Secretary to the Central Board of Trustees. The organisation has a two-tier set up; Central Office to exercise administrative and financial control and to lay down policy in consultation with the Central Government and the Regional Offices in the States to implement the Scheme and to enforce compliance with the provisions of the Act. Shri E. V. Ram Reddi was the Central Provident Fund Commissioner, till the 2nd February, 1967. Shri M. L. Ray, Chief Accounts Officer was holding additional charge of the post until 7th March, 1967, when Shri S. K. Wadhawan, F.C.I.I. (London), Director of Enforcement, Government of India, Department of Labour & Employment took over charge as Central Commissioner.

46. At present all the Regional Offices except that of Assam are manned by full-time Regional Provident Fund Commissioners. The Regional Offices have Inspectorates in important industrial centres.

47. The authorised strength of the officers and staff of the organisation during the year was 4,304 as against 4,185 in the previous year. The number of officers and staff in position as on 31-3-1967 was 4,088.

48. The Central Government scales of pay and allowances and superannuation benefits apply to the employees of the organisation. Recruitment and training procedures follow Central Government pattern. Adequate promotional avenues to the departmental staff exist.

49. During the year under report, in certain Regional Offices of this Organisation, the members of the staff formed themselves into Staff Unions and got them registered under the Indian Trade Union Act, 1926. The Unions are affiliated to the All India Employees' Provident Fund Staff Federation. In February, 1967, the Staff Federation submitted a Charter of Demands to the Central Board of Trustees. The Charter of Demands was placed before the Board at their 34th meeting held at Bombay on the 13th April, 1967, and a Sub-Committee was set up to consider the Demands of the Employees' Federation, if necessary, in consultation with their representatives.

STREAMLINING OF ACCOUNTING PROCEDURES

50. The Office Manual was published in February, 1963 summarising and bringing together the important provisions of the Employees' Provident Funds Act and the Scheme and laying down Codes of instructions on the administration, enforcement and accounting procedures. The Manual had only one Chapter allotted to the Accounts work in the Regional Offices. With the substantial increase in the volume and complexities of the accounting work and modification of accounting procedures from time to time during the past two years, need was felt for a comprehensive and up-to-date handbook to codify in detail the revised accounting procedures. Accordingly, a manual of accounting procedure in two volumes, has been compiled. It is comprehensive volume and covers the processes from the time the source documents are received from the establishments to the stage of final compilation of the annual accounts of the Organisation. The special proforma in which several prescribed Registers/Books have to be maintained have been added separately in volume II. It is intended to provide a handy book of reference to officers and staff of Accounts Branch in the Central and the Regional Offices.

51. The Organisation has not benefited much from the reports of the IBCON Private Limited on their study conducted in the Mysore Regional Office from 1st August, 1965 to 28th February, 1966. Their appointment for study of work procedures in the Delhi and Maharashtra regions was, therefore, not made. In order to keep the procedures under constant review, the alternative of setting up of a Departmental Organisation and Methods Division is under consideration.

MECHANISATION OF ACCOUNTS

52. In pursuance of the decision taken by the Government to continue the system of mechanisation of accounts in the Maharashtra region

with the I.B.M. machines beyond the 31st October, 1965, and in respect of accounts for the year 1965-66 too the accounting machines obtained earlier from the I.B.M. Corporation on experimental basis were engaged from the 1st November, 1965, on a regular hire basis. The performance of the machines leading to the successful compilation of the accounts within the scheduled time was not very satisfactory due to several initial difficulties and disorders and also due to several other concomitant factors, viz., delay in supply of all the required machines, inadequacy of trained staff, mistakes in the source documents, etc. The Central Board of Trustees, therefore, in its 31st meeting held on 4th July, 1966, appointed a Sub-Committee to examine the progress of mechanisation in the Maharashtra Region and to submit a detailed report to the Board. The report of the Sub-Committee was placed before the Central Board of Trustees at their 34th meeting held in Bombay on the 13th April, 1967.

53. The Sub-Committee in their report had not made any specific recommendation. It had in its report to the Central Board of Trustees pointed out certain deficiencies on the part of the Regional Office, the I.B.M. Organisation and the covered establishments as a result of which there had been some delay in the issue of accounts to the members. The Central Board of Trustees decided that

- (i) the accounts may continue to be maintained partially on I.B.M. installations as at present,
- (ii) efforts should be made to complete the work in connection with the issue of annual accounts slips for the year 1965-66 by the end of June, 1967,
- (iii) work in connection with the issue of accounts slips for the year 1966-67 should be completed by the end of December, 1967 or by January, 1968 and
- (iv) the contract with the I.B.M. machines may be renewed up to the end of December, 1967 for the present.

54. The contract for hiring of I.B.M. accounting machines on the existing terms and conditions has been extended up to 31st December, 1967. Action has been taken to remove the deficiencies. The work of compilation of annual accounts for 1965-66, was completed within the stipulated time.

INCOME AND EXPENDITURE

55. The expenditure involved in administering the Employees' Provident Funds Act and the Scheme is met from a separate levy under paragraph 39 of the Employees' Provident Funds Scheme called the administrative and inspection charges at a prescribed rate collected from the employers of non-exempted and exempted establishments respectively. These charges are fixed by the Central Government. In respect of all establishments, the present rate of administrative charges is 0.37% of "wages" of the members and that of inspection charges is 0.09% of "wages" of the members.

56. The year witnessed an increase of Rs. 27.99 lakhs in income and of Rs. 29.40 lakhs in expenditure over the previous year. The enhanced dearness and compensatory allowances and capital expenditure on purchase of land and construction of office buildings and staff quarters contributed largely to the rise in expenditure.

57. The actuals of income and expenditure are given below:

(i) Income	(in lakhs of Rupees)
(a) Administrative and Inspection Charges	192.50
(b) Interest on Investments	15.01
(c) Damages on delayed remittances	0.37
Total	207.88
(ii) Expenditure	176.70

AUDIT

58. The external audit of the Fund was as usual conducted by the Comptroller and Auditor General of India with the assistance of various Accountants General. The certified Accounts and Audit Report of the Employees' Provident Fund Organisation for the year 1964-65 was laid on the table of the Lok/Rajya Sabha on the 29th/31st March, 1966 respectively.

59. The annual audit conducted by the Comptroller and Auditor General of India is only a test check of accounts. There is, therefore, need for a machinery for a continuous audit of accounts in the Regional Offices so that deficiencies if any may come to light before it is too late.

INTERNAL AUDIT

60. With the addition of more industries/classes of establishments, the volume of work especially relating to accounts has been growing not only in volume but also in complexity. It has, therefore, been found necessary to supplement the existing test audit with a system of regular and continuous internal audit. Accordingly, a permanent internal audit machinery, under the control of the Chief Accounts Officer, was set up with effect from the 1st August, 1966, with the responsibility for conducting audit of accounts (including Administration Accounts in the Regional Offices) according to a planned programme. Two Internal Audit teams, each under the charge of an Accounts Officer, assisted by an appropriate staff were put on the task, one for the North Zone (with headquarters at New Delhi) covering the Regional Offices in Delhi, Punjab, Uttar Pradesh, Bihar, West Bengal, Assam, Gujarat and Rajasthan and the other for the South Zone (with the headquarters at Madras) covering the Regional Offices in Andhra Pradesh, Madhya Pradesh, Kerala, Maharashtra, Madras, Mysore and Orissa.

61. The two teams have undertaken the audit work relating to most of the regions and the first cycle of audit was completed by the end of August, 1967.

62. A general audit scrutiny of the receipts and revenue of the Organisation, and audit of expenditure with special attention to final withdrawals from the Fund, maintenance of cash books, etc., is being carried out and the results of the first round of internal audit of all the Regional Offices will be consolidated for review, during the next year.

63. The Internal Audit reports on the Regional Offices covered so far have revealed a few instances of financial irregularities (excess/short payments, etc.) which are negligible when compared to the very large number of accounts maintained. However, such scrutiny was educative. Other defects pointed out by the Internal Audit relate mostly to procedural lapses and failure to adhere to and implement quickly, the decision on accounting matters taken at the Accounts Officers' Conference.

INSPECTIONS

64. The number of inspections and investigations made by the Inspectors during the year was 1,06,551 as against 98,544 in the previous year. The average number of inspections per Inspector was 44 per month as against the prescribed yardstick of 40. More attention was paid to defaulting establishments and frequency of inspections of good concerns was reduced without detriment to efficiency of inspections.

CONFERENCES

65. The fourth Conference of the Regional Commissioners was held at New Delhi on the 11th August, 1966. The Conference was inaugurated by the Union Deputy Labour Minister. The Union Labour Minister also attended the Conference. The Conference, which met on two days, discussed the problems of administration and the working of the Employees' Provident Funds Act and the Scheme and suggested certain measures for effective implementation of the Act and the Scheme.

AMENDMENTS

66. Paragraphs 62, 63, 64(1)(2)(4) and (5), 65, 66 and 67, of the Employees' Provident Funds Scheme dealing with grant of advances for financing Life Insurance Policies, were amended chiefly to provide for fixation of time limit for the submission of legally assigned policy to the Central Board of Trustees by the insured persons; adjustment of bonus against payments made from the Fund on behalf of the insured person; re-assignment of policy to the account of the insured person for final settlement under para 69 or his dependants in the event of his predeceasing maturity of the policy; and refund of balances, if any, in the event of maturity of policy prior to final settlement.

67. Para 38(1) was amended to provide for inclusion of actual bank collection charges in the amount of cheque to be issued on outstation banks.

68. Paragraph 57 of the Employees' Provident Funds Scheme provided for inter-state transfer of a member's account on his ceasing to reside in one State and settling in another. It has been amended to:

- (i) cover cases of intra-state transfer of accounts in the event of the member's ceasing to be employed in one establishment and securing employment in another establishment within the same State; and
- (ii) prescribe two separate forms—one for inter-state and the other for intra-state transfer of accounts.

69. A new paragraph, viz., 68-GG was inserted in the Scheme providing that:

Where under a special multi-storeyed housing project undertaken by a Government, local body, co-operative society or Housing Finance Corporation, the site of the project is held in the name of the Government, local body, co-operative society or Housing Finance Corporation and the allottee of the tenement is precluded from transferring or otherwise disposing of the tenement without the prior approval of the Government, local body, co-operative society or Housing Finance Corporation; as the case may be, the mere fact that the allottee does not have absolute right of ownership of the tenement and the site is held in the name of the Government, local body, co-operative society or Housing Finance Corporation shall not be a bar to the giving of an advance under paragraph 68-B, 68-C or 68-G if the other conditions mentioned in the paragraph under which advance is given are satisfied.

70. Another sub-para was inserted in the Scheme providing that where a dwelling site is to be acquired or houses are to be acquired or houses are to be constructed by a co-operative society on behalf of its members for their allotment to the members, the Commissioner may, on an application from any such member who is also a member of the Fund, sanction an advance and pay the amount direct to the said society to the Account of the member. The effect of the amendment referred to above is that the members of the Fund will now be able to get advance in multi-storeyed housing projects in cities like Bombay.

71. The Employees' Provident Funds Scheme provided for advances from the Fund (Para 68-J) for illness in respect of the members only in cases of (i) hospitalisation lasting for one month or more (ii) major surgical operation in a hospital or (iii) suffering from T.B., Leprosy, Paralysis, Cancer, Asthma. During the year, the Scheme was amended to extend the benefit of the advances in respect of the illness (in similar circumstances) to any member of the family.

ACCOMMODATION FOR OFFICE AND STAFF QUARTERS

72. A plot of land was purchased for construction of staff quarters at Bombay.

73. A plot of land was purchased for construction of an Office building for the Central and Regional Offices, Delhi.

74. Action was initiated for construction of office buildings and staff quarters at Hyderabad, Indore and Kanpur.

75. A phased programme with a 'Five Year Plan' for construction of buildings for offices and quarters for staff was drawn up for implementation.

FUTURE PROGRAMMES

76. Government are considering the possibility of conversion of Provident Fund partly into a Scheme of old age Pension and survivorship benefits. A Scheme of Un-employment Insurance to provide cash benefits to the members of Provident Fund during any involuntary loss of employment is also being considered. During the year, Central Government examined in consultation with the Employees' State Insurance Corporation, the State Governments and the Central Organisations of workers and employers, the recommendation of the Employees' State Insurance Scheme

Review Committee regarding the merger of the Employees' State Insurance and the Employees' Provident Funds Schemes with a view to evolving a comprehensive Scheme of Social Security and the conversion of the Provident Fund into a Scheme of old age and survivorship pension and gratuity on retirement. There was complete agreement amongst the interests concerned with the views of the Committee. The Standing Labour Committee of the Indian Labour Conference has since considered the recommendations of the Committee and has advised the Government that the recommendations which were accepted should be implemented without delay.

CONCLUSION

77. The working of the Employees' Provident Funds Act and Scheme during the year has been satisfactory. It has been the constant endeavour of the Central Board of Trustees to widen the range of benefits to the employees and to make it possible for them to derive the benefits with the minimum of formalities. Regard was always paid to the genuine difficulties of the employers and employees in the working of the Scheme.

78. The Board acknowledges with thanks the co-operation received from the Central Government, the State Governments, and the associations of Workers and Employers in the implementation of the Act and the Scheme. The Board would also like to place on record its appreciation of the hard and devoted work done by the Officers and staff of the Employees' Provident Fund Organisation during the year.

S. K. Wadhawan

(S. K. WADHAWAN)

*Secretary,
Central Board of Trustees.*

APPENDICES

APPENDIX 'A'

Industries/Classes of establishments to which the Employees' Provident Funds Act, 1952 applied on 31-3-1967

Date of extension	Industry/Class of establishment	No. of establishments	No. of Subscribers
(1)	(2)	(3)	(4)
1st November, 1952	(1) Cement	61	57,402
	(2) Cigarettes	15	13,720
	(3) Electrical, mechanical or general engineering products	7,301	7,72,377
	(4) Iron and Steel	220	2,16,458
	(5) Paper	175	54,699
	(6) Textiles (made wholly or in part of cotton, or wool, or jute, or silk whether natural or artificial)	3,003	12,61,540
31st July, 1956	(7) Edible oils and fats	1,216	39,565
	(8) Sugar	368	1,89,408
	(9) Rubber and rubber products	266	49,038
	(10) Electricity including generation, transmission and distribution thereof	538	1,55,687
	(11) Tea (except in the State of Assam where the Government of Assam have instituted a separate Provident Funds Scheme for the industry including plantations)	1,009	3,85,099
			(Figures include those under item 26 also).
	(12) Printing, including the process of composing types for printing ; printing by letter press, lithography, photogravure or other similar process or book-binding but excluding printing presses, covered under "Newspaper establishments" to which the Employees' Provident Funds Act has separately been extended under section 15 of the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955	1,280	60,720
	(13) Stone-ware pipes	21	3,172
	(14) Sanitary wares	25	4,810
	(15) Electrical porcelain insulators of high and low tension	22	3,869

1	2	3	4
31st July, 1956—Contd.	(16) Refractories	68	31,616
	(17) Tiles	394	26,497
	(18) Matches	140	13,425
	(19) Glass	242	30,791
	<i>Note.—</i>		
	Till the 31st March, 1962 the Scheme was not applicable to the following :—		
	(i) Match factories having annual production of five lakhs gross boxes of matches or less ;		
	(ii) Such glass factories other than sheet glass and glass shell factories as have an installed capacity of 600 tons per month or less.		
30th September, 1956	(20) Heavy and fine Chemicals including :—	1,146	1,53,584
	(i) Fertilizers		
	(ii) Turpentine		
	(iii) Rosin		
	(iv) Medical and Pharmaceutical Preparations		
	(v) Toilet preparations		
	(vi) Soaps		
	(vii) Inks		
	(viii) Intermediates, dyes, colour lakes and toners		
	(ix) Fatty acids		
	(x) Oxygen, acetylene and carbon-dioxide gases (The Act was actually enforced in this industry with effect from the 31st July, 1957).		
	(21) Indigo	1	106
	(22) Lac including shellac	35	378
	(23) Non-edible vegetable and animal oils and fats	24	973
31st December, 1956	(24) Newspaper establishments	226	28,947
31st January, 1957	(25) Mineral oil refining	6	9,248
30th April, 1957	(26) Tea plantations (other than the tea plantations in the State of Assam) (Figures included under item 11).		
	(27) Coffee plantations	1,274	42,899
	(28) Rubber plantations	147	13,169
	(29) Cardamom plantations	142	2,877
	(30) Pepper plantations		
	(30A) Mixed plantations	119	19,604

(1)	(2)	(3)	(4)
30th November, 1957	(31) Iron-Ore mines	164	32,335
	(32) Manganese Mines	238	42,252
	(33) Limestone mines	140	37,243
	(34) Gold Mines	2	14,993
	(35) Industrial and power alcohol	30	4,270
	(36) Asbestos cement sheets	7	6,267
	(37) Coffee curing establishments	33	8,500
30th April, 1958	(38) Biscuit making industry including composite units making biscuits and products such as bread, confectionery and milk and milk powder	133	8,430
30th April, 1959	(39) Road motor transport establishments	1,365	1,60,381
31st May, 1960	(40) Mica factories	118	7,726
	(41) Mica mines	285	16,902
30th June, 1960	(42) Plywood	95	12,737
	(43) Automobile servicing and repairing	573	48,385
31st December, 1960	(44) Rice milling		
	(45) Dal milling	2,286	33,175
	(46) Flour milling		
31st May, 1961	(47) Starch	11	1,648
30th June, 1961	(48) Hotels	1,458	34,554
	(49) Restaurants	425	8,237
	(50) Establishments engaged in the storage or transport or distribution of petroleum or natural gas or products or either petroleum or natural gas.	120	42,619
	(51) Petroleum or natural gas exploration, prospecting, drilling or production		
	(52) Petroleum or natural gas refining		
31st July, 1961	(53) Cinemas including preview theatres	1,042	19,543
	(54) Film Studios	30	2,469
	(55) Film production concerns		
	(56) Distribution concerns dealing with exposed films	99	4,921
	(57) Film processing laboratories		
31st August, 1961	(58) Leather and leather products	414	18,781
30th November, 1961	(59) Stone-ware jars	22	2,279
	(60) Crockery	32	2,415
31st December, 1961	(61) Every cane farm owned by the owner or occupier of a sugar factory or cultivated by such owner or occupier or any person on his behalf	31	3,513

(1)	(2)	(3)	(4)
30th April, 1962	(62) Every trading and commercial establishment engaged in the purchase, sale or storage of any goods, including establishments or exporters, importers, advertisers, commission agents and brokers, and commodity and stock exchanges, but not including banks or ware-houses established under any Central or State Act	5,229	3,07,276
30th June, 1962	(63) Fruit and vegetable preservation	64	3,621
30th September, 1962	(64) Cashewnuts	214	91,353
31st October, 1962	(65) Establishments engaged in the processing or treatment of wood including manufacture of hard-board or chip board, jute or textile, wooden accessories, cork products, wooden furniture, wooden sports goods, cane or bamboo products, wooden battery separators	227	7,216
	(66) Saw Mills	718	18,228
	(67) Wood seasoning kilns		
	(68) Wood preservation plants		
	(69) Wood workshops		
31st December, 1962	(70) Bauxite mines	18	1,351
31st March, 1963	(71) Confectionery	50	1,033
30th April, 1963	(72) Laundry and Laundry services	123	4,513
	(73) Buttons	18	513
	(74) Brushes	24	882
	(75) Plastic and plastic products	299	14,765
	(76) Stationery products		
31st May, 1963	(77) Theatres where dramatic performances or other forms of entertainment are held and where payment is required to be made for admission as audience or spectators	17	1,150
	(78) Societies, clubs or associations which provide board or lodging or both or facility for amusement or any other service to any of their members or to any of their guests on payment	150	8,074
	(79) Companies, societies, associations, clubs or troupes which give any exhibition of acrobatic or other performances or both, in any arena circular or otherwise or perform or permit any other form of entertainment in any place, other than a theatre, and require payment for admission into such exhibition or entertainment as spectators or audience	24	1,446

(1)	(2)	(3)	(4)
31st August, 1963	(80) Canteens	116	3,716
	(81) Aerated water, soft drinks or carbonated water	38	1,848
31st October, 1963	(82) Distilling and rectifying of spirits (not falling under industrial and power alcohol) and blending of spirits	14	708
31st January, 1964	(83) Paint and varnish	66	5,251
	(84) Bone crushing	37	1,593
30th June, 1964	(85) Pickers	11	447
	(86) China clay mines	29	3,044
31st October, 1964	(87) Attorneys, as defined in the Advocates Act, 1961 (25 of 1961)	42	1,782
	(88) Chartered or registered accountants, as defined in the Chartered Accountants Act, 1949 (38 of 1949)	37	1,800
	(89) Cost and works accountants within the meaning of the Cost and Works Accountants Act, 1959 (23 of 1959)	..	..
	(90) Engineers and Engineering contractors not being exclusively engaged in building and construction industry	104	3,763
	(91) Architects	28	850
	(92) Medical practitioners and medical specialists	85	2,396
31st December, 1964	(93) Milk and milk products	58	13,256
31st January, 1965	(94) Travel agencies engaged in (i) booking of international Air and Sea passages and other travel arrangements ; (ii) booking of internal air and mail passages and other travel arrangements and (iii) forwarding and clearing of cargo from and to overseas and within India	41	1,458
	(95) Forwarding agencies engaged in the collection, packing, forwarding, or delivery of any goods including carloading, break-bulk service and foreign freight service	61	2,358
	(96) Non-ferrous metals and alloys in the form of ingots	18	1,528
31st March, 1965	(97) Bread	33	802
30th June, 1965	(98) Stemming, redrying, handling, sorting, grading or packing of tobacco leaf	244	80,556
31st July, 1965	(99) Agarbatee (including dhoop and dhoopbatee industry)	101	3,841

(1)	(2)	(3)	(4)
31st August, 1965	(100) Magnesite mines	1	3
30th September, 1965	(101) Coir (excluding the spinning sector) industry	54	4,657
31st December, 1965	(102) Stone quarry producing roof and floorslabs, dimension stones, monumental stones and mosaic chips	168	1,403
31st January, 1966	(103) Banks doing business in one State or Union Territory and having no departments or branches outside that State or Union Territory	355	26,327
30th June, 1966	(104) Tobacco industry that is to say, any industry engaged in the manufacture of Cigars, Zarda, Snuff, Qivam and Guraku from Tobacco	201	4,733
31st July, 1966	(105) Paper products industry	35	787
30th September, 1966	(106) Licenced salt industry	58	3,390

APPENDIX B

Industries/Classes of establishments in respect of which the statutory rate has been enhanced to 8% of wages

(Note.—This enhanced rate is applicable to establishments employing 50 or more persons.)

Date of enhancement	Industry/Class of establishment
1	2
1st January, 1963	(1) Cigarettes. (2) Electrical, mechanical or general engineering products. (3) Iron and Steel. (4) Paper other than hand made paper.
1st April, 1963	(5) Cement.
1st November, 1963	(6) Textiles (made wholly or in part of artificial silk and wool). (7) Matches. (8) Edible oils and fats, other than vanaspati. (9) Rubber and rubber products. (10) Electricity including the generation, transmission and distribution thereof. (11) Tea. (12) Printing [other than printing industry relating to newspaper establishments as defined in the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955] including the process of composing types of printing, printing by letter press, lithography, photogravure or other similar process or book-binding. (13) Glass. (14) Stone-ware pipes. (15) Sanitary wares. (16) Electrical porcelain insulators of high and low tension. (17) Refractories. (18) Tiles. (19) Heavy and fine chemicals, excluding fertilizers but including the following :— (i) Turpentine (ii) Rosin (iii) Medical and pharmaceutical preparations. (iv) Toilet preparations (v) Soaps (vi) Inks (vii) Intermediates, dyes, colour lakes and toners. (viii) Fatty acids and Oxygen, acetylene and carbon dioxide gases (20) Indigo (21) Non-edible vegetables and animal oils and fats. (22) Mineral oils refining. (23) Newspaper establishments.

(1)	(2)
1st December, 1963	(24) Textiles (made wholly or in part of cotton).
1st February, 1965	(25) Tea plantations (other than the tea plantations in the State of Assam).
	(26) Rubber plantations.
	(27) Cardamom plantations.
	(28) Pepper plantations.
	(29) Lime stone mines.
	(30) Industrial and power alcohol.
	(31) Asbestos cement sheets.
1st June, 1965	(32) Coffee plantations.
1st September, 1965	(33) Coffee curing establishments.
1st April, 1966	(34) Textiles (made wholly or in part of Natural Silk).
1st June, 1966	(35) Biscuit making industry including composite units making biscuits and products, such as bread, confectionery and milk and milk powder.
	(36) Plywood.
	(37) Automobile repairing and servicing.
	(38) Rice milling.
	(39) Dal milling.
	(40) Flour milling.
	(41) Road motor transport.
1st August, 1966	(42) Sugar.
1st January, 1967	(43) Hotels.
	(44) Restaurants.
	(45) Establishments engaged in the storage or transport or distribution of petroleum or natural gas or products of either petroleum or natural gas.
	(46) Cinemas including preview theatres.
	(47) Film Studios.
	(48) Film production concerns.
	(49) Distribution concerns dealing with exposed films.
	(50) Film processing laboratories.
	(51) Every cane farm owned by the owner or occupier of a sugar factory or cultivated by such owner or occupier or any person on his behalf.
	(52) Starch.
	(53) Petroleum or natural gas exploration, prospecting, drilling or production.
	(54) Leather and leather products.
	(55) Stoneware jars.
	(56) Crockery.

APPENDIX 'C'

List of establishments in arrears of provident fund dues exceeding Rs. one lakh, as on 31-3-1967

State	S.No.	Name of the establishment	Amount in arrears (Rs. in lakhs)
1	2	3	3
ANDHRA PRADESH	(1)	Andhra Scientific Company Limited	1.84
	(2)	Tirupathi Cotton Mills	2.04
BIHAR	(3)	Chrestion Mica Industries and its sister concerns	1.98
	(4)	India Firebricks and Insulation Company	2.07
	(5)	Gaya Textiles (Private) Limited	2.59
	(6)	Tatanagar Foundry & Company	3.27
	(7)	Mica Factory of Chhaturam Horilram	1.04
	(8)	Khandelwal Glass Works	1.12
	(9)	Reliance Firebricks and Pottery Company	6.61
	(10)	Hurdutray Jute Mills	3.05
GUJARAT	(11)	Anant Mills Limited	5.08
	(12)	Baroda Spinning & Weaving Company Limited	4.53
	(13)	Manechchowk & Ahmedabad Manufacturing Company Limited	15.47
	(14)	Mahalaxmi Mills Limited	5.14
KERALA	(15)	Ranimudy Tea Estate	1.02
MADHYA PRADESH	(16)	Indore Malwa United Mills Limited	21.52
	(17)	Swadeshi Cotton and Flour Mills	7.22
	(18)	Kalyanmal Mills Limited	4.53
	(19)	Hira Mills	5.64
	(20)	Bhandari Iron & Steel Company	1.50
	(21)	Bengal Nagpur Cotton Mills	5.29
	(22)	New Bhopal Textiles Limited	11.49
MADRAS	(23)	Somasundaram Mills	5.69
	(24)	Balamavaram Textiles	1.69
	(25)	Combodia Mills	2.19
	(26)	Cauvery Spinning and Weaving Mills	4.31
	(27)	Coimbatore Murugan Mills	2.18
	(28)	Janardhan Mills	1.04
	(29)	Kadiri Mills	1.76
	(30)	Sri Palamalai Ranganathar Mills	1.16
	(31)	Pankaja Mills	3.08
	(32)	Kaleswarar Mills	6.19
	(33)	Ranga Vilas Ginning, Spinning and Weaving Mills	2.41

1	2	3
MADRAS (Contd.)	(34) Textool Company Limited	11.11
	(35) Swadeshi Cotton Mills	18.37
	(36) Anglo-French Textiles	8.85
	(37) Shri Bharathi Mills	12.36
	MAHARASHTRA	(38) Apollo Mills	5.39
(39) Dhanraj Mills		11.15
(40) India United Mills		42.53
(41) Edward Textile Mills		21.16
(42) Jayashankar Mills		8.58
(43) Narsinggirji Manufacturing Company Limited		3.80
(44) New Era Fabrics		2.21
(45) R.S.R.G. Mills		6.05
(46) Sektaria Cotton Mills		11.64
(47) Sholapur Spinning & Weaving Mills		41.21
(48) New Kaiser-i-Hind Spinning & Weaving Company Limited		14.69
(49) New Pratap Spinning, Weaving & Manufacturing Company		13.37
(50) Model Mills		9.31
(51) Vidharba Mills		8.16
(52) R.B. Bansilal Abirchand Weaving & Spinning Mills		4.29
(53) Osmanshahi Mills	2.55	
(54) Digvijay Spinning & Weaving Company Limited	7.71	
(55) Shri Krishna Wollen Mills	1.59	
ORISSA	(56) Orissa Textile Mills	1.70
	(57) Prajatantra Prachar Samity	1.64
	(58) Kalinga Industries	1.02
	(59) Orissa Industries Limited	1.02
RAJASTHAN	(60) Mahalaxmi Mills Company	2.47
	(61) Bijay Cotton Mills	1.46
UTTAR PRADESH	(62) Muir Mills Company	3.80
	(63) Laxmirattan Engineering Works	1.06
	(64) Maheshwari Devi Jute Mills	4.53
	(65) R.B. Lachman Das Sugar Mills	3.96
	(66) New Victoria Mills	32.30
(67) Laxmirattan Cotton Mills	31.54	
WEST BENGAL	(68) India Electric Works	15.76
	(69) Dhakeswari Cotton Mills	8.99
	(70) Majherdabri Tea Estate	3.06
	(71) Corporated Engineering India Limited	1.06
	(72) Bangeswari Cotton Mills	6.95
	(73) Tukvar Tea Estate	1.95
	(74) Mahalaxmi Mills	1.97
	(75) Sodepur Cotton Mills	3.28

1	2	3
WEST BENGAL (Contd.)	(76) Bengal Textile Mills	2.31
	(77) Manindra Mills	1.73
	(78) India Cycle Manufacturing Company	2.44
	(79) Luxminarayan Cotton Mills	3.62
	(80) Bangodays Cotton Mills	1.57
	(81) Martin and Harria	3.32
	(82) Albert David Limited	2.85
	(83) Bharat Jute Mills	1.81
	(84) India Machinery Company Limited	1.36
	(85) Raymon Engineering Works	2.09
	(86) Jalpaiguri Electric Supply Company Limited	1.69
	(87) The National Iron and Steel Company Limited	2.10
	(88) Indian Malleable Castings Limited	1.07

APPENDIX D

FORM 7

The Employees' Provident Funds Scheme, 1952
[Paragraph 52(3)]

Classified Summary of the assets of the Employees' Provident Fund for the year
ending 31-3-1967

Sl. No.	Class of Assets	Book Value	Market value as on 31-3-1967	Remarks
(1)	(2)	(3)	(4)	(5)
1.	Government of India Securities	3,24,06,42,731	3,19,03,31,997(a)	(a) Market value based on the quotation obtained from Reserve Bank of India, Bombay.
2.	Indian State Government Securities	1,84,60,500	1,78,22,948(a)	(b) Quotations not available.
3.	Indian Municipal Port & Improvement Trust Securities including debentures	18,48,700	18,48,700(b)	
4.	Debenture of Indian Railways	..	..
5.	Guaranteed and Preference shares of Indian Railways	..	..
6.	Annuities of Indian Railways	..	..
7.	Ordinary shares of Railways in India	..	..
8.	Other debentures of concerns in India	25,27,800	23,52,567(a)	
9.	Other Guaranteed and preference shares in India	..	..
10.	Other ordinary shares of concerns in India	1,76,000	1,76,000(b)	
11.	Cash on deposits in Banks	20,441	20,441	
12.	Cash in hand and on current account in Banks	2,22,08,755	2,22,08,755	
13.	Other assets (office equipment, furnitures etc.)	16,78,675	10,03,710	
TOTAL		3,28,75,63,602	3,23,57,65,118	

S. K. WADHAWAN,
Central Provident Fund Commissioner.

APPENDIX E

Statement showing the establishments in which payment to members was made on ad-hoc basis on closure, during the year, 1966-67.

Region	Name of establishment	No. of members who were given advance	No. of times advance was given
(1)	(2)	(3)	(4)
Andhra Pradesh	(1) Govind Raj & Sons	46	Thrice
	(2) Akkamamba Textiles	4	Once
Gujarat	(3) Rajratna Naranbhai Mills Company Ltd.	921	Once
	(4) Anant Mills Limited	835	Twice
	(5) Baroda Spinning and Weaving Company Limited	1,604	Once
		1,418	Twice
		1,335	Once
Kerala	(6) Chenoli Hosiery	1	Twice
	(7) Musaliar Industries	18	Once
Madhya Pradesh	(8) The New Bhopal Textile Mills	1,500	Seven times.
	(9) Swadeshi Cotton & Flour Limited	2,233	Thrice
	(10) Seth Govindram Sugar Mills	48	Once
Madras	(11) Githanjali Mills Limited	82	Once
	(12) Tirppur Cotton Spinning & Weaving Mills	164	Twice
	(13) Nishat Industries	331	Once
	(14) Coimbatore Spinning & Weaving Mills	1	Twice
	(15) Cambodia Mills Limited	1,634	Twice
	(16) Kaleeswarar Mills Limited	1,734	Twice
	(17) Sri Palamalai Ranganathar Mills Limited	932	Once
		278	Once
		50	Twice
		1	Thrice
(18) Sri Janardhana Mills Limited	50	Once	
	145	Twice	
	327	Thrice	
	311	Four times.	
	16	Five times.	
	5	Six times.	
	2	Seven times.	

	(1)	(2)	(3)	(4)
	Madras—(contd).	(19) Vasudeva Industries	43	Twice
		(20) Sri Bharathy Mills Limited	21	Once
	Maharashtra	(21) The New Pratap Spinning, Weaving and Manufacturing Company Ltd.	2,463	Five times.
		(22) Shree Samartha Textiles Industries	44	Once
		(23) R.S.R.G. Mohatta Mills	1,721	Once
		(24) Vidharbha Mills	1,768	Four times.
		(25) The New Kaiser-I-Hind Mills	2,833	Once
	Mysore	(26) Mandya National Paper Mills	683	Once
		(27) Minerva Mills	7,000	Four times.
		(28) Raja Mills (Mysore Mills)		
		(29) Sree Yallamma Cotton Wollen and Silk Mills Company Limited		
	Rajasthan	(30) The Mahalaxmi Mills Company Limited	141	Once
	Uttar Pradesh	(31) Muir Mills Company Limited	1,816	Once
		(32) M.D. Jute Mills Company	1,567	Four times.
	West Bengal	(33) Kailash Trading Company	111	Twice
		(34) National Rubber Works	23	Once
		(35) Brocko & Company (Private) Limited	25	Once
		(36) Bangasri Cotton Mills	328	Four times.
		(37) Saktipur Oil Mills	2	Once
		(38) Asia Electric Lamp Company	64	Twice
		(39) Bangaeswari Cotton Mills (Head Office)	18	Five times.
		(40) New India Tools Limited	81	Twice
		(41) Sodepur Cotton Mills	115	Twice
		(42) S. K. Dutta and Company	340	Twice
		(43) Usha Automobiles	1	Once
		(44) United Flash Lights	22	Once
		(45) India Cycle Manufacturing Company	255	Thrice
		(46) Appex Brothers	24	Once
		(47) F.N. Guptoo (Private) Limited	1	Once
		(48) Manindra Mills Limited	264	Once
		(49) Bangeswari Cotton Mills	299	Thrice
		(50) Avangrove Tea Estate	1	Once
		(51) Dhakeswari Cotton Mills	156	Once

APPENDIX F

List of Members of the Central Board of Trustees Employees' Provident Fund as on 31st March, 1967

- Shri P. C. Mathew, Secretary to the Government of India, Department of Labour and Employment, New Delhi.
- Shri N. N. Chatterjee, Joint Secretary to the Government of India, Department of Labour and Employment, New Delhi.
- Shri Shah Aziz Ahmed, Deputy Secretary to the Government of India, Department of Labour and Employment, New Delhi.
- The Deputy Secretary to the Government of India, Ministry of Industry, New Delhi.
- The Deputy Secretary to the Government of India, Ministry of Finance, Department of Expenditure, Labour and Rehabilitation Branch, New Delhi.
- Shri B. S. Bhatnagar, Under Secretary to the Government of India, Ministry of Steel and Mines, New Delhi.
- The Secretary to the Government of Rajasthan, Department of Labour and Employment, Jaipur.
- The Secretary to the Government of Bihar, Education and Labour Department, Patna.
- The Deputy Secretary to the Government of Gujarat, Education and Labour Department, Ahmedabad.
- The Labour Commissioner, Government of Kerala, Trivandrum.
- The Labour Commissioner, Delhi Administration, Delhi.
- The Joint Secretary to the Government of Madras, Industries, Labour and Housing Department, Madras.
- The Joint Secretary to the Government of Maharashtra, Industries and Labour Department, Bombay.
- The Secretary to the Government of Mysore, Public Health, Labour and Municipal Administration Department, Bangalore.
- The Labour Commissioner, Government of Uttar Pradesh, Kanpur.
- The Secretary to the Government of West Bengal, Labour Department, Calcutta.
- Shri Surettam P. Hutheesing, Shahibag, Ahmedabad.
- Shri M. M. Varghese, Messrs. A. V. Thomas and Company Limited, Alleppy, Kerala.
- Shri H. P. Merchant, Shaktivila, Laburnam Road, Gamdevi, Bombay-7.
- Shri M. V. Arunachalam, Messrs. Carborundum Universals Limited, 52/53, Jehangir Street, Madras.
- Shri Gopikisan Piramal, Messrs. Morarjee Goculdas Spinning & Weaving Company Limited, Dr. Ambedkar Road, Bombay-22.
- Shri M. Ghose, Labour Adviser, Bengal Chamber of Commerce and Industry, Royal Exchange, Netaji Subhas Road, Calcutta-1.
- Shri K. T. K. Tangamani, Secretary, All India Trade Union Congress, Room No. 6, Krishna Coffee Buildings, Town Hall Road, Madurai-1.
- Shri Kisan Tulpule, General Secretary, Mill Mazdoor Sabha, Patel Terrace, Parel, Bombay-12.
- Shri Mathuralal Sharma, C/o Indore Mill Mazdoor Sangh, Shram Shivir, Snehlataganj, Indore.
- Shri Kali Mukherjee, President, Indian National Trade Union Congress, Bengal Branch, 177-B, Acharya Jagdish Bose Road, Calcutta-14.
- Shri N. S. Deshpande, C/o Rashtriya Mill Mazdoor Sangh, Parel Tank Road, Parel, Bombay-12.
- Shri Gopeshwar, General Secretary, Indian National Iron & Steel Workers' Federation, W-2/8, Crescent Road, P.O. Burnpur, District Burdwan, West Bengal.

