

**CONSOLIDATED ANNUAL ACCOUNTS
WITH AUDIT REPORT
FOR THE YEAR 1986-87**



**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)
16,93,24,393.38	1.	Salaries of Officers & Staff	20,80,65,809.70
2,52,57,612.31	2.	Allowances & Honoraria	3,11,46,948.89
55,06,772.01	3.	T. A. & L. T. C.	84,96,426.09
1,11,22,873.35	4.	Pension/Family Pension/Death Cum-Retirement Gratuity	1,23,86,224.08
11,798.03	5.	(a) Staff Provident Fund (Board's share)	---
53,193.00		(b) S. P. F., D. L. I. Benefits	1,29,831.00
4,29,13,254.00	6.	(a) Other charges (Recurring/ non-recurring)	5,30,14,810.22
15,54,901.51		(b) Maintenance of Office Building/ Staff quarters.	15,13,409.56
7,10,414.91	7.	(a) Grants	10,54,687.70
---		(b) Refund of G. I. S. Savings Fund	4,57,214.94
-----		Total Expenditure incurred on E. P. F. Scheme	----- 31,62,65,362.18 -----
25,64,55,212.50	8.	Expenditure incurred on Administration of :	
2,64,83,224.63		(a) F. P. F. Scheme	3,23,81,698.30
62,93,534.85		(b) E. D. L. I. Scheme	69,61,937.34
4,10,060.24		(c) A. E. C. D. Scheme	3,07,131.11
7,66,97,023.85	9.	Excess of Income over Expenditure	2,71,02,447.76
36,63,39,056.07		TOTAL :	38,30,18,576.69

**FUND ORGANISATION
FOR THE YEAR 1986-87
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)
23,00,55,511.28	1.	Receipt by way of Administrative charges, Inspection charges, and penal Damages.	(I)	31,19,09,854.88
4,11,18,107.15	2.	Interest earned on Investment of surplus Administration Fund		2,84,84,592.55
8,60,55,525.11	3.	Receipt from Govt. & other Accounts.	(II)	3,45,63,040.63
91,09,912.53	4.	Miscellaneous Receipts		80,61,088.63
-----	5.	Excess of Expenditure over Income		-----
36,63,39,056.07		TOTAL :		38,30,18,576.69

INCOME & EXPENDITURE

<i>Previous Year</i>	<i>S. No.</i>	<i>EXPENDITURE</i>	<i>Amount</i>
—	1.	Excess of Expenditure over income	—
1,00,00,000.00	2.	Provision for Building Construction Fund	3,00,00,000.00
9,45,098.49	3.	Provision for Maintenance (Repair, renewal & replacement) Fund.	9,86,590.44
6,57,51,925.36	4.	Balance carried down to Balance Sheet.	—
7,66,97,023.85		TOTAL :	3,09,86,590.44

APPROPRIATION ACCOUNT

<i>Previous Year</i>	<i>S No.</i>	<i>INCOME</i>	<i>Amount</i>
7,66,97,023.85	1.	Excess of Income over Expenditure.	2,71,02,447.76
—	2.	Balance carried down to Balance Sheet.	38,84,142.88
7,66,97,023.85	TOTAL :		3,09,86,590.44

<i>Previous Year</i>	<i>Foot Note :</i>	
	(i) The accounts have been compiled on actual basis	
Rs. 181.39 Lakhs	(ii) Interest earned on investment of Surplus Adm. Fund of previous years included in the current year.	Rs. 96.74 Lakhs
Rs. 55.00 Lakhs	(iii) Expenditure incurred for Administration of F.P.F. Scheme due from the Government	Rs. 57.14 Lakhs
Rs. 4.10 Lakhs	(iv) Expenditure incurred for admn. of A.E.C.D. Scheme.	Rs. 3.07 Lakhs
	(v) Estimated amount in arrear due from the employers but not received.	
Rs. 179.00 Lakhs	(a) Administrative Charges	Rs. 195.22 Lakhs
	(b) Inspection Charges	
Rs. 81.85 Lakhs	(c) Penal Damages on Adm. Account	Rs. 86.83 Lakhs

Sd/-

(Mrs. USHA SAHAJPAL)

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

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

<i>Previous Year</i>	<i>S. No.</i>	<i>LIABILITIES</i>	<i>Sch No</i>	<i>Amonnt</i>
4422,28,59,079.85	1.	Employees' Provident Fund Account.	III	4947.00,57,329.20
16,28,58,732.86	2.	Unclaimed Deposit A/c.	IV	20,38,92,702.21
65,66,56,642.97	3.	Forfeiture Account	V	76,16,06,600.40
1,85,00,000.00	4.	Special Reserve Fund Account		3,10,00,000.00
32,61,378.80	5.	Death Relief Fund Account.	VI	26,07,296.05
	6.	<i>Interest Suspense Account</i>		
943,86,14,163.13	(a)	Balance in the Account to be credited to members upto 31.3.86	VII	1172,24,71,922.73
529,01,50,114.96	(b)	Amount received during the year and to be credited to members account next year.		659,43,66,679.13
6,17,05,377.92	7. (a)	Staff Provident Fund Account	VIII	7,67,97,702.54
5,06,662.20	(b)	Staff Provident Fund Interest Account.	IX	16,11,778.13
10,14,62,394.96	8.	pension-cum-Gratuity Account (Staff)	X	11,91,90,134.30
16,23,39,306.18	9.	Investment Fluctuation Account	XI	49,27,48,990.44
3,98,994.76	10.	Security Deposits		4,37,147.76
6011,93,12,848.59		TOTAL C/O		6947,67,88,282.89

FUND ORGANISATION
31ST MARCH 1987
FUND SCHEME 1952)

<i>Previous Year</i>	<i>S. No.</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
	1.	Investment account		
5995,85,15,512.69	(a)	Employees' Provident Fund	XVI	6936,33,31,522.17
6,46,54,644.90	(b)	Staff Provident Fund	XVII	7,43,23,828.19
10,02,91,171.65	(c)	Pension-cum-Gratuity Fund	XVIII	11,83,98,537.65
25,86,18,162.66	(d)	Administration Fund	XIX	23,47,78,029.10
15,82,95,443.23	2.	Land and Building		18,93,25,870.56
3,28,81,915.30	3.	Recoverable Advance (Staff)	XX	3,50,48,679.83
1,48,57,881.94	4.	Special Reserve Fund (Recoverable)		2,03,10,428.89
15,51,603.20	5.	Security Deposits (Advance to parties)		15,25,203.20
6058,96,66,335.57		TOTAL C/O		7003,70,42,099.59

<i>Previous Year</i>	<i>S. No.</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
6011,93,12,848.59		Total B/F		6947,67,88,282.89
20,08,48,392.03	11	Building Construction Fund	XII	23,56,82,731.58
33,83,082.85	12.	Building Maintenance (re- pair, renewal & replacement) Fund	XIII	48,15,456.77
27,32,30,779.75	13.	Revenue Surplus	XIV	26,93,91,415.98
46,69,333.35	14.	Group Insurance Scheme		59,94,336.39
16,44,20,897.48	15.	Sundry Credits	XV	26,22,27,254.36
6076,58,65,334.05		TOTAL		7025,48,99,477.97

<i>Previous Year</i>	<i>S. No.</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
6058,96,66,335.57		Total B/F		7003,70,42,099.59
7,46,70,589.27	6.	Remittance in transit	XXI	8,37,18,815.08
16,063.06	7.	Cash in hand		22,548 60
1,18,59,324.28	8.	Cash at Bank (Both SBI & RBI)	XXII	2,19,20,729.53
8,96.53,021 87	9.	Sundry Debits	XXIII	13,21,95,285.17
6076,58,65,334.05		TOTAL :		7025,48,99,477.97

Previous Year

Foot Note :-

- (i) The accounts have been compiled on actual basis
- (ii) Estimated amount due from the employers but not received
- Rs. 5830.00 Lakhs (a) E.P.F. contribution Rs. 7197.00 Lakhs
- Rs. 3132.77 Lakhs (b) Penal Damages on Contribution, Adm. charges and Inspection charges Rs. 3497.22 Lakhs
- (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. 23,56,82,731.58, the cost of Land & Building acquired as on 31.3.87 is Rs. 18,93,25,870.56 and the balance of Rs. 4,63,56,861.02 is invested alongwith E.P.F. Administration Fund.

Sd/-

(Mrs. USHA SAHAJPAL)

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

SCHEDULE No. I

1985-86

1986-87

Details of Income

(1) Adm. charges	18,87,81,736.43	26,75,30,175.88
(2) Inspection charges	4,08,89,147.02	4,39,26,514.92
(3) Penal Damages	3,84,627.83	4,53,164.08
	<u>23,00,55,511.28</u>	<u>31,19,09,854.88</u>

SCHEDULE No. II

Receipt from Govt. & other Accounts

(1) From Govt. for Admn. of Family Pension Scheme- A.E. (C.D.) Scheme	7,00,97,345.00	3,45,30,892.00
(2) From other Accounts	1,59,58,180.11	32,148.63
	<u>8,60,55,525.11</u>	<u>3,45,63,040.63</u>

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

(1) From Administration A/c. of E.D.-L.I. Scheme.	1,30,84,254.25	49,32,206.04
(2) From other Accounts	-----	-----
Total :-	<u>1,30,84,254.25</u>	<u>49,32,206.04</u>

Less :

1. Amount transferred to other Accounts in Adjustment	18,87,867.80	5,09,959.60
2. Transfer from A/c. No. 2 to A/c. No. 4 and vice- versa as per Regional Offices Accounts and Central Office Accounts.	(-) 47,61,793.66	43,90,097.81
Total :-	<u>(-) 28,73,925.86</u>	<u>49,00,057.41</u>
Net Total :-	1,59,58,180.11	32,148.63

SCHEDULE No. III

1985-86

1986-87

Employees' Provident Fund A/c.
Balance as per last
Balance Sheet.

3926,57,64,401.92

4422,28,59,079.85

Add :

Contribution (including
refund of withdrawal and
transferred securities)
received during the year.

665,42,13,188.02

754,54,48,196.68

Contribution received by
way of transferred secur-
ities (H.Q Office contra)

22,54,13,700.29

1,21,12,772.54

Interest credited to mem-
bers Account

272,51,22,888.89

287,00,78,111.66

Other Receipts

7,92,89,691.44
58,036.08

6,04,05,403.84

Total :-4894,98,61,906.645471,09,03,564.57**Less :**

Payment made during the
year to out going mem-
bers on final settlement

349,53,46,693.57

375,67,59,558.94

Premia paid during the
year on members Life
Insurance policies.

73,10,254.38

77,16,871.99

Loan Paid during the
year to the members

99,90,37,012.77

115,72,56,736.81

Employer's share forfe-
ited during the year

10,90,01,590.50

11,77,30,085.83

Unclaimed Deposit A/c.

1,99,60,503.80

4,36,48,380.94

Miscellaneous Payment

7,83,40,371.77

13,64,18,900.86

Amount of securities tran-
sferred back to exempted
Establishments.

1,80,06,400.00

2,13,15,700.00

Total :-472,70,02,826.79524,08,46,235.37

Balance as on 31.3.87

4422,28,59,079.85

4947,00,57,329.20

SCHEDULE No. IV

Unclaimed Deposit Account
Balance as per last
Balance Sheet

14,44,16,018.83

16,28,58,732.86

Add :

Amount transferred during
the year

1,99,60,503.80

4,36,48,380.94

Total :-16,43,76,522.6320,65,07,113.80

Less :	<i>1985-86</i>	<i>1986-87</i>
Amount paid during the year	15,17,789.77	26,14,411.59
Balance as on 31.3.87	<u>16,28,58,732.86</u>	<u>20,38,92,702.21</u>
SCHEDULE No. V		
Forfeiture Account		
Balance as per last Balance Sheet	55,06,22,936.57	65,66,56,642.97
Add		
Employer's share forfeited during the year	10,90,01,590.50	11,77,30,085.83
	<u>65,96,24,527.07</u>	<u>77,43,86,728.80</u>
Less :		
(1) Amount transferred to Special Reserve Fund during the year	-----	1,25,00,000.00
(2) Amount transferred to Death Relief Fund	27,00,000.00	-----
(3) Amount paid from forfeiture Account during the year	2,67,884.10	2,80,128.40
	<u>29,67,884.10</u>	<u>1,27,80,128.40</u>
Balance as on 31.3.87	65,66,56,642.97	76,16,06,600.40
SCHEDULE No. VI		
Death Relief Fund		
Balance as per last Balance Sheet	10,66,172.90	32,61,378.80
Amount received from forfeiture Account.	27,00,000.00	-----
Amount recouped during the year	60,275.50	876.25
	<u>38,26,448.40</u>	<u>32,62,255.05</u>
Less :		
Payments made during the year	5,65,069.60	6,54,959.00
Balance as on 31.3.87	<u>32,61,378.80</u>	<u>26,07,296.05</u>

SCHEDULE No. VII

	<i>1985-86</i>	<i>1986-87</i>
Interest Suspense Account Balance as per last Balance Sheet.	1225,29,08,421.19	1472,87,64,278.09
Less :		
(1) Interest credited to members Account dur- ing the year	272,74,38,258.89	286,60,22,185.16
(2) Interest paid on depo- sits refunded to exem- pted establishments.	12,20,290.00	80,38,198.50
(3) Loss on sale of securi- ties	5,04,06,328.80	10,12,67,502.65
(4) Interest paid to vendors	3,52,29,380.37	3,09,52,504.88
(5) Adjustment of excess in- terest paid on S.B. A/cs. (Central) during 1984-85	-----	11,964.17
	----- 281,42,94,258.06 -----	----- 300,62,92,355.36 -----
Balance in the Accounts to be credited to the subscribers/members a/c. upto 31.3.1986.	943,86,14,163.13	1172,24,71,922.73
Add :		
(1) Interest realised on investment of securi- ties	527,60,81,528.78	657,22,73,237.02
(2) Interest on S.B. A/cs. (Central)	3,87,379.00	14,52,765.70
(3) Interest on S.B. A/cs. (Regional)	20,96,932.16	19,95,718.73
(4) Interest on securities received from the estts.	43,461.80	1,78,122.89
(5) Interest realised from members on loans	37,66,394.64	42,15,878.45
(6) Penal damages on bela- ted contributions recei- ved during the year.	77,74,418.58	1,42,50,956.34
	----- 529,01,50,114.96 -----	----- 659,43,66,679.13 -----
Balance as on 31.3.1987.	----- 1472,87,64,278.09 -----	----- 1831,68,38,601.86 -----

SCHEDULE No. VIII

	<i>1985-86</i>	<i>1986-87</i>
A. Staff Provident Fund A/c.		
Balance as per last Balance Sheet	5,08,81,374.04	6,08,47,729.42
Add :		
Contribution (including refund of withdrawal) received during the year.	2,52,62,991.52	3,51,39,104.96
Interest credited to member's Account.	75,23,806.22	58,03,330.95
Other receipts	<u> </u>	<u> </u>
	<u>8,36,68,171.78</u>	<u>10,19,90,165.33</u>
Less :		
Payment made during the year to outgoing members on final settlement.	28,66,957.93	39,86,097.55
Withdrawal of Boards share due to optees of pension scheme	<u> </u>	34,854.00
Premia paid during the year on members life insurance policies.	2,78,199.64	3,52,635.19
Loan paid during the year to the members	1,80,70,184.70	2,07,69,345.30
Other payments (transfer to other Regions)	16,05,100.09	10,11,524.95
	<u>2,28,20,442.36</u>	<u>2,61,54,456.99</u>
Balance as on 31.3.1987	6,08,47,729.42	7,58,35,708.34
B. S P.F. A/c. transferred from other Regions.		
Balance as on 1.4.1986	5,02,706.23	8,57,648.50
Add :		
Amount transferred out to the regions.	15,69,939.29	10,11,524.95
	<u>20,72,645.52</u>	<u>18,69,173.45</u>
Less :		
Amount received from other regions	12,14,997.02	9,07,179.25
Balance as on 31.3.1987	<u>8,57,648.50</u>	<u>9,61,994.20</u>
Total (A+B)	<u>6,17,05,377.92</u>	<u>7,67,97,702.54</u>

SCHEDULE NO. IX :	1985-86	1986-87
Staff Provident Fund Interest Account.		
Balance as per last Balance Sheet.	24,91,481.60	5,06,662.20
Add :		
(i) Interest realised on Investment of securities	55,79,822.97	69,46,698.89
(ii) Interest on S.B. Account	130.00	751.29
	<u>80,71,434.57</u>	<u>74,54,112.38</u>
Less :		
(i) Interest credited to members Account during the year	75,23,806.22	58,03,330.95
(ii) Interest paid to vendors	40,966.15	39,003.30
	<u>75,64,772.37</u>	<u>58,42,334.25</u>
Balance as on 31.3.1987	<u>5,06,662.20</u>	<u>16,11,778.13</u>

SCHEDULE No. X

Pension-cum-Gratuity Account Balance as per last Balance Sheet	8,60,15,733.77	10,14,62,394.96
Add :		
Amount transferred during the year from A/c. No. 4	78,00,000.00	72,00,000.00
Amount transferred from A/c. No. 2 & 8 due to option of pension scheme.	---	4,31,631.30
Interest realised on S. B. Account	---	---
Interest realised on securities during the year	77,48,129.70	1,00,97,484.04
	<u>10,15,63,863.47</u>	<u>11,91,91,510.30</u>

Less:	1985-86	1986-87
Payments made by the regions	38,093.80	-----
Interest paid to vendors during the year	63,374.71	1,376.00
	-----	-----
	1,01,468.51	1,376.00
	-----	-----
Balance as on 31.3.1987	10,14,62,394.96	11,91,90,134.30

SCHEDULE No. XI

Investment Fluctuation A/c.

(A) Gain on redemption of securities accounted upto the year 1985-86	16,23,39,306.18
(B) Gain on redemption of securities accounted for the year 1986-87 as per details given below :	33,04,09,684.26

Details :

1968-69	5,52,453.93
1970-71	33,37,196.62
1971-72	27,33,106.19
1972-73	8,11,065.90
1973-74	4,07,331.69
1974-75	10,37,07,364.18
1975-76	8,75,16,522.50
1976-77	(-) 8,02,857.72
1978-79	1,73,04,527.65
1986-87	11,48,42,973.32

Grand Total :-

49,27,48,990.44

Note :

Gain or loss on redemption of securities for the years 1980-81 to 1983-84 are being compiled and will be included in the final accounts for the year 1987-88.

SCHEDULE No. XII

1985-86

1986-87

Building Construction Fund
Balance as per last
Balance Sheet

18,58,07,507.80

20,08,48,392.03

Add :1. Provision made during
the year

1,00,00,000.00

3,00,00,000.00

2. Interest credited to the
fund

50,40,884.23

48,34,339.55

20,08,48,392.0323,56,82,731.58**Note :-**

The cost of Land and Building acquired as on 31.3.87 is Rs. 18,93,25,870.56
and the amount available for construction purposes as on 31.3.1987 is Rs.
4,63,56,861.02

SCHEDULE NO. XIII

Building Maintenance (Repair,
renewal, replacement) Fund
Balance as per last
Balance Sheet.

21,37,794.80

33,83,082.85

Add .1. Amount appropriated from
Revenue Surplus during
the year.

9,45,098.49

9,86,590.44

2. Interest credited

3,00,189.56

4,45,783.48

Balance as on 31.3.87

33,83,082.85

48,15,456.77

SCHEDULE NO. XIV

Revenue Surplus

Balance as per last Balance
Sheet

20,74,70,531.32

27,32,30,779.75

Less :1. Amount adjusted by the
Regional Office

(—) 8,323.07

2. Excess of Expenditure
over Income during the
year as transferred
from Income and Expen-
diture Appropriation
Account.

38,84,142.68

20,74,78,854.3926,93,46,637.07

Add:	1985-86	1986-87
(i) Amount adjusted by Regional Office	---	44,778.91
(ii) Excess of Income over Expenditure during the year as transferred from Income & Expenditure Appropriation Account.	6,57,51,925.36	---
Balance as on 31.3.1987	<u>27,32,30,779.75</u>	<u>26,93,91,445.98</u>

SCHEDULE NO. XV

Sundry Credits

(a) Suspense Account (Unclassified)	1,34,91,319.44	3,07,47,810.24
(b) Erroneous Receipt	16,07,947.50	---
(c) Irregular Payments	9,01,324.49	9,35,303.99
(d) Over Payments	1,99,322.93	2,73,542.31
(e) A.E.C.D. (D.A.) Account	40,578.32	40,578.32
(f) Amount repayable to EDLI Account	7.00	41,87,870.00
(g) Pension Fund Investment A/c. and S.P.F. Investment Account amount invested in ERF Account.	6,36,100.00	---
(h) Erroneous Credit to A/c. No. 5	---	---
(a) Amount not accounted for by the Regions though received in A/c. No. 5 from Account No. 1	80,29,050.69	8,75,009.00
(b) Extra credit given by Bank to Account No. 3 without any corresponding debit to A/c. No. 5.	38,00,000.00	26,50,000.00
(c) Amount credited to Account No. 3 during 1986-87 but debited to Account No. 5 during 1987-88.	9,91,85,000.00	17,56,92,000.00
(d) Erroneous credit to Account No. 5	3,61,24,759.86	4,62,34,603.01
(l) Erroneous/Excess Credit to Account No. 8	4,05,487.25	5,90,537.49
	<u>16,44,20,897.48</u>	<u>26,22,27,254.36</u>

SCHEDULE No. XVI

1985-86

1986-87

**Investment Account of
Employees' Provident Fund**

**(a) Securities purchased Centrally
(Cost Price)**

Balance as per last Balance Sheet

5179,84,28,887.98

5915,42,03,135.09

Add :

(1) Amount invested centrally during the year (Cost Price)

1312,66,56,025.00

1476,83,21,228.68

(2) Gain on the purchase of securities for the years 1968-69, 70-71 to 1976-77, 1978-79 and 1986-87

14,03,75,782.11

33,04,09,684.26

6506,54,60,695.09

7425,29,34,046.03

Less :

(i) Loss on sale of securities during the year

10,12,67,502.65

(ii) Value of securities redeemed during the year

591,12,57,560.00

558,34,44,471.35

591,12,57,560.00

568,47,11,974.00

Balance (a) as on 31.3.1987

5915,42,03,135.09

~~6856,82,22,072.03~~

(B) Securities transferred by regions

Balance as per last Balance Sheet (Accepted value)

59,69,05,077.31

80,43,12,377.60

Add :—

Securities received during the year (Accepted value)

22,54,13,700.29

1,21,12,772.54

82,23,18,777.60

81,64,25,150.14

Less :

Securities returned back to Estts. (Accepted value)

1,80,06,400.00

2,13,15,700.00

Balance (b) as on 31.3.87

80,43,12,377.60

79,51,07,450.14

Total (a) & (b)

5995,85,15,512.69

6936,33,31,522.17

SCHEDULE NO. XVII

1985-86

1986-87

Investment Account of Staff
Provident Fund.

Balance as per last Balance
Sheet.

5,70,26,530.41

6,46,54,644.90

Add :

Amount invested centrally
during the year (Purchase
Price)

1,34,78,364.49

1,90,30,633.29

Total :

7,05,04,894.90

8,36,85,278.19

Less :

Value of securities redeemed
during the year.

58,50,250.00

93,61,450.00

Balance as on 31.3.1987

6,46,54,644.90

7,43,23,828.19

SCHEDULE NO. XVIII

Investment Account of Pension
cum-Gratuity Fund (Staff)
Balance as per last Balance
Sheet.

8,54,13,189.05

10,02,91,171.65

Add :

Amount invested centrally during
the year (Purchase Price)

2,11,41,682.60

2,90,93,366.00

10,65,54,871.65

12,93,84,537.65

Less :

Value of securities redeemed
during the year.

62,63,700.00

1,09,86,000.00

Balance as on 31.3.1987

10,02,91,171.65

11,83,98,537.65

SCHEDULE NO. XIX

1985-86

1986-87

Investment Account of
Administration Fund.

Balance as per last Balance Sheet

24,13,74,438.66

25,86,18,162.66

Add :

Amount invested in F.D.R.

17,10,00,000.00

3,89,00,000.00

41,23,74,438.66

29,75,18,162.66

Less :

Securities redeemed during
the year

15,37,56,276.00

6,27,40,133.56

Balance as on 31.3.1987

25,86,18,162.66

23,47,78,029.10

SCHEDULE NO. XXRecoverable Advance (Staff) as
on 31.3.1987

(a) Conveyance Advance	29,20,998.26	37,99,124.41
(b) House Building Advance	2,28,35,805.29	2,31,05,058.66
(c) Fan Advance	54,667.35	42,274.35
(d) Warm Clothing Advance	1,345.35	1,357.75
(e) Festival Advance	20,41,953.20	23,94,463.60
(f) Natural Calamity Advance	10,35,264.15	12,20,139.80
(g) Advance of Pay/DA/TA	6,20,201.87	8,00,441.02
(h) Food Grain Advance	3,969.55	3,433.55
(i) Advance to Staff Co-operative Canteen/Stores	1,000.00	3,07,283.91
(j) Miscellaneous Payment	33,66,710.28	33,75,102.78
Total ;	<hr/> 3,28,81,915.30	<hr/> 3,50,48,679.83

SCHEDULE NO. XXI

1985-86

1986-87

Amount in transit :

(a) E.P.F. Account No. 4	6,92,085.80	20,07,075.59
(b) E.P.F. Account No. 5	7,23,62,302.14	7,80,31,362.14
(c) S.P.F. Account No. 8	9,80,101.33	36,80,377.35
(d) S.P.F. Investment Account	36,100.00	—
(e) Pension-cum-Gratuity Fund Investment Account	6,00,000.00	—
	<u>7,46,70,589.27</u>	<u>8,37,18,815.08</u>

SCHEDULE NO. XXII

Cash Balance an on 31st March :

(a) State Bank of India		
E.P.F. Account No. 1	(—) 3,61,62,858.32	(—) 42,90,507.53
E.P.F. Account No. 2	1,16,29,075.10	3,56,93,258.64
E.P.F. Account No. 3	(—) 18,05,78,499.01	(—) 18,47,84,459.58
E.P.F. Account No. 4	2,31,57,861.29	3,48,00,469.79
E.P.F. Account No. 5	19,30,77,133.80	8,94,55,475.06
E.P.F. Account No. 8	5,81,933.31	37,352.59
E.P.F. Account No. 9	4.93	36.23
	<u>1,17,44,651.10</u>	<u>(—) 2,90,88,374.80</u>
(b) Reserve Bank of India		
E.P.F. Investment Account	523.39	5,04,21,600.20
S.P.F. Investment A/c.	75,816.92	3,28,829.22
Pension-cum-Gratuity Investment Account.	38,332.87	2,58,674.91
	<u>1,14,673.18</u>	<u>5,10,09,104.33</u>
Total (a) + (b)	1,18,59,324.28	2,19,20,729.53

SCHEDULE NO. XXIII

1985-86

1986-87

Sundry Debits :

A. Suspense A/c. (Unclassified)	52,26,927.20	98,32,438.87
B. Irregular Payments	9,01,324.49	9,35,303.99
C. Over Payments	1,90,218.68	2,73,542.31
D. Erroneous debit to Account No. 5		
(a) Excess accounted for by Regional Office as transfer to A/c. No. 5 from A/c. No. 1	7,63,051.50	—
(b) Transfer of funds to A/C. No. 3	1,04,000.00	—
(c) Extra Debit made to A/c. No. 5 by Bank	8,24,67,500.00	10,11,54,000.00
	<u>8,96,53,021.87</u>	<u>11,21,95,285.17</u>

**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, 1986	1546,43,87,672.39
2.	(i) Contribution of Employees' and employers.	183,20,67,363.20
	(ii) Contribution of Govt. (1986-87)	72,63,81,100.00
	(iii) Arrears of contribution of Govt. up to the year 1985-86	72,37,57,900.00
	(iv) Arrears of contribution of Govt. up to the year 1984-85	1,31,42,100.00
3.	Interest on the balance in the Public Account.	124,84,00,000.00
4.	Interest on Savings Bank Account	2,64,939.74
5.	Other Receipts	
	(a) Regional Contribution Account No. 10	43,60,202.23
	(b) Central Contribution Account No. 11	—
	(c) Erroneous Credit in Regional Contribution Account No. 10,	15,48,776.30
TOTAL :		2001,43,10,053.86

**SCHEME 1971
FOR THE YEAR 1986-87**

Account)

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	<i>Amount paid to outgoing members/beneficiaries</i>	
(a)	Amount of Employees' share with interest	2,04,36,829.58
(b)	Withdrawal/Retirement Benefits	9,17,73,432.52
(c)	Life Assurance Benefits	1,44,86,161.45
(d)	Family Pension	10,08,45,877.66
2.	<i>Other Payments :</i>	
(a)	Regional Contribution Account No. 10.	1,10,34,962.19
(b)	Central Contribution Account No. 11	60,077.60
3.	Closing Balance	1977,56,72,712.86
TOTAL :		2001,43,10,053.86

Sd/-
(MRS. USHA SAHAJPAL)
FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

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 : 1986-87	2,82,61,000.00
	up to 1984-85	62,69,892.00
2.	Miscellaneous Receipt	35.03
3.	Amount received from E.P.F. Administration Account C/f.	57,13,911.28
TOTAL :		4,02,44,838.31

**SCHEME 1971
FOR THE YEAR 1986-87
Account)**

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount.</i>
1.	Balance amount incurred from EPF Administration Account B/F as on 1.4.1986	55,30,855.58
2.	Payment on Administration :	
	(i) Revenue expenditure :	
	(a) Salaries	2,26,45,222.32
	(b) Allowances & Honoraria	35,06,388.30
	(c) Travelling Allowance	9,25,675.82
	(d) Pension/Gratuity (Staff)	2,96,897.14
	(e) S.P.F. Board's share & E.D.L.I. benefits	7,223.00
	(f) Other charges	7,576.57
		46,92,089.16
	(g) Grants	1,08,431.90
	(h) Charges on maintenance and repairs of Office Buildings	1,92,194.09
	(ii) Capital expenditure : Construction (Office Building etc.)	23,32,284.43
TOTAL :		4,02,44,838.31

Sd/-
(Mrs. USHA SAHAJPAL)
FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

**EMPLOYEES' FAMILY PENSION
BALANCE SHEET**

<i>Balance as at 31st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
1546,43,87,672.39	1. Employees' Family Pension Fund Contribution Account		1977,56,72,712.86
	2. Family Pension Fund Admna. Account.		
55,30,855.58	Amount incurred from EPF Administration Account		57,13,911.28
2,44,40,228.88	3. Sundry Credits	I	2,69,25,728.56
<hr/>			
1549,43,58,756.85	TOTAL :		1980,83,12,352.70

**SCHEME, 1971
AS AT 31st MACRH, 1987**

<i>Balance as at 31st March Previous Year</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
1547,21,81,467.40	1. Family Pension Fund Contribution Investment Account kept in Deposit with Public Account.	II	1975,55,76,883.63
55,30,855.38	2. Family Pension Fund Admin- istration Account. Amount recoverable from Central Government.		57,13,911.28
(-)-2,28,96,589.92	3. Cash Book Balance FPF Contribution Account	III	(-)-1,77,12,602.14
3,38,66,474.88	4. Remittance in transit		5,76,13,520.13
56,76,548.91	5. Sundry Debits	IV	71,20,639.80
1549,43,58,756.85	TOTAL :		1980,83,12,352.70

Note :-

- | | |
|--|--------------------------------|
| (i) Family Pension Contribution due from employers of exempted and unexempted establishments as on 31.3.1987 | Rs. 575.38 Lakhs (approximate) |
| (ii) Family Pension Contribution due from Govt. as on 31.3.1987 | Rs. 18,96,52,581.60 |
| (iii) Family Pension Administration cost due from Govt. as on 31.3.1987 | Rs. 57,13,911.28 |

Sd/-

(Mrs. USHA SAHAJPAL)

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER.

	1985-86	1986-87
SCHEDULE NO. I		
Sundry Credits :		
1. Account No. 10	14,81,796.91	15,11,941.95
2. Account No. 11	2,22,58,431.97	2,54,13,786.61
Balance as at 31st March :	<u>2,44,40,228.88</u>	<u>2,69,25,728.56</u>

SCHEDULE NO. II		
Amount kept in deposit with Public Accounts		
Balance as per last Balance Sheet	1218,19,46,751.33	1547,21,81,467.40
Add :		
(i) Amount deposited in Public Account during the year.	136,90,34,716.07	157,17,14,316.23
(ii) Govt. share of contribution	70,22,00,000.00 16,44,00,000.00	72,63,81,100.00 72,37,57,900.00 1,31,42,100.00
(iii) Interest on Public Account	105,46,00,000.00	124,84,00,000.00
	<u>1547,21,81,467.40</u>	<u>1975,55,76,883.63</u>

SCHEDULE NO. III		
Cash Book Balance		
1. Account No. 10	(—) 228,96,589.92	(—) 182,71,240.14
2. Account No. 11	—	5,58,638.00
	<u>(—) 228,96,589.92</u>	<u>(—) 177,12,602.14</u>

SCHEDULE NO. IV		
Sundry Debits :		
1. Account No. 10	(—) 66,979.39	13,10,418.55
2. Account No. 11	57,43,528.30	58,10,221.25
	<u>56,76,548.91</u>	<u>71,20,639.80</u>

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, 86	326,80,07,949.66
2.	(i) Contribution of employers	32,03,45,843.14
	(ii) Contribution of Government (1986-87)	15,66,15,000.00
	(iii) Arrears of contribution of Govt. for 1985-86.	33,85,000.00
3.	Interest on investment in public A/c.	22,75,00,000.00
4.	Interest on investment in securities	3,05,03,329.56
5.	Interest on S.B. Account	2,14,177.00
6.	Penal Damages	2,07,297.80
7.	Other receipts in :	
	Account No. 21	10,83,078.30
		1,72,470.65
	Account No. 25	---
	TOTAL :	400,80,34,146 11

**INSURANCE SCHEME, 1976
FOR THE YEAR 1986-87
Account)**

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Assurance Benefit	11,30,52,827.36
2.	Amount refunded to employers on grant of exemption	---
3.	Other payment in :	
	Account No. 21	1,08,430.38
	Account No. 25	52,63,500.00
		<u>53,71,930.38</u>
4.	Closing Balance	388,96,09,388.37
TOTAL :		400,80,34,146.11

Sd/-

(Mrs. USHA SAHAJPAL)
FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER.

**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, 1986	76,54,29,796.11
2.	Administrative charges received from the employers during the year	7,08,78,402.77
3.	Inspection charges received	63,25,053.66
4.	Penal Damages	63,184.43
5.	Amount received from Govt. towards cost of Administration of the fund for 1984-85 and for 1986-87	3,91,387.00 3,70,08,613.00
6. (a)	Interest received on investment from Administration Account	6,71,25,263.45
(b)	Interest on S.B. Account	1,38,470.33
(c)	Interest on Advances	1,686.30
7.	Other Receipts	7,86,592.74 6,43,539.84
8.	Erroneous Receipts	11,48,368.87
TOTAL :		94,99,40,358.50

**INSURANCE SCHEME, 1976
FOR THE YEAR 1986-87
Account)**

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1,	Payment on Administration :	
(a)	Revenue Expenditure :	
1.	Salaries	57,25,211.14
2.	Allowances & Honoraria	9,43,329.06
3.	T.A. & L.T.C.	2,22,046.31
4.	Pension/Gratuity (Staff)	74,333.25
5.	Staff Provident Fund (Board's share)	3,200.00
6.	Other charges (Recurring and non-recurring)	13,23,151.89
7.	Grants	26,310.10
8. (a)	Maintenance and repairs of Office Building etc.	39,148.90
		<u>83,56,730.65</u>
(b)	Capital Expenditure	
	Construction of Office Building/ Staff quarters etc.	5,07,070.58
2.	Other Payments :	
	Account No. 22	3,22,958.67
	Account No. 24	20,46,428.52
		<u>23,69,387.19</u>
3.	Closing Balance	93,87,07,170.08
TOTAL :		94,99,40,358.50

Sd/-

(Mrs. USHA SAHAJPAL)

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER.

**EMPLOYÉES' DÉPÔSIT LINKED
BALANCE SHEET**

<i>Balance qs at 31st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
326,80,07,949 66	1. Employees' Deposit Linked Insurance Fund Account		388,96,09,388.37
76,54,29,796.11	2. Employees' Deposit Linked Insurance Fund Adm. A/c.		93,87,07,170 08
2,77,04,756 64	3. Sundry Credits.	I	3,43,68,219.66
<hr/>			
406,11,42,502.41	TOTAL :		486,26,84,778.11

**INSURANCE SCHEME, 1976
AS AT 31ST MARCH, 1987**

<i>Balance as at 31 March Previous Year</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
	1. Investment Account		
	(a) Employees' Deposit Linked Insurance Fund Account		
40,98,26,415.83	(i) Investment in securities	II	13,45,32,465.83
288,56,86,252.48	(ii) Deposit in Public A/c.	III	377,78,24,642.58
	(b) Employees' Deposit Linked Insurance Adm. Fund A/c.		
70,65,25,000.00	(i) Amount invested in Term Deposits	IV	89,63,14,000.00
78,68,910.99	(ii) Amount due from EPF Adm. Account	V	45,21,997.87
3,07,32,502.73	2. Cash Balance	VI	63,22,276.07
1,85,99,869.26	3. Remittance in Transit	VII	3,40,49,751.70
19,03,551.12	4. Sundry Debits	VIII	91,19,644.06
406,11,42,502.41	TOTAL :		486,26,84,778.11

Previous year

<i>Rs.</i>	<i>Previous year</i>	<i>Foot Note :-</i>	<i>Rs.</i>
205.00	Lakhs	1. E.D.L.I. contribution due from employers as on 31.3.87	Rs. 1.94 crores (Approximate)
150.00	"	2. E.D.L.I. Adm. and Inspection charges due from employers as on 31.3.87	Rs. 0.50 crores (Approximate)
33.85	"	3. E.D.L. I Contn (Govt.) share due as on 31.3.87	Rs. 35,57,921.57
Nil		4. E.D.L. I Adm. chages (Govt.) share due as on 31.3.87	Rs. Nil

Excess amount of Rs. 19,60,798.62
has been received from Govt.
which will be adjusted in
future dues.

Sd/-

(Mrs. USHA SAHAJPAL)
FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

SCHEDULE No. I

1985-86

1986-87

Sundry Credits :

1. Excess Credits in A/c. No. 21	2,34,122.20	(-) 1,89,395.30
2. Excess Credits in A/c. No. 25	1,98,84,862.89	2,44,55,795.43
3. Excess Credits in R.B.I. A/c.	1,03,226.17	23,231.95
4. Excess Credits in A/c. No. 22	14,65,085.48	21,13,051.96
5. Excess Credits in A/c. No. 24	60,17,459.90	79,655,35.62
	<hr/>	<hr/>
Balance as on 31st March :	2,77,04,756.64	3,43,68,219.66
	<hr/>	<hr/>

SCHEDULE No. II**Investment in securities :**

Balance as per last Balance Sheet	60,72,84,765.83	40,98,26,415.83
Less :		
Securities redeemed during the year	19,74,58,350.00	27,52,93,950.00
	<hr/>	<hr/>
Balance as on 31st March :	40,98,26,415.83	13,45,32,465.83
	<hr/>	<hr/>

SCHEDULE No. III**Amount deposited in Public A/c.**

Balance as per last Balance Sheet	205,53,30,938.12	288,56,86,252.48
Add :		
1. Deposits made during the year	42,45,51,514.58	50,46,38,390.10
2. Govt. share of contribution for 1986-87	13,87,00,000.00	15,66,15,000.00
3. Govt. share arrears upto 1985-86	2,24,08,889.78	33,85,000.00
4. Govt. share arrears upto 1984-85	1,87,94,910.00	
5. Interest on balance in Public Account	22,59,00,000.00	22,75,00,000.00
	<hr/>	<hr/>
Balance as on 31st March :	288,56,86,252.48	377,78,24,642.58
	<hr/>	<hr/>

SCHEDULE No. IV**1985-86****1986-87****Amount invested in Fixed Deposits :**

Balance as per last Balance Sheet

53,45,14,000.00

70,65,25,000.00

Add :

Amount deposited during the year

41,30,00,000.00

31,11,14,000.00

94,75,14,000.00

101,76,39,000.00

Less :

Amount redeemed during the year

23,81,43,500.00

12,13,25,000.00

Amount redeemed to be received

28,45,500.00

24,09,89,000.00

12,13,25,000.00

Balance as at 31st March

70,65,25,000.00

89,63,14,000.00

SCHEDULE No. V

1985-86

1986-87

Amount due from EPF Adm. Account

(a) Transaction in A/c. No. 24	
Balance as per last Balance Sheet	2,38,30,462.33
-Add : During the year	
	2,38,30,462.33
Less : Amount received back	2,38,30,462.33

Balance as at 31st March :

(b) Transactions in regard to Account No. 22

Amount transferred to E.P.F. Account No. 2	78,68,910.99	45,21,997.87
Balance as on 31st March (a+b)	78,68,910.99	45,21,997.87

SCHEDULE No. VI

Cash Book Balance :

1. Account No. 21	(-) 70,35,801.86	(-) 48,25,562.95
2. Account No. 25	37.58	78,202.40
3. Account No. 22	74,82,399.90	90,42,258.57
4. Account No. 24	3,02,85,867.11	20,27,378.05
Balance as at 31st March :	3,07,32,502.73	63,22,276.07

SCHEDULE No. VII

1985-86

1986-87

Remittance in Transit :

1. From A/c. No. 21 to 25	66,04,726.20	1,17,45,111.05
2. From R.B.I. A/c. to A/c. No. 25	24,74,330.55	1,20,94,316.20
3. From A/c. No. 22 to 24	66,75,312.51	99,41,324.45
4. From F.D.R. to 24	28,45,500.00	2,69,000.00
	<hr/>	<hr/>
Balance as at 31st March :	1,85,99,869.26	3,40,49,751.70
	<hr/>	<hr/>

SCHEDULE No. VIII

Sundry Debits :

1. Account No. 21	61,651.55	(-) 11,82,469.15
2. Account No. 25	11,63,406.83	17,30,082.00
3. Account No. 22	6,78,492.74	6,72,238.71
4. Account No. 24	-----	78,99,792.50
	<hr/>	<hr/>
Balance as at 31st March	19,03,551.12	91,19,644.06
	<hr/>	<hr/>

Audit Certificate

I have examined the Accounts and the Balance Sheet of the Employees' Provident Fund Scheme, 1952, Employees' Family Pension Scheme, 1971 and Employees' Deposit Linked Insurance Scheme 1976 for the year ending 31st March, 1987. 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 these Schemes according to the best of my information and explanations given to me and as shown by the books of the Organisation.

New Delhi
Dated : 3rd Dec. 1987.

Sd/-
(R. KUMAR)
Director of Audit-I
Central Revenues

AUDIT REPORT
ON THE CONSOLIDATED ACCOUNTS OF THE
EMPLOYEES' PROVIDENT FUND ORGANISATION
FOR THE YEAR 1986-87

Audit Report on the Employees' Provident Fund Organisation for the Year 1986-87

1. Introduction :

The Employees' Provident Fund Organisation is a statutory body established under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. During 1986-87 it had 16 Regional offices and 39 Sub Regional offices with a Central Office at New Delhi.

The annual accounts of the Organisation are being 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 (EPF) Scheme, 1952, the Organisation has been entrusted with the Administration of the Employees' Family Pension (EFP) Scheme, 1971, the Additional Emoluments (Compulsory Deposit) (AECD) Scheme, 1974 and the Employees' Deposit Linked Insurance (EDLI) Scheme, 1976. The administrative expenses of Employees' provident Fund Scheme are met out of separate contribution levied on employers for the purpose, the Employees' Deposit Linked Insurance Scheme is administered out of contribution both from employers and the Central Government at certain specific rates. For administering Employees' Family Pension and Additional Emoluments (Compulsory Deposit) Schemes, 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 schemes 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 the Employees' Provident Fund for 1985-86 and 1986-87 is as under :

<i>Income</i>	<i>1985-86</i>	<i>1986-87</i>
	(Rs. in lakhs)	
1. Receipt by way of administrative charges, inspection charges & penal damages.	2300.55	3119.10
2. Interest earned on investment of surplus Administration Fund.	411.18	284.85
3. Receipt from Government and Other Accounts.	860.56	345.63
4. Miscellaneous Receipts	91.10	80.61

<i>Expenditure</i>	<i>1985-86</i>	<i>1986-87</i>
1. Salaries of Officers and staff.	1693.24	2080.66
2. Allowances & Honoraria	252.58	311.47
3. Travelling Allowances & Leave Travel Concession	55.07	84.96
4. Pension/Family Pension/Death-cum-Retirement Gratuity.	111.23	123.86
5. <i>Staff Provident Fund</i>		
(a) Board's share	0.12	—
(b) Staff Provident Fund-Employees' Deposit Linked Insurance Scheme benefits.	0.53	1.30
6. <i>Other Charges</i>		
(a) Recurring/non-recurring	429.13	530.15
(b) Maintenance of Office Building & Staff Quarters.	15.55	15.13
7. <i>Grants</i>	7.10	10.55
8. Expenditure incurred on administration of :		
(a) Family Pension Fund Scheme	264.83	323.82
(b) Employees' Deposit Linked Insurance Scheme	62.94	69.62
(c) Additional Emoluments Compulsory Deposit Scheme	4.10	3.07

2. Comments on Accounts

2.1 Balance Sheet of Employees' Provident Fund Scheme.

(i) Investment Fluctuation Fund Account

Till 1983-84, the investments of various funds were being shown at net value in the Balance Sheet i. e. actual cost reduced by the redemption value of investments redeemed. Thus the cost of investment shown in consolidated Balance Sheet was not at par with the actual cost of securities held by the Organisation as it included the loss or gain on redemption of securities till date. Corrective measures were taken in 1984-85, 1985-86 and 1986-87 accounts and an amount of Rs. 49.27 crores pertaining to the period upto 1979-80 and for the years 1984-85 to 1986-87 was shown in the Balance Sheet under Investment Fluctuation Account. The figures for the years 1980-81 to 1983-84 were not

incorporated in accounts as they were stated to be under finalisation in consultation with the Reserve Bank of India. The Organisation, however, informed (November 1987) that these would be incorporated in the consolidated accounts for 1987-88. Accordingly the Balance Sheet as on 31st March, 1987 did not reflect the correct picture of value of investment.

(ii) *Special Reserve Fund (Rs. 203.10 lakhs)*

A Special Reserve Fund was created for making payment 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 so paid was subsequently recoverable from the employers of the defaulting establishments concerned. A sum of Rs. 245.82 lakhs had been paid to outgoing members or their nominees from 1960-61 to 1986-87, out of which Rs. 42.72 lakhs had been recovered from the employers upto the end of March, 1987, leaving a balance of Rs. 203.10 lakhs as recoverable as shown in the balance sheet as on 31st March, 1987 as per details given below :-

<i>Years</i>	<i>Amount</i>
	<i>(Rs. in lakhs)</i>
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

	203.10

Huge amounts were lying under this head and there was no improvement at all in the recoverable amount of Rs. 96.52 lakhs outstanding upto 1981-82 from the concerned defaulting employers.

The Organisation stated (November 1987) that a major portion of the outstanding amount was recoverable from the establishments which had either closed or gone into liquidation. The progress of recovery was being reviewed periodically by the Regional Provident fund commissioners/Officers in charge of Sub-Regional offices.

(i) *Variation/Discrepancy in the Balance under various funds and the assets created therefrom.*

The credit balances under the heads :

(a) Employees' Provident Fund

(b) Staff Provident Fund

(c) Administration Fund, and

(d) Pension-cum-Gratuity Fund shown on the liability side of the Balance Sheet should tally with the investments, cash balance and other assets created therefrom, but this was not so as shown below :—

<i>S. No. Fund/Accounts</i>	<i>Shown on Liability side</i>	<i>Investment shown on Assets side</i>
	(Rupees)	(Rupees)
1. Employees' Provident Fund	6953,61,59,788.71	6952,46,70,706.52
2. Staff Provident Fund	7,90,00,018.16	7,83,70,387.35
3. Central Administration Fund	52,05,49,536.80	53,32,01,135.31
4. Pension-cum-Gratuity Fund	11,91,90,134.30	11,86,57,248.79

The Organisation had earlier stated (October 1986) that upto 1966-67 the accumulation of the various funds of the Organisation were transferred to Employees' Provident Fund Investment Account from which all the investments were made and steps were being taken to segregate the investment of each fund and necessary adjustment would be made in due course. In spite of mentioning this in the Audit Reports for 1983-84, 1984-85 and 1985-86, the desired results had not been achieved. The Organisation stated (November 1987) that as the transactions date back to the period from 1952-53 and onwards, all efforts were being made to trace out the records and reconcile the difference.

(iv) *Balance under Provident Fund Account (Rs. 4947.01 crores) and Interest Suspense Account (Rs. 1831.68 Crores)*

The interest earned on investment was initially credited to "Interest Suspense Account" to which debit was afforded on the basis of total interest credited to individual accounts of subscribers. The credit balance of Rs. 1831.68 crores under this head was very heavy considering that interest earned during 1986-87 was only Rs. 659.44 crores.

According to the Organisation the reasons for such a huge surplus were that in some regions interest suspense account registers were not maintained and even where the registers were maintained the entries relating to interest credited to the subscribers' accounts of many establishments had been omitted, due to which the particulars furnished to the central office as well as those exhibited in the Regional Balance Sheets were not authentic. As such, the balance under the head 'Employees Provident Fund Account' did not correctly show the total liability towards the subscribers. Besides, despite the issue of instructions by the Central Office regarding proper maintenance of registers of interest to the Regional Commissioners in May, 1984 and May 1985, the accumulation of interest payable to the subscribers was increasing every year.

The Organisation also did not have any record to show the year-wise break up of the accumulated balance of interest of Rs. 1172.25 crores which was to be credited to the subscribers' accounts up to 31st March 1987.

The Organisation stated (November 1987) that the whole matter regarding transfer of surplus balance in the Interest Suspense Account to the E.P.F. accounts was under active consideration of the Central Board of Trustees.

(v) *Sundry credits Rs. 26.22 crores and sundry debits Rs. 11.22 crores.*

(a) The balance sheet of the Organisation as at 31st March 1987 depicted sundry credits as Rs. 26.22 crores and sundry debits as Rs. 11.22 crores which included Rs. 307.48 lakhs and Rs. 98.32 lakhs on account of unclassified receipts and payments. The year-wise break up of the balances outstanding together with the reasons thereof was 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 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.

The Organisation stated (November 1987) that instructions were again being issued to all the regional offices to furnish the details of unclassified receipts and payments in their balance sheets in future.

(b) The figures of sundry debtors included Rs. 9.35 lakhs and Rs. 2.74 lakhs on account of irregular payments and of overpayments respectively. These amounts were also included in the figures of sundry creditors as they were payable to the rightful subscribers. It was observed that a sum of Rs. 5.20 lakhs on account of irregular payments had been lying unsettled since 1975-76 despite the fact having been pointed out in the Audit Reports for the years 1983-84, 1984-85 and 1985-86. The amount was stated to be under litigation.

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

The sundry debits also included an amount of Rs. 1011.54 lakhs being extra debit made by the bank between 1980-81 to 1986-87. Year-wise details are given below :—

Year	Amount of Extra debit (Rs. in lakhs)
1980-81	14.00
1981-82	2.00
1982-83	23.00
1983-84	13.77
1984-85	112.26
1985-86	274.36
1986-87	572.15
	1011.54

Extra debits of Rs. 16 lakhs upto the year 1981-82 were mainly attributable to the debiting of the amount twice by the State Bank of India, Bombay, once on the basis of telegraphic communication and again on the basis of post copy of the telegram. The remaining extra debits were stated to be due to misclassification of payments by the Bank, non confirmation by the Regional Commissioners which were not included in the details supplied by the regional offices. Their omission from the details so received from the regional offices had led to their non-linking in the Central office. In spite of the instructions issued by the Central Office (November 1986) to the Bank as well as to the Regional Commissioners to ensure that the excess debits were set right immediately, a sum of Rs. 16 lakhs upto the year 1981-82 was still outstanding though a period of more than 5 years had elapsed.

2.2 Non-transfer of Provident Fund contributions to Board of Trustees and non-investment of Provident Fund contributions by the Board of Trustees of the exempted establishments.

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, there were 142 exempted establishments which failed to transfer contributions to the tune of Rs. 98.51 crores to the Board of Trustees as against 139 establishment with a default of Rs. 84.24 crores at the end of March 1986. Thus the arrears of exempted establishments went up by Rs. 14.27 crores during the year 1986-87. Besides the Board of Trustees of 1122 establishments were in default for not investing Provident Fund contributions to the tune of Rs. 44.91 crores. Non-investment of contributions had resulted in loss of interest and consequently loss to the members.

The Organisation stated (November 1987) that the majority of default was due to the financial crisis experienced by jute/textile industries and that necessary action under the relevant provisions of the Act had already been initiated against the defaulting establishments.

2.3. Arrears in reconciliation of establishment-wise records with annual account figures.

As per provisions of paragraphs 196-199 of Manual of Accounting Procedure, the organisation should maintain establishment-wise records showing transactions of contributions, refund, interest, withdrawals 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 account figures.

The reconciliation had been in arrears in most of the Regions for several years and was also commented upon in the various Inspection Reports of the regions concerned and also mentioned in Audit Reports for the years 1983-84, 1984-85 and 1985-86.

The Organisation stated (November 1987) that before the issue of annual accounts to the subscribers, the accounts of the concerned establishments were fully reconciled and thus reconciliation of accounts of a major portion of the establishments was being effected every year.

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 employer's contribution. 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% of wages of the employees. The Central Government contributes one half of this contribution.

As on 31st March, 1987, an amount of Rs. 1896.53 lakhs towards family pension contributions and Rs. 35.58 lakhs towards EDLI contributions were due from the Central Government which were shown in the foot notes of the respective balance sheet.

Non-recoupment of the amount due from Government had resulted in short investment in public account and consequently loss of interest to the members. The Organisation stated (November 1987) that the Government of India, Ministry of Labour had since been requested for the payment of dues.

3. Other topics of Interest

3.1 (a) Arrears of Provident Fund dues from employers.

The dues on account of Provident Fund in respect of unexempted establishments, both of employers and employees. Administration/Inspection charges and penal damages had increased from Rs. 51.38 crores in 1981-82 to Rs. 108.89 crores as on 31st March, 87 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 contribution and penal damages are shown in foot notes in the Balance Sheet.

	1981-82	1982-83	1983-84
		(in crores of rupees)	
Provident Fund contributions	31.37	42.83	41.82
Administration/Inspection charges	0.94	1.09	1.47
Penal damages	19.07	21.80	26.57
	<u>51.38</u>	<u>65.72</u>	<u>69.86</u>
	1984-85	1985-86	1986-87
Provident Fund contributions	52.30	58.30	71.97
Administration/Inspection charges	1.49	1.79	1.95
Penal damages	29.13	31.33	34.97
	<u>82.92</u>	<u>91.42</u>	<u>108.89</u>

The organisation stated (November 1987) that number of establishments from whom the dues on account of Provident Fund contributions, administration/inspection charges are defaulted was not readily available and was being ascertained from the regional offices for production during next audit. Whereas the arrears on account of provident fund contributions were due from 9649 defaulting establishments, the number of such establishments in the case of administration/inspection charges and penal damages was stated to be not available with the Organisation.

(b) *Revenue Recovery Certificate :*

- (i) As against 22829 Revenue Recovery certificates initiated under Sec. 8 of the Act involving a sum of Rs. 9681.30 lakhs pending as on 31st March 1986, recovery certificates in 26142 cases involving a sum of Rs. 11691.99 lakhs were pending as on 31st March, 1987. Region-wise analysis of the pending cases is as under :

Region	Total pending cases	Amount
		(Rupees in lakhs)
1. Andhra Pradesh	1052	219.06
2. N. E. Region	412	49.35
3. Bihar	618	428.07
4. Delhi	589	152.42

5.	Gujarat	773	242.31
6.	Haryana	1130	375.61
7.	Karnataka	376	175.40
8.	Kerala	401	300.29
9.	Madhya Pradesh	3149	2046.78
10.	Maharashtra	4229	1385.75
11.	Orissa	979	402.32
12.	Punjab	1172	114.22
13.	Rajasthan	668	174.92
14.	Tamil Nadu	858	271.09
15.	Uttar Pradesh	2462	1838.26
16.	West Bengal	7274	3516.14
		<u>26142</u>	<u>11691.99</u>

With the increase in the number of cases involving huge arrears for recovery the executing machinery in the Organisation needed to be reoriented.

- (ii) Prosecution proceedings under section 14 of the Act were launched against 6350 defaulting establishments during the year 1986-87 and 43956 cases were pending adjudication in various courts all over India as on 31st March, 1987 of which 13949 cases were more than three years old.
- (iii) 4795 cases under section 406/409 of the Indian Penal Code had been filed with the police authorities in different regions.

3.2 Claims pending settlement.

(a) Employees' Provident Fund Scheme.

As on 31st March, 1987, 65972 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 for rectification	-Claims settled	Balance
1984-85	63,837	6,00,665	6,64,502	1,02,381	5,02,269	59,852
1985-86	59,852	6,26,251	6,86,103	1,01,233	5,18,497	66,373
1986-87	66,373	6,57,907	7,24,280	1,09,495	5,48,813	65972

The Organisation stated (November 1987) that a close watch on the progress of settlement of claims was being kept both at the regional and head quarters level.

(b) *Employees' Family Pension Scheme*

As on 31st March, 1987, 79437 claims (inclusive of benefits i. e. life assurance, retirement and withdrawal benefits etc) relating to Employees Family Pension Scheme were pending as against 70834 claims pending as on 31st March, 1986.

(c) *Employees' Deposit Linked Insurance Scheme*

As on 31st March, 1987, 7834 claims relating to Employees Deposit Linked Insurance Scheme were pending as against 7702 cases pending as on 31st March, 86. There was a variation in the figures of closing balance as on 31.3.86 and opening balance as on 1.4.86 shown in the Audit Report for 1986-87. The Organisation intimated that variation in figures was due to the reason that some of the regions had not included the data relating to exempted establishments which were otherwise un-exempted under E. D. L. I. during 1985-86.

The Organisation stated (November 1987) that instructions had already been issued to all the regional offices for the settlement of claims mentioned in sub para (b) and (c) without delay.

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 31st March, 1987, the number of pending annual statements of accounts was 97.72 lakhs out of which 63.17 lakhs statements of accounts were stated to have been not issued due to non submission of returns by the employers. The details of annual statements of accounts pending for issue are as under :-

Accounts statements pending for :-

More than four years	6,92,724
Three to four years	6,18,733
Two to three years	12,29,457
One to two years	24,83,235
Less than one year	47,47,596
	<hr/>
	97,71,745

As regards 34.55 lakhs pending statements, the organisation stated (November 1987) that most of the annual statements of accounts could not be issued as the accounts of the subscribers were in the process of reconciliation and that all possible efforts were being made to complete the preparation of accounts early. The number of pending accounts statements had however been increasing from year to year.

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

As provided in para 163 of chapter VII of Manual of Accounting Procedure, Vol. I 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 15th 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 observed that levy of damages was much in arrears and there were 8165 cases as on 31st March, 1987 in respect of which damages were leviable but had not been levied. Region-wise break-up of number of cases on which damages were yet to be levied as on 31st March, 1987 were as under :

<i>S. No.</i>	<i>Region</i>	<i>No. of cases</i>
1.	Audhra Pradesh	13
2.	Bihar	250
3.	Delhi	880
4.	Haryana	6
5.	Karnataka	614
6.	Kerala	90
7.	Maharashtra	2670
8.	Orissa	59
9.	Punjab	342
10.	Rajasthan	1301
11.	Tamil Nadu	1274
12.	Uttar Pradesh	629
13.	West Bengal	37
	Total	8165

The Organisation stated (November 1987) that instructions had already been issued to all Regional Provident Fund Commissioners that delay in levying damages should be avoided and as many cases as possible should be disposed off at their end.

3.5 Declaration of lower rate of interest on Provident Fund Accounts by Exempted Establishments.

The position of investments in exempted establishments vis-a-vis unexempted establishments in relation to investment was as under :

<i>Establishment</i>	<i>Amount invested as on 31st March '87</i>
	(Rs. in crores)
Unexempted	6928.83
Exempted	8338.48

Though the total investment by the exempted establishments was more than the amount invested by the unexempted establishments, a survey of 1117 out of 2797 exempted establishments undertaken by the Organisation to assess the position in respect of interest declared revealed that 36.17 per cent establishments declared lower rate of interest on the Provident Fund accounts than the statutory rate of 11% for the year 1986-87.

The Organisation informed (November 1987) that the main reasons for declaration of lower rate of interest by the exempted establishments were :-

- (i) Investment in low yielding securities, which if converted into high yielding securities would result in heavy capital loss.
- (ii) Frequent grant of loans to the subscribers thus leading to constant drain of funds which would otherwise have been available for investment.
- (iii) Prescribed pattern of investment provided for some portion of the fund in Government securities which were not readily available and thus the fund remained uninvested.

3.6 Investment :

As on 31st March 1987, the total investment of Provident Fund accumulations in respect of unexempted establishments amounted to Rs. 6936.33 crores out of which a sum of Rs. 450.45 crores had been invested in Central Government low-yielding securities carrying rate of interest ranging between 4-3/4% to 6%. These low-yielding securities still needed to be converted into high yielding securities.

The Organisation stated (November 1987) that the low yielding securities worth Rs. 50 crores were being converted into high-yielding securities every year.

As per records of the Organisation, the face value of total holdings in securities was Rs. 6928.83 crores whereas as per certificate of holding of Reserve Bank of India, the actual investment was Rs. 6927.80 crores. The difference of Rs. 1.03 crores was still to be reconciled.

The Organisation stated (November 1987) that the difference of Rs. 1.03 crores was being reconciled with the Reserve Bank of India.

New Delhi
Date 3.12.87

Sd/-
(R. Kumar)
Director of Audit-I
Central Revenues, New Delhi-110002.