

**CONSOLIDATED ANNUAL ACCOUNTS
WITH AUDIT REPORT
FOR THE YEAR 1988-89**



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

CONTENTS

			<i>Page</i>
Employees Provident Fund Accounts	...	...	2
Employees Family Pension Fund Accounts	...	...	26
Employees Deposit Linked Insurance Fund Accounts	...	...	34
Audit Certificate	...	...	45
Audit Report	...	...	47

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

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

**FUND
FOR
FUN**

<i>Previous Year</i>	<i>S. No.</i>	<i>EXPENDITURE</i>	<i>Amount</i>	<i>Pr</i>
(1)	(2)	(3)	(4)	
24,42,18,229.74	1.	Salaries of Officers & Staff	27,19,77,656.19	46.10
4,93,58,358.03	2.	Allowances & Honoraria	5,25,49,277.88	
85,16,536.13	3.	T.A. & L.T.C.	1,01,66,615.95	
2,63,90,869.65	4.	Pension/Family Pension/Death- Cum-Retirement Gratuity	2,72,26,195.75	
-----	5.	(a) Staff Provident Fund (Board's share)	12,287.00	1.2
21,302.00		(b) S.P.F., D.L-I Benefits	1,26,360.15	
5,43,27,975.57	6.	(a) Other charges (Recurring/ non-recurring	6,38,53,842.00	(-);
15,02,601.96		(b) Maintenance of Office Building/ Staff quarters.	24,56,423.19	1.7
13,93,374.55	7.	(a) Grants	15,39,754.86	
41,513.20		(b) Refund of G.I.S. Saving Fund	3,88,666.30	
-----		Total Expenditure Incurred on E.P.F. Scheme	43,02,97,079.27	
38,57,70,760.83	8.	Expenditure incurred on Administration of :		
4,06,83,458.70	(a)	E.P.F. Scheme	4,08,80,423.50	
96,19,788.76	(b)	E.D.L.I. Scheme	90,87,256.03	
4,05,031.14	(c)	A.E.C.D. Scheme	3,03,422.04	
4,27,41,410.32	9.	Excess of Income over Expenditure	16,69,36,359.52	
-----		TOTAL :	64,75,04,540.38	4
47,92,20,449.76				

DEPARTMENT
DEPARTMENT
DEPARTMENT

FUND ORGANISATION
FOR THE YEAR 1988-89
FUND SCHEME, 1952)

Amount	Previous Year	S. No.	INCOME	Sch. No.	Amount
(1)	(5)	(6)	(7)	(8)	(9)
56.19	46,16,05,380.85	1.	Receipt by way of Administrative charges, Inspection charges and penal Damages.	(I)	54,35,20,979.77
77.88					
15.95					
95.75					
87.00	1,26,60,791.58	2.	Interest earned on Investment of surplus Administration Fund.		1,11,18,659.95
60.15					
12.00	(-)75,60,846.79	3.	Receipt from Govt. & other Accounts.	(II)	7,85,41,479.36
23.19	1,25,15,124.12	4.	Miscellaneous Receipts		1,43,23,421.30
54.86	-----	5.	Excess of Expenditure over Income		-----
56.30					
19.27					
23.50					
56.05					
22.04					
59.52					
10.38	47,92,20,449.76	TOTAL :			64,75,04,540.38

INCOME & EXPENDITURE

<i>Previous Year</i>	<i>S. No.</i>	<i>EXPENDITURE</i>	<i>Amount</i>
—	1.	Excess of Expenditure over Income	—
5,00,00,000.00	2.	Provision for Building Construction Fund	5,00,00,000.00
9,97,398.04	3.	Provision for Maintenance (Repair, renewal & replace- ment) Fund.	43,576.81
—	4.	Balance carried down to Balance Sheet.	11,68,92,782.71
5,09,97,398.04		TOTAL :	16,69,36,359.52

APPROPRIATION ACCOUNT

Previous Year	S. No.	INCOME	Amount
4,27,41,410.32	1.	Excess of Income over —Expenditure	16,69,36,359.52
82,55,987.72	2.	Balance carried down to Balance Sheet.	—
5,09,97,398.04	TOTAL :		16,69,36,359.52

Previous Year	Foot Note :	
	(i) The accounts have been compiled on actual basis	
Rs. (—) 66.48 Lakhs	(ii) Interest earned on investment of Surplus Admn. Fund of previous years included in the current year.	Rs. (—) 125.47 Lakhs
Rs. 476.59 Lakhs	(iii) Expenditure incurred for Administration of F.P.F. Scheme due from the Government.	Rs. 170.50 Lakhs
Rs. 4.05 Lakhs	(iv) Expenditure incurred for admn. of A.E.C.D.	Rs. 3.03 Lakhs
	(v) Estimated amount in arrear due from the employers but not received	
Rs. 251.08 Lakhs	(a) Administrative Charges	Rs. 274.82 Lakhs
	(b) Inspection Charges	
Rs. 104.59 Lakhs	(c) Penal Damages on Adm. Account	Rs. 146.08 Lakhs

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

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

<i>Previous Year</i>	<i>S. No.</i>	<i>LIABILITIES</i>	<i>Sch No.</i>	<i>Amount</i>
5907,28,67,119.85	1.	Employees' Provident Fund Account.	III	6694,15,26,210.93
25,82,76,845.43	2.	Unclaimed Deposit A/c.	IV	37,61,22,316.91
87,30,96,239.36	3.	Forfeiture Account	V	156,37.63,414.09
3,10,00,000.00	4.	Special Reserve Fund Account		5,60,00,000.00
19,73,039.30	5.	Death Relief Fund Account.	VI	23,22,078.55
	6.	<i>Interest Suspense Account</i>		
1077,33,61,772.94	(a)	Balance in the account to be credited to members upto 31.3.88	VII	1328,29,44,340.61
801,53,04,192.00	(b)	Amount received during the year and to be credited to members account next year.		937,74,05,127.08
9,81,25,503.04	7. (a)	Staff Provident Fund Account	VIII	12,00,49,158.17
57,047.89	(b)	Staff Provident Fund Interest Account	IX	1,98,562.33
14,66,09,404.58	8.	Pension-cum-Gratuity Account (Staff)	X	17,48,43,196.49
50,43,51,990.20	9.	Investment Fluctuation Account	XI	74,01,81,480.37
4,93,527.01	10.	Security Deposits		5,13,885.76
7977,55,16,681.60		TOTAL C/O		9263,58,69,771.29

6

FUND ORGANISATION
31ST MARCH 1989
FUND SCHEME, 1952)

<i>Previous Year</i>	<i>S. No.</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
	1.	<i>Investment Account</i>		
79,70,89,68,208.18		(a) Employees Provident Fund	XVI	9230,11,13,773.44
9,34,42,868.64		(b) Staff Provident Fund	XVII	11,64,83,959.27
14,44,25,978.45		(c) Pension-cum-Gratuity Fund	XVIII	17,16,84,312.83
31,09,81,029.10		(d) Administration Fund	XIX	40,16,73,529.10
21,49,03,735.00	2.	Land and Building		23,55,82,134.82
4,71,79,424.54	3.	Recoverable Advance (Staff)	XX	7,27,33,033.33
3,20,60,872.84	4.	Special Reserve Fund (Recoverable)		3,44,38,862.39
15,25,703.20	5.	Security Deposits (Advance to parties)		16,30,998.20
8055,34,87,819.95		TOTAL C/O		9333,53,40,603.38

<i>Previous Year</i>	<i>S.No.</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
7977,55,16,681.60		Total B/F		9263,58,69,771.29
29,24,18,043.39	11.	Building Construction Fund	XII	35,30,18,180.86
64,23,982.73	12.	Building Maintenance (Re- pair, renewal & replace- ment) Fund	XIII	72,08,823.22
26,08,82,480.95	13.	Revenue Surplus	XIV	37,79,03,295.99
57,50,846.06	14. (a)	Group Insurance Scheme (Old)		69,55,606.26
13,000.69	(b)	Group Insurance Scheme (New)	(-)	35,493.34
38,58,48,991.74	15.	Sundry Credits	XV	31,24,14,270.94
8072,68,54,027.16		TOTAL :		9369,33,34,455.22

<i>Previous Year</i>	<i>S.No.</i>	<i>ASSETS</i>	<i>Sch.No.</i>	<i>Amount</i>
8055,34,87,819.95		Total B/F		9333,53,40,603.38
15,41,67,065.37	6.	Remittance in Transit	XXI	14,69,05,179.23
17,870.43	7.	Cash in hand		18,197.80
(-) 10,98,29,871.85	8.	Cash at Bank (Both SBI & RBI)	XXII	14,05,15,453.40
12,90,11,143.26	9.	Sundry Debits	XXIII	7,05,55,021.41
8072,68,54,027.16		TOTAL :		9369,33,34,455.22

Previous Year

Foot Note

(i) The accounts have been compiled on actual basis

(ii) Estimated amount due from the employers but not received.

Rs. 7874 Lakhs.

(a)

E.P.F. Contribution

Rs. 88 27 Lakhs

Rs. 4248.64 ,,

(b)

Penal Damages on Contribution Adm. charges and Inspection charges.

Rs. 4096.62 ,,

(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. 35,30,18,180.86, the cost of Land & Building acquired as on 31.3.89 is Rs. 23,55,82,134.82 and the balance of Rs. 11,74,36,046.04 is invested alongwith E.P.F. Administration Fund.

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

SCHEDULE NO. I

1987-88

1988-89

Details of Income :

(1) Adm. Charges	41,28,88,391.65	48,57,07,506.08
(2) Inspection charges	4,82,12,946.67	5,70,70,239.13
(3) Penal Damages	5,04,042.53	7,43,234.56
	<u>46,16,05,380.85</u>	<u>54,35,20,979.77</u>

SCHEDULE NO. II**Receipt from Govt. & Other****Accounts :**

(1) From Govt. for Admn. of Family Pension Scheme A.E. (C.D.) Scheme	---	7,30,00,000.00
(2) From other Accounts	(-) 75,60,846.79	55,41,479.36
	<u>(-) 75,60,846.79</u>	<u>7,85,41,479.36</u>

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

(1) From Administration A/c of E.D.L.I. Scheme	41,97,783.74	26,16,907.55
(2) From other Accounts	---	---
	<u>41,97,783.74</u>	<u>26,16,907.55</u>

Less :

1. Amount transferred to other Accounts in Adjustment	18,85,672.34	47,11,207.65
2. Transfer from A/C. No. 2 to Account No. 4 and vice-versa as per Regional Offices Accounts and Central Office Accounts.	98,72,958.19	(-) 76,35,779.46
	<u>1,17,58,630.53</u>	<u>(-) 29,24,571.81</u>
Total :-		
Net Total :-	(-) 75,60,846.79	55,41,479.36

SCHEDULE NO. III

**Employee's Provident Fund
A/c. Balance as per last
Balance Sheet**

1987-88	1988-89
4947,00,57,329.20	5907,28,67,119.85

Add :

Contribution (including refund of withdrawal and transferred securities) received during the year.	849,75,84,837.19	1035,92 86,653.80
-------------------------------------------------------------------------------------------------------------	------------------	-------------------

Contribution received by way of transferred securi- ties (H-Q Office contra).	1,03,52,965.10	12,00,45,328.71
-------------------------------------------------------------------------------------	----------------	-----------------

Interest credited to members Account	425,86,37,479.81	491,62,44,829.97
-----------------------------------------	------------------	------------------

Amount transferred to EPF as per decision of the CBT dated 16.2.88	326,22,00,000.00	---
--------------------------------------------------------------------------	------------------	-----

Other Receipts	6,76,17,080.81	5,92,78,283.54
----------------	----------------	----------------

Total :—	<u>6556,64,49,692.11</u>	<u>7452,77,22,215.87</u>
-----------------	--------------------------	--------------------------

Less :

Payment made during the year to out going members on final settlement.	470,64,81,646.01	524,85,95,144.14
------------------------------------------------------------------------------	------------------	------------------

Premia paid during the year on members Life Insurance Policies.	88,20,169.61	79,31,325.31
-----------------------------------------------------------------------	--------------	--------------

Loan paid during the year to the members.	148,27,76,445.23	181,21,22,119.84
----------------------------------------------	------------------	------------------

Employer's share forfeited during the year.	11,18,46,745.21	28,53,98,916.40
------------------------------------------------	-----------------	-----------------

Unclaimed Deposit A/c.	5,88,89,151.64	12,35,55,757.07
------------------------	----------------	-----------------

Miscellaneous Payment	11,12,48,343.92	9,08,38,642.18
-----------------------	-----------------	----------------

Amount of securities trans- ferred back to exempted Establishments.	1,35,19,970.64	1,77,54,100.00
---------------------------------------------------------------------------	----------------	----------------

Total :—	<u>649,35,82,572.26</u>	<u>758,61,96,004.94</u>
-----------------	-------------------------	-------------------------

Balance as on 31.3.89	5907,28,67,119.85	6694.15,26,210 93
-----------------------	-------------------	-------------------

SCHEDULE NO. IV

Unclaimed Deposit Account

Balance as per last Balance Sheet	20,38,92,702.21	25,82,76,845.43
--------------------------------------	-----------------	-----------------

Add :

Amount transferred during the year	5,88,89,151.64	12,35,55,757.07
---------------------------------------	----------------	-----------------

TOTAL :	<u>26,27,81,853.85</u>	<u>38,18,32,602.50</u>
----------------	------------------------	------------------------

Less :	1987-88	1988-89
Amount paid during the year	45,05,008.42	57,10,285.59
Balance as on 31.3.89	25,82,76,845.43	37,61,22,316.91

SCHEDULE NO. V

Forfeiture Account		
Balance as per last Balance Sheet	76,16,06,600.40	87,30,96,239.36
Add :		
Employer's share forfeited during the year	11,18,46,745.21	28,53,98,916.40
Interest on forfeiture Account	—	43,17,10,393.79
	87,34,53,345.61	159,02,05,549.55

Less :

(1) Amount transferred to Special Reserve Fund during the year	—	2,50,00,000.00
(2) Amount transferred to Death Relief Fund	—	10,00,000.00
(3) Amount paid from forfeiture Account during the year	3,57,106.25	4,42,135.46
	3,57,106.25	2,64,42,135.46
Balance as on 31.3.89	87,30,96,239.36	156,37,63,414.09

SCHEDULE NO. VI

Death Relief Fund		
Balance as per last Balance Sheet	26,07,296.05	19,73,039.30
Amount received from forfeiture Account	—	10,00,000.00
Amount recouped during the year	82.00	—
	26,07,378.05	29,73,039.30
Less :		
Payment made during the year	6,34,338.75	6,50,960.75
Balance as on 31.3.89	19,73,039.30	23,22,078.55

SCHEDULE VII	1987-88	1988-89
Interest Suspense Account		
Balance as per last Balance Sheet	1831,68,38,601.86	1878,86,65,964.94
Less :		
1. (a) Interest credited to members A/c. during the year	425,86,37,479.81	491,62,44,829.97
(b) Amount transferred to EPF as per decision of the CBT dated 16.2.88	326,22,00,000.00	—
2. Interest paid on deposits refunded to exempted establishments	1,89,770.50	3,06,518.00
3. Interest paid to vendors	2,24,49,578.61	1,07,81,500.95
4. Interest accrued on For- feiture A/c. adjusted	—	43,17,10,393.79
5. Interest accrued on Fluc- tuation Account adjusted	—	14,66,78,381.62
	<hr/>	<hr/>
	754,34,76,828.92	550,57,21,624.33
	<hr/>	<hr/>
Balance in the Accounts to be credited to the sub- scribers members A/c. upto 31.3.1989	1077,33,61,772.94	1328,29,44,340.61
Add :		
1. Interest realised on investment of securities	783,79,77,610.40	935,56,34,223.68
2. Interest on S.B. A/cs. (Central)	3,26,993.63	8,31,899.95
3. Interest on S.B. A/cs. (Regional)	29,37,964.60	29,54,856.06
4. Interest on securities received from the estts.	72,323.54	5,54,736.60
5. Interest realised from members on loans	4,36,912.70	4,78,606.00
6. Penal damages on belated contributions received during the year	1,85,68,864.34	1,69,50,804.79
7. Amount of loss on sale of securities credited	15,49,83,522.79	—
	<hr/>	<hr/>
	801,53,04,192.00	937,74,05,127.08
	<hr/>	<hr/>
Balance as on 31.3.89	1878,86,65,964.94	2266,03,49,467.69

SCHEDULE NO. VIII	1987-88	1988-89
A. Staff Provident Fund A/cs.		
Balance as per last Balance Sheet	758,35,708.34	9,64,74,397.39
Add :		
Contribution (including refund of withdrawal) received during the year	4,90,51,376.41	6,17,14,165.03
Interest credited to member's account	1,02,77,959.66	1,10,65,955.61
Other Receipts	---	---
	<u>13,51,65,044.41</u>	<u>16,92,54,518.03</u>
Less :		
Payment made during the year to outgoing members on final settlement	57,14,104.27	1,04,83,476.54
Withdrawal of Boards share due to optees of pension Scheme.	---	---
Premia paid during the year on members life insurance policies.	4,21,196.42	3,76,732.04
Loan paid during the year to the members	2,99,27,076.60	3,67,32,147.20
Other payments (Transfer to other Regions)	26,28,269.73	30,79,474.42
	<u>3,86,90,647.02</u>	<u>5,06,71,830.20</u>
Balance as on 31.3.89	9,64,74,397.39	11,85,82,687.83
B. S.P.F. A/c: transferred from other Regions		
Balance as on 1.4.88	9,61,994.20	16,51,105.65
Add :		
Amount transferred out to the regions	26,28,269.73	30,79,474.42
	<u>35,90,263.93</u>	<u>47,30,580.07</u>
Amount received from other regions	19,39,158.28	32,64,109.73
Balance as on 31.3.89	16,51,105.65	14,66,470.34
Total (A+B) :	<u>9,81,25,503.04</u>	<u>12,00,49,158.17</u>

SCHEDULE NO. IX	1987-88	1988-89
Staff Provident Fund		
Interest Account		
Balance as per last Balance Sheet	16,11,778.13	54,047.89
Add :		
(1) Interest realised on investment of securities	87,72,333.28	1,12,56,831.93
(2) Interest on S.B. Account	714.67	9,140.84
	<hr/>	<hr/>
	1,03,84,826.08	1,13,23,020.66
Less :		
(1) Interest credited to members Account during the year	1,02,77,959.66	1,10,65,955.61
(2) Interest paid to vendors	49,818.53	58,502.72
	<hr/>	<hr/>
	1,03,27,778.19	1,11,24,458.33
	<hr/>	<hr/>
Balance as on 31.3.1989	57,047.89	1,98,562.33

SCHEDULE NO. X

Pension-cum-Gratuity Account

Balance as per last Balance Sheet	11,91,90,134.30	14,66,09,404.58
Add :		
Amount transferred during the year from A/c. No. 4	1,49,98,000.00	1,22,59,000.00
Amount transferred from A/c. No. 2 & 8 due to option of pension scheme	—	—
Interest realised on S.B. Account	—	1.91
Interest realised on Securities during the year	1,24,64,288.75	1,60,35,048.50
	<hr/>	<hr/>
	14,66,52,423.05	17,49,03,454.99

Less :	1987-88	1988-89
Payment made by the regions	—	—
Interest paid to vendors during the year	43,018.87	60,258.50
	<u>43,018.87</u>	<u>60,258.50</u>
Balance as on 31.3.1989	14,66,09,404.58	17,48,43,196.49
SCHEDULE NO. XI		
Investment Fluctuation A/c.		
(A) Gain on redemption of securities accounted upto 1987-88	—	50,43,51,990.20
(B) Gain on redemption of securities accounted for the year 1988-89	—	14,88,79,490.05
(C) Interest on Fluctuation A/c.	—	14,66,78,381.62
	<u>—</u>	<u>79,99,09,861.87</u>
Total	—	79,99,09,861.87
Less :		
Loss on sale of securities	19,27,81,432.47	5,97,28,381.50
Balance as on 31.3.89		74,01,81,480.37

SCHEDULE NO. XII	1987-88	1988-89
Building Construction Fund		
Balance as per last	23,56,82,731.58	29,24,18,043.39
Balance Sheet		
Add :		
1. Provision made during the year	5,00,00,000.00	5,00,00,000.00
2. Interest credited to the fund	67,35,311.81	1,06,00,137.47
	<hr/>	<hr/>
Balance as on 31.3.1989	29,24,18,043.39	35,30,18,180.86
	<hr/>	<hr/>

Note :-

The cost of Land and Building acquired as on 31.3.88 is Rs. 23,55,82,134.82 and the amount available for construction purposes as on 31.3.1989 is Rs. 11,74,36,046.04.

SCHEDULE NO. XIII		
Building Maintenance (Repair, renewal, replacement) Fund		
Balance as per last	48,15,456.77	64,23,982.73
Balance Sheet		
Add :		
1. Amount appropriated from Revenue Surplus during the year	9,97,398.04	43,576.81
2. Interest credited	6,11,127.92	7,41,263.68
	<hr/>	<hr/>
Balance as on 31.3.1989	64,23,982.73	72,08,823.22
	<hr/>	<hr/>

SCHEDULE NO. XIV		
Revenue Surplus		
Balance as per last	26,93,91,415.98	26,08,82,480.95
Balance Sheet		
Less :		
1. Amount adjusted by the Regional Office	2,52,947.31	---
2. Excess of Expenditure over Income during the year as transferred from Income and Expenditure Appropriation Account	82,55,987.72	---
	<hr/>	<hr/>
	26,08,82,480.95	26,08,82,480.95
	<hr/>	<hr/>

Add :	1987-88	1988-89
(i) Amount adjusted by Regional Office	---	1,28,032.33
(ii) Excess of Income over expenditure during the year as transferred from Income & Expenditure Appropriation A/c.	---	11,68,92,782.71
	<hr/>	<hr/>
Balance as on 31.3.1989	26,08,82,480.95	37,79,03,295.99

SCHEDULE NO. XV

Sundry Credits :

(a) Suspense Account (Unclassified)	4,15,75,699.51	3,67,63,749.30
(b) Erroneous Receipt	---	---
(c) Irregular Payments	10,16,021.47	10,01,641.47
(d) Over Payments	3,76,242.19	4,10,344.27
(e) A.E.C.D. (D.A.) A/c.	40,578.32	40,578.32
(f) Amount repayable to E.D.L.I Account	2,63,55,670.00	7,00,000.00
(g) Pension Fund Investment A/c. and S.P.F. Investment	---	38,800.00
(i) Amount invested in EPF Account	---	14,13,200.00
(h) Erroneous Credit to Account No. 5		
(i) Amount not accounted for by the Regions though received in A/c. No. 5 from A/c. No. 1	8,75,009.00	8,75,009.00
(ii) Extra credit given by Bank to A/c. No. 3 without any corresponding debit to A/c. No. 5	1,23,50,000.00	68,26,503.38
(iii) Amount credited to A/c. No. 3 during 1988-89 but debited to A/c. No. 5 during 1989-90	22,37,85,000.00	20,84,81,566.00
(iv) Erroneous credit to Account No. 5	7,85,95,953.41	5,26,26,869.36
(i) Erroneous/Excess credit to Account No. 8	8,78,817.84	24,33,009.84
(j) Excess credit to A/c. No. 9	---	8,03,000.00
	<hr/>	<hr/>
	38,58,48,991.74	31,24,14,270.94

SCHEDULE NO. XVI

1987-88

1988-89

Investment Account of
Employees' Provident Fund(a) Securities purchased centrally
(cost price)Balance as per last
Balance Sheet

6856,82,22,072.03

7890,75,78,742.94

Add :

(i) Amount invested centrally
during the year (cost price)

1589,86,59,418.68

1890,90,13,109.95

(ii) Gain on the purchase of
securities for the years
1988-89

20,43,84,432.23

14,88,79,490.05

8467,12,65,922.949796,54,71,342.94

Less :

(i) Loss on sale of securities
during the year

(ii) Value of securities redeemed
during the year

576,36,87,180.00

656,95,31,870.00

576,36,87,180.00656,95,31,870.00

Balance (a) as on 31.3.1989

7890,75,78,742.94

9139,59,39,472.94

B. Securities transferred by
regions balance as per
last balance sheet
(Accepted value)

79,51,09,450.14

80,13,89,465.24

Add :

Securities received during
the year (Accepted value)

1,03,52,965.10

12,00,45,328.71

Other Adjustment

15,60,000.00

80,54,62,415.2492,29,94,793.95

Less :

Securities returned back
to Establishment (Accepted
value)

40,72,950.00

1,77,54,100.00

Other Adjustment

66,393.45

Balance (b) as on 31.3.1989

80,13,89,465.2490,51,74,300.50

Total (a) & (b)

7970,89,68,208.189230,11,13,773.44

SCHEDULE No. XVII

1987-88

1988-89

Investment Account of Staff**Provident Fund**

Balance as per last

7,43,23,828.19

9,34,42,868.64

Balance Sheet

Add :

Amount invested centrally during the year (Purchase price)

2,56,86,390.45

2,97,32,890.63

TOTAL :

10,00,10,218.64

12,31,75,759.27

Less :

Value of securities redeemed during the year

65,67,350.00

66,91,800.00

Balance as on 31.3.1989

9,34,42,868.64

11,64,83,959.27

SCHEDULE NO. XVIII**Investment Account of Pension-cum-Gratuity Fund (Staff)**

Balance as per last

11,83,98,537.65

14,44,25,978.45

Balance Sheet

Add :

Amount invested centrally during the year (Purchase price)

3,24,62,240.80

3,53,52,934.38

15,08,60,778.45

17,97,78,912.83

Less :

Value of securities redeemed during the year

64,34,800.00

80,94,600.00

Balance as on 31.3.1989

14,44,25,978.45

17,16,84,312.83

SCHEDULE NO. XIX

1987-88

1988-89

**Investment Account of
Administration Fund**

Balance as per last Balance Sheet

23,47,78,029.10

31,09,81,029.10

Add :

Amount invested in FDR

13,68,00,000.00

15,36,92,500.00

37,15,78,029.10

46,46,73,529.10

Less :

Securities redeemed during
the year

6,05,97,000.00

6,30,00,000.00

Balance as on 31.3.1989

31,09,81,029.10

40,16,73,529.10

SCHEDULE NO. XX**Recoverable Advance (Staff)
as on 31.3.1989**

(a) Conveyance advance

63,54,929.76

1,19,17,975.74

(b) House Building Advance

3,33,20,775.30

5,19,38,415.10

(c) Fan Advance

49,115.75

46,116.00

(d) Warm Clothing Advance

1,457.75

1,793.75

(e) Festival Advance

19,42,240.60

20,24,251.60

(f) Natural Calamity Advance

4,75,333.80

1,03,583.80

(g) Advance of Pay/DA/TA

11,10,403.34

14,39,081.27

(h) Food Grain Advance

3,433.55

3,433.55

(i) Advance to Staff Co-operative
Canteen/Stores

3,07,283.91

4,35,072.71

(j) Miscellaneous Payment

36,14,450.78

48,23,309.81

4,71,79,424.54

7,27,33,033.33

SCHEDULE NO. XXI

1987-88

1988-89

Amount in transit

(a) E.P.F. Account No. 4	25,56,376.20	58,54,671.00
(b) E.P.F. Account No. 5	14,84,12,926.28	13,38,62,495.84
(c) S.P.F. Account No. 8	31,97,762.89	57,36,012.39
(d) S.P.F. Investment Account	---	---
(e) Pension-cum-Gratuity Fund Investment Account	---	14,52,000.00
	<u>15,41,67,065.37</u>	<u>14,69,05,179.23</u>

SCHEDULE NO. XXII**Cash Balance as on 31st March :**

(a) State Bank of India		
E.P.F. Account No. 1	1,38,77,249.16	10,57,48,276.65
E.P.F. Account No. 2	3,77,39,324.16	3,87,30,045.45
E.P.F. Account No. 3	(-)19,44,73,744.13	(-)9,47,82,962.76
E.P.F. Account No. 4	21,91,433.20	83,98,879.67
E.P.F. Account No. 5	1,33,10,631.08	5,12,79,415.12
E.P.F. Account No. 8	33,211.54	1,28,448.64
E.P.F. Account No. 9	36.23	14,62,038.14
	<u>(-) 12,73,21,858.76</u>	<u>11,09,64,140.91</u>
(b) Reserve Bank of India		
E.P.F. Investment A/c.	1,52,74,479.00	2,84,06,310.38
S.P.F. Investment A/c.	5,67,003.52	6,30,042.10
Pension-cum-Gratuity Investment Account	16,50,504.39	5,14,960.01
	<u>1,74,91,986.91</u>	<u>2,95,51,312.49</u>
Total (a)+(b)	(-) 10,98,29,871.85	14,05,15,453.40

SCHEDULE NO. XXIII

1987-88

1988-89

Sundry Debits :

A. Suspense A/c. (Unclassified)	1,27,83,628.03	1,28,31,710.03
B. Irregular Payments	10,16,021.47	—10,01,641.47
C. Over Payments	3,76,242.19	4,10,344.27
D. Erroneous debit to A/c. No. 5	—	—
(a) Excess accounted for by Regional Office as transfer to A/c. No. 5 from Account No. 1	1,94,52,030.52	30,49,490.04
(b) Transfer of funds to Account No. 3	—	—
(c) Extra debit made to A/c. No. 5 by Bank	9,53,83,221.05	5,32,61,835.60
	<u>12,90,11,143.26</u>	<u>7,05,55,021.41</u>

**RECEIPT AND PAYMENT ACCOUNT
AND
BALANCE SHEET OF
EMPLOYEES' FAMILY PENSION
SCHEME**

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

<i>Sl. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 1988	2380,47,63,262.46
2.	(i) Contribution of Employees' & Employers	244,41,40,163.06
	(ii) Contribution of Govt. (1988-89)	85,68,27,098.66
	(iii) Arrears of contribution of Govt. up to the year 1987-88	51,01,72,901.34
3.	Interest on the balance in the Public Account	215,47,00,000.00
4.	Interest on Saving Bank Account	7,53,360.70
5.	Other Receipts	
	(a) Regional Contribution Account No. 10	2,41,31,892.51
	(b) Central Contribution Account No. 11	----
TOTAL :		2979,54,88,678.73

N
I
n
Account)

**SCHEME 1971
FOR THE YEAR 1988-89**

<i>Sl. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
6	1. <i>Amount paid to outgoing members/beneficiaries</i>	
6	(a) Amount of Employees' share with interest	1,25,57,010.65
6	(b) Withdrawal/Retirement Benefits	15,62,95,269.64
4	(c) Life Assurance Benefits	2,32,60,328.71
	(d) Family Pension	29,10,68,307.60
0	2. <i>Other Payments :</i>	
0	(a) Regional Contribution Account No. 10	2,47,83,236.10
	(b) Central Contribution Account No. 11	2,445.00
1	3. Closing Balance	2928,75,22,081.03

'3

TOTAL : 2979,54,88,678.73

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

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

<i>Sl. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Amount received from Government towards cost of Administration 1988-89	4,20,00,000.00
	up to 1987-88	3,10,00,000.00
2.	Miscellaneous Receipt	45.62
3.	Amount received from E.P.F. Administration Account C/F	1,70,50,749.74
TOTAL :		9,00,50,795.36

**SCHEME 1971
FOR THE YEAR 1988-89
Account)**

<i>Sl. No</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Balance amount incurred from E.P.F. Administration Amount B/F as on 1.4.1988	4,76,59,121.86
2.	Payment on Administration :	
	(i) Revenue expenditure :	
	(a) Salaries	2,63,47,532.47
	(b) Allowances & Honoraria	56,85,791.28
	(c) Travelling Allowance	11,44,494.74
	(d) Pension/Gratuity (Staff)	14,80,315.01
	(e) S.P.F. Board's share & E.D.L.I Benefits	8,619.81
	(f) Other charges	57,53,495.11
	(g) Grants	1,41,863.17
	(h) Charges on maintenance and repairs of office Building	3,18,311.91
	(ii) Capital expenditure ; Construction (Office Building etc.)	15,11,250.00
	TOTAL :	9,00,50,795.36

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

**EMPLOYEES' FAMILY PENSION
BALANCE SHEET**

<i>Balance as at 31st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
2380,47,682.46	1. Employees' Family Pension Fund Contribution Account		2928,75,22,081.03
	2. Family Pension Fund Admn. Account		
4,76,59,121.86	Amount incurred from EPF Administration Account		1,70,50,749.74
3,86,51,139.77	3. Sundry Credits	I	4,90,06,847.12
2389,10,73,524.09	TOTAL		2935,35,79,677.89

**SCHEME, 1971
AS AT 31st MARCH, 1989**

<i>Balance as at 31st March Previous Year</i>		<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
2376,39,90,717.28	1.	Family Pension Fund Contribution Investment Account kept in Deposit with Public Account	II	2920,61,19,929.35
4,76,59,121.86	2.	Family Pension Fund Admi- nistration Account Amount recoverable from Central Government		1,70,50,749.74
(-) 56,75,965.18	3.	Cash Book Balance FPF Contribution Account	III	4,17,31,483.73
7,66,07,575.89	4.	Remittance in transit		8,00,70,112.69
84,92,074.24	5.	Sundry Debits	IV	86,07,402.38
2389,10,73,524.09		TOTAL :		2935,35,79,677.89

Note :

- | | |
|--------------------------------------------------------------------------------------------------------------|---------------------|
| (i) Family Pension Contribution due from employers of exempted and unexempted establishments as on 31.3.1989 | Rs. 905.03 Lakhs |
| (ii) Family Pension Contribution due from Govt. as on 31.3.1989 | Rs. 36,52,42,982.87 |
| (iii) Family Pension Administration cost due from Govt. as on 31.3.1989 | Rs. 1,70,50,749.74 |

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

SCHEDULE NO. 1	1987-88	1988-89
Sundry Credits :		
1. Account No. 10	52,95,880.50	60,27,361.95
2. Account No. 11	3,33,55,259.27	4,29,79,485.17
	<hr/>	<hr/>
Balance as at 31st March :	3,86,51,139.77	4,90,06,847.12
	<hr/>	<hr/>

SCHEDULE NO. II

Amount kept in deposit with Public Accounts		
Balance as per last Balance Sheet	1975,55,76,883.63	2376,39,90,717.28
Add :		
(i) Amount deposited in Public Account during the year	169,62,13,833.65	192,04,29,212.07
(ii) Govt. share of contribution	51,53,47,418.40	1,70,00,000.00
	18,96,52,581.60	135,00,00,000.00
(iii) Interest on Public Account	160,72,00,000.00	215,47,00,000.00
	<hr/>	<hr/>
	2376,39,90,717.28	2920,61,19,929.23
	<hr/>	<hr/>

SCHEDULE NO. III

Cash Book Balance		
1. Account No. 10	(—) 72,52,423.18	3,98,11,837.23
2. Account No. 11	15,76,458.00	19,19,646.50
	<hr/>	<hr/>
	(—) 56,75,965.18	4,17,31,483.73
	<hr/>	<hr/>

SCHEDULE NO. IV

Sundry Debits :		
1. Account No. 10	26,81,852.99	27,97,181.13
2. Account No. 11	58,10,221.25	58,10,221.25 ✓
	<hr/>	<hr/>
	84,92,074.24	86,07,402.38
	<hr/>	<hr/>

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

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

<i>Sl. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 88	4,59,62,53,977.04
2.	(i) Contribution of Employers	36,17,96,638.94
	(ii) Contribution of Government (1988-89)	16,58,74,900.05
	(iii) Arrears of contribution of Govt. for 1987-88	27,25,099.95
3.	Interest on investment in Public A/c.	40,81,00,000.00
4.	Interest on Investment in securities	57,01,609.82
5.	Interest on S.B. Account	2,44,260.22
6.	Penal Damages	3,82,440.62
7.	Other receipts in :	
	Account No- 21	8,78,245.80
	Account No. 25	7,023.15

	TOTAL :	5,54,19,64,195.59

INSURANCE SCHEME, 1976
FOR THE YEAR 1988-89
Account)

<i>Sl. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Assurance Benefits	12,24,67,035.90
2.	Amount refunded to employers on grant of exemption	---
3.	Other payment in :	
	Account No. 21	15,72,104.70
	Account No. 25	90,245.95

4.	Closing Balance	5,41,78,34,809.04
TOTAL :		5,54,19,64,195.59

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

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

<i>S. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 1988	1,07,88,03,605.28
2.	Administrative charges received from the employers during the year	3,57,56,005.80
3.	Inspection charges received	1,03,85,109.19
4.	Penal Damages	1,39,869.00
5.	Amount received from Govt. towards cost of Administration of the fund for the year 1988-89	—
6. (a)	Interest received on investment from Administration Account	11,79,96,245.90
	(b) Interest on S.B. Account	2,62,616.05
		28,389.02

	(c) Interest on Advance	23,794.00
		8,635.80

7.	Other Receipt	12,32,006.53
TOTAL :		1,24,46,36,276.57

**INSURANCE SCHEME, 1976
FOR THE YEAR 1988-89**

Account)

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Payment on Administration :	
(a)	Révenue Expenditure :	
(i)	Salaries	69,72,867.78
(ii)	Allowances & Honoraria	15,93,278.54
(iii)	T.A. & L.T.C.	2,97,690.02
(iv)	Pension/Gratuity (Staff)	4,34,528.22
(v)	Staff Provident Fund (Board's share)	1,959.62
(vi)	Other chages (Recurring and non-recurring)	17,39,921.29
(vii)	Grants	40,296.04
(viii)	Maintenance and repairs of Office Building etc.	79,112.60
		1,11,59,654.11
(b)	Capital Expenditure. Construction of Office Building/ Staff quarters etc.	3,77,074.75
2.	Other Payment :	
	Account No. 22	44,05,188.32
	Account No. 24	70.00
		44,05,258.32
3.	Closing Balance	1,22,86,94,289.39
TOTAL :		1,24,46,36,276.57

Sd/-
(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

**EMPLOYEES' DEPOSIT LINKD
BALANCE SHEET**

<i>Balance as at 31st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
4,59,62,53,977.04	1. Employees' Deposit Linked Insurance Fund Account		5,41,78,34,809.04
1,07,88,03,605.28	2. Employees Deposit Linked insurance Fund Adm. A/c.		1,22,86,94,289.39
5,89,72,845.35	3. Sundry Credits	I	8,37,76,892.21
5,73,40,30,427.66	TOTAL :		6,73,03,05,990.64

**INSURANCE SCHEME, 1976
AS AT 31ST MARCH, 1989**

<i>Balance as at 31st March Previous Year</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
	1. Investment Account		
	(a) Employees' Deposit Linked Insurance Fund Account		
8,65,01,065.83	(i) Investment in securities	II	5,16,80,665.83
4,55,68,33,267.09	(ii) Deposit in Public Account	III	5,43,20,39,258.25
	(b) Employees' Deposit Linked Insurance Adm. Fund A/c-		
1,01,37,98,000.00	(i) Amount invested in Term Deposits	IV	1,20,30,94,000.00
2,02,58,882.79	(ii) Amount due from EPF Adm. Account	V	(-) 1,54,81,102.01
68,05,701.37	2. Cash Balance	VI	1,32,61,394.05
3,64,18,812.39	3. Remittance in transit	VII	4,01,15,597.81
1,34,14,698.19	4. Sundry Debits	VIII	55,96,176.71
5,73,40,30,427.66	TOTAL :		6,73,03,05,990.64

Previous Year

Foot Note :

Rs. 237.85 Lakhs	1. E.D.L.I. contribution due from employers as on 31.3.89	Rs. 296 Lakhs
Rs. 117.01 ,,	2. E.D.L.I. Adm. and Inspection charges due from employers as on 31.3.89	Rs. 117.01 Lakhs
Rs. 27,25,100.00 ,,	3. E.D.L.I contribution (Govt.) share due as on 31.3.89	Rs. 1,50,23,419.42
Rs. 142.61 Lakhs	4. E.D.L.I Adm. charges (Govt.) share due as on 31.3.89	Rs. 3,21,39,101.20 out of this, Rs. 1.50 crores recei- ved in April, 1989.

Sd/-

(B.N. SOM)

CENTRAL PROVIDENT FUND COMMISSIONER

SCHEDULE NO. 1

1987-88

1988-89

Sundry Credits :

1. Excess credit in A/c. No. 21	15,50,131.20	22,03,044.13
2. Excess credit in A/c. No. 25	4,28,63,770.61	6,08,32,737.05
3. Excess credit in R.B.I. A/c.	14,42,116.35	16,00,672.95
4. Excess credit in A/c. No. 22	21,07,252.00	21,68,572.54
5. Excess credit in A/c. No. 24	1,10,09,574.98	1,69,71,865.54
	<hr/>	<hr/>
Balance as on 31st March	5,89,72,845.34	8,37,76,892.21
	<hr/>	<hr/>

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

Balance as per last Balance Sheet	13,45,32,465.83	8,65,01,065.83
Less :		
Securities redeemed during the year	4,80,31,400.00	3,48,20,400.00
	<hr/>	<hr/>
Balance as on 31st March	8,65,01,065.83	5,16,80,665.83
	<hr/>	<hr/>

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

Balance as per last Balance Sheet	3,77,78,24,642.58	4,55,68,33,267.09
1. Deposits made during the year	29,69,08,624.51	29,85,05,991.16
2. Govt. share of contribution 1988-89	16,64,42,078.43	16,58,74,900.05
3. Govt. share arrears upto 1987-88	35,57,921.57	27,25,099.95
4. Interest on balance in Public Account	31,21,00,000.00	40,81,00,000.00
	<hr/>	<hr/>
Balance as on 31st March :	4,55,68,33,267.09	5,43,20,39,258.25
	<hr/>	<hr/>

SCHEDULE NO. IV*1987-88**1988-89***Amount invested in Fixed Deposits :**

Balance as per last Balance Sheet 89,63,14,000.00 1,01,37,98,000.00

Add :

Amount deposited during the year 25,26,84,000.00 53,07,96,000.00

1,14,89,98,000.00

1,54,45,94,000.00

Less :

Amount redeemed during the year 13,52,00,000.00 34,15,00,000.00

Balance as at 31st March : 1,01,37,98,000.00

1,20,30,94,000.00

SCHEDULE NO. V

1987-88

1988-89

Amount due from EPF Adm. A/c.

(a) Transaction in A/c. No. 24

Balance as per last Balance Sheet

—2,02,58,882.79

Add :

During the year

2,25,00,000.00

2,46,94,330.00

Less :

Amount received back

5,03,50,000.00

Balance as on 31st March :

2,25,00,000.00

(—) 53,96,787.21

(b) Transaction in regard to
Account No. 22Amount transferred to E.P.F.
Account No. 2

(—) 22,41,117.21

(—) 1,00,84,314.80

Balance as on 31st March (a + b)

2,02,58,882.79

(—) 1,54,81,102.01

SCHEDULE NO. VI**Cash Book Balance**

1. Account No. 21

(—) 33,36,252.09

47,94,819.52

2. Account No. 25

9,55,892.73

6,11,990.15

3. Account No. 22

77,46,768.74

77,21,195.82

4. Account No. 24

14,39,291.99

1,33,388.56

Balance as on 31st March :

68,05,701.37

1,32,61,394.05

SCHEDULE VII

1987-88

1988-89

Remittance in Transit :

1. From A/c. No. 21 to 25	2,17,88,488.88	2,44,70,226.09
2. From RBI A/c. to A/c. No. 25	5,79,601.50	8,526.09
3. From A/c. No. 22 to 24	1,40,50,722.01	1,56,36,844.82
	<hr/>	<hr/>
Balance as on 31st March :	3,64,18,812.39	4,01,15,597.81
	<hr/>	<hr/>

SCHEDULE NO. VIII**Sundry Debits :**

1. Account No. 21	13,93,662.15	(-) 17,57,732.91
		(-) 27,87,324.30
2. Account No. 25	8,49,211.90	1,42,824.90
3. Account No. 22	6,24,113.97	6,74,494.66
4. Account No. 24	1,05,47,710.17	93,23,914.36
	<hr/>	<hr/>
Balance as on 31st March :	1,34,14,698.19	55,96,176.71
	<hr/>	<hr/>

Audit Certificate

I have examined the Receipt and Payment Accounts/Income and Expenditure Accounts for the year ended 31st March 1989 and the Balance Sheet as on 31st March 1989 of Employees' Provident Fund Organisation. I have obtained all the Information and explanation that I have required, and subject to the observations in the appended Audit Report, I certify, as a result of my audit, that in my opinion these accounts and Balance Sheet are properly drawn up so as to exhibit a true and fair view of the state of affairs of the Employees' Provident Fund Organisation according to the best of information and explanations given to me and as shown by the books of the organisation.

PLACE :
New Delhi :

Sd/
DIRECTOR OF AUDIT-I
Central Revenues : New Delhi

AUDIT REPORT
ON THE CONSOLIDATED ACCOUNTS OF THE
EMPLOYEES' PROVIDENT FUND ORGANISATION
FOR THE YEAR 1988-89

Audit Report on The Employees' Provident Fund Organisation For The Years 1988-89

1. Introductory

The Employees' Provident Fund Organisation is a statutory body established under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. It has 16 Regional Offices and 45 Sub-Regional Offices with a Central Office at New Delhi.

Apart from the Employees' Provident Fund (EPF) Schemes, 1952, the Organisation has been entrusted with the administration of Employees' Family Pension (EFP) Schemes, 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 contributions levied on employers for the purpose, the Employees' Deposit Linked Insurance Scheme is administered out of contributions both from employers and the Central Government at specified rates. For administering Employees' Family Pension and Additional Emoluments (Compulsory Deposit) 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. The accounts of the Organisation are audited under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service), Act, 1971.

An analysis of the Income and Expenditure of Employees' Provident Fund for 1987-88 and 1988-89 as shown below.

<i>Income</i>	<i>1987-88</i>	<i>1988-89</i>
	(Rs. in lakhs)	(Rs. in lakhs)
1. Receipt by way of administrative charges, inspection charges & penal damages	4,616.05	5,435.21
2. Interest earned on investment of surplus Administrative Fund	126.61	111.19
3. Receipts from Government & other Accounts	(—)75.61	785.41
4. Miscellaneous Receipts	125.15	143.23

Expenditure

1. Salaries of Officers and staff	2,442.18	2,719.78
2. Allowances and Honorarium	493.58	525.49
3. Travelling Allowance and Leave Travel Concession	85.17	101.67
4. Pension/Family Pension/ Death-cum-Retirement Gratuity.	263.91	272.26
5. <i>Staff Provident Fund</i>		
(a) Board's share	—	0.12
(b) Staff Provident Fund Employee's Deposit Linked Insurance Scheme Benefits	0.21	1.26
6. <i>other charges :</i>		
(a) Recurring/non-recurring	543.28	638.54
(b) Maintenance of Office building and staff quarters.	15.03	24.56
7. <i>Grants</i>	13.93	15.40
8. Expenditure incurred on administration of :		
(a) Family Pension Fund Scheme	406.83	408.80
(b) Employees' Deposit Linked Insurance Scheme.	96.20	90.87
(c) Additional Emoluments Compulsory Deposit Scheme.	4.05	3.03

2. Comments on Accounts :

2.1 Balance sheet of Employees' Provident Fund Scheme.

(i) *Valuation of Assets* :— The total value of Land and Building acquired upto the end of March, 1989 as per Balance Sheet aggregated to Rs. 23.56 crores. The value of assets shown in the Balance Sheet was not verifiable as the centralised Assets Register which was opened by the Organisation after the omission was pointed out in the Audit Report for 1987-88 was incomplete and did not contain the details of land, and building indicating the Khasra No./plot No. of the land, its boundaries, the approved design according to which the building was constructed in each region. This basic record was not being even maintained in the Regional Offices.

The Organisation stated in December 1989 that the Assets Register was incomplete for want of information/details from certain Regional Offices. All the Regional Provident Fund Commissioners had been advised to maintain the Assets Register in the regions and also furnish the required information to the Central Office.

Besides, advance payments/deposits made to Central Public Works Department/Public Works Department by the Organisation for construction of office buildings were booked under the head 'Land and Building' instead of showing them under the head 'Advances'. In the cases of Regional Provident Fund Commissioner, Kerala, and West Bengal, the advances of Rs. 14.55 lakhs and Rs. 26.00 lakhs made to the Central Public Works Department during 1988-89 were booked under the head "Land and Building". As such, balance sheet did not depict the true picture of assets. The Organisation stated that advances paid to the construction agencies would be segregated and shown separately in the accounts for 1989-90.

2. (ii) *Special Reserve Fund (Rs. 344.39 lakhs)*

A Special Reserve Fund was created for making payments to outgoing members or their nominees in cases where the employers of the unexempted establishments had failed to deposit the whole or part of the contribution deducted from the wages of the subscribers to the Employees' Provident Fund. The amount so paid was subsequently recoverable from the employers of the defaulting establishments concerned. A sum of Rs. 388.42 lakhs had been paid to the outgoing members or their nominees from 1960-61 to 1988-89 out of which Rs. 44.03 lakhs had been recovered from the employers upto the end of March, 1989, leaving a balance of Rs. 344.39 lakhs as recoverable, as shown in the balance sheet as on 31st March, 1989, as per details given below :—

<i>Years</i>	<i>Amount</i> (Rupees in lakhs)
1960-61 to } 1975-76 }	76.05
1967-77	4.37
1977-78	4.77
1978-79	3.32
1979-80	2.33
1980-81	2.57
1981-82	3.11
1982-83	4.14
1983-84	16.30
1984-85	22.45
1985-86	9.46
1986-87	54.23
1987-88	117.51
1988-89	23.78

Total :— 344.39 lakhs

Huge amounts were lying under this head since 1960-61 onwards and there was no improvement at all in the recoverable amount of Rs. 320.61 lakhs outstanding upto 1987-88 from the concerned defaulting employers though it was also pointed out in the last year's Audit Report as well.

The Organisation stated in October, 1989 that major portion of the amount pertained to establishments which had already been closed or gone into liquidation. The details of the employers were only available with the Regional Offices where the payments were actually made. In spite of best efforts made by the Organisation the progress of recovery was not appreciable. All possible steps were however being taken by the Organisation to realise the arrears.

2. (iii) *Variation/discrepancy in the Balance under various funds and assets created therefrom.*

The credit balance under the heads :-

- (a) Employees' Provident Fund
- (b) Staff Provident Fund
- (c) Administration Fund and
- (d) Pension-cum-Gratuity Fund;

shown on the liabilities side of the Balance Sheet should tally with the investment, cash balance and other assets created therefrom, but this was not so, as shown below :-

<i>S. No. Fund/Account</i>	<i>Shown on liabilities side</i>	<i>Investment shown on Assets side</i>
	(Rupees)	(Rupees)
1. Employees' Provident Fund	9259,12,50,651.32	9259,61,82,330.08
2. Staff Provident Fund	12,26,80,730.34	12,29,78,462.40
3. Central Administration Fund	74,63,04,877.07	76,46,21,489.37
4. Pension-cum-Gratuity Fund	17,56,46,196.49	17,36,61,310.98

The Organisation stated (November, 1989) that transactions dated back to the period 1952-53 and onwards for which the records were not traceable. Efforts were being made by the Organisation to reconcile the differences.

2. (iv) *Balance under Provident Fund Account (Rs. 6694.15 crores) and Interest Suspense Account (Rs. 2266.03 crores).*

The interest earned on investments was initially credited to "Interest Suspense Account" to which debit was afforded on the basis of total interest credited to individual accounts of the subscribers. The credit balance of Rs. 2266.03 crores under this head was very ~~very~~ heavy considering that interest earned during 1987-88 was only Rs. 937.74 crores.

According to the Organisation the reason for Such a huge surplus was due to non-reconciliation of the accounts of the subscribers. The balance under the head "Employees' Provident Fund Account" showed the total liability towards the subscribers. Despite the issue of instructions by the Central Office regarding timely reconciliation of the accounts of the subscribers to the Regional Commissioners, the accumulation of interest payable to the subscribers was increasing every year.

The Organisation also did not have any records to show the year-wise break up of accumulated balance of interest of Rs. 1328.29 crores which was to be credited to the subscribers accounts upto 31st March, 1989. The Organisation stated that the amount of balance shown in the interest suspense account pertained to the members in different regions where accounts were yet to be reconciled.

2. (v) *Sundry credits Rs. 31.24 crores and Sundry debits Rs. 7.06 crores.*

(a) The Balance Sheet of the Organisation as on 31st March, 1989 depicted sundry credits as Rs. 31.24 crores and sundry debits as Rs. 7.06 crores, which included Rs. 367.64 lakhs and Rs. 128.32 lakhs on account of un-classified receipts and payments. The year-wise break up of Sundry credits (Rs. 4.04 crores) and sundry debits (Rs. 1.42 crores) together with the reasons of non-adjustment of outstanding balances were not available with the Central Office. Though this irregularity had continuously been pointed out in the earlier audit reports, the details of transactions had not been indicated in 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-1987 and November, 1987.

(b) The figures of sundry debtors included Rs. 10.02 lakhs and Rs. 4.10 lakhs on account of irregular payments and of over payments respectively. These amounts were also included in the figures of sundry credit as they were payable to the right-ful 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 having been pointed out in the Audit Report every year since 1983-84,

The Organisation stated in December, 1989 that departmental proceedings/criminal cases had been initiated against the persons responsible for irregular payments and the Regional Commissioners had been advised to recover the amounts overpaid.

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

The Sundry debits also included an amount of Rs. 532.62 lakhs being extra debit made by the bank between 1982-83 and 1988-89] Year-wise details are given below :—

<i>Year</i>	<i>Amount of Extra Debit</i>
	(Rs. in lakhs)
1982-83	23.00
1983-84	13.77
1984-85	100.96
1985-86	108.50
1986-87	140.10
1987-88	76.14
1988-89	70.15

	Rs. 532.62 lakhs

A similar observation was made in the Audit Report for 1987-88, but the progress has been slow. The Organisation stated (October, 1989) that the matter has already been taken up with the Bank for reversal of entries at the earliest.

(d) *Remittance in transit :*

As on 31st March, 1989, an amount of Rs. 14.69 crores was shown on the assets side of the balance sheet under the head "Remittance in Transit". Year-wise details are given below :—

(Rs. in lakhs)				
<i>Year</i>	<i>EPF Account</i> <i>No. 5</i>	<i>SPF Account</i> <i>No. 8</i>	<i>EPF Account</i> <i>No. 4</i>	<i>Pension-cum-gratuity</i> <i>Fund Investment Alc.</i> <i>No. 9.</i>
1970-71	} to	12.20	---	---
1979-80				
1980-81	2.25	1.12	---	---
1981-82	16.21	---	---	---
1982-83	25.07	2.55	---	---
1983-84	28.24	0.38	---	---
1984-85	66.12	2.82	---	---
1985-86	135.87	2.31	---	---
1986-87	37.04	13.13	---	---
1987-88	66.45	8.42	---	---
1988-89	949.17	26.63	58.55	14.52
	1338.62	57.36	58.55	14.52

A sum of Rs. 31.78 lakhs upto 1981-82 was still to be adjusted under the proper head of accounts though a period of more than 7 years had elapsed.

The Organisation intimated in November, 1989 that the matter had already been taken up with the Bank to clear the outstanding items.

The Organisation stated in December 1989 that out of Rs. 949.17 lakhs for 1988-89 (account No. 5) a sum of Rs. 761.37 lakhs had been reconciled and would be reflected in the next years accounts.

2. (vi) *Recoverable Advances*

As on 31st March, 1989 there were recoverable advances of Rs. 7,27,33,033.33 as shown in the Balance Sheet as per details given below :

S. No.	Advances	Amount (Rs.)
1.	Conveyance	1,19,17,975.74
2.	House Building	5,19,38,415.10
3.	Fan	46,116.00
4.	Warm Clothing	1,793.75
5.	Festival	20,24,251.60
6.	Natural calamity	1,03,583.80
7.	Pay/TA	14,39,081.27
8.	Food Grain	3,433.55
9.	Staff Co-operative Stores/Canteens	4,35,072.71
10.	Miscellaneous Advances	48,23,309.81
		Rs. 7,27,33,033.33

The Organisation did not have any record to show the year-wise break up of the recoverable advance. The figures of conveyance, festival and fan advances of Central Office did not tally with the broad sheet/registers maintained by the Central Office. Thus the correctness of figures could not be verified in Audit. The Organisation intimated in October, 1989 that the year-wise details were being maintained at Regional Offices, so Central Office did not maintain the records.

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

Certain establishments are allowed to maintain their own provident fund accounts under the conditions prescribed in the E.P.F. & Miscellaneous Provisions Act, 1952 and such exemption is cancelled on violation of conditions prescribed therefore.

As on 31st March 1989 there were 164 exempted establishments which failed to transfer contributions to the tune of Rs. 129.56 crores to the Board of Trustees as against 169 establishments with a default of Rs. 111.43 crores at the end of 31st March, 1988. Thus the arrears of exempted

establishments went up by Rs. 18.13 crores during the year 1988-89. Besides, the Board of Trustees of 971 establishments were in default for not investing provident fund amounts balances to the extent of Rs. 45.39 crores. The Organisation stated in October 1989 that action as provided in the Act/ Scheme was being taken to secure compliance from the defaulting establishments.

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

As per provisions of para 196-199 of Manual of Accounting Procedure, the Organisation should maintain establishment-wise records showing transactions of contributions, refund, interest, withdrawal etc. in respect of employees of respective establishments and the totals of these records are required to be reconciled with the figures in the Cash Book and ultimately with the annual 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 besides being mentioned in Audit Reports for the year 1983-84 to 1987-88. The Organisation stated in November 1989 that the closing of annual accounts of establishments was in arrears in almost all the regions and hence the reconciliation could not be completed.

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

The Employees' Family Pension Scheme is financed by diverting 1-1/6 percent 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 per cent of wages of the employees. The Central Government contributes one half of this contribution.

As on 31st March, 1989 Rs. 9.05 crores and Rs. 36.52 crores towards Family Pension contribution were due from employers of exempted/un-exempted establishments and from Central Government respectively. Similarly Rs. 2.96 crores and 1.50 crores towards Employees' Deposit Linked Insurance contribution due from employers and from Central Government respectively.

Besides as on 31st March, 1989 a sum of Rs. 1.71 crores was due from the Central Government on account of administration charges towards family pension and an amount of Rs. 3.21 crores was due from the Central Government on account of administrative charges towards Employees' Deposit Linked Insurance Fund, out of which a sum of Rs. 1.50 crores was received in April, 1989, leaving a balance of Rs. 1.71 crore.

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

The Organisation stated in December 1989 that the arrears of contributions and administration charge under the Employees' Family Pension Scheme had since been paid by the Central Government.

3. Other Irregularities

3.1 (a) Arrears of Provident Fund dues from Employers

The dues on account of Provident Fund in respect of un-exempted establishments, both of employers and employees Administration/Inspection charges and Penal damages had increased from Rs. 51.38 crores in 1981-82 to Rs. 131.99 crores as on 31st March, 1989 as detailed below. The dues on account of Administration and Inspection charges are shown in foot notes of the Income and Expenditure Account and dues on account of contributions and penal damages are shown in foot notes in the Balance Sheet.

Year	Provident fund Contributions	Administration/ Inspections Charges	Penal damages	Total Rs. (in crores)
1981-82	31.37	0.94	19.07	51.38
1982-83	42.83	1.09	21.80	65.72
1983-84	41.82	1.47	26.56	69.86
1984-85	52.30	1.49	29.13	82.92
1985-86	58.30	1.79	31.33	91.42
1986-87	71.97	1.95	34.97	108.89
1987-88	78.74	2.51	42.49	123.74
1988-89	88.27	2.75	40.97	131.99

As many as 11461 un-exempted establishments were in default in the matter of remittance of Provident Fund contributions amounting to Rs. 88.27 crores to the Fund as on 31st March, 1989. Action taken, if any to reduce the arrears of contributions was not effective.

(b) Revenue Recovery Certificates

(i) As against 29845 Revenue Recovery Certificates initiated under Section 8 of the Act involving a sum of Rs. 10,170.52 lakhs pending as on 31st March, 1988, recovery certificates in 31793 cases involving a sum of Rs. 11466.37 lakhs were pending as on 31st March 1989. Region-wise break up of the pending cases is as under :

Sl. No.	Region	Total pending cases	Amonnt (Rs. In lakhs of Rupees)
1.	Andhra Pradesh	1017	318.75
2.	Assam (N.E.R.)	438	59.45
3.	Bihar	640	208.41

4.	Delhi	510	163.28
5.	Gujarat	1117	403.70
6.	Haryana	1144	413.00
7.	Karnatak	494	232.78
8.	Kerala	653	324.63
9.	Madhya Pradesh	3471	2286.45
10.	Maharashtra	6058	1833.61
11.	Orissa	1071	402.49
12.	Punjab	1482	459.91
13.	Rajasthan	832	284.06
14.	Tamil Nadu	964	390.53
15.	Uttar Pradesh	2954	1949.08
16.	West Bengal	8948	1736.24
		-----	-----
	Total :	31793	11466.37
		-----	-----

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 6539 defaulting establishments during the year 1988-89 and 52502 cases were pending adjudication in various courts all over India as on 31st March, 1989 out of which 15333 cases were more than three years old.

The Organisation stated in December 1989 that efforts were being made to get the outstanding prosecution cases cleared by getting Special Court established in the states of Bihar, Maharashtra and West Bengal.

- (iii) Prosecution cases under section 406/409 of the Indian Penal Code were launched against 770 defaulting establishments during the year 1988-89 and 6166 cases were pending with the Police as on 31st March, 1989. The total number of cases pending in the courts as on 31st March, 1989 was 459.

3.2 Claims pending settlement

(a) Employees' Provident Fund Scheme.

As on 31st March 1989, 54271 claims relating to Employees' Provident Fund Scheme were pending with the Organisation. The position of claims compared to previous years was as under ;

Year	Opening Balance	Claims received during the year	Total	Claims returned	Claims settled	Claims balance
1985-86	59852	626251	686103	101233	518497	66373
1986-87	66373	657907	724280	109495	548814	65972
1987-88	65972	694719	760691	110596	592002	58093
1988-89	58325	692150	750475	114844	581360	54271

Out of 54271 claims pending settlement as on 31st March, 1989, 10074 claims were pending for a period between 2 to 6 months and 253 between 6 months to one year and 5 were pending for more than one year and the remaining were stated to be under process. The opening balance for 1988-89 did not agree with the closing balance of 1987-88. The Organisation stated that this was due to revision of figures by certain regions.

(b) *Employee's Family Pension Scheme :*

As on 31st March, 1989, 60176 claims (inclusive of benefits i.e. life assurance, retirement and withdrawal benefits etc.) relating to Employees' Family Pension Scheme were pending out of which 9536 claims were pending for the period between 2 to 6 months, 2094 claims were pending between 6 to 12 months and 30 were pending for more than one year.

(c) *Employees' Deposit Linked Insurance Scheme :*

As on 31st March, 1989, 5614 claims relating to Employees' Deposits-Linked Insurance Scheme were pending out of which 1489 claims were pending for the period between 2 to 6 months, 193 claims between 6 to 12 months and one case was pending for more than one year and remaining were stated to be under process.

3.3 *Arrears of Annual Statements of Accounts to subscribers.*

The Employees' Provident Fund Scheme, 1952 provides for the issue of annual statements of accounts to the members at the close of every financial year. However, as on 31st March, 1989, the number of pending annual statements of accounts was 147.21 lakhs out of which 77.82 lakhs statements of accounts were stated to have been not issued due to non-submission of returns by the employers and 69.39 lakhs statements of accounts due to other reasons viz. accounts at various stages of reconciliation. The details of annual statement of accounts pending for issue are as under.

		<i>Accounts statements pending for</i>
More than 4 years	...	26,73,505
3 to 4 years	...	10,07,762
2 to 3 years	...	21,26,116
One to 2 years	...	30,14,201
Less than one year	...	58,99,071

Total:		1,47,20,655

The number of pending accounts statements had increased from 144.15 lakhs as on 31st March 1988 to 147.21 lakhs as on 31st March, 1989.

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

The dues payable by the employers under Employees' Provident Fund, Family Pension Fund, Employees Deposits 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 considerably in arrears and there were 9574 cases as on 31st March, 1989. Region wise break-up of number of cases in which damages were yet to be levied as on 31st March, 1989 was as under :-

<i>S. No.</i>	<i>Region</i>	<i>No. of cases</i>
1.	Andhra Pradesh	316
2.	Assam	82
3.	Delhi	706
4.	Gujarat	624
5.	Haryana	256
6.	Karnataka	1167
7.	Kerala	614
8.	Madhya Pradesh	183
9.	Maharashtra	198
10.	Punjab	250
11.	Rajasthan	1370

12.	Tamil Nadu	1658
13.	Uttar Pradesh	1258
14.	West Bengal	892

Total : 9574

3.5. Declaration of lower rate of interest of Provident Fund Accounts of Exempted establishments.

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

<i>Establishments</i>	<i>Amount Invested as on 31st March, 1989</i>
Un-exempted	Rs. 9,230.11 crores
Exempted	Rs. 11,293.08 crores

The total investment by the exempted establishment was more than the amount invested by the un-exempted establishments. A survey of 1547 exempted establishments out of 2882 exempted establishments was undertaken in May 1989 by the Organisation to assess the position in respect of interest declared. It revealed that 25.79 percent establishments declared lower rate of interest on the Provident Fund Accounts than the statutory rate.

The Organisation stated (October 1989) that it had already issued instruction to all Regional Provident Fund Commissioners to ensure that the exempted establishments declared interest at least at par with the rate declared by the Government.

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

3.6 Loss of interest due to delay in crediting provident fund accounts by bank

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

It was noticed that the receiving branch of the bank did not remit the day's collection of provident fund contributions and other receipts to the link branch on the same day nor did the link

branch afford corresponding credits to the relevant receipt accounts immediately on receipt of the challans from the branches under its control.

In paragraph 3.6 of Audit Report for 86-87 it was pointed out that in West Bengal Region Rs. 2637.95 lakhs (considering only the credit for Rs. 50,000 and above at a time) pertaining to the month of December, 1987 were credited to account No. 1 by the link branch after a lapse of over two months and Rs. 65.98 lakhs were credited after a lapse of over one month but less than two months from the dates of receiving the amounts from various receiving branches of the bank and its subsidiaries. Due to such delayed credits of receipts made by the Bank, the organisation had suffered a loss of interest of Rs. 22.25 lakhs in December 1987 alone in West Bengal region. The organisation again suffered a loss of interest due to delayed crediting during 1988-89 to the tune of Rs. 87.76 lakhs.

Similar delays also occurred in Bangalore Region and Karnataka Region as well.

It was stated that the matter had been taken up with the State Bank of India on delayed credits/transfers as pointed out by Audit.

Place : New Delhi

Date : 27.12.1989

Sd/-
(DHARAM VIR)
Director of Audit-I
Central Revenues New Delhi.