SEAMEN'S PROVIDENT FUND ORGANIZAT
MUMBAI

MINUTES BOOK OF BO
OF TRUSTEES MEETI

W.E.f 121st BOT MEETING to 13

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Sr No	Meeting number	Date of Meeting	Secy/Commissioner	Chairman	Page No.	Remarks
1	122nd	12-06-2013	MAHUA SARKAR	GAUTAM CHATTERJEE.	10 to 20	
2	123rd	11-02-14	—do—	—do—	21 to 50	
3	124th	28-08-2014	Aji Vasudevan	—do—	65 to 77	Approved Act Signed by Deepak Shahi

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basis from Administrative Fund to Pension Annuity Fund Account for the staff members of SPFO.

4.6. After deliberations, the Board decided to transfer a sum of Rs. 50 lakhs from Forfeiture Account to Pension Gratuity Fund Account of SPFO. After prolonged discussion, Board recommended that the Revised Estimates for the Financial Year 2012-2013 and Budget Estimates for the Financial Year 2013-2014 be sent to the Government for approval.

Agenda Item No. 05 :- Changes suggested in SPF Act/Scheme on the basis of EPF Act / scheme.

5.1. The matter is deferred for discussion in the next Board Meeting.

Agenda Item No. 06 :- Appointment of Port Folio Manager for the period of two years 2013-14 and 2014-15.

6.1 The matter was discussed in the meeting and shri B. KrishnaMoorthi enquired whether the State Bank of India (~~prem~~ present Fund Manager of SPFO) has followed the investments guidelines prescribed by the Ministry of Finance. It was explained by the Secretary that the

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guidelines issued by the ministry of finance is being followed by the SBI and pattern maintained every year at the end of the financial year.

6.2 The Chairman was informed that the finance sub committee has recommended for appointment of Port folio Manager for periods of two years from 2013-14 and 2014-15, on the same terms & conditions, and fee payable to the State Bank of India.

6.3 After prolonged discussion, the Board approved the appointment of a Port folio manager to state Bank of India for another term of two years, i.e. Financial Year 2013-14 and 2014-15, and the same may be communicated to the state Bank of India for further necessary action.

Agenda Item No. 07 :- Fixation of rate of interest for credit to the members Account for the financial year 2013-2014.

7.1 The matter was discussed in the meeting and recommendation of the finance sub committee was conveyed to the Board. The secretary informed to the Board that the Finance sub Committee has recommended a rate of interest for members seamen @ 8.8% per annum for the Financial Year 2013-14. It was also discussed that the

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Employees Provident Fund Organization (EPFO) has announced a rate of interest @ 8.5% per annum for the financial Year 2012-13. It was informed to the Board that the SPFO is paying 8.75% for same year. Therefore, the members opined that the SPFO rate is much better than the EPFO. The Horible Trustee enquired about the balance amount in the Interest Suspense Account and suggested to recommend more rate of interest than the previous year. The secretary explained that the as per Clause 51 (4) of the Seamen's Provident Fund Scheme, 1966, "In determining the rate of interest, the Government shall satisfy itself that there is no overdrawal on the Interest suspense Account as a result of the debit thereto of the interest credited to the accounts of the members". The Board therefore, agreed to recommend the rate of interest to disburse during the financial Year 2013-14 @ 8.80% per annum, and the same may be submitted to the Ministry of Shipping, Government of India for its approval.

Agenda Item No. 08 :- Provident Fund deposit on arbitrary basis by Manning Agents / Companies of foreign Flag vessel.

8.1 The Board noted the position

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	and the Agenda Item is closed.
Agenda Item No. 9	:- Enhancement of Medical Allowance.
9.1	The matter of enhancement of Medical Allowance to the staff members of SPFO was raised by the Secretary, and explained that a sum of Rs. 600/- per month for domiciliary treatment is not sufficient considering the increase of cost of medicine, Doctor's fees etc. She also explained that all Allowances of Central Government employees has been ~~received~~ revised on implementation of 6th Central Pay Commission, except for SPFO employees. Secondly, the EPFO has also increased the Medical Allowance from Rs. 600/- to Rs. 1,200/- per month for their members w.e.f. 01/01/2009.
9.2	The Board deliberated on the Finance Sub committee's recommendations. It was explained that if Allowances are enhanced to Rs. 1,200/- per month then there will be increase in expenditure of a sum of Rs. 1,15,200/- per annum only. The Board agreed to increase the Medical Allowance to staff members of SPFO from Rs. 600/- to Rs. 1,200/- per month w.e.f. 01/01/2009.

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Agenda Item No. 10	:- Payment to Krupamidhi for Payments of Arrears of Rent to Mumbai Port Trust (MbPT).
10.1	The Hon'ble Trustees deliberated on the issue and observed that the amount is required to be paid to the Krupamidhi Society for onwards payment to Mumbai Port Trust for arrears in lease rent.
10.2	The Chairman observed that at any cost, the Organization should run in a proper way and he wished to know about the premises which is presently occupied by the SPFO.
10.3	The Secretary explained that this was the outright purchase by the SPFO and the total area is about 3600 Sq. ft. She again explained that the building needs major repairs as the ceiling of the premises had fallen down on several occassions and it is very dangerous for man & material in the Organization, if something goes wrong in future.
10.4.	The Chairman enquired from shri C. Rethinadhas abaut any place vacant in the shipping Master's building.

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10.5	Shri C. Rethinadhas replied that there is no place vacant in the Shipping Master's building to accommodate the SPFO. It was also informed that the repairing work of building is held up due to non-receipt of NOC from Mumbai Port Trust, The Mumbai Port Trust has not issued NOC due to non payment of rent of arrears. The rent of arrears is not paid by the Krupanidhi Ltd. as matter is sub-judice.
10.6	After prolonged discussions, the Board decided and allowed a provision of Rs. 38 lakhs payment for Krupanidhi Ltd. from the Forfeiture Account as and when required. Further it was also decided that the Organization can carry out the normal repairing within the premises.
Agenda Item No. 11	:- Appointment of Computer System Administrator.
11.1	The Members discussed on the issue. The Finance Sub Committee has recommended for engagement of Computer System Administrator through placement agency for smooth functioning of the SPFO.
11.2	The Chairman directed that

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	there should not be a creation of new post of Computer System Administrator at present due to budget crunch. He also suggested that the provision for Computer System Administrator from placement agency may be made while preparing the budget for Pension Annuity Scheme to the seafarers.
11.3	After prolonged deliberation, the Board agreed to engage a Computer System Administrator through placement agency.
Agenda Item No. 12	(For an Information) :- Investment made during the period from April, 2012 to 30th November, 2012.
12.1	Board noted the position.
Agenda Item No. 13	(For an Information) :- E-Banking.
13.1	Board noted the position.
Agenda Item No. 14	(For an Information) :- Status Of Court Cases.
14.1	Board noted the position.

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Agenda Item No. 15 (For an Information) :-	Clearance of un-posted items.
15.1.	Board noted the position.
Agenda Item No. 16 (:-	Appointment of an Internal Auditor.
16.1.	Board noted the position.
Agenda Item No. 17 (for an information) :-	Annual Yield on Investments.
17.1.	Board noted the position.
Agenda Item No. 18 (for an information) :-	Receipt of Provident Fund money in respect of Non-CDC holder.
18.1.	The issue of receipt of Provident Fund Contributions received from one Shipping Company for 79 seamen of non CDC holder those who have worked on Indian Flag cruise ships as hotel and entertainment staff. The Commissioner, SPFO explained her inability for accounting of such amount without CDC numbers. During the discussion, it was decided that the amount may be returned to the seafarers by the SPFO. Shri surendra kumar, Administrative-cum-Accounts

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	Officer, explained the procedure for receipt of Provident Fund contributions and payment to the seafarers. He also informed that without taking the amount in our Books of Accounts, it is not possible to pay the amount to seafarers. The Board therefore decided that the cheque should be returned to the Shipping Company concerned, with a direction to pay both amount (i.e. Employees Contributions + Employers Contributions) to the concerned seafarers. It was also decided by the Board that the said Shipping company should provide in return, a statement that the amount has been paid to the individual seafarers and enclose a copy of such receipts as a proof of payment. A copy of the same information should be forwarded to the DG Shipping also.
4	The meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 122ND MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD AT 12.00 NOON ON WEDNESDAY, THE 12TH JUNE, 2013.

The followings were present in the Board:-

Shri Gautam Chatterjee, IAS ... Chairman
Shri C. Rethinadhas ... Member
Capt. N.A. Hiranandani ... Member
Shri Abdulgani Y. Serang ... Member
Capt. S.C. Sood ... Member
Shri Maruti D. Rethrekar ... Member
Ms. Mahua Sarkar ... Secretary
Shri B.K. Patel (Representative of SCI) ... Special Invitee. ...

1. The Chairman welcomed all the Trustees present in the Meeting and requested the Secretary to brief the Members on the Agenda Items.

2. Secretary stated that she had received a letter from Shri Anil Baran Das on 10/06/2013 stating that he would not be attending the meeting owing to his cataract operation scheduled in the same week. It was also informed that Shri B. Krishnamoorthy, Deputy Secretary, Ministry of shipping

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is out of India therefore, he is also not able to attend the meeting. Leave of absence was therefore proposed and granted to Shri B. Krishnamoorthy, Deputy Secretary of Ministry of shipping and Shri Anil Baran Das, Hon'ble Member.

3. The Agenda Items were discussed thereafter.

Agenda Item No. 01 :- Confirmation of the Minutes of the 121st Meeting of the Board of Trustees, Seamen's Provident Fund, Organization held on ~~01/03~~ 01/03/2013.

1.1 The Minutes of the 121st Meeting held on 01/03/2013 was confirmed without any modification.

Agenda Item No. 02 :- Contributory Annuity Scheme for seafarers.

2.1. The Secretary explained the developments made in the contributory Annuity Scheme for seafarers and informed that the Finance sub-committee had detailed discussion on the issue in the presence of Representative of LIC and recommended to

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the Board for approval.

2.2. Thereafter, the Board also desired to discuss some issue related to the Pension & Annuity Scheme with the LIC personnel. The Officers of LIC were called in the meeting to discuss in details about the operational aspects of the scheme. During the discussion, it was confirmed that the Trustees can transfer the existing fund of the seafarers' annuity corpus to LIC. Further, the SPFO can also remit the contributions of all existing members periodically say annually, quarterly or monthly along with a reconciled statement. LIC will manage the fund and at the end of the year consolidated statement of the fund will be given to the SPFO. The individual balances (contributions plus interest accrued) of each seafarer will be provided in the list to the Trust. The Board has to pass resolution for establishing the Contributory Annuity scheme for seafarers in association with LIC of India. Simultaneously, it is required to obtain Income Tax Exemption Certificate from Income Tax Department also. Capt. Hiranandani Trustee offered to consult on the legal aspects of the scheme and it

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was decided to obtain a legal opinion.

2.3 The LIC officials explained that there is no hidden cost involved in the scheme. At present, no fund management or administative expenses are charged to the fund. Interest rates declared by LIC would be net, and on year to year basis. The interest will be credited to the fund at the end of every year. The interest will be calculated on daily balancing method with yearly compounding and hence effective yield is higher. There are ten options available to the trust members (annuiant) on attaining the age of 60 years as well as he may opt for 1/3rd of commutation from the pension wherein he will get income tax exemption. The Hon'ble Members suggested that out of 10 options, 03 options which are mentioned below are more beneficial to the seafarers.

1. Annuity for life with return of Purchase price (Option available under Annuity No. vi)
2. Annuity for life increasing at simple rate of 3% p.a.

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(Option available under Annuity No. vii)

3. Annuity for joint life and last survivor Annuity with 100% payable to spouce on death of the Annuitant with return of purchase price (option available under Annuity No. x).

Annuitant will be eligible to get Income certificate from the LIC e.g. Form-16, Income from Pension etc. LIC Officers informed that once in a year, the member (annuitant) has to give certificate to the effect that he is living.

2.4 The Secretary stated that it is required to develop new software for operational purpose and required some fund to move forward. The Chairman stated since this is a welfare measure to the seafarers, the amount of Forfeiture Account may be utilized for the development of new software.

2.5 After prolonged discussions, the Board decided to implement the Contributory Annuity Scheme, subject to vetting from legal experts in Income Tax. It was also decided that Hon'ble Member, Capt. N.A. Hiranandani

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will contact M/s. Contractor & Nayak, Chartered Accountant firms to discuss this issue. On receipt of the comment from M/s. Contractor & Nayak, the matter may be put up in the next Board of Trustees Meeting along with their comments for decision.

Agenda Item No. 03 :- Annual Accounts for the year 2012-2013.

3.1 The Secretary explained the salient points of the Annual Accounts for the Financial Year 2012-2013. The Members discussed each item of the said financial data / annual accounts and were satisfied. Capt. N.A. Hiranandani stated that this is the first time the Annual Account of SPFO is placed before the Board in the second week of June, and it should be appreciated by the Board. The Board agreed the views of Capt. Hiranandani.

3.2 Capt. N.A. Hiranandani observed that there is increased balance in Forfeiture Account and stated to ensure the feasibility to transfer the amount of Rs. 50 lakhs in SPFO Staff Pension Fund Account to cope up with future liabilities. The

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matter for sending of Annual Accounts slip to the members was discussed in the meeting. The Accounts Officer informed that the web server has been put in place, and if the Board agreed, SPFO can discontinue the sending of Annual Account slip through post. It was emphasized that since SPFO has invested in web server, it will be double expenditure if Annual Account Slip are to be sent to members. Shri Abdulgani Y. Serang stated that it will be difficult for the old seamen to see the web server and particularly in rural area where most people are not computer literate. It is advisable to send the Annual Account slip for some more time till the seaman ~~can~~ become familiar with internet. The Board also observed that there is no major deviation in Annual Accounts of the SPFO, and the Board can adopt the same so as to forward it to the C & AG for Audit.

3.3 After discussions, the Annual Accounts for the Financial Year 2012-13 of the SPFO were adopted by the Board and recommended for sending to the C & AG of India for the purpose of

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Central audit.

Agenda Item No. 04 :- Annual Report on working of Seamen's Provident Fund Scheme 1966 for the year 2012-2013.

4.1 The Annual Report of the SPFO for the Financial Year 2012-2013 was put up to the Board for an adoption. The Members examined each item there of.

4.2 Chairman inquired whether there are any major changes in the said Annual Report as compared to the one in the preceding Financial Year [previous Annual Report]. It was reported by the Secretary that there are no major changes in the subject matter.

4.3 Capt. N. A. Hiranandani observed that there are no negative points in the said Annual Report. After due deliberations, the Board adopted the Annual Report for the Financial Year 2012-2013.

Agenda Item No. 05 :- Filling up of vacancies in Gr. posts by appointment through Direct Recruitment.

5.1 The Commissioner informe

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that the Finance Sub-Committee recommended for recruitment of two Junior Assistants & one Stenographer on direct recruitment basis. It was also informed to the Board that the appointment of two Junior Assistants and one stenographer is already approved by the Ministry. The Chairman stated that SPFO is an autonomous body which is empowered to recruit the required staff without obtaining Ministry's approval. The Chairman also enquired about the Organizational Chart of the SPFO. It was observed by the Board that the most of the staff in SPFO are on ad-hock promotion and its needs to be promoted on regular basis. DPC should be constituted to know the clear cut vacancy of Junior Assistant which is the feeder cadre of Group 'C' post. It was also instructed that work chart for each post should be prepared and put up in the next Board of Trustees Meeting.

Agenda Item No. 06 (for an Information) :-
Investment made during the period from April, 2012 to 31st March, 2013.

6.1. Board noted the position.

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Special Agenda Item No. 01 :-
To Write-off the amount of ₹ 7, 02, 102.41 and ~~₹ 14, 42~~ ₹ 14, 423.77 against recovery of Provident Fund Contribution and Admn. charges respectively from the various shipping Companies

1.1. The secretary informed to the Board that the matter is pointed out by the Central Audit and it was placed before the Finance Sub Committee for consideration which had considered the matter for to write-off the said amount and to recommend to the Board for necessary action.

1.2 The Board deliberated on the Finance sub committee recommendations and decided to write-off the said amount.

Special Agenda Item No. 02 :-
Recovery of damages amount on other Contributions from M/s. V. ships.

2.1 The Secretary explained the issue in details to the Members.

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Shri Abdulgani Y. Serang stated that the Shipping Companies are avoiding paying Additional Voluntary contributions Ex-gratia and Pension Annuity Fund. Shri B.K. Patel stated that the said amount is pertaining to non-statutory contributions and levying damages will be arbitary. The Chairman stated that there is need to charge damages in such cases. SPFO can charge interest on the amount in lieu of damages. Capt. N.A. Hiranandani suggested that the interest amount on delayed payment must be a deterrent. Presently, SPFO levied damages @ 15% per annum on delayed payment of Provident Fund Contributions. The Board decided that the same rate of interest may be charged on other contributions also.

4. The meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 123RD MEETING OF THE BOARD OF TRUSTEES OF THE SEAMEN'S PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI - HELD AT 3.00 PM ON TUESDAY THE 11TH FEBRUARY, 2014.

The followings were present in the Board :-

Shri Gautam Chatterjee - Chairman
Shri M. M. Hasija - Member
Shri C. Rethinadhas - Member
Shri Abdulgani Y. Serang - Member
Capt. N.A. Hiranandani - Member
Shri Maruti D. Rethrekar - Member
Shri B. K. Patel - Special Invitee ~~Member~~
Ms. Mahua Sarkar - Secretary.

Shri Aji Vasudevan, Commissioner SPFO was called to Delhi to attend a meeting, and in his place, Ms. Mahua Sarkar, officiated as Secretary for the purpose of the 123rd Board Meeting of SPFO.

2. The Chairman welcomed all the Trustees present in the Meeting and requested the secretary to brief the Members on the Agenda Items.

3. Leave of absence was granted to

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Shri Anil Baran Das who had to leave urgently for Kolkata due to personal reasons.

4. The Agenda Items were discussed thereafter.

Agenda Item No. 01 :- Confirmation of the minutes of the 122nd Meeting of the Board of Trustees, Seamen's Provident Fund Organization held on 12/06/2013.

1.1. The Minutes of the 122nd Meeting held on 12/06/2013 was confirmed without any modification.

Agenda Item No. 02 :- Action Taken Report.

(A) Pertaining to action points that had emerged in the 115th meeting held on 23/07/2010 :-

Sr. No. of Agenda	Subject	Reported Action Taken / Further Development	Further Discussion.
7 & 8.	~~Items~~ Termination of contract awarded to M/s. IDBI capital Market services Ltd. and	securities transferred in the month of April, 2013.	The Board noted the position.

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	appointment of new Port Follo manager.		
Table Paper 10	Progress report of ~~SPF~~ modification / alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	quotation received from NIC paneled firms for digitization. It is observed that the minimum rate of scanning is ₹ 0.95 per page for A4 size paper. The total cost for 7.5 lakhs pages will be around ₹ 7, 12, 500/-. so it has been decided to purchase scanning machine and available man power may be utilized during the off-working hours for scanning of documents with	It has been decided to get this work done from ~~proffe~~ professional experts like NIC paneled firm.

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		reasonable honorarium.	

(B) Pertaining to Action Points emerged in 120th meeting held on 30/08/2012:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion.
4	Annual Accounts for the Financial year 2011-2012.	Letter No. H-110 18/2/2012-MA dated 29/05/2013 received from the Ministry of Shipping stating that the Annual Account have been laid on the Table of Lok sabha on 29/04/2013 and Rajya Sabha on 02/05/2013.	The Board noted the position.
5.	Annual Report on the working of the seamen's Provident Fund Scheme, 1966 for the fiscal 2011-2012.	Letter No. H-110 18/2/2012-MA dated 29/05/2013 received from the Ministry of shipping stating that the Annual Report	The Board noted the position.

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		have been laid on the Table of Lok sabha on 29/04/2013 and Rajya sabha on 02/05/2013	
8	Actuarial valuation of pension and gratuity for the staff of the SPFO.	The amount of Rs. 50 lakhs has been transferred from Forfeiture Account to to staff Pension & Gratuity Account on 18/06/2013.	The Board noted the position.

(C) Pertaining to Action Points emerged in 121st meeting held on 01/03/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion.
Directions of Hon'ble Chairman.	Duration of Final withdrawal & Non-Refundable Withdrawal settlement of Provident Fund of seamen member	The draft check-list for final Withdrawal and Non-Refundable Withdrawal prepared and forwarded to the Hon'ble Trustees, Capt. N. A. Hiremandam and Shri Abdulgani Y. Serang for their comments/suggestions.	It has been decided to finalize the Checklist within a month.
4	Revised Estimates for the	The Ministry has conveyed the	The Board noted the position.

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		Financial Year 2012-2013 and Budget Estimates for the Financial Year 2013-2014.	approval for Revised Estimates for the Financial year 2012-13 and Budget Estimates for the finaicial year 2013-2014 vide their letter No. G-20018/1/2013-MA dated 22/11/2013.
6.	Appointment of Port folio Manager for the period of two years 2013-14 and 2014-15.	Letter No. SBI/904-1/0072/2012-13 dated 19/03/2013 issued to State Bank of India for appointment of Fund Manager.	The Board noted the position.
7.	Fixation of rate of interest for credit to the members Account For the financial year 2013-2014.	The Ministry of shipping vide their letter No. G-20017/2/2013-MA dated 04/06/13 has approveed to credit rate of interest to Provident Fund	The Board noted the position.

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		Account of the subscribers for the financial year 2013-14 @ 8.80% p.a.	
11	Appointment of Computer System Administrator.	Only one quotation received from M/s. GA Digital Web Word Pvt. Ltd. for engagement of Computer Administrator along with list of pre-interested candidates. It has been decided to engage one of them after taking interview initially for the period of one month on trial basis.	It has been decided to engage Computer Administrator within a month.
13	E-Banking	The online access to shipping company	It has been decided to put up final output in

(For an information)

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module for receipt the next of Provident Fund meeting.
Contribution through electronics mode is yet to be implemented.
The implementation of online receipt of Provident Fund contributions from the various Shipping Companies is delayed due to the requirement of few more modifications.
The working of modification is under progress. However, web server is implemented in SPFO. Now seafarers can view his Provident Fund Account (view only) by visit on our website 'spfo.gov.in'.

After testing the on-line access of

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Shipping Company module on 06/08/2013. Some discrepancies were found and accordingly an E-Mail dated 14/08/2013 was sent to M/s. SBN Technologies.

Reply is still awaited.

18 (for an information)	Receipt of Provident Fund money in respect of Non-CDC holder.	The D.D. Nos. 081860 and 081863 dated 05/01/2013 have been returned to the M/s. Tradex shipping Co. (P) Ltd. vide this Office letter No. Misc. File Control / 2013 dated 28/03/2013. A copy of the letter is also forwarded to	The Board noted the position.

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			the Directorate General of Shipping for information.	
	(1)	Pertaining to Action Points emerged in 122nd Meeting held on 12/06/2013.		
Sr. No. of Agenda		Subject	Reported Action Taken / Further Development.	Further Discussion.
3.		Annual Accounts for the year 2012-2013.	Annual Accounts and Annual Report had been forwarded to the Ministry. In this connection, OM NO. H11018/2/2012-MA dated 13/12/2013 received from the ministry wherein it had been requested to the Lok Sabha / Rajya sabha secretariat for lying the Annual Accounts / Annual Report on the table of Lok Sabha and	The Board noted the position.
4.		Annual Report on working of Seamen's Provident fund Scheme, 1966 for the year 2012-2013.		

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			Rajya sabha.	
Special Agenda Item No. 1 ~~against~~	To write-off the amount of ₹ 14,423.77 against recovery of Provident Fund Contribution and Admn. Charges respectively from the various shipping companies.	As decided to write off the amount of ₹ 7,02,102.41 and ₹ 14,423.77 will be complied in the financial year 2013-14.	The Board noted the position.
Special Agenda Item No. 02	Recovery of Interest on delayed payment on other contributions from M/s. V. ships.	The Meeting convened with Capt. Rajesh Tandon, Managing Director on behalf of M/s. V. ships on 13/08/2013 wherein he had objected on the word 'Damages' on	The Board noted the position.

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other contributions so it has been decided to replace the word 'Interest on delayed payment' in lieu of 'Damages' in further correspondence.

M/s. V. Ships agreed for the payment of interest @ 15% on the delayed payment on other contributions i.e. Ex-Gratia, Pension, Annuity and Additional Voluntary Contributions.

Agenda Item No. 03 :- Audit committee's Observations on the Internal Auditor's Report for the 1st Quarter period from 01/04/2013 to 30/06/2013.

3.1. This matter was discussed in the meeting and the Chairman enquired from the Audit committee's Members if there are any serious audit observations in the Internal.

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Audit Report. It was explained to the Chairman by the Audit Committee's Members that the Internal Audit Report is of routine nature and no serious anomalies have been reported.

Agenda Item No. 04 :- Contributory Annuity scheme for Seafarers.

4.1 The Secretary informed to the Board that the finance sub committee suggested that (i) the Pension Annuity amount contributed by the seamen's Employer / shipping Companies may be handed over to LIC for purchase of Annuity at the time of final Withdrawal settlement with the consent of Employers / shipping companies; (ii) meanwhile, a proposal may be sent to the ministry for amendment of Seamen's Provident Fund Act to introduce the Annuity Scheme as suggested by the Legal / Tax expert, M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants Firm in his opinion.

4.2 Shri Abdulgani Y. Serang emphasized that the minimum qualifying amount should be ₹25,000/- instead

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of ₹ 1 lakhs so that more number of seamen can be covered under this Scheme.

4.3 Shri M. M. Hasija stated that the Employers contribute the Annuity amounts for seamen members so that the Annuity can be purchased from LIC in the name of seafarers. But procedural requirements i.e. consent from Employers etc. must be obtained before purchasing of Annuity from LIC.

4.4 The Secretary stated that before such amounts are handed over to LIC, Employers / shipping Companies' consent letter is a must

4.5 The Hon'ble Chairman asked about the mode of operation while handing over the money to LIC for purchase of Annuity.

4.6 Shri C. Rethinadhas explained that this Scheme will be applicable only those who are at the age of sixty years or superannuated. The Annuity Scheme shall not be optional for seafarers as it is Employer's fund. However, the

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consent of shipping Companies / Employers is required.

4.7 Shri Abdulgani Y. Serang suggested that the scheme should be also applicable for the medically unfit seamen.

4.8 Shri B. K. Patel explained the detail about the of Pension Annuity amount contributed by Employer for seafarer's welfare.

4.9 The Hon'ble Chairman enquired whether the scheme will apply to every seamen?

4.10 Shri Abdulgani Y. serang explained that this is a contributery Annuity scheme, and will be applicable to the seaman whose Employers have made such contributions.

4.11 The Hon'ble Chairman requested Shri Abdulgani Y. serang from Employees side and Shri B. K. Patel from Employers side to meet with LIC and discuss about the operational aspect. He also advised to complete the task

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within a month, a copy of the same may be forwarded to the ministry. He also suggested that the Scheme must be implemented w.e.f. 01/04/2014.

4.12 The Board also decided to send the proposals to the Ministry of shipping for amendment of seamens Provident Fund Act for introduction of Pension Annuity scheme within the period of one month, so that Pension Annuity scheme can be implemented expeditiously.

Agenda Item No. 05 :- Changes suggested in SPF Act / Scheme on the basis of EPF Act / Scheme.

5.1 The Secretary explained in deteils about the changes suggested in the SPF Act and scheme.

5.2 Shri Abdulgani Y. Serang objected about the one of the point included in suggestions in amendment that the Board of Trustee shall be separately and jointly liable for loss caused to the fund if investment of PF monies is not carried out as per

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the directions of Government from time to time (as per pre-scribed pattern).

5.3 The Board observed that so many points are required to be discussed in details, therefore, it was decided that a single point Agenda meeting to be called.

Agenda Item No. 06 :- Second Payment of Final Withdrawal settlement only on superannuation.

6.1 The secretary explained that in some cases, like COC / voluntary retirement of seaman are claiming final Withdrawal of Provident Fund twice before superannuation. Therefore, a policy decision is required for final withdrawal payment of seafarers during his service period.

6.2 It was discussed whether a seaman can sail after attaining the age of 60 years. It was confirmed in the discussion that there may be one or two cases,

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but not a general occurance.

6.3 The Board approved above Finance sub committee's recommendation that the second payment of final Withdrawal in case of voluntary retirement / coc may be allowed only on attaining the age of 60 years. It was suggested that the same may be put on the website and also included in application form.

Agenda Item No. 07 :- Transfer of amount of Provident Fund of Seafarers below ₹ 100/- in Interest Suspense Account.

7.1 The Secretary reported that some amount, i.e. difference of rate of interest etc. credited in members account was observed. The seaman members were receiving yearly Account slip, wherein the same balance amount appeared and seamen's claims, for such was being paid by the SPFO. sometimes, the balance amount is meager like ₹ 100/- or below, and the seaman members are claiming for the balance amount. In such

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case the seaman members are spending more amounts on postage than such balance amount in its Provident Fund Account, and it is not viable for SPFO to pay the amounts below ₹ 100/- in such cases.

7.2 The Finance Sub Committee agreed that any amount less than ₹ 100/- or equal to ₹ 100/- shall be transferred to the Interest Suspense Account and ~~stating~~ standing as balance amount in account. This recommendation be put up to the Board for a decision.

7.3 The Board approved above Finance Sub Committee's recommendation.

Agenda Item No. 08 :- Filling up of vacancies in Gr. 'C' posts by appointment through Direct Recruitment.

8.1 The Secretary explained about the organizational chart prepared and clear cut vacancy position of Group 'C' post i.e. feeder

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cadre. It was also informed that the procedure for DPC is going on so that all Adhoc Promotion in SPFO can be regularized.

8.2 Shri Surendra Kumar, Administrative-cum-Accounts Officer intimated the Board that the promotion roaster required to be vetted by SC/ST Liaison Officer.

8.3 Shri C. Rethinadhas stated that the roaster should be prepared by the SPFO and can be vetted by their own officer also.

8.4 Shri Surendra Kumar informed to the Hon'ble Chairman that the nomination of liaison officer from DGS (Shri G. L. Singh) has been received. The Chairman observed that once liaison officer is nominated, the DPC should be completed within a month.

8.5 The Board did not agree with the clear cut vacancy in feeder cadre to be filled up on direct recruitment, as put up. It is observed that the post of Junior Assistant and Senior Assistant is

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required to be re-designated, however, the financial benefit of the post may be protected.

8.6 After detailed deliberation, the Board directed that the re-designation of post/job of Junior Assistant and Senior Assistant should be carried out and real requirement of post for recruitment may be put up to the Board in next meeting.

Agenda Item No. 09 :- Review of rate of Administrative Charges.

9.1 The Secretary explained that due to hike in the salary and inflation, the expenditure has been increased considerably. The Administrative charges received are less when it is compared with the Administrative Expenses.

9.2 Further it is intimated that the Finance Sub Committee did not agree for an increase in the Administrative charges for at least one year, considering the economic slowdown in shipping

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9.3 The Board agreed with the Finance Sub Committee's recommendation.

Agenda Item No. 10 :- Re-appropriation of Expenditure incurred during the Financial Year 2012-13.

10.1 The Secretary explained in detailed about the re-appropriation of expenditure incurred during the financial year 2012-13.

10.2 The Board approved the re-appropriation of expenditure incurred during the financial year 2012-13.

Agenda Item No. 11 :- Appointment of an Internal Auditor.

11.1 Finance sub committee recommended the re-appointment of M/s. Batliboi & Purohit, Chartered Accountants as an Internal Auditor for the next two financial years i.e. 2014-15 and 2015-16.

11.2 The Board agreed with the

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Finance sub committee's recommendation.

Agenda Item No. 12 :- Dispensing with the Requirement of Continuous Discharge certificate for Inland Vessel Crew serving on Indian Coastal ships operating in Engaged in Harbour Operation.

12.1. The secretary explained about the DGS letter in pursuance of Director General of Shipping's Order No. CR/CDC (5)/2010 dated 13/11/2013 regarding dispensing with the requirement of continuous Discharge certificate for Inland Vessel Crew serving on Indian Coastal ships operating in engaged in Harbour operation.

12.2 Shri Abdulgani Y. serang enquired about the INDOS Number which is an additional number for seafarers other than CDC Number. As per the seamens Provident Fund Act, Member means the seaman who is possession of the CDC, therefore,

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it would be necessary to amend the Act.

12.3 The Board did not agree for maintaining the Provident Fund Account of seafarers without CDC Number.

Agenda Item No. 13 :- For crediting Damages Amount recovered from shipping companies on the Delayed Payment in concerned seaman's Account.

Ref. :- Part Payment case No. 128/2012-13 in respect of seaman, Shri Vijay Vasudev Chaudhary, CDC No. A81212 regarding his claim for interest on the delayed payment.

13.1 The Secretary informed that the Finance sub committee deliberated on the issue and recommended that the damages amount recovered from the shipping companies / Employers shall be credited in concerned seaman's Account up to the extent of interest due on his delayed payment. The rest of the damages amount recoverd may be transferred

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to Administrative Account along with Administrative charges and it should be enforced w.e.f. 01/04/2013.

13.12 The Board agreed with the finance sub committee's recommendation.

Agenda Item No. 14 :- Levying Penalty of ₹ 1,000/- on Non-Clearance of cheque issued by shipping companies (Employers).

14.1 The Secretary informed the Board that the Finance Sub Committee recommended a charge of ₹ 1,000/- from the shipping companies / Employers whose cheques are dishonoured and such charges should be credited to Administrative Account.

14.2 The Board agreed with the finance sub committee's recommendation.

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Agenda Item No. 15 :- Rounding of any sum next to ₹ 100/- while demanding Damages / interest on late payment of Provident Fund and Administrative Charges.

15.1. The secretary informed the finance sub committee's recommendation to the Board for raising demand for damages (interest on late payment) of Provident fund and Administrative Charges only when such amounts are ₹ 100/- or more.

15.2 The Board agreed with the finance sub committee's recommendation.

Agenda Item No. 16 :- Revised Estimates for the Financial Year 2013-2014 and Budget Estimates for the Financial Year 2014-2015.

16.1 The secretary explained in details about the Revised Estimates for the Financial Year 2013-14 and Budget estimates for the Financial Year 2014-15.

16.2 The Hon'ble Chairman enquired whether provision for vacant

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post have been accounted or not. He also asked about the salary provision of contractual employee in Budget Estimate. The secretary informed that Finance Sub Committee deliberated on the issue and recommended Revised Estimates for the Financial Year 2013-14 and Budget Estimate for the Financial Year, 2014-15.

163 The Board recommended the Revised Estimates for the financial year 2013-14 and Budget Estimate for the financial year 2014-15 and directed to send the Ministry for approval.

Agenda Item No. 17 :- Fixation of rate of interest for credit to the members account for the year 2014-2015.

17.1 The secretary informed the Ministry's approval for rate of interest @ 8.8% for the Financial Year 2013-14 and it was also informed that SPFO is in a position to pay a rate of interest @ 9% for the Financial Year 2014-15. Further, the secretary informed the Board regarding the accumulated

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amount of ₹ 44.59 crores lying in interest suspense Account. It was the general view of the Trustees that the amount should be distributed amongst the seamen members to reduce the balance in interest suspense Account. It was also informed that the finance sub committee recommended the rate of interest @ 9% for the Financial Year 2014-15. The Board suggested to obtain professional's advice on the issue of adequate balance in interest suspense Account. It was also felt necessary to keep adequate balance in this account to overcome a situation when interest generation may become low.

17.2 The Board agreed to credit interest in Members account @ 9% for the financial Year 2014-15 and directed to send this proposal to the Ministry for approval.

Agenda Item No. 18 (For an information) :- Investment made during the period from 1st April, 2013 to 31st December, 2013.

18.1 The Board noted the position.

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Agenda Item No. 19 (For an information) :- status of Court cases (Including Doubtful statement).

19.1 The Board noted the position.

Agenda Item No. 20 (For an information) :- Clearance of Un-posted Items.

20.1 The Secretary informed present status of the un-posted items which has drastically reduced in this financial year, the reason for balance in un-posted items is due to non availability of personal information of the seafarers.

20.2 Shri Abdulgani Y. Serang stated that NUSI will help to provide the personal data of the seafarers belongs to their Union and he asked for a soft copy of the un-posted items lying in SPFO.

20.3 Shri B.K. Patel also agreed to provide correct information of

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un-posted items pertaining to the SCI so that it can be posted in correct seaman's account. However, he explained that very old cases may not be traceable.

20.4 The Board noted the position.

5 The meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 123RD MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD AT 3.00 PM ON TUESDAY, THE 11TH FEBRUARY, 2014.

The followings were present in the Board:-

Shri Gautam Chatterjee, IAS	...	Chairman
Shri M. M. Hasija	...	Member
Shri C. Rethinadhas	...	Member
Shri Abdulgani Y. Serang	...	Member
Capt. N. A. Hiranandani	...	Member
Shri Maruti D. Rethrekar	...	Member
Shri B. K. Patel	...	Special Invitee
Ms. Mahua Sarkar	...	Secretary

Shri Aji Vasudevan, Commissioner, SPFO was called to Delhi to attend a meeting, and in his place, Ms. Mahua Sarkar, officiated as Secretary for the purpose of the 123rd Board Meeting of SPFO.

2. The Chairman welcomed all the Trustees present in the Meeting and requested the Secretary to brief the Members on the Agenda Items.

3. Leave of absence was granted to Shri Anil Baran Das who had to leave urgently for Kolkata due to personal reasons.

4. The Agenda Items were discussed thereafter.

Agenda Item No.01:- **Confirmation of the Minutes of the 122nd Meeting of the Board of Trustees, Seamen's Provident Fund Organization held on 12/06/2013.**

1.1 The Minutes of the 122nd Meeting held on 12/06/2013 was confirmed without any modification.

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Agenda Item No.02:- **Action Taken Report.**

(A) Pertaining to action points that had emerged in the 115th meeting held on 23/07/2010:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
7 & 8	Termination of contract awarded to M/s. IDBI Capital Market Services Ltd. and appointment of new Port Folio Manager.	Securities transferred in the month of April, 2013.	The Board noted the position.
Table Paper 10	Progress report of modification/alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	Quotation received from NIC paneled firms for digitization. It is observed that the minimum rate of scanning is Rs.0.95 per page for A4 size paper. The total cost for 7.5 lakhs pages will be around Rs.7,12,500/-. So it has been decided to purchase scanning machine and available man power may be utilized during the off-working hours for scanning of documents with reasonable honorarium.	It has been decided to get this work done from professional experts like NIC paneled firm.

(B) Pertaining to Action Points emerged in 120th meeting held on 30/08/2012:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
4	Annual Accounts for the financial year 2011-2012.	Letter No.H-11018 / 2 /2012-MA dated 29/05/2013 received from the Ministry of Shipping stating that the Annual Account have been laid on the Table of Lok Sabha on 29/04/2013 and Rajya Sabha on 02/05/2013.	The Board noted the position.
5	Annual Report on the working of the Seamen's Provident Fund Scheme,	Letter No.H-11018/2/2012-MA dated 29/05/2013	The Board noted the position.

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	1966, for the fiscal 2011-2012:	received from the Ministry of Shipping stating that the Annual Report have been laid on the Table of Lok Sabha on 29/04/2013 and Rajya Sabha on 02/05/2013.	
8	Actuarial valuation of pension and gratuity for the Staff of the SPFO.	The amount of Rs.50 lakhs has been transferred from Forfeiture Account to Staff Pension & Gratuity Account on 18/06/2013.	The Board noted the position.

(C) Pertaining to Action Points emerged in 121st meeting held on 01/03/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
Directions of Hon'ble Chairman	Duration of Final Withdrawal & Non-Refundable Withdrawal settlement of Provident Fund of Seamen member.	The draft checklist for Final Withdrawal and Non-Refundable Withdrawal prepared and forwarded to the Hon'ble Trustees, Capt. N. A. Hiranandani and Shri Abdulgani Y. Serang for their comments / suggestions.	It has been decided to finalize the checklist within a month.
4	Revised Estimates for the Financial Year 2012-2013 and Budget Estimates for the Financial Year 2013-2014.	The Ministry has conveyed the approval for Revised Estimates for the financial year 2012-13 and Budget Estimates for the financial year 2013-2014 vide their letter No.G-20018/1/2013-MA dated 22/11/2013.	The Board noted the position.
6	Appointment of Port Folio Manager for the period of two years 2013-14 and 2014-15.	Letter No.SBI/904-I/0072/2012-13 dated 19/03/2013 issued to State Bank of India for appointment of Fund Manager.	The Board noted the position.
7	Fixation of rate of interest for credit to the members Account for the financial year 2013-2014.	The Ministry of Shipping vide their letter No.G-20017/ 2 / 2013 - MA dated 04/06/2013 has	The Board noted the position.

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		approved to credit rate of interest to Provident Fund Account of the subscribers for the financial year 2013-14 @8.80% p.a.	
11	Appointment of Computer System Administrator.	Only one quotation received from M/s. GA Digital Web Word Pvt. Ltd. for engagement of Computer Administrator along with list of pre-interested candidates. It has been decided to engage one of them after taking interview initially for the period of one month on trial basis.	It has been decided to engage Computer Administrator within a month.
13 (For an Information)	E-Banking.	The online access to Shipping Company module for receipt of Provident Fund Contribution through electronics mode is yet to be implemented. The implementation of online receipt of Provident Fund Contributions from the various Shipping Companies is delayed due to the requirement of few more modifications. The working of modification is under progress. However, web server is implemented in SPFO. Now seafarers can view his Provident Fund Account (view only) by visit on our website 'spfo.gov.in'. After testing the on-line access of Shipping Company module on 06/08/2013. Some discrepancies were found and accordingly an E-Mail dated 14/08/2013 was sent to	It has been decided to put up final out put in the next meeting.

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		M/s. SBN Technologics. Reply is still awaited.	
18 (for an information)	Receipt of Provident Fund money in respect of Non-CDC holder.	The D. D. Nos.081860 and 081863 dated 05/01/2013 have been returned to M/s. Tradex Shipping Co. (P) Ltd. vide this Office letter No. Misc. File Control/2013 dated 28/03/2013. A copy of the letter is also forwarded to the Directorate General of Shipping for information.	The Board noted the position.

(D) Pertaining to Action Points emerged in 122nd meeting held on 12/06/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
3	Annual Accounts for the year 2012-2013.	Annual Accounts and Annual Report had been forwarded to the Ministry. In this connection, OM No.H-11018/2/2012-MA dated 13/12/2013 received from the Ministry wherein it has been requested to the Lok Sabha / Rajya Sabha Secretariat for lying the Annual Accounts / Annual Report on the table of Lok Sabha and Rajya Sabha.	The Board noted the position.
4	Annual Report on working of Seamen's Provident Fund Scheme, 1966 for the year 2012-2013.		
Special Agenda Item No.01	To Write-off the amount of Rs.7,02,102.41 and Rs.14,423.77 against recovery of Provident Fund Contribution and Admn. Charges respectively from the various Shipping Companies.	As decided to write off the amount of Rs.7,02,102.41 and Rs.14,423.77 will be complied in the financial year 2013-14.	The Board noted the position.
Special Agenda Item No.02	Recovery of interest on delayed payment on other Contributions from M/s. V Ships.	The meeting convened with Capt. Rajesh Tandon, Managing Director on behalf of	The Board noted the position.

		approved to credit rate of interest to Provident Fund Account of the subscribers for the financial year 2013-14 @8.80% p.a.	
11	Appointment of Computer System Administrator.	Only one quotation received from M/s. GA Digital Web Word Pvt. Ltd. for engagement of Computer Administrator along with list of pre-interested candidates. It has been decided to engage one of them after taking interview initially for the period of one month on trial basis.	It has been decided to engage Computer Administrator within a month.
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4	Annual Report on working of Seamen's Provident Fund Scheme, 1966 for the year 2012-2013.		
Special Agenda Item No.01	To Write-off the amount of Rs.7,02,102.41 and Rs.14,423.77 against recovery of Provident Fund Contribution and Admn. Charges respectively from the various Shipping Companies.	As decided to write off the amount of Rs.7,02,102.41 and Rs.14,423.77 will be complied in the financial year 2013-14.	The Board noted the position.
Special Agenda Item No.02	Recovery of interest on delayed payment on other Contributions from M/s. V Ships.	The meeting convened with Capt. Rajesh Tandon, Managing Director on behalf of	The Board noted the position.

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		M/s. V. Ships on 13/08/2013 wherein he had objected on the word 'Damages on other Contributions'. So it has been decided to replace the word 'Interest on delayed payment' in lieu of 'Damages' in further correspondence. M/s. V. Ships agreed for the payment of interest @15% on the delayed payment on other Contributions i.e. Ex-Gratia, Pension Annuity and Additional Voluntary Contributions.	

Agenda Item No.03:- **Audit Committee's Observations on the Internal Auditor's Report for the 1st Quarter period from 01/04/2013 to 30/06/2013.**

3.1 This matter was discussed in the meeting and the Chairman enquired from the Audit Committee's Members if there are any serious audit observations in the Internal Audit Report. It was explained to the Chairman by the Audit Committee's Members that the Internal Audit Report is of routine nature and no serious anomalies have been reported.

Agenda Item No.04:- **Contributory Annuity Scheme for Seafarers.**

4.1 The Secretary informed to the Board that the Finance Sub Committee suggested that (i) the Pension Annuity amount contributed by the seamen's Employer / Shipping Companies may be handed over to LIC for purchase of Annuity at the time of Final Withdrawal settlement with the consent of Employers / Shipping Companies and; (ii) meanwhile, a proposal may be sent to the Ministry for amendment of Seamen's Provident Fund Act to introduce the Annuity Scheme as suggested by the Legal / Tax expert, M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants Firm in his opinion.

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4.2 Shri Abdulgani Y. Serang emphasized that the minimum qualifying amount should be Rs.25,000/- instead of Rs.1 lakhs so that more number of seamen can be covered under this Scheme.

4.3 Shri M. M. Hasija stated that the Employers contribute the Annuity amounts for seamen members, so that the Annuity can be purchased from LIC in the name of seafarers. But procedural requirements i.e., consent from Employers etc. must be obtained before purchasing of Annuity from LIC.

4.4 The Secretary stated that before such amounts are handed over to LIC, Employers / Shipping Companies' consent letter is a must.

4.5 The Hon'ble Chairman asked about the mode of operation while handing over the money to LIC for purchase of Annuity.

4.6 Shri C. Rethinadhas explained that this Scheme will be applicable only those who are at the age of sixty years or superannuated. The Annuity Scheme shall not be optional for seafarers as it is Employer's Fund. However, the consent of Shipping Companies / Employers is required.

4.7 Shri Abdulgani Y. Serang suggested that the scheme should be also applicable for the medically unfit seamen.

4.8 Shri B. K. Patel explained the detail about the of Pension Annuity amount contributed by Employer for seafarer's welfare.

4.9 The Hon'ble Chairman enquired whether the scheme will apply to every seamen?

4.10 Shri Abdulgani Y. Serang explained that this is a Contributory Annuity Scheme, and will be applicable to the seaman whose Employers have made such contributions.

4.11 The Hon'ble Chairman requested Shri Abdulgani Y. Serang from Employees side and Shri B. K. Patel from Employers side to meet with LIC and discuss about the operational aspect. He also advised to complete the task within a month, a copy of the same may be forwarded to the Ministry. He also suggested that the Scheme must be implemented w. e. f. 01/04/2014.

4.12 The Board also decided to send the proposals to the Ministry of Shipping for amendment of Seamen's Provident Fund Act for introduction of Pension Annuity Scheme within the period of one month, so that Pension Annuity Scheme can be implemented expeditiously.

Agenda Item No.05:- **Changes Suggested in SPF Act/Scheme on the basis of EPF Act/Scheme.**

5.1 The Secretary explained in details about the changes suggested in the SPF Act and Scheme.

5.2 Shri Abdulgani Y. Serang objected about the one of the point included in suggestions in amendment that the Board of Trustee shall be separately and jointly liable for loss caused to the fund if investment of PF monies is not carried out as per the directions of Government from time to time (as per prescribed pattern).

5.3 The Board observed that so many points are required to be discussed in details, therefore, it was decided that a single point Agenda meeting to be called.

Agenda Item No.06:- **Second Payment of Final Withdrawal Settlement only on Superannuation.**

6.1 The Secretary explained that in some cases, like COC / voluntary retirement of Seamen are claiming Final Withdrawal of Provident Fund twice before superannuation. Therefore, a policy decision is required for Final Withdrawal payment of seafarers during his service period.

6.2 It was discussed whether a seaman can sail after attaining the age of 60 years. It was confirmed in the discussion that these may be one or two cases, but not a general occurrence.

6.3 The Board approved above Finance Sub Committee's recommendation that the second payment of Final Withdrawal in case of voluntary retirement/COC may be allowed only on attaining the age of 60 years. It was suggested that the same may be put on the website and also included in application form.

Agenda Item No.07:- **Transfer of amount of Provident Fund of Seafarers below Rs.100/- in Interest Suspense Account.**

7.1 The Secretary reported that some amount, i.e. difference of rate of interest etc. credited in members account was observed. The seaman members were receiving yearly Account Slip, wherein the same balance amount appeared and seamen's claims for such was being paid by the SPFO. Sometimes, the balance amount is meager like Rs.100/- or below, and the seaman members are claiming for the balance amount. In such case the seaman members are spending more amounts on postage than such balance amount in its Provident Fund Account, and it is not viable for SPFO to pay the amounts below Rs.100/- in such cases.

7.2 The Finance Sub Committee agreed that any amount less than Rs.100/- or equal to Rs.100/- shall be transferred to the Interest Suspense Account and standing as balance amount in account. This recommendation be put up to the Board for a decision.

7.3 The Board approved above Finance Sub Committee's recommendation.

Agenda Item No.08:- **Filling up of vacancies in Gr. 'C' posts by appointment through Direct Recruitment.**

8.1 The Secretary explained about the organizational chart prepared and clear cut vacancy position of Group 'C' post i.e. feeder cadre. It was also informed that the procedure for DPC is going on so that all Adhoc Promotion in SPFO can be regularized.

8.2 Shri Surendra Kumar, Administrative-cum-Accounts Officer intimated the Board that the promotion roaster required to be vetted by SC/ST Liaison Officer.

8.3 Shri C. Rethinadhas stated that the roaster should be prepared by the SPFO and can be vetted by their own Officer also.

8.4 Shri Surendra Kumar informed to the Hon'ble Chairman that the nomination of liaison officer from DGS (Shri G. L. Singh) has been received.

The Chairman observed that once liaison officer is nominated, the DPC should be completed within a month.

8.5 The Board did not agree with the clear cut vacancy in feeder cadre to be filled up on direct recruitment, as put up. It is observed that the post of Junior Assistant and Senior Assistant is required to be re-designated, however, the financial benefit of the post may be protected.

8.6 After detailed deliberation, the Board directed that the re-designation of post / job of Junior Assistant and Senior Assistant should be carried out and real requirement of post for recruitment may be put up to the Board in next meeting.

Agenda Item No.09:- **Review of rate of Administrative Charges.**

9.1 The Secretary explained that due to hike in the salary and inflation, the expenditure has been increased considerably. The Administrative Charges received are less when it is compared with the Administrative Expenses.

9.2 Further it is intimated that the Finance Sub Committee did not agree for an increase in the Administrative Charges for at least one year, considering the economic slowdown in Shipping Industry.

9.3 The Board agreed with the Finance Sub Committee's recommendation.

Agenda Item No.10:- **Re-appropriation of Expenditure incurred during the Financial Year 2012-2013.**

10.1 The Secretary explained in detailed about the re-appropriation of expenditure incurred during the financial year 2012-13.

10.2 The Board approved the re-appropriation of expenditure incurred during the financial year 2012-13.

Agenda Item No.11:- **Appointment of an Internal Auditor.**

11.1 Finance Sub Committee recommended the re-appointment of M/s. Batliboi & Purohit, Chartered Accountants as an Internal Auditor for the next two financial years i.e. 2014-15 and 2015-16.

11.2 The Board agreed with the Finance Sub Committee's recommendation.

Agenda Item No.12:- **Dispensing with the Requirement of Continuous Discharge Certificate for Inland Vessel Crew Serving on Indian Coastal Ships Operating in Engaged in Harbour Operation.**

12.1 The Secretary explained about the DGS letter in pursuance of Director General of Shipping's Order No. CR/CDC (5) / 2010 dated 13/11/2013 regarding dispensing with the requirement of Continuous Discharge Certificate for Inland Vessel Crew Serving on Indian Coastal Ships Operating in engaged in Harbour Operation.

12.2 Shri Abdulgani Y. Serang enquired about the INDOS Number which is an additional number for seafarers other than CDC Number. As per the Seamen's Provident Fund Act, Member means the seaman who is possession of the CDC, therefore it would be necessary to amend the Act.

12.3 The Board did not agree for maintaining the Provident Fund Account of seafarers without CDC Number.

Agenda Item No.13:- **For crediting Damages Amount recovered from Shipping Companies on the Delayed Payment in concerned Seaman's Account.**

Ref.:- **Part Payment Case No.128/2012-13 in respect of seaman, Shri Vijay Vasudev Chaudhary, CDC No.A81212 regarding his claim for interest on the delayed payment.**

13.1 The Secretary informed that the Finance Sub Committee deliberated on the issue and recommended that the damages amount recovered from the Shipping Companies / Employers shall be credited in concerned Seaman's Account up to the extent of interest due on his delayed payment. The rest of the damages amount recovered may be transferred to Administrative Account along with Administrative Charges and it should be enforced w. e. f. 01/04/2014.

13.2 The Board agreed with the Finance Sub Committee's recommendation.

Agenda Item No.14:- **Levying Penalty of Rs.1,000/- on Non-Clearance of Cheque issued by Shipping Companies (Employers).**

14.1 The Secretary informed the Board that the Finance Sub Committee recommended a charge of Rs.1,000/- from the Shipping Companies / Employers whose cheques are dishonoured and such charges should be credited to Administrative Account.

14.2 The Board agreed with the Finance Sub Committee's recommendation.

Agenda Item No.15:- **Rounding of any sum next to Rs.100/- while demanding Damages / interest on late payment of Provident Fund and Administrative charges.**

15.1 The Secretary informed the Finance Sub Committee's recommendation to the Board for raising demand for damages (interest on late payment) of Provident Fund and Administrative Charges only when such amounts are Rs.100/- or more.

15.2 The Board agreed with the Finance Sub Committee's recommendation.

Agenda Item No.16:- **Revised Estimates for the Financial Year 2013-2014 and Budget Estimates for the Financial Year 2014-2015.**

16.1 The Secretary explained in details about the Revised Estimates for the Financial Year 2013-14 and Budget Estimates for the Financial Year 2014-15.

16.2 The Hon'ble Chairman enquired whether provision for vacant post have been accounted or not. He also asked about the salary provision of contractual employee in Budget Estimate. The Secretary informed that Finance Sub Committee deliberated on the issue and recommended Revised Estimates for the Financial Year 2013-14 and Budget Estimate for the Financial Year 2014-15.

16.3 The Board recommended the Revised Estimate for the financial year 2013-14 and Budget Estimate for the financial year 2014-15 and directed to send the Ministry for approval.

Agenda Item No.17:- **Fixation of rate of interest for credit to the members account for the year 2014-2015.**

17.1 The Secretary informed the Ministry's approval for rate of interest @8.8% for the Financial Year 2013-14 and it was also informed that SPFO is in a position to pay a rate of interest @ 9% for the Financial Year 2014-15. Further, the Secretary informed the Board regarding the accumulated amount of Rs.44.59 crores lying in Interest Suspense Account. It was the general view of the Trustees that the amount should be distributed amongst the seamen members to reduce the balance in Interest Suspense Account. It was also informed that the Finance Sub Committee recommended the rate of interest @9% for the Financial Year 2014-15. The Board suggested to obtain professional's advice on the issue of adequate balance in Interest Suspense Account. It was also felt necessary to keep adequate balance in this account to overcome a situation when interest generation may become low.

17.2 The Board agreed to credit interest in members account @9% for the Financial Year 2014-15 and directed to send this proposal to the Ministry for approval.

Agenda Item No.18 (For an information):- **Investment made during the period from 1st April, 2013 to 31st December, 2013.**

18.1 The Board noted the position.

Agenda Item No.19 (For an information):- **Status of Court Cases (Including Doubtful Statement).**

19.1 The Board noted the position.

Agenda Item No.20 (For an information):- **Clearance of Un-posted Items.**

20.1 The Secretary informed present status of the un-posted items which has drastically reduced in this financial year, the reason for balance in un-posted items is due to non availability of personal information of the seafarers.

20.2 Shri Abdulgani Y. Serang stated that NUSI will help to provide the personal data of the seafarers belongs to their Union and he asked for a soft copy of the un-posted items lying in SPFO.

20.3 Shri B. K. Patel also agreed to provide correct information of un-posted items pertaining to the SCI so that it can be posted in correct seaman's account. However, he explained that very old cases may not be traceable.

20.4 The Board noted the position.

5. The meeting ended with a vote of thanks to the chair.

(Mahua Sarkar),
Secretary,
Board of Trustees,
Seamen's Provident Fund Organization,
Mumbai

(Shri Gautam Chatterjee),
Chairman,
Board of Trustees,
Seamen's Provident Fund Organization,
Mumbai

MINUTES OF THE 124TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMEN'S PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD AT 3.00 P.M. ON TUESDAY, THE 26TH AUGUST, 2014.

The following were present in the Meeting:-

Shri Gautam Chatterjee, IAS	...	Chairman
Shri P. D. Sinha	...	Member
Shri C. Rethinadhas	...	Member
Shri Abdulgani Y. Serang	...	Member
Shri S. Kalaikovan	...	Member
Capt. Vinay Singh	...	Member
Shri B. K. Patel	...	Member
Shri Aji Vasudevan	...	Secretary

The Chairman welcomed all the members of the Board of Trustees and requested to the Secretary to give a brief history of SPFO for the benefit of the newly inducted trustee members. The Secretary explained about the functioning of the SPFO in detail.

2. Leave of absence was granted to Shri. Tarun Kumar Jajoria (Ministry of Shipping, GoI) and Capt. Rajesh Tandon (FOSMA) due to pre-occupation.

3. The agenda items were discussed thereafter.

Agenda Item No. 01:- **Confirmation of the Minutes of the 123rd Meeting of the Board of Trustees, Seamen's Provident Fund Organization held on 11/02/2014.**

1.1 The Minutes of the 123rd Meeting held on 11/02/2014 was confirmed without any modification.

Agenda Item No. 02:- **Action Taken Report**

(A) Pertaining to action points that had emerged in the 115th meeting held on 23/07/2010:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
Table Paper 10	Progress report of modification/alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	Invitation for quotation has been uploaded on Government's website and SPFO. Last date for receipt of application was 15/07/2014.	Board was informed that the offers were received and were opened in 22/07/2014. Board noted the position. The Board directed to ascertain the retention period for files / records in SPFO, and to write a letter to EPFO to know about the retention period followed by them.

(B) Pertaining to action points that had emerged in the 121st meeting held on 01/03/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
Directions of Hon'ble Chairman	Duration of Final Withdrawal & Non-Refundable Withdrawal settlement of Provident Fund of Seamen member.	Implemented.	Board was informed that the checklists were implemented from April-2014. Board noted the position.
11	Appointment of Computer System Administrator.	In this connection, it is stated that a letter dated 19/06/2013 was sent to various placement agencies.	It has been decided to entrust a professional agency to look after the operational aspects

		However, we have received one quotation from M/s. GA Digital Web World (P) Ltd. Accordingly, they were sent 8 candidates for the said post for interview. As per the rules, at least three quotations required. Therefore, again the matter process for calling the fresh quotations from various placement agencies.	of the SPFO, including the Computer System. The Chairman directed to work out the details for offloading the work, within six months.
13 (For an Information)	E-banking	Letters issued to the all Shipping Companies on 18/06/2014 for training their Staff.	It has been decided to engage a professional agency for taking care of the operational part of SPFO, such as receiving deposits, disbursals etc. Since SBI is currently managing the SPFO investments, the possibility of SBI extending their services to manage the operational part of SPFO (such as receipt of payments, disbursals maintenance of SPF accounts etc.) to be explored. This should be completed in Six months time.

(C) Pertaining to action points that had emerged in the 122nd meeting held on 12/06/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
Special Agenda Item No. 2	Recovery of interest of delayed payment on other Contributions from M/s V. Ships.	A letter No. Control / Misc./0028/2013 dated 03/06/2014 has been issued to the M/s. V. Ships for remitting the same.	The Board directed to pursue the matter with the company.

(D) Pertaining to action points that had emerged in the 123rd meeting held on 11/02/2014:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
4	Contributory Annuity Scheme for Seafarers	Separate Agenda placed before the Board.	(Discussed separately at Agenda Item No. 9)
5	Changes Suggested in SPF Act/Scheme on the basis of EPF Act/Scheme.	It has been decided to conduct separate meeting on this issue with Single Point Agenda.	It was decided that since the CAFS proposal and the consequent amendments to the SPF Act have been sent to the Ministry, further amendment to the Act/Scheme may not be required at this stage.
6	Second payment of Final Withdrawal Settlement only on Superannuation.	Implemented.	Board noted the position.
7	Transfer of amount of provident fund of Seafarers below Rs. 100/- in Interest Suspense Account.	A letter to M/s. SBN Technologies for carrying out necessary correction has been sent.	A letter No. 601/Vol-XVII/0001/2014 dated 18/07/2014 has, already been sent to the M/s.

			SBN Technologies for carrying out necessary corrections in the software. Board noted the position.
8	Filling up the vacancies in Gr. 'C' posts by appointment through Direct Recruitment.	In this connection, it is stated that the roaster has been prepared and DPC will be called shortly. Thereafter the post will be filled up.	The Board observed that once SPFO is looking for out sourcing the operational part, recruitment of group 'C' staff may not be necessary, and on completion of the out sourcing procedure this matter can be re-examined. However, the ongoing process for promotion to the staff members should be completed.
11	Appointment of an Internal Auditor.	M/s. Batliboi & Purohit Chartered Accountants have accepted the offer vide their letter dated 05/10/2013.	Board noted the position.
13	For crediting Damages Amount recovered from Shipping Companies on the Delayed Payment in concerned Seamen's Account. Ref:- Part Payment Case No. 128/2012-13 in respect of seaman, Shri Vijay Vasudev	Presently there is no provision in the SPF Accounting System to post the Damages / Interest on delayed payment to post in the individual seamen's account. A letter is sent to M/s. SBN Technologies for carrying out necessary modifications in the	The Board directed that immediate action should be taken in this regard, and a letter No. 601/Vol-XVII/0164/2014 dated 26/08/2014 was sent to M/s. SBN Technologies for carrying corrections urgently.

	Chaudhary, CDC No. A81212 regarding his claim for interest on the delayed payment.	SPF Accounting System.	
14	Levying Penalty of Rs. 1,000/- on Non-Clearance of Cheque issued by Shipping Companies (Employers).	Implemented.	Board noted the position.
15	Rounding of any sum next to Rs. 100/- while demanding Damages / Interest on late payment of Provident Fund and Administrative Charges.	Noted.	Board noted the position.
16	Revised Estimates for the Financial Year 2013-14 and Budget Estimates for the Financial Year 2014-15.	The approval of the Revised Estimates for the Financial Year 2013-14 and Budget Estimates for the Financial Year 2014-15 received from the Ministry vide letter No. G-20018/1/2014-MA dated 16/07/2014.	Board noted the position.
17	Fixation of rate of interest for credit to the members account for the year 2014-15	The Ministry has approved to credit interest in Member's Account @ 9% for financial year 2014-15. Approval received from Ministry of Shipping vide letter No. G-20017/2/2013-MA dated 11/04/2014.	Board noted the position.
20 (For an Information)	Clearance of Un-posted Items.	As per decision taken in the Board Meeting the data of all	The Board requested Shri. Y. Abdulgani

		Shipping Companies was forwarded to Shri. Abdulgani Y. Serang and data pertain to SCI to Shri. B.K. Patel. Replies from them are awaited.	Serang & Shri. B. K. Patel to complete the pending cases at the earliest.

Agenda Item No. 03:- **Audit Committee's Observations on the Internal Auditor's Report for the 2nd Quarter period from 01/07/2013 to 30/09/2013 and 3rd Quarter period from 01/10/2013 to 31/12/2013 respectively.**

3.1 This matter was discussed in the meeting and the Chairman enquired from the Audit Committee's Members if there are any serious audit observations in the Internal Audit Report. It was explained to the Chairman by the Audit Committee's Members that the Internal Audit Report is of routine nature and no serious anomalies have been reported. The Board noted the position.

Agenda Item No. 4:- **Constitution of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai.**

4.1 The Secretary briefed the members about the Government of India notification dated 21/03/2014 constituting the Board of Trustees of SPFO, and stated that only two persons have been included as Employees' Representatives instead of three as per the Act. The Board noted the same.

Agenda Item No. 5:- **Formation of New Finance Sub-Committee and Audit Committee.**

5.1 The Secretary informed to the Board that consequent upon the Gazette Notification of Ministry of Shipping dated 21/03/2014, the Finance Sub-Committee and Audit Sub-Committee of the SPFO is to be re-constituted.

5.2 The Board decided to nominate two Government Representatives (i.e. Director (Finance), Ministry of Shipping, and the DDG (Crew), DGS), Representative of employers (Capt. Vinay Singh, MASSA) and Representative of

employees (Shri Abdulgani Y. Serang) in the Finance Sub-Committee of SPFO. Shri. Abdulgani Y. Serang requested to include Shri. B.K. Patel also in the Finance Sub-Committee as he has good knowledge in Finance & Accounts. It was also suggested to include Shri. P. D. Sinha (EPFO) in the Finance Sub-Committee, to benefit out of his experience at EPFO.

5.3 The Board has deliberated on the issue and approved the following Members for Finance Sub-Committee and Audit Committee.

Finance Sub-Committee:-

Sr. No.	Name of the Members	Representative on behalf of
1	Shri. Tarun Kumar Jajoria	Government Representative, (Ministry of Shipping).
2	Shri. C. Rethinadhas	Government Representative (DDG (Crew), DGS).
3	Shri. P. D. Sinha	Government Representative (EPFO).
4	Capt. Vinay Singh	Employers' Representative (MASSA).
5	Shri. B. K. Patel	Employers' Representative (INSA).
6	Shri. Abdulgani Y. Serang	Employees' Representative (NUSI).

Audit Committee:-

Sr. No.	Name of the Members	Representative on behalf of
1	Capt. Rajesh Tandon	Employers' Representative (FOSMA).
2	Shri. B. K. Patel	Employers' Representative (INSA).
3	Shri. Abdulgani Y. Serang	Employees' Representative (NUSI).

Agenda Item No. 6:- **Annual Accounts for the year 2013-14.**

6.1 The Secretary explained in detail about the Annual Accounts for the financial year 2013-14. He informed the Board about the following recommendations given by the Finance Sub-Committee during the meeting held on 26.08.2014 a.m.

i. Provisions made for experience as on 31/03/2014 in different heads may be indicated duly supported with detailed summary of such expenditure

while presenting the Annual Accounts for the approval of the Board **(same is enclosed)**. Similarly, excess provision made in previous financial year proposed for write writing back in current year is also to be placed with detailed summary before the Board of Trustees for approval **(copy enclosed).** The expenditure amounting to Rs. 21,671/- proposed for writing back during the financial year 2013-14 should be listed out and put up to the Board for its approval.

ii. 'Contingency' head to be renamed as 'Miscellaneous Expenditure' head. The expenditure which have been debited under head "Contingency" need to be renamed and details of such expenditure should be put up to the Board of its approval.

iii. Cash in hand should not be beyond the prescribed limit as per Rules or beyond Rs. 5,000/-.

iv. Action Taken Report to be made for Finance Sub Committee. The suggestions/observations of the Finance Sub-Committee should be taken on record and 'Action Taken Report' in respect of remedial / corrective actions in this regard should be put up to the Finance Sub-Committee from time to time.

v. Excess / Deficit amount from Shipping Companies should be shown in the Board note. A detailed summary / list of the excess amounts / duplicate payments of Contributions amounting to Rs. 3, 13,48,272.59 received from the Shipping Companies should be prepared and be put up to the Finance Sub-Committee from time to time for its appraisal.

vi. The provision for doubtful investment shown in Annual Accounts is very old and some of these may be under litigation. Therefore, the SPFO should consult the Internal Auditors for ageing of such investments, to follow the process of write-off in a periodical manner. A statements indicating the latest position on the following doubtful investments needs to be put to the Finance Sub-Committee and the Board for latest update and to access the chances of recovery and related provision writing back.

a) Uttar Pradesh State Yarn Company Ltd. – Rs. 69.75 lakhs.

b) Gujarat Small Scale Corporation Ltd. Rs. 19.60 lakhs.

c) UP Co-operative Spinning Mills Federation Ltd. 46.00 lakhs.

The Finance Sub-Committee also desired to know the total legal expenses incurred till date on the recovery of the above referred doubtful investments.

vii. Correct the spelling as 'written-off' instead of 'right off' in Annual Accounts. Page No. 36 Para (iv).

6.2 The Secretary informed the Board that the recommendations / suggestions of the Finance Committee will be implemented henceforth and will be reflected in the reports of current financial year (2014-15). These will be also incorporated in the Annual Accounts for last year (2013-14) to the extent possible.

6.3 Shri C. Rethinadhas and Shri. B. K. Patel raised the issue of cash balance in hand on 31st March, 2014. The Hon'ble Chairman directed Secretary to look into the matter and directed that cash balance on any day should not be more than Rs. 5,000/-. The Board directed that the cashier and the concerned person(s) should be asked to give written justifications as to why cash balance and stamps was maintained higher than the prescribed limits. The Board also enquired as to why auditors did not point this out during the audits.

6.4 The Board deliberated the details of Annual Accounts and approved the Annual Accounts for the year 2013-14. The Board directed that the recommendations of the finance committee should be implemented and the Annual Accounts should be made accordingly henceforth.

Agenda Item No. 7:- **Annual Report on working of Seamen's Provident Fund Scheme, 1966 for the year 2013-14**

7.1 It was suggested to add the name of Shri. P. D. Sinha, Representative of CPFO w.e.f. 21.03.2014, in the Annual Report.

7.2 Shri. P.D. Sinha had brought to the notice of the Board that the Audit Certificate given by Auditor M/s. Batliboi & Pandit Chartered Accountants is not in order as it has not been signed by any Partner / Authorized Signatory; rather it has been signed as "Batliboi & Purohit". It was suggested that an explanation from the Chartered Accountants for giving such type of Audit Report be obtained since this type of signature has got no meaning and such type of Audit report cannot be accepted.

7.3 The Board expressed concerned over the signature of the Internal Auditor on their Report and decided to call explanation from M/s. Batliboi & Purohit Chartered Accountant on the issue.

7.4 After due deliberations, the Board adopted the Annual Report for the year 2013-14.

Agenda Item No. 8:- **Re-appropriation of Expenditure incurred during the Financial year 2013-14.**

8.1 The Board noted the recommendations of the Finance Sub-Committee. After detailed discussions, the re-appropriation of the expenditure incurred during the financial year 2013-14 was adopted by the Board.

Agenda Item No. 9:- **Contributory Annuity Fund Scheme (CAFS) for the Seamen.**

9.1 The Secretary explained in detail regarding proposed Contributory Annuity Fund Scheme (CAFS) for the seamen. Board was informed that the draft amendments of the Seamen's Provident Fund Act, 1966 and proposed CAFS were placed on the website of SPFO on 22nd July, 2014, for comments or suggestions from the stakeholders and public within one month (i.e. on or before 22nd August, 2104). It is further brought to the notice of the Board that no comments & suggestions were received till 22nd August, 2014. The Board examined the proposed CAFS and the amendments to the SPF Act.

9.2 After deliberations, the Board approved the proposed CAFS for seafarers and the amendments to the SPF Act, and directed to forward the CAFS and amendment to the SPF Act for Ministry's approval.

Agenda Item No. 10 (For an Information):- **Investment made for the period from 1st January, 2014 to 30th June, 2014.**

10.1 It was brought to the notice of the Board that the Port Folio Manager, SBI had invested 81.64% in Central Government and State Government Securities and invested 18.36% in FI / PSU Bonds / Corporate Bonds.

10.2 The Officers of the Port Folio Manager SBI, made presentation on the above investments before the Board. They explained that due to uncertainty of election results, lucrative returns were expected in investments of Government Securities. It was therefore decided to enhance investment in Government

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Securities. Further, they intimated that the percentage pattern as per approved norms of the GoI would be met by the end of the financial year. The Board of Trustees agreed with the Portfolio Manager on the additional investments in Government securities made for better returns.

10.3 The Board noted the position of investments as on date.

Agenda Item No. 11 **Status of Court Cases.**
(For an Information):-

11.1 The Secretary explained in detail about the Court Cases pending in various courts.

11.2 A table paper was presented in relation to the investment made in GSIC, stating that the case was dismissed by the Hon'ble Gujarat High Court due to the inordinate delay involved in filing the appeal. The Board was informed about the legal opinion stating that SPFO can file an appeal in the higher court.

11.3 The Board desired to have a brief note on this matter including the legal expenses, opinion from financial experts whether it is worth pursuing the case, possibility of write-off (doubtful investments) etc. in the next Board meeting to take a decision on this matter. Further, Board observed that criminal cases filed by the CBI need not be pursued by SPFO as CBI will inform the department on final judgment.

11.4 The Board was requested for engagement of legal advisor to handle the day to day matters related to various court cases, as none of the staff members are qualified enough to deal with court matters. The Board advised to consult the EPFO about the panel of the legal advisors/counsels engaged by EPFO, and suggested to avail the services of the counsels from that panel, on the same terms and conditions.

Agenda Item No. 12 **Clearance of Un-posted Items.**
(For an information):-

12.1 Secretary explained that though un-posted items have been reduced gradually, there are still cases to be resolved. Shri. B. K. Patel informed the Board that CDC No.s of many Seamen have been repeatedly appearing in the list prepared by SPFO which need to be verified on the basis of details of such seamen provided to SPFO vide their letters dated 12/06/2014 and a revised

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list with exact numbers of un-posted items need to be generated and provided to them to resolve this issue expeditiously.

12.2 The Board requested Shri. Abdulgani Y. Serang, and Shri B. K. Patel, to provide the personal details of the seafarers whose Provident Fund amount is lying in un-posted accounts, so that the issue can be resolved at the earliest.

Agenda Item No. 13:- **Question raised by Shri. Abdulgani Y. Serang with the approval of Hon'ble Chairman: - Whether the Seamen's Provident Fund Act, 1966 applicable for the Indian Marine Officers?**

13.1 The Secretary explained that the SPF Act is applicable to every 'Seamen' and to the employer of such seamen, and that the definition of seamen includes officers as well. The Secretary further explained that the record of parliamentary discussions at the time of passing the bill for amending the SPF Act, clearly states about the intention of including the nautical and engineer officers also in the SPF.

13.2 Shri. B. K. Patel informed that SCI has their own trust for managing the provident fund of their ship's officers.

13.3 The Chairman asked Shri. P. D. Sinha, whether EPF Act is applicable to the Officers? Shri. P. D. Sinha informed there is an upper ceiling on the basic pay for joining EPF.

13.4 The Board deliberated on the provisions in the SPF Act, and decided that the application of Seamen's Provident Fund Act cannot be optional. There is no reason to exclude officer from SPF, especially since the MLC 2006 requires a social security scheme for the seafarers. The Board decided to issue a letter to INSA and MUI (copy to DGS, FOSMA, INSA and MASSA) for their views and comments in the matter.

4. The meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 125TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD AT 4.00 PM ON MONDAY, THE 16TH MARCH, 2015 OF THE BOARD ROOM OF THE SEAMENS' PROVIDENT FUND ORGANIZATION, 'KRUPANIDHI', 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI – 400 001.

The followings were present in the Board:-

Shri Deepak Shetty, IRS, Director General of Shipping, Government of India	...	Chairman
Shri P. D. Sinha	...	Member
Dr. Amol B. Kirtane	...	Member
Shri Abdulgani Y. Serang	...	Member
Shri S. Kalaikovan	...	Member
Shri B. K. Patel	...	Member
Capt. Vinay Singh	...	Member
Capt. Rajesh Tandon	...	Member
Shri Aji Vasudevan	...	Secretary

The Chairman welcomed all the Trustees present in the Meeting and requested the Secretary to brief the Members on the Agenda Items.

2. Shri Tarun Kumar Jajoria, Director (Finance), Ministry of Shipping communicated vide e-mail dated 13/03/2015 that he would not be able to attend the meeting due to preoccupation. Therefore, leave of absence was granted to Shri Tarun Kumar Jajoria.

3. The Agenda Items were discussed thereafter.

Agenda Item No.01: - Confirmation of the Minutes of the 124th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 26/08/2014.

1.1 Minutes of 124th Meeting held on 26/08/2014 was confirmed with the modifications suggested by Shri P.D. Sinha.

Agenda Item No.02:- Action Taken Report.

(A) Pertaining to action points that had emerged in the 115th meeting held on 23/07/2010:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
Table Paper 10	Progress report of modification / alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	Quotations received in August-2014 from 07 firms. The offers were technically incomplete. Some firms have not quoted for indexing / searching in their quotations. The same clarification is called from them on 15/01/2015. Once the clarification received, the matter will be processed further.	The Hon'ble Chairman suggested that the types of documents required to be digitized can be confirmed from EPFO because SPFO and EPFO are similar organizations. It was decided to obtain information from the EPFO & complete the digitization work within next six months.

(B) Pertaining to action points that had emerged in the 121st meeting held on 01/03/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
11	Appointment of Computer System Administrator.	The e-banking platform is being developed with SBI. Account already opened. C-DAC is examining the software aspects / up-gradation.	The Chairman suggested that to inform our requirement to provide such facility in system that the seamen member should get his Provident Fund Account information through mobile devices.
13 (For an Information)	E-Banking.	The e-banking platform is being developed with SBI. Account already opened. C-DAC is examining the software aspects / up-gradation.	The Chairman advised that to provide unique ID to employer so that they can view the details of remittances made by them in respect of seafarers.

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(C) Pertaining to action points that had emerged in the 122nd meeting held on 12/06/2013:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
Special Agenda Item No.02	Recovery of interest of delayed payment on other Contributions from M/s. V. Ships.	The interest of delayed payment on other Contributions received from M/s. V. Ships on 18/09/2014. Matter closed.	Noted.

(D) Pertaining to action points that had emerged in the 123rd meeting held on 11/02/2014:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
5	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme.	4th Special Meeting held on 12/01/2015 on this subject (Single Point Agenda) and Sub-Committee formed for studying about the EPF Act & Scheme.	It was informed to the Board that meeting of sub-committee for amendment of Act & Scheme was held on 02/03/2015. The sub-committee recommended that amendments to the Act & Scheme are not necessary as provisions of SPF Act & EPF Act pertaining to the investments are identical. It was also informed that investment mechanism of EPFO has many measures to ensure safety of investments. The same measures can also be adopted in SPFO for safety of funds. It was decided that the recommendations of the Committee may be actionalised, and the Ministry be informed accordingly.

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7	Transfer of amount of Provident Fund of Seafarers below Rs.100/- in Interest Suspense Account.	As the payment of AMC was not released by SPFO. M/s. SBNT refused to attend the work of SPFO. Quotations called for new AMC for computer software.	The Secretary informed that the existing software 18 years old and it needs to be replaced with a modern one. Accordingly, steps have been taken and SBI is providing an interface platform for e-banking. The Chairman suggested that SPFO can hire back-up server from C-DAC instead of manual back-up.
8	Filling up of vacancies in Gr. 'C' posts by appointment through Direct Recruitment.	DPC Meeting held on 10/12/2014 for promotions to the staff members.	Noted.
13	For crediting Damages Amount recovered from Shipping Companies on the Delayed Payment in concerned Seaman's Account. Ref.:- Part Payment Case No.128/2012-13 in respect of seaman, Shri Vijay Vasudev Chaudhary, CDC No.A81212 regarding his claim for interest on the delayed payment.	SBNT refused to do the work as their AMC not renewed. Quotations called for new AMC for computer software.	It has been decided to make such provision in new software to credit the amount of damages (interest) recovered from Shipping Companies on the delayed payments in concerned seamen's account.

(E) Pertaining to action points that had emerged in the 124th meeting held on 26/08/2014:-

Sr. No. of Agenda	Subject	Reported Action Taken/Further Development	Further Discussion
03	Audit Committee's Observations on the Internal Auditor's Report for the 2nd Quarter period from 01/07/2013 to 30/09/2013 and 3rd Quarter period from 01/01/2013 to 31/12/2013 respectively.	The Auditor was informed and submitted duly signed certificate on 19/09/2014 **(copy enclosed)**.	Noted.

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05	Formation of New Finance Sub-Committee and Audit Committee.	Members of Finance Sub-Committee and Audit Committee have been communicated about their engagement vide letter dated 09/10/2014.	Noted.
06	Annual Accounts for the year 2013-14.	List of company-wise excess / deficit is enclosed.	It has been decided to prepare break-up of each case and communicate to all Employers (including closed Shipping Companies) on their last known address. It has also been decided to assign two staff members for this work and it should be completed within next six months.
		After recommendation of Internal Auditors ageing will be done accordingly and same will be submitted before the Board.	Noted.
		A statement indicating the latest position on the following doubtful investments needs to be put to the Finance Sub-Committee and the Board for latest update and to access the chances of recovery and related provision writing back. a) UPSYCL – Rs.89.75 lakhs. b) GSSCL – Rs.19.60 lakhs. c) UPCSMFL – Rs.46.00 lakhs.	The details given in Agenda Item No. 12, Status of Court Cases. Board noted the position.
		The Finance Sub-Committee also desired to know the	Noted.

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		total legal expenses incurred till date on the recovery of the above referred doubtful investments.	
		Guidelines have been issued vide Office Order No.14 of 2014. The Cash balance being maintained as per guidelines.	Noted.
09	Contributory Annuity Fund Scheme (CAFS) for the Seamen.	A proposal has been sent to the Ministry on 09/09/2014.	Noted.
12 (For an information)	Clearance of Un-posted Items.	Letters are issued to the concerned shipping companies from time to time for obtaining information pertaining to un-posted.	It has been decided to commence drive for reducing un-posted items. Two staff members should be assigned for this special drive for reducing un-posted items within next six months.
13	Question raised by Shri Abdulgani Y. Serang with the approval of Hon'ble Chairman: -Whether the Seamen's Provident Fund Act, 1966 applicable for the Indian Marine Officers	Letter dated 18.09.2014 sent to INSA, MUI & ICC for PF contributions of Merchant Navy Officers. Reply dated 11.11.2014 received from MUI, wherein they have agreed to contribute PF for their Merchant Navy Officer, who are serving on Indian Articles of Agreement according to MLC 2006 convention. Reminder to INSA & ICC sent on 31.12.2014.	Noted. A reminder to be sent to INSA, for an early reply.

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Agenda Item No.03: - Audit Committee's Observations on the Internal Auditor's Report for the 4th Quarter Period from 01.01.2014 to 31.03.2014 & 1st Quarter Period from 01.04.2014 to 30.06.2014.

3.1 The matter was discussed in the meeting and the Board noted that no adverse remarks have been reported by the audit committee.

3.2 Board noted the position.

Agenda Item No.04: - Revised Estimates for the Financial Year 2014-2015 and Budget Estimates for the Financial Year 2015-2016.

4.1 The Board considered recommendation of Finance Sub Committee approved the Revised Estimate for the financial year 2014-15 and Budget Estimates for the financial year 2015-16.

Agenda Item No.05: - Appointment of Port Folio Manager for the Period of Two Years 2015-16 and 2016-17.

5.1 The Board considered recommendation of Finance Sub Committee and decided to give extension to the State Bank of India (SBI) as Port Folio Manager for a further period of two years 2015-16 and 2016-17. The Board also decided that the Ministry may be informed of the same.

Agenda Item No.06: - Fixation of rate of Interest for Credit to the Members Account for the Year 2015-16.

6.1 The Board deliberated on the recommendation of the Finance Sub Committee and decided to recommend 9.00% interest p.a. for the financial year 2015-16.

6.2 The Ministry's approval may also be obtained, as per the past procedure.

Agenda Item No.07: - Amendment in Recruitment Rule for Commissioner, SPFO.

7.1 The board was informed that there is no promotional avenue for Administrative-cum-Accounts Officer, and the post of Commissioner may be filled up on composite method i.e. by promotion amongst the departmental officer, failing which on deputation from other Government department. The Board agreed to the proposal and decided to send a proposal for the Recruitment Rules (RR) for the Commissioner, SPFO to the Ministry for their consideration and approval.

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Agenda Item No.08: - Refund of Non-Statutory Funds inadvertently deposited by the Shipping Companies.

8.1 On the recommendation of Finance Sub Committee, the Board decided to refund the non-statutory funds inadvertently deposited by the non-Indian Shipping Companies subject to the following conditions:-

(i) The Companies should submit the documentary evidence in respect of the payment of Provident Fund contributions for the seaman, to an authority other than Commissioner, SPFO; and

(ii) No Final Withdrawal payment has been made to the seaman.

Agenda Item No.09: - Outsourcing of SPFO's Work.

9.1 The Board discussed the need for having a new account with SBI for the online payment purposes, and approved the opening of new Saving Bank Account with State Bank of India for e-payment purposes.

Agenda Item No.10: - Request for Nominating in Union from MUI.

10.1 A letter was received from Officer's Union wherein they have expressed Officer's willingness to become members of SPFO. It was informed to the Board that presently SPFO is paying full amount to the seafarers as and when they become officer, based on an earlier board decision. The Board deliberated on issue and observed that once officer's union are ready to become members of SPFO, withdrawal payment to seafarers on becoming Officers does not arise, as they are still covered under the scheme. Therefore, the Final Withdrawal payment should not be made to the seafarers those who become officer.

10.2 The Board has decided to forward formal request of nomination of Maritime Union of India to the Ministry after approval of Hon'ble Chairman.

Agenda Item No.11:- Investment made for the period from 01/04/2014 to 31/12/2014.

11.1 The Secretary explained investments made for the period from 01/04/2014 to 31/12/2014. Finance Sub-Committee observed that excess amount invested in Bonds and the investment pattern should be as per the Government guidelines.

11.2 The Secretary explained that 10% deviation allowed and it is marginal increase in FI / PSU Bonds category. It is decided to issue a letter to Fund Manager on this issue.

11.3 The Board noted the position.

Agenda Item No.12:- **Status of Court Cases (Including Doubtful Investment).**

12.1 The Chairman noted that the appeal period i.e. 90 days has already lapsed long ago in Gujarat Small Scale Corporation Ltd. However, the matter may be discussed with concerned Advocate and put up to the Board in the next Board meeting.

12.2 Board noted the recommendation of Finance Sub-Committee to submit a note to the Board whether all the securities are in favour of 'SPFO' as well as information regarding guarantee (whether by Government or anybody else) and if yes what types of guarantee is available. Based on the information, further course of action will be decided.

12.3 The Board directed to depute one Officer to approach the BIFR to obtain the NOC for filing recovery suit in Mumbai High Court as suggested by the Advocate. The Board noted the suggestion from one of the members that NOC is not required for filing a suit, and it was decided to seek the opinion of the Advocate and take the matter forward.

Agenda Item No.13:- **Clearance of Un-posted Items.**

13.1 Already discussed in the Action Taken Report "E – 12".

Agenda Item No.14:- **Issuance of NOC for Ships from SPFO.**

14.1 The Board was appraised about the standard procedure now adopted for issuing NOC. The Chairman emphasized on e-governance in SPFO. The Board suggested that the application for the NOC and issuance of NOC should be on-line.

14.2 The Secretary informed the Board that in order to carry out tasks such as e-governance etc. and various developmental work at SPFO, it is necessary that the SPFO has adequate human resources. The post of Commissioner has been lying vacant for a long time and Secretary stressed the need to have a regular appointee to the post of Commissioner, SPFO, as early as possible. After shifting of the DGS office to Kanjurmarg, it has become practically impossible for DGS Officers to attend the SPFO work on a daily basis, in addition to their own work at DGS. At present, the essential routine work of SPFO is attended by the Commissioner (I/c) on weekends, alongwith some staff members. Many developmental works of the SPFO are held up due to the absence of regular appointee in Commissioner's post. The SPFO also has various functions like personnel, finance, vigilance, administration etc. like the DGS and in the absence of a regular person, the organization is severely handicapped. The Board noted the above and agreed the need for having a regular appointee as Commissioner. It was decided that the filling up of the post of AAO and AAAO on deputation basis be fast tracked, and the follow-up communication be sent for an early decision on the posting of Commissioner.

Agenda Item No.15:- **A letter from Union for unclaimed money with SPFO.**

15.1 Based on the recommendation of Finance Sub Committee, it was decided that the list of unclaimed money of seamen should be displayed on the website of SPFO and communicated to the individual member seamen at the addresses available on record.

Table Paper No.01: - **Confirmation of the Minutes of the 4th Special Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 12/01/2015.**

TP 1.1 Minutes of 4th Special Meeting held on 12/01/2015 was confirmed with modifications suggested by Shri P.D. Sinha.

Table Paper No.02: - **Brief Note for the information of the Members, Board of Trustees, SPFO (Contributions of Provident Fund in respect of Officer).**

TP 2.1 Board noted the position.

Table Paper No.03: - **Repair Internal Office Premises.**

TP 3.1 An in-principle approval was sought from the board, to proceed with the internal repair / refurbishing work at SPFO. An estimate of approximate Rs.18 lakhs was given by an architect, who is doing the external repair work of the Krupanidhi building.

TP 3.2 The Chairman suggested that using of Forfeiture Fund for repairing of internal Office premises of SPFO is not appropriate when there is sufficient balance in Administrative Account. So, it was decided by the Board to incur expenses for the repair of internal Office premises of SPFO from SPF Administrative Account. The in-principle approval was granted by the board to proceed with the tendering for the work.

4. The Meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 126TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD AT 4.00 PM ON FRIDAY, THE 24TH ~~MARCH,~~ JULY 2015 IN THE BOARD ROOM OF THE SEAMENS' PROVIDENT FUND ORGANIZATION, 'KRUPANIDHI', 3RD FLOOR, 9, W.H. MARG, BALLARD ESTATE, MUMBAI – 400 001.

The following members were present in the Board:-

Shri Deepak Shetty, IRS, Director General of Shipping	...	Chairman
Shri Tarun Kumar Jajoria	...	Member
Shri Abdulgani Y. Serang	...	Member
Shri S. Kalaikovan	...	Member
Shri B. K. Patel	...	Member
Capt. Rajesh Tandon	...	Member
Shri Aji Vasudevan	...	Secretary

The Chairman welcomed all the Trustees present in the Meeting and requested the Secretary to brief the Members on the Agenda Items.

2. Shri P. D. Sinha, Dr. Amol B. Kirtane and Capt. Vinay Singh communicated that they would not be able to attend the meeting due to preoccupied assignments. Therefore, leave of absence was granted to Shri. P. D. Sinha, Dr. Amol B. Kirtane and Capt. Vinay Singh.

3. The Secretary mentioned that the National Union of the Seafarers of India, whose General Secretary, Shri. Abdulgani Y. Serang, is one of the Trustees of the Board of the SPFO, bagged the 'Best Seafarers' Welfare Organization of the Year Award-2015' and that this award was conferred to NUSI at London in June, 2015 by the Secretary General of IMO. The board congratulated Shri. Abdulgani Y. Serang for this achievement.

4. The following agenda Items were discussed thereafter.

Agenda Item No. 1: Confirmation of the Minutes of the 125th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 16/03/2015.

1.1 Minutes of the 125th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 16th March, 2015 was confirmed without any modifications.

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Agenda Item No.02:-Action Taken Report.

A) Pertaining to action points that had emerged in the 115th meeting held on 23/07/2010:-

Sr. No.	Subject	Decisions / Status	Decision of the Board
Table Paper 10	Progress report of modification/alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	Quotations received in August-2014 from 07 firms. The offers were technically incomplete. However, some digital firms have not quoted for indexing / searching in their quotations. The same clarification is called from them on 15/01/2015. It was decided to obtain information from the EPFO & complete the digitization work within next six months.	EPFO informed that the work is done in-house. However, the SPFO does not have resources like the EPFO. Therefore, it was decided to approach NIC / NICSI for nominating the firms or companies for the work of digitization.

(B) Pertaining to action points that had emerged in the 121st meeting held on 01/03/2013:-

Sr. No.	Subject	Decisions / Status	Decision of the Board
13 (For an Information)	E-Banking.	The e-banking platform is being developed with SBI. Account already opened. C-DAC is examining the software aspects / upgradation. The Chairman advised that to provide unique ID to employer so that they can view the details of remittances made by them in respect of seafarers.	It has been decided to develop a new software with the help of C-DAC. A letter is to be issued to C-DAC with the details for requirements of new software.

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B) Pertaining to action points that had emerged in the 123rd meeting held on 11/02/2014:-

Sr. No.	Subject	Decisions / Status	Decision of the Board
5	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme.	4th Special Meeting held on 12/01/2015 on this subject (Single Point Agenda) and Sub-Committee formed for studying about the EPF Act & Scheme. It was informed to the Board that meeting of sub-committee for amendment of Act & Scheme was held on 02/03/2015. The sub-committee recommended that amendments to the Act & Scheme are not necessary as provisions of SPF Act & EPF Act pertaining to the investments are identical. It was also informed that investment mechanism of EPFO has many measures to ensure safety of investments. The same measures can also be adopted in SPFO for safety of funds.	It was decided that the recommendations of the Committee may be actionalised, and the Ministry be informed accordingly. It was decided to obtain details for appointment of Concurrent Auditor from the EPFO. Chairman also suggested to have discussions with Shri. P. D. Sinha, Trustee on this matter.
7	Transfer of amount of Provident Fund of Seafarers	As the performance of SBNT was not satisfactory, the payment of AMC was not released by SPFO. M/s. SBNT refused to attend the work of SPFO. Quotations called for new AMC for computer software. The Secretary informed that the existing software 18 years old and has its own problems. Therefore, it needs to be replaced with a modern one. Accordingly, steps have been taken and SBI is providing an interface platform for e-banking. The Chairman suggested that SPFO can hire back-up server from C-DAC instead of manual back-up. AMC with M/s Wizodyssy software is being finalized.	The work is in ~~process~~ progress and it is expected to be completed by September, 2015.

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		Draft copy of AMC received from M/s Wizodyssy Software on 28.05.2015. The issue related to interest Suspense Account will be resolved by 30.09.2015	
13	For crediting Damages Amount recovered from Shipping Companies on the Delayed Payment in concerned Seaman's Account. Ref.:-Part Payment No.128/2012-13 in respect of seaman, Shri Vijay Vasudev Chaudhary, CDC No.A81212 regarding his claim for interest on the payment.	It has been decided to make such provision in new software to credit the amount of damages (interest) recovered from Shipping Companies on the delayed payment.	The new software should take this into account.

(D) Pertaining to action points that had emerged in the 124h meeting held on 26/08/2014:-

Sr. No.	Subject	Decisions / Status	Decision of the Board
06	Annual Accounts for the year 2013-14.	List of company-wise excess / deficit is enclosed. It has been decided to prepare break-up of each case and communicate to all Employers (including closed Shipping Companies) on their last known address. It has also been decided to assign two staff members for this work and it should be completed within next six months.	On the recommendation of FSC, it has been decided to approach to the Shipping company along with excess / deficit list & inform them that they have to pay their deficit amount first and after receipt of the deficit amount, the SPFO will refund the excess amount within 7 days to the Shipping Company. In case the Shipping companies have any grievances, they may be called for hearing.
13	Question raised by Shri Abdulgani Y. Serang with the approval if Hon'ble Chairman: Whether the Seamen's Provident Fund Act, 1966 applicable for the Indian Marine Officers.	Letter dated 18.09.2014 sent to INSA, MUI & ICC for PF contributions of Merchant Navy Officers. Reply dated 11.11.2014 received from MUI, wherein they have agreed to contribute PF for their Merchant Navy Officer, who are serving on Indian Articles of Agreement	Non-receipt of the reply from INSA was discussed. Shri. B. K. Patel informed the Board that INSA is obtaining legal advice in this issue. The Board deliberated on the issue and decided to inform to

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		according to MLC 2006 convention. Reminder to INSA & ICC sent on 31.12.2014.	INSA, that it is a statutory obligation for ship-owners to contribute Provident Fund for Officers employed by them, as they are also covered under SPF, Act 1966.

(E) Pertaining to action points that had emerged in the 125th meeting held on 16/03/2015:-

Sr. No.	Subject	Decisions / Status	Decision of the Board
04	Revised Estimates for the Financial Year 2014-2015 and Budget Estimates for the Financial Year 2015-2016.	The Board considered recommendation of Finance Sub Committee approved the Revised Estimate for the financial year 2014-15 and Budget Estimates for the financial year 2015-16.	The Board noted the position.
05	Appointment of Port Folio Manager for the Period of Two Years 2015-16 and 2016-17.	The Board decided to give extension to the State Bank of India (SBI) as Port Folio Manager for a further period of two years 2015-16 and 2016-17. The Board also decided that the Ministry may be informed of the same.	The matter has been informed to the Ministry. Board noted the position.
06	Fixation of rate of Interest for Credit to the Members Account for the Year 2015-16.	The Board recommended 9.00% interest p.a. for the financial year 2015-16. The Ministry's approval may also be obtained, as per the past procedure.	The ministry approved the proposal of the Ministry for 9% interest for 2015-16. The Board noted the position.
07	Amendment in Recruitment Rule for Commissioner, SPFO.	The board was informed that there is no promotional avenue for Administrative-cum-Accounts Officer, and the post of Commissioner may be filled up on composite method i.e. by promotion amongst the departmental officer, failing which on deputation from other Government department. The Board agreed to the proposal and decided to send a proposal for the Recruitment Rules (RR)	The Recruitment rules for the post of Commissioner are to be revised.

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		for the Commissioner, SPFO to the Ministry for their consideration and approval.	
08	Refund of Non-Statutory Funds Inadvertently deposited by the Shipping Companies.	On the recommendation of Finance Sub Committee, the Board decided to refund the non-statutory funds inadvertently deposited by the non-Indian Shipping Companies subject to the following conditions:- (i) The Companies should submit the documentary evidence in respect of the payment of Provident Fund contributions for the seaman, to an authority other than Commissioner, SPFO; and (ii) No Final Withdrawal payment has been made to the seaman.	The applications are processed and disposed off, as per the decision of the board. Board noted the position.
09	Outsourcing of SPFO's Work.	The Board discussed the need for having a new account with SBI for the online payment purposes, and approved the opening of new Saving Bank Account with State Bank of India for e-payment purposes.	It has been decided to develop a new software for covering various tasks handled by SPFO.
10	Request for Nominating in Union from MUI.	The Board has decided to forward formal request of nomination of Maritime Union of India to the Ministry after approval of Hon'ble Chairman.	It was decided to request the MUI for more nominations, so that the MoS can be informed accordingly.
11	Investment made for the period from 01/04/2014 to 31/12/2014.	The Secretary explained investments made for the period from 01/04/2014 to 31/12/2014. Finance Sub-Committee observed that excess amount invested in Bonds and the investment pattern should be as per the Government guidelines. The Secretary explained that 10% deviation	The Board was informed that a letter was issued to the SBI-PMS for strict compliance with the Govt guidelines. SBI-PMS informed that the percentage distribution was brought within the prescribed limits by 31 March 2015. The board noted the position.

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		allowed and it is marginal increase in FI / PSU Bonds category. It is decided to issue a letter to Fund Manager on this issue.	
12	Status of Court Cases (Including Doubtful Investment).	• The Chairman noted that the appeal period i.e. 90 days has already lapsed long ago in Gujarat Small Scale Corporation Ltd. However, the matter may be discussed with concerned Advocate and put up to the Board in the next Board meeting. • Board noted the recommendation of Finance Sub-Committee to submit a note to the Board whether all the securities are in favour of 'SPFO' as well as information regarding guarantee (whether by Government or anybody else) and if yes what types of guarantee is available. Based on the information, further course of action will be decided. • The Board directed to depute one Officer to approach the BIFR to obtain the NOC for filing recovery suit in Mumbai High Court as suggested by the Advocate. The Board noted the suggestion from one of the members that NOC is not required for filing a suit, and it was decided to seek the opinion of the Advocate and take the matter forward.	This point has been discussed separately under Agenda item No. 3

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13	Clearance of Un-posted	It has been decided to commence drive for reducing un-posted items. Two staff members should be assigned for this special drive for reducing un-posted items within next six months.	The work is in progress and a part of the work is completed. Board noted the position.
14	Issuance of NOC for Ships from SPFO.	The Board was appraised about the standard procedure now adopted for issuing NOC. The Chairman emphasized on e-governance in SPFO. The Board suggested that the application for the NOC and issuance of NOC should be on-line. The Secretary informed the Board that in order to carry out tasks such as e-governance etc. and various developmental works at SPFO, it is necessary that the SPFO has adequate human resources. The post of Commissioner has been lying vacant for a long time and Secretary stressed the need to have a regular appointee to the post of Commissioner, SPFO, as early as possible. After shifting of the DGS office to Kanjurmarg, it has become practically impossible for DGS Officers to attend the SPFO work on a daily basis, in addition to their own work at DGS. At present, the essential routine work of SPFO is attended by the Commissioner (I/c) on weekends, alongwith some staff members. Many developmental works of the SPFO are held up due to the absence of regular appointee in Commissioner's post. The SPFO also has	Chairman advised to put up the case for appointment of AAAO for formal approval by next week. The Chairman advised that while preparing the new software for SPFO, its compatibility with the DGS (e-samudra) software and the SMO software should be ensured. Regarding the AAO posting, it was informed that no applications have been received for AAO till the last date for application (06.05.2015) The vacancy will be re-advertised & uploaded on the website.

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		various functions like personnel, finance, vigilance, administration etc. like the DGS and in the absence of a regular person, the organization is severely handicapped. The Board noted the above and agreed the need for having a regular appointee as Commissioner. It was decided that the filling up of the post of AAO and AAAO on deputation basis be fast tracked, and the follow-up communication be sent for an early decision on the posting of Commissioner. For post of AAAO Screening Committee recommended Smt. Amita S. Shenoy for the post of AAAO on deputation basis and offer on appointment put up.	
15	A letter from Union for unclaimed money with SPFO.	Based on the recommendation of Finance Sub Committee, it was decided that the list of unclaimed money of seamen should be displayed on the website of SPFO and communicated to the individual member seamen at the addresses available on record. It is uploaded on the website of SPFO. Letter are being send to individual seamen.	The board decided to provide softcopy to the NUSI, for follow-up with their member seamen.

Agenda Item No.03: - **Audit Committee's Observations on the Internal Auditor's Report for the 2nd& 3rd Quarter Period from 01/07/2014 to 31/12/2014.**

3.1 The Secretary informed the Board regarding the Audit Committees observation on the Internal Auditors Report for the 2nd& 3rd quarter period from 01.07.2014 to 31.12.2014. Shri. B. K. Patel informed that Internal Auditor had made some inappropriate remarks such as 'mishandling of fund' whereas the appropriate wording should have been 'Difference in

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the Computer system & Manual Register'. The Secretary informed to the Board that the Internal Auditor has already been communicated in this regard. It has been decided to convey the concerns of the Board to the Internal Auditor on making such unwarranted remarks.

3.2 Shri. B. K. Patel informed the Board regarding Audit committee's observation on the missing securities of SPFO. He stated that the Finance Sub Committee has recommended to convene a special meeting of the Audit Committee with Single point Agenda on the doubtful investments. Such meeting of the Audit committee should be held within 2 months and following steps shall be taken:-

a) A white paper on the doubtful investments should be placed before the Audit Committee.
b) The details of the correspondence made with concerned Companies and guarantor (State Govt/Central Govt) in chronological order.
c) Periodical reports put up to the Board on this matter.

3.3 The Board agreed for convening a meeting of the Audit committee, as recommended. It was also decided to obtain legal opinion for the write-off and examine the legal provisions in the SPF Act.

3.4 The Chairman asked regarding the court case of Gujarat State Industrial Corporation Ltd (GSICL) Bonds. The Secretary explained that the advice has been obtained from Adv. S. Priya in this case and she opined that SPFO can appeal before the Hon'ble Supreme Court and that the appeal could either be made through Law Ministry or through her. In case she is nominated, she will charge legal fees as per her commercial rates.

3.5 It has been decided by the board that Adv. S. Priya, may be advised to obtain legal opinion about the grounds on which the SPFO can approach the higher forum for appeal, and also whether case has merit in favour of SPFO or not.

Agenda item No.: 4 **Re-appropriation of Expenditure incurred during the Financial year 2014-2015**

4.1 The Board deliberated on the issue and advised that the quarterly expenditure should be on a pro-rata basis, and last three years expenses should be considered while preparing the budget. The board agreed with the proposal.

Agenda Item No.:- 5 **Annual Accounts for the year 2014-15**

5.1 The final copy of balance sheet for 2014-15was provided to the trustees and explained that the same was examined by the Finance Sub-committee. Secretary further informed the Board about the recommendations of the Finance Sub Committee.

5.2 The Board deliberated the statement of accounts. Thereafter, the board adopted and approved the Annual Account for the Financial Year 2014-15 subject to the issuance of an appropriate certificate about the internal audit by the Internal Auditors.

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Agenda Item No.:- 6 **Annual Report on working of seamen's Provident Fund Scheme, 1966 , for the year 2014-15**

6.1 On the recommendation of the Finance Sub Committee the Board decided to add the information pertaining to computerization of accounts, web server launching, online access to Seafarers with their login ID and Password and 100% online disposal of payment i.e. NEFT / RTGs from last June, 2014, in the report

6.2 The Board approved and adopted the Annual Report for the year 2014-15.

Agenda Items 7:- **New Pattern of investment**

7.1 The Secretary informed the Board about the GoI notification dated 2nd March, 2015, mentioning the revised pattern of investments, for non-government Provident Fund, Superannuation Funds and Gratuity Funds, which introduced a mandatory investment of 5-15% in equity. The Secretary further informed that an e-mail received from Port Folio manager (SBI) has sought the advice about the type of exposure in equity, preferred by SPFO.

7.2 On the basis of Finance Sub Committee recommendation, the Board decided that SPFO may advice Port folio manager (SBI-PMS) to provide further details about the risks and return from the proposed options, and to place the matter in the next meeting of Finance Sub Committee for an informed decision about the investment in equity. The Board decided that, in the meantime, SPFO may advise the SBI-PMS to make the investments towards equity in the SBI mutual fund-Nifty Index, as this is a relatively safer equity investment option. It is also decided that investment in equities should not be more than 5% at any point of time.

Agenda Item No. 8 (For an information):- **Investment made for the period from 01.04.2014 to 31.03.2015**

8.1 The Board noted the position.

Agenda Item No. 9 (For an information):- **Status of Court Cases (Including Doubtful Investment).**

9.1 The cases pertaining to doubtful investment are already been discussed under Agenda item No. 3, information about other cases were noted by the Board.

Agenda Item No.10 (For an information):- **Clearance of Un-posted Items.**

10.1 The Board noted the position.

Table Paper No. 1: Amendment to the SPF Act.

T.P. 1.1 The Secretary informed to the Board regarding the meeting with the Ministry on 23rd July, 2015. He stated that SPFO had sent proposal for CAFS to the Ministry in the

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year 2014 for amendment of SPF Act, 1966. But, there was a bill of 2007 (Seamen's Provident Fund (Amendment) Bill, 2007) pending in Rajya Sabha, which should be dealt first. The Chairman enquired about the previous bill. The Secretary explained that in connection with scam of Rs. 92.78 Crores certain amendments to the Act were sought by the Ministry, and it was sent to the Ministry in 2009. While approving the proposal of MOS to recoup the funds to the extent of Rs. 92.78 Crores as outright one time grant, it was recommended to make provisions in the act to disassociate the government from bearing any responsibility with regard to compensation or indemnification due to mismanagement, misappropriation or otherwise. Accordingly a legislation, the SPF amendment bill 2007 was introduced in Rajya Sabha which was subsequently referred to the parliamentary standing committee for examination. The said committee recommended that the proposed legislation is not acceptable in a democratic set up as the government has the ultimate duty to save and secure the fund meant for the welfare of section of the Society. The committee recommended that the government should withdraw the bill in present form. The then Minister of Shipping had also approved the withdrawal of the bill. However, thereafter, the Committee of Secretaries recommended that the Act should be amended as suggested by the finance Ministry.

T.P.1.2 Shri. Abdulgani Serang stated that the bill was sent to the ministry without the approval of the Board of Trustees, and the board has reservations on the proposed amendments. The Board deliberated on the issue and decided that the SPF (Amendment) Bill, 2007, should be withdrawn and in this regard a letter may be issued to the Ministry mentioning the reservation of the Board of Trustees about the proposal.

Table Paper No. 2: Staff issues at the office of the Seamen's Provident Fund, Mumbai.

T.P. 2.1 The Secretary informed the Board that a letter dated 10th July, 2015 was received from Shri. Abdulgani Y. Serang regarding vacant posts in SPFO.

T.P.2.2 Shri. Abdulgani Y. Serang stated that there is severe shortage of officers in SPFO(e.g. Commissioner and AAO are on additional charge), and posting of full time officers is necessary for monitoring of investments made by the SPFO,which is directly related to the welfare of Seafarers. Further, he stated that the outsourced staff are not capable and permanent staff is required for the smooth functioning of the SPFO.

T.P.2.3 The Chairman enquired about the sanctioned posts and informed that once the Recruitment Rules are established, the vacant posts can be filled up by direct recruitment, and in case any sanction is required by the SPFO for this purpose, the same may be taken from the Chairman of BOT, SPFO.

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T.P.2.4 It has been decided by the board to take action for filling up the posts by direct recruitment, considering the financial constraints in this year, and fill up the remaining posts in the next financial year.

4. The Meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 127TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON FRIDAY, THE 4TH MARCH, 2016 AT 3.00 PM IN THE CONFERENCE ROOM OF THE DIRECTORATE GENERAL OF SHIPPING, 9TH FLOOR, BETA BUILDING, I-THINK TECHNO CAMPUS, KANJURMARG EAST, MUMBAI – 400 042.

The meeting was held under the Chairmanship of Shri. Deepak Shetty, IRS, Director General of Shipping and Chairman of Board of Trustees, SPFO.

The following members were present in the Board:-

1.	Dr. Amol Kirtane	...	Member
2.	Shri. Abdulgani Y. Serang	...	Member
3.	Shri. S. Kalaikovan	...	Member
4.	Capt. Rajesh Tandon	...	Member
5.	Shri. Subhash Barguzer	...	Member / Secretary

2. Capt. Vinay Singh and Shri. B. K Patel communicated vide e-mail and Shri. B. Krishnamoorthy telephonically informed that they would not be able to attend the meeting due to preoccupied assignments. Therefore, leave of absence was granted to Capt. Vinay Singh, Shri. B. Krishnamoorthy and Shri. B.K Patel. Further, Shri. P. D Sinha, ACC-I [MH & CG] has been transferred and letter No.5-V/93/2015 dated 21st January, 2016 issued to Employees' Provident Fund Organisation requesting them to nominate a representative as trustee of SPFO. Therefore, leave of absence was also granted to Shri. P. D. Sinha.

3. At the outset, the Chairman welcomed all the Trustees present in the Meeting and requested the member Secretary to brief the Members on the Agenda Items. The member Secretary briefed the members about the agenda items.

4. The Chairman observed that the meeting of BoT must be scheduled in a structured manner and to be held in every quarter of the year. He suggested that such meeting should be scheduled in the 2nd week of June, September, December and March every year on Friday. The same was unanimously agreed by the members.

5. The Agenda Items were discussed thereafter.

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Agenda Item No. 1: **Confirmation of the Minutes of the 126th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 24/07/2015.**

1.1 Minutes of the 126th held on 24th July, 2015 was confirmed without any modifications.

Agenda Item No.02:- **Action Taken Report (ATR).**

(A) Pertaining to action points that had emerged in the 115th meeting held on 23/07/2010:-

Sr. No. of Agenda	Subject	Decisions / Status reported earlier	Review on the ATR
Table Paper 10	Progress report of modification/alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	Letter dated 26.08.2015 was sent to NIC / NICSI for nominating firms for the work of digitization. Accordingly, a price list has received from NICSI of M/s.Enhira Software and is approved by the Commissioner on 9th December, 2015. A letter No.919/279/2015 dated 12th January 2016 has been issued to NICSI regarding acceptance of their rate list and submission of draft contract for digitalization.	Chairman enquired that on what basis M/s.Enhira Software was selected for this job. In this connection, Admn-cum-Accounts Officer informed that NIC was requested to provide names of firms for digitization and accordingly NIC gave 4 names stating that the terms and conditions along with the rates are same for all the 4 firms. Thereafter, Chairman enquired whether NIC has certified that out of the 4 firms they are best service provider. He further suggested that either ask for a certificate from NIC that M/s.Enhira Software is best service provider or call for technical presentation from all the 4 firms and then choose best out of them.

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(B) Pertaining to action points that had emerged in the 121st meeting held on 01/03/2013:-

Sr. No. of Agenda	Subject	Decisions / Status reported earlier	Review on the ATR
13 (For an Information)	E-Banking.	The work of Request for Proposal (RFP) has been completed and the same is under finalization.	Secretary informed that RFP is under process for development of new software in place of existing software. However, the matter was discussed by the then Commissioner with SBI for payment Gateway to receive the PF Contributions online. Further, Chairman enquired that why SBI is approached for E-banking when the account of SPFO is with Syndicate Bank. Chairman directed to approach Syndicate Bank for E-Banking and the same to be informed to the Chair.

(C) Pertaining to action points that had emerged in the 123rd meeting held on 11/02/2014:-

Sr. No. of Agenda	Subject	Decisions / Status reported earlier	Review on the ATR
5	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme.	A letter dated 13.10.2015 was issued to EPFO regarding appointment of concurrent auditor. In reply a letter dated 29th December 2015 was received from EPFO along with copy of investment	The Chairman informed that the Committee is already formed for Amendment of SPF Act / Scheme and the same Committee may study investment manual / internal guidelines of EPFO for investment and criteria for forming

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		manual, internal guidelines of EPFO for investment and criteria for forming Investment Monitoring Cell (IMC) of EPFO and the same is under submission.	Investment Monitoring Cell (IMC) of SPFO and report to BOT.
7	Transfer of amount of Provident Fund of Seafarers below Rs.100/- in Interest Suspense Account.	As per approval of the Board a letter dated 02.09.2015 was issued to M/s.Wizodyssey software (Software AMC vendor) to transfer an amount of Rs.100/- to Interest Suspense Account. AMC vendor has provided the list of 514 seamen and stated vide letter dated 1st October 2015 that this office will have to individually transfer such amounts to Interest Suspense Account through A-29 and which is still pending.	Admn-cum-Accounts Officer informed that nearly 514 cases are required to be transferred. Chairman asked for a definite time for completing the work and accordingly the Deputy Superintendent of the concerned section informed that the work will be completed by end of April 2016.
13	For crediting Damages Amount recovered from Shipping Companies on the Delayed Payment in concerned Seaman's Account. Ref.:- Part Payment Case No.128/2012-13 in respect of seaman, Shri Vijay Vasudev Chaudhary, CDC No.A81212 regarding his claim for interest on the delayed payment.	M/s. Wizodyssey Software have complied with our letter and the payment is released to the seaman Shri Vijay Vasudev Chaudhary on dated 26.10.15 for Rs.25,777/-. The work of Request for Proposal (RFP) is completed and the same is under finalization	Chairman enquired whether the payment is released to the seaman and in reply Admn-cum-Accounts officer informed that the payment is made through RTGS.

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(D) Pertaining to action points that had emerged in the 124h meeting held on 26/08/2014:-

Sr. No. of Agenda	Subject	Decisions / Status reported earlier	Review on the ATR
06	Annual Accounts for the year 2013-14.	198 letters were sent to various shipping companies for depositing the deficit amounts. Some of the companies have already deposited the amount but the excess amount could not be refunded as firstly the deficit amount is to be adjusted with the excess amount deposited by the company. For passing the adjustment entries a letter was issued to M/s. Wizodyssey software to pass the entries. Accordingly, a letter No. Support/ SPFO/ 2015-2016/012 dated **28th December 2015** is received from them informing that Rs.250/- per adjustment entry will be charged by him which will cost Rs.25 Lakhs. Therefore, it has been decided that the work will be carried out in-house and section (Approx 10,000 entries are to be passed) will	Chairman enquired whether the deficit amount is recovered from the Shipping companies and excess amount has been refunded to all shipping Companies. It was informed that out of 286 Shipping companies, letters to 198 Shipping companies were sent for recovery of deficit amount. As per Board's decision in its 126th meeting held on 24th July 2015, the excess amount can be refunded only when deficit amount recovered from the companies. Capt. Rajesh Tandon asked that what is the number of companies against which action has been taken. It was informed that action has been taken on 5 Shipping companies. Chairman further enquired that how much time is required to complete the task. In reply Control section in-charge informed that letters to remaining Shipping Companies will be sent shortly and the action taken on receipt of the deficit amount from the

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		complete the work.	various Shipping Companies will be adjusted by June 2016.
13	Question raised by Shri Abdulgani Y. Serang with the approval of Hon'ble Chairman: -Whether the Seamen's Provident Fund Act, 1966 applicable for the Indian Marine Officers	. Letters to Indian National Ship owners Association (INSA) and ICC Shipping Association regarding subscription to Seamen's Provident Fund have already been sent on 7.9.2015. It is learnt that INSA has issued e-mail to the entire member Shipping Companies for remittance of PF of Officers with SPFO. Replies dated 10.11.15 and 04.12.15 are received from ICC Shipping Association wherein they have proposed amendment for 'Opting Out' of PF Contribution Scheme. They have been informed that under Section 20 of SPF Act and Scheme they can seek exemptions from applicability to deposit PF of Officers. As regards, mentioned in their letter regarding engagement of non-CDC holder officers on their class-IV vessels & for PF coverage, a letter has been sent to DGS Crew branch for convening meeting with stake holders, DGS and SPFO Officials for a possible solution.	Admn-cum-Accounts Officer briefed the Chairman regarding the remittance of PF contribution of Non-CDC holders and Officers. Secretary further informed that ICC has agreed to deposit PF Contributions of Officers from April 2016 onwards. After prolonged discussion it was decided not to take contributions of Non-CDC holders. It was decided to intimate to INSA mentioning the applicable exemption clause available in the SPF Scheme.

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(E) Pertaining to action points that had emerged in the 125th meeting held on 16/03/2015:-

Sr. No. of Agenda	Subject	Decisions / Status reported earlier	Review on the ATR
07	Amendment in Recruitment Rule for Commissioner, SPFO.	Draft RR is under submission.	In this connection, Admn-cum-Accounts Officer informed to the Board that the decision for amendment of RR for the post of Commissioner was already taken in the 125th meeting held on 16th March, 2015. However, the same was not sent to the Ministry till date. Chairman enquired about the delay. Admn-cum-accounts Officer stated that the matter was pending with the then Commissioner. The Chairman informed that there is no point to hold the proposal at Commissioner's level once the Board of Trustees had approved. The Chairman directed Secretary to forward the proposal immediately. He further stated that RR for other posts are also to be studied and if required, the amendment to the RR may be submitted separately for the Chairman's approval within a month.
10	Request for Nominating in Union from MUI.	Letter dated 26.08.2015 was sent to Maritime Union of India and in response a letter No.PF/644 dated 12th December 2015 was received from MUI wherein they have proposed names of three representatives. Accordingly, a letter	Secretary briefed the meeting regarding nomination of three representatives of MUI was received which has been forwarded to the Ministry of Shipping. It was decided to send a reminder to the Ministry of Shipping for urgent action.

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		No.5-V/0018/2015 dated 07.01.2016 was sent to the Ministry of Shipping intimating the same.	
12	Status of Court Cases (Including Doubtful Investment).	This point has been discussed in the Special Audit Committee Meeting held on 10/11/2015 and the minutes are placed under Agenda Item No. 4. Status of Court Cases is separately placed under Agenda item No.14.	Secretary informed that a Special Audit Committee meeting was held on 10th November 2015 and accordingly minutes of the Audit Committee is given under Agenda Item No. 4. To be discussed under Agenda Item No. 14
13 (For an information)	Clearance of Un-posted Items	The work is in progress. The present position as on date (i.e. 09.02.2016) is; the total 4754 items is still pending for clearance of un-posted. The same will be completed / minimized before the closure of Financial Year.	Admn-cum-Accounts Officer briefed the Chairman that it is an ongoing process and the un-posted items increases / decreases every year due to incomplete data of seafarers received from Shipping Companies. Chairman enquired whether 4754 items can be reduced. Accordingly, section in-charge informed that some of the un-posted items pertain to closed companies and the Non-CDC holders which cannot be cleared. In this connection, Capt. Rajesh Tandon suggested to segregate un-posted items year-wise and list of the closed companies and Non-CDC holders may be prepared. Shri. Abdulgani requested to send a copy of the same to NUSI also.
14	Issuance of NOC for Ships from SPFO.	Letter to DGs was sent on **9.9.2015** regarding the software viz.	Chairman informed that for issuing NOC SPFO should have access to the data of DGS, also

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		interface/ platform/ language used while preparing DGs software. Reply is awaited from DGs.	instructed Dr. Amol B. Kirtane to check SPFO letter dated 09.09.2015 and update accordingly.
14.A.	Filling up the post of Admn-Cum-Accounts Officer on deputation.	An Advertisement was published in weekly employment newspaper on dated 22-28 August 2015. In reply 5 applications were received from various departments. The date for calling application is extended and accordingly corrigendum has been forwarded to Employment Newspaper for publication.	Secretary informed that total four applications received within due date, out of which only three are fulfilling the eligible criteria for the post of Admn-cum-Accounts Officer. In this connection, Chairman instructed that the entire procedure for appointment of Admn-cum-Accounts Officer should be completed within 30 days.
15	A letter from Union for unclaimed money with SPFO.	The list of unclaimed money of seafarers was uploaded with SPFO website and Soft copy was also provided to NUSI. 405 letters were sent to seamen.	Capt. Rajesh Tandon enquired about the reply received out of 405 letters issued to the seamen. The section in-charge informed that only 15-20 letters were received from the Seamen.

(F) Pertaining to action points that had emerged in the 126th meeting held on 24/07/2015

Sr. No. of Agenda	Subject	Decisions / Status reported earlier	Review on the ATR
3	Audit Committee's Observation on the Internal Auditor's Report for the 2nd& 3rd Quarter period from 01/07/2014 to 31/12/2014.	In this connection, it is stated that a letter dated 6.7.2015 was sent to the Batliboi & Purohit, Internal Auditor of SPFO and reply dated **5.9.2015** received from them stating that they have accepted our	Chairman inquired about clarification asked from the Internal Auditor. The section in-charge informed that a reply dated **5.9.2015** is received from them stating that they have accepted our clarification.

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		clarification that it was not mishandling of funds but it was difference in computer system and manual register.	
3.A.	Doubtful investment which is pending in various courts for recovery of the invested amount.	In this connection, it is stated that white paper for all doubtful investment has been prepared and the same was placed with Special Audit Committee meeting held on 10th November 2015. Minutes of the Meeting are placed under Agenda item No. 4	Minutes of the Special Audit Committee meeting held on 10th November 2015 are kept under Agenda item No.4 for approval by the Board.
3.B	Legal opinion sought from Adv.Ms.S Priya for the doubtful investment.	In this connection, a letter regarding legal opinion for Writing–Off the Bad investment was sent to Adv. S. Priya on 28.8.2015. Accordingly, a reply dated 22.09.2015 is received from Adv. S. Priya stating that: 1. GSICL: The Order dismissing the application was passed in 2005 and an application for condonation of delay in appealing to the said Order in 2012 was also dismissed. In light of the above it	The matter is discussed under agenda item No.14.

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		is highly unlikely that the Order will be overturned upon appeal. 2. UPCSMFL: The claim should be successful and SPFO should be able to obtain a summary decree against the defendants. 3. UPSYCL: Chances of recovering said dues are minimal.	
05.	Annual Accounts for the year 2014-15	A letter dated 6.8.2015 is received from Batliboi & Purohit wherein they have informed that they have compiled the balance sheet and Income & Expenditure account of SPFO for the year ended 31st March 2015 on the basis of books of accounts as provided by SPFO.	In this connection, the letter dated 06.08.15 received from the Internal Auditor shown to the Chairman, wherein, the word 'compiled' is used. Then accordingly Admn-cum-Accounts Officer explained in detail that the Internal Auditor were not ready to issue such type of certificate stating that this is not covered under Terms and Conditions. However, letter was issued on personal approach. The matter was discussed in the meeting and the Board decided that the Audit Report itself is sufficient and there is no requirement of such type of certificate from Internal Auditor.
07	(New pattern of Investment) -	A letter dated 26.08.15 and	It was briefed by the Admn-cum-Accounts

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	Investment of SPFO monies by SBI, the Port folio Manager of SPFO as per new pattern of investment prescribed by the Ministry of Finance, New Delhi which is applicable from 1st April 2015 onwards.	29/10/2015 was sent to Portfolio Manager for investment of fund as per new pattern and call for some clarification for investment in equity fund. In reply an e-mail dated **03.11.15** is received from SBI stating that the new investment guidelines pattern should be complied as on 31.03.16 and they have noted to comply with the same. Further, it is submitted that the SBI informed that they required KYC documents from the members of BoT, SPFO for opening account for investment in mutual fund. Therefore, e-mails were sent to all Trustees for submitting the required documents. Accordingly, KYC documents were received and submitted to SBI. Establishment Certificate is being sent for signature of Commissioner and Trustees.	Officer that the New Investment guidelines pattern will be maintained as on 31.03.2016. He further informed that Port-Folio Manager (SBI) has started investing in Mutual Fund Equity and the 5% investment in equities will be maintained at the end of Financial Year i.e. 31.03.2016.

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10.1	**Table Paper No. 1:-** Amendment to the SPF Act.	Letter dated **2.12.2015** was sent to Shri. M M Hasija (Adviser Statistics), Ministry of Shipping by DGS in response to a D.O letter dated 13th October 2015 received from Shri. M M Hasija.	It was informed to the Committee that on receipt of D.O letter by Shri.M.M Hasija, under which further clarification was sought by him on withdrawal of SPF Act amendment Bill 2007. Accordingly, a reply of the same was also sent to the Ministry by DGS and the copy of the letter shown to the Chairman by Dr. Amol Kirtane.
10.2	**Table Paper No. 2:-** Staff issues at the office of the Seamen's Provident Fund, Mumbai.	Approval obtained for recruitment of Group 'C' staff and accordingly a draft advertisement has been prepared. The same is under finalization for publication shortly.	Chairman instructed not to make any further recruitment of Group 'C' due to economy and proposed restructuring of functioning of SPFO.

Agenda Item No.03: - **Audit Committee's Observations on the Internal Auditor's Report for the 4th quarter Period from 01/01/2015 to 31/03/2015 and 1st quarter from 01/04/2015 to 30/06/2015.**

3.1 The matter was discussed in the meeting and the Board noted that no adverse remarks have been reported by the audit committee.

3.2 Board noted the position.

Agenda Item No. 4: **Confirmation of the Minutes of the Special Audit Committee Meeting of Seamen's Provident Fund Organisation, Mumbai held on 10/11/2015.**

4.1 Minutes of the Special Audit Committee Meeting held on 10th November, 2015 was confirmed without any modification.

Agenda Item No. 05 : - Revised Estimates for the Financial Year 2015-2016 and Budget Estimates for the Financial Year 2016-2017.

5.1 The Board considered the recommendations of the Finance Sub Committee and approved the Revised Estimate for the financial year 2015-16 and Budget Estimates for the financial year 2016-17.

Agenda Item No.06: - Fixation of rate of Interest for Credit to the Members Account for the Year 2016-17.

6.1 The Board deliberated on the recommendation of the Finance Sub Committee and decided to recommend the Government for 9.00% interest p.a. for the financial year 2016-17 and further directed that the Ministry's approval may be obtained, as per the past procedure.

Agenda Item No.07:- Review of rate of Administrative Charges (keeping in view of the forthcoming 7th Pay Commission).

7.1 Chairman inquired about the eligibility of 7th Pay Commission in respect of SPF staff members. It was informed that all previous Pay Commission reports were implemented in SPFO as toto with approval of Board of Trustees, SPFO.

7.2 Chairman further enquired whether Seamen's Provident Fund (Staff and Condition of Service) Regulation, 1972 allows for implementation of 7th Pay Commission. In reply, Admn-cum-accounts Officer informed that as per Seamen's Provident Fund (Staff and Condition of Service) Regulation, 1972 vide Gazette Notification dated 10th October 1972 under Sr.No.9 (3) read as 'The fixation of Pay, Grant of increment and connected matters shall, in the case of employees, be governed by the provisions contained in the Fundamental Rules and the Supplementary Rules framed thereunder, as applicable from time to time, to the

employees of the Central Government holding corresponding posts. Chairman further instructed to submit the Seamen's Provident Fund (Staff and Condition of Service) Regulation, 1972 for information on separate file.

Agenda Item No. 8 Appointment of Internal Auditors of SPFO for the financial year 2016 – 2017 & 2017 – 2018.

8.1 In this connection, Secretary briefed the Chairman about the appointment of Internal Auditor and he further stated that during last four Financial Years M/s. Batliboi and Purohit was appointed as the Internal Auditor of SPFO on approval of the Board. Secretary further informed that 4 quotations were shortlisted from which M/s. MKPS & Associates was the lowest quoted firm. Chairman further enquired about the current clients of the M/s. MKPS & Associates and was informed by AAO that Shipping Corporation of India is one of them. Therefore, he instructed to verify with SCI.

8.2 The Chairman further instructed to visit the website of Institute of Chartered Accountant of India (ICAI) to confirm their name in the panel of ICAI. The Chairman also directed to confirm from Director (Finance) SCI about the credibility of M/s. MKPS & Associates.

Agenda Item No.9: Amendment of SPF Act / Scheme of 1966 as requested by Ministry of Shipping, GoI regarding approval of Budget of SPFO.

9.1 The Secretary informed that the Revised Estimates and Budget Estimates are sent to the Ministry with recommendation of the Board of Trustees for approval. However, in this Financial year, Ministry raised the question about approving the budget allocation of the SPFO by Ministry. Ministry suggested that the amendment of SPFO Scheme, 1966 may be considered so that Ministry may do away with the approving of Budget Estimates and Revised Estimates of SPFO. Chairman directed Secretary to setup a committee for amendment of SPF Scheme of 1966 in this regard. It was further instructed to continue to send the budget to Ministry as per Para 49 of SPF Scheme, 1966 for their approval till amendment of SPFO Act / Scheme takes place.

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Agenda Item No.10 Enhancement of Cash Balance with Cashier for day to day expenses.

10.1 The Board deliberated on the recommendation of the Finance Sub Committee and decided to enhance the Cash limit from Rs. 5,000/- to Rs. 10,000/- with Cashier for day to day expenses.

Agenda Item No.11: Doubtful investment – invested Rs.19.60 Lakhs (Face Value Rs.20 Lakhs) in 16% Gujarat Small Industries Corporation Limited Bonds.

11.1 After a prolonged discussion, the Board decided to check the provision in the SPF Act/Scheme 1966 regarding Write off of Investment amount Rs. 20 lakhs and asked to report the same to the Chairman.

Agenda Item No. 12: Request of Sailors' Union of India (SUI) for giving permission to all registered trade Unions under The Trade Union Act, 1926 to attest the Provident Fund Application form for withdrawal of the Provident Fund amount.

12.1 Chairman enquired whether the attestation is arising out of statutory requirement and if not so, then why seaman is made captive to old regulations. Shri. Abdulgani informed that they have no issue in this regard except that the CDC's are very old and whether the person is same is not easy to identify with very old photograph. Chairman stated that instead of attestation the seaman may self attest the document along with xerox copy of bank pass book/ PAN card/ Aadhar card/ passport or driving license etc. It was decided that the seamen may submit any one of the above documents with self-attestation as against the attestation on such form from the Union, Shipping Master etc. The same was unanimously agreed by the members.

Agenda Item No.13 (For an information):- Investment made for the period from 01.04.2015 to 30.11.2015.

13.1 The Secretary explained about the new pattern of investment prescribed by the Ministry of Finance which is applicable from 1st April 2015 and the investments

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which are made as per the said pattern. However, members observed that the investment made under the category FI/PSU Bonds/Corporate Bonds exceeds the percentage prescribed by the Ministry of Finance for the investment made for the period from 01/04/2015 to 30/11/2015. In reply, Secretary informed that the pattern of investment will be maintained at the end of the Financial year i.e. 31st March, 2016 as stated by SBI, Port Folio Manager, SPFO.

Agenda Item No.14 (For an information):- Status of Court Cases (Including Doubtful Investment).

14.1 Chairman stated that as per legal opinion of Adv. Ms.S. Priya the chances of recovery of said dues of GSICL and UPSYCL are minimal. Accordingly he inquired whether the same can be written off. AAO informed that Internal Auditor vide their letter dated 20.07.2015 stated that the Doubtful Investments have been fully provided and shown in the books of accounts and they expressed that if the Audit committee desires and the same can be written off in full without any deferment. Further, the Chairman enquired whether the CAG has given approval for the same. He was informed that CAG has verbally informed to write off the doubtful investment. Therefore, Chairman suggested that take confirmation of the same from CAG in writing.

14.2 Chairman inquired whether BoT has powers to write off the investments and asked to look into the matter and inform accordingly.

14.3 As regards UPCSMFL Chairman instructed to obtain NOC to file a Summary Suit against the Defendant.

14.4 Chairman instructed to invite Adv. Jyotsna Pandhi for discussion and meet the Government Council to expedite the work of court cases mainly recovery suit filed by the SPFO to recover a sum of Rs.92.78 Crores lost in security scam.

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Agenda Item No.15 (For an information):- **Clearance of Un-posted items.**

15.1 Already discussed in the Action Taken Report "E – 13".

Agenda Item No.16:- **Laying of Annual Accounts & Annual Report 2014-15 in Both the Houses of Parliament.**

16.1 The Board noted the position.

Table Paper No.1: **Provident Fund Subscription to SPFO.**

TP1.1 Already discussed in the Action Taken Report "D – 13".

Table Paper No.2: **Proposal for hiring of vehicle on monthly basis for official work of SPFO.**

TP 2.1 The chairman enquired whether a vehicle may be hired by SPFO or allowance may be granted to the present Commissioner who is assigned dual charge as Commissioner, in addition to their normal duties of DDG in DGS. Dr.Amol Kirtane informed that car allowances cannot be paid as per rules. However, a vehicle may be hired by the Organisation which may be used by the Commissioner also. After prolonged discussion, the Board decided to hire an operational vehicle for SPFO until a regular appointment of Commissioner is made in SPFO.

6. The Meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 128TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON FRIDAY, THE 19TH AUGUST, 2016 AT 2.30 P.M IN THE BOARD ROOM OF SEAMEN'S PROVIDENT FUND ORGANISATION, 3RD FLOOR, 'KRUPANIDHI' BUILDING, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI–400 001.

The meeting was held under the Chairmanship of Shri.Deepak Shetty, IRS, Director General of Shipping and Chairman of Board of Trustees, SPFO.

The following members were present in the Board:-

1.	Dr. Amol Kirtane	...	Member
2.	Shri. K V Sarveswaran	...	Member
3.	Shri. Abdulgani Y. Serang	...	Member
4.	Capt. Rajesh Tandon	...	Member
5.	Capt. Vinay Singh	...	Member
6.	Shri. B.K Patel	...	Member
7.	Shri. S. Kalaikovan	...	Member
8.	Shri. Amar Singh Thakur	...	Member
9.	Shri. Subhash Barguzer	...	Member / Secretary

2. Shri. B. Krishnamoorthy, Director (Finance), Ministry of Shipping telephonically informed that he would not be able to attend the meeting due to his preoccupied assignments. Leave of absence was granted to Shri. B. Krishnamoorthy.

3. At the outset, Chairman welcomed the new member Shri. Amar Singh Thakur, General Secretary, Maritime Union of India and all the Trustees present in the Meeting.

4. The Chairman advised that the agenda of the meeting should be sent by e-mail to all the members of the Board and in future the meeting can be conducted with TABLET PC to save papers and environment. Further, the Chairman requested the Secretary to brief the Members on the Agenda Items.

5. The following Agenda Items were discussed thereafter.

Agenda Item No. 1: **Confirmation of the Minutes of the 127th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 04/03/2016.**

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1.1 Minutes of the 127th meeting held on 4th March, 2016 was confirmed without any modifications.

Agenda Item No.02:- **Action Taken Report (ATR).**

Sr. No. of Agenda	Subject	Action taken	Decision of the Board
Agenda Item No.2 [A table Paper 10 emerged in 115th Meeting dated 23.07.2010]	Progress report of modification/ alteration of SPF Accounting System with observations (Digitization of old records of SPFO). 1) To seek a certificate from NIC that M/s.Enhira Software is best service provider. 2) To call for technical presentation from all the 4 firms and then choose best out of them.	**Action is completed.** 1) All the four firms nominated by NIC had been called vide SPFO letter dated 22/03/2016 for demonstration. However, only two firms i.e. M/s.Enhira Software and Writer Information have visited SPFO on dated 14.01.2016 and 05.04.2016 respectively and given their demonstration. 2. NIC has already certified empanelled four vendors for scanning and digitalization vide e-mail dated 29.02.2016. 3. After analyzing and scrutinizing quotations of both the parties, the rate of M/s.Writer Information has been accepted and accordingly, work order is issued.	The Board noted the position.
Agenda item No 2 [Agenda item No. 13 Emerged in 121st Meeting dated	E-Banking. Chairman directed to also approach Syndicate Bank for outsourcing and the same to be informed to the Chair as the Syndicate Bank is the Banker of SPFO	**Action is completed.** A meeting was convened with SBI Officials on 17th March 2016. During the course of meeting Commissioner, explained the	The matter discussed under agenda item No.8.

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01.03.2013]		functionary of the SPFO to SBI Officials. Accordingly, a letter dated 5th May, 2016 explaining in detail the work of SPFO was also sent to SBI in order to give an insight of work procedure/ process of SPFO. In response an e-mail dated 20.05.2016 was received from SBI stating that many of the work flow is kind of administrative work and manual work, which SBI cannot take up under outsourcing. They can provide service in line with EPFO that is only for collection and payment part. 2. As per the decision of the Board a letter dated 23rd May, 2016 was sent to Syndicate Bank for obtaining their proposal. Syndicate Bank was also forwarded with work flow of the SPFO vide e-mail dated 15.06.2016. 3.A meeting was held on 26.07.2016 between Shri. D Palanisami, AGM, Shri. S Venkateswaran, Chief Manager, Syndicate Bank and Shri.D S Ramesh, AAAO, SPFO wherein following was concluded .- i)It was also expressed by bank officials that in case outsourcing work includes payment part (Receipt of application from member of PF, processing, sanctioning) on turnkey basis the bank might be included	

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		as a member in the Trust / BoT. Once this matter is finalized the same would be accepted by them with the concurrence of their legal department. ii) Present practice of payment of FW / NRW through RTGS is accepted however, they will not scrutinize the applications for payment of FW /NRW. The same will have to be done by SPFO only. 4. In the light of the ATR, the issue may be deliberated under Agenda item No.8.	
Agenda No.2 [Agenda item No.5 emerged in 123rd Meeting dated 11.02.14]	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme. The Chairman suggested that the same Committee may study investment manual / internal guidelines of EPFO for investment and criteria for forming Investment Monitoring Cell (IMC) of SPFO and report to BoT.	**Action is completed.** As per the directions of the Chairman, a Sub-Committee meeting was held on 22.7.2016. A separate Agenda item No.9 is placed for decision.	Matter discussed under agenda item No.9.
Agenda No.2 [Agenda item No.7 emerged in 123rd Meeting dated 11.02.14]	Transfer of amount of Provident Fund of Seafarers below Rs.100/- in Interest Suspense Account. Board instructed to complete the work as committed by SPFO by end of April 2016.	**Action is completed.** As per Board decision Rs.19,171/- in respect of 514 seamen has been transferred to Interest Suspense Account.	The Board noted the position.

Agenda No.2 [Agenda item No.6 emerged in 124th Meeting dated 26.08.14]	Annual Accounts for the year 2013-14. To send letters to remaining Shipping Companies for recovery of deficit amount.	Letter to remaining 88 companies has been sent for deposit of deficit amount. In response, 11 shipping companies have deposited the PF deficit amounting Rs.161,954.68 and 18 shipping companies has remitted the Admn charges deficit amount of Rs.126,292.84. The refund of excess amount of those shipping companies is under process and will be completed by 30th August, 2016. Out of 286 companies 66 Companies have responded.	The Chairman instructed to work out the calculation sheet of net amount payable / recovery (excess and deficit) and inform the Shipping companies accordingly for their concurrence and make the payment within a month time.
Agenda No.2 [Agenda item No.13 emerged in 124th Meeting dated 26.08.14]	Exemption to Shipping Companies under SPF Act and Scheme, 1966. 1) To intimate to INSA mentioning the applicable exemption clause available in the SPF Scheme.	**Action is completed.** 1) Letter dated 20th April, 2016 has been issued to INSA informing the provisions of Section 20 SPF Act & Scheme, 1966 regarding exemption to employer from operation of all or any of the provisions of Act. 2) Further a proposal seeking exemption received from M/s.Ambuja Cement is placed under Agenda item No.10.	The matter discussed under the agenda item No.10.

Agenda No.2 [Agenda item No.07 emerged in 125th Meeting dated 16.03.15]	Amendment in Recruitment Rule for Commissioner, SPFO. It was decided to send revised Recruitment Rules for the post of Commissioner and staff to DGS.	1) Recruitment Rules for the post of Commissioner has been sent to DGS on 16.03.2016. 2) Staff Recruitment Rule has been examined and is being prepared which will be sent to DGS by end of August, 2016.	The Board noted the position.
Agenda No.2 [Agenda item No.10 emerged in 125th Meeting dated 16.03.15]	Request for Nominating in Union from MUI. It was decided to send a reminder to the Ministry of Shipping for urgent action.	**Action is completed.** In this connection, it is informed that the name of Mr.Amar Singh Thakur, has been included as seamen's representative in the Board of Trustees, SPFO vide Government Notification No.S.O575(E) dated 24th February 2016. Accordingly, a letter dated 21st April 2016 has been sent to MUI and DGS for information.	The Board noted the position.
Agenda No.2 [Agenda item No.13 emerged in 125th Meeting dated 16.03.15]	Clearance of Un-posted Items. As proposed by Capt. Rajesh Tandon; To segregate un-posted items year-wise and list of the closed companies and Non-CDC holders to be prepared. Shri. Abdulgani requested to send a copy of the same to NUSI also.	**Action is completed.** 1) Year wise unposted items, list of closed companies and Non-CDC holders are placed under agenda item No.13. 2) As requested by Shri. Abdulgani Y Serang, the copy of the same has also been forwarded to NUSI on 22.06.2016.	The matter discussed under the agenda item No.13.

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Agenda No.2 [Agenda item No.14 emerged in 125th Meeting dated 16.03.15]	Issuance of NOC for ships from SPFO. Chairman informed that for issuing NOC, SPFO should have access to the data of DGS under E-Governance. Chairman instructed SPFO to contact DGS in this regard.	**Action is completed.** Dr.Amol Kirtane, DDG provided requisite ID and password in the 1st Sub-Committee meeting held on 14.06.2016. Accordingly, online Articles of Agreement are being verified from DGS website before issuance of NOC.	The Board noted the position.
Agenda No.2 [Agenda item No.14A emerged in 125th Meeting dated 16.03.15]	Filling up the post of Admn– Cum- Accounts Officer on deputation. Chairman instructed that the entire procedure for appointment of Admn-cum-Accounts Officer should be completed within 30 days.	1) The process of appointment of Admn-cum-Accounts Officer on deputation on which no final decision was taken was kept in abeyance in view of proposed restructuring of SPFO work. 2) In furtherance Shri. D S Ramesh, AHS from MPSO has been appointed as AAO w.e.f. 01.06.2016. **Action is completed.**	The Board noted the position.
Agenda No.2 [Agenda item No.15 emerged in 125th Meeting dated 16.03.15]	A letter dated 03/01/2015 received from Bhartiya Navik Sena Union enquired for unclaimed money of seafarers lying with SPFO. Capt. Rajesh Tandon enquired about the reply received out of 405 letters issued to the seamen. The Section in-charge informed that only 15-20 letters were received from the seamen. The Board instructed to complete the task of sending letters to all the seafarers to claim the PF dues	There are 4483 cases identified from SPF Accounting system out of which in 900 cases letters were issued to the seamen. In response, 61 letters were received from seamen. Accordingly, 19 cases have been settled (FW payment done) amounting Rs. 94,00,526.30 and 42 cases are under correspondence for settling of PF dues. Further, it is informed that approximately 1500 cases are without address / incomplete address. Therefore, a	The Board noted the position.

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		letter dated 09.05.2016 and 01.08.2016 was sent to Shipping Master for obtaining correct address. Reply is awaited. The letters to the remaining cases are under process and to be completed by 31st October, 2016.	
Agenda No.2 [Agenda item No.07 emerged in 126th Meeting dated 24.07.15]	New Pattern of Investment. The Board instructed that the new pattern of Investment should be maintained strictly.	**Action is completed.** The SBI Security Services Branch (Port Folio Manager of SPFO) has complied with new pattern of Investment as on 31.03.2016.	The Board noted the position.
Agenda No.2 [Table paper 1 emerged in 126th Meeting dated 24.07.15]	Amendment to the SPF Act. To approach the Ministry of Shipping for withdrawal of the SPF Act Amendment Bill 2007.	**Action is completed.** 1)Accordingly, vide letter No.354/III/10 dated 6th May, 2016 and dated 14.07.16 proposal for withdrawal of SPF (Amendment) Bill 2007 incorporating the decision of BoT was sent to Ministry (Copy enclosed as Annexure I)	The Board noted the position.
Agenda No.2 [Table paper 2 emerged in 126th Meeting dated 24.07.15]	Staff issues at the office of the Seamen's Provident Fund, Mumbai. Chairman instructed not to make any further recruitment of Group 'C' due to economy and proposed restructuring of functioning of SPFO.	**Action is completed.** The same has been complied with by SPFO	The Board noted the position.
Agenda No.2 [Agenda item 5 emerged in	Revised Budget Estimate for the Financial year 2015-16 and Budget Estimates for the Financial Year 2016-17. The Board considered the	**Action is completed.** Letter dated 11th May 2016 was sent to the Ministry of Shipping for approval and in	The Board noted the position.

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127th Meeting dated 04.03.16]	recommendations of the Finance Sub Committee and approved the Revised Estimate for the financial year 2015-16 and Budget Estimates for the financial year 2016-17.	response Ministry observation was received vide letter dated 20.05.2016. Thereafter, justification vide reply dated 31.05.2016 was sent to the Ministry. Further, Ministry vide letter dated 30.06.2016 has conveyed the approval of Revised Budget Estimate for the Financial year 2015-16 and Budget Estimates for the Financial Year 2016-17.	
Agenda No.2 [Agenda item 6 emerged in 127th Meeting dated 04.03.16]	Fixation of rate of interest for credit to the Members' Account for the year 2016-17. It was directed that the Ministry's approval may be obtained, as per the past procedure.	**Action is completed.** Letter dated 20.04.2016 was sent to the Ministry of Shipping for approval and in response Ministry vide letter dated 17.05.2016 conveyed few observations of IFW Wing of Ministry while according approval. Accordingly, reply to the above observations was sent vide letter dated 31.05.2016. Approval has been received from the Ministry vide letter dated 20.07.2016 on the proposed rate of interest @9%. However, the Ministry advised under Para 51(4) of SPFO Scheme, that "the Scheme may therefore be modified clearly lying out the norms in which interest rate would be fixed to ensure a steady return to the members". However, it is informed that SPFO has declared steady rate of interest @9% for the three consecutive	The Board noted the position and further advised that in the light of Ministry's observation SPFO may follow the norms of EPFO and the same may be studied and submitted in the next BoT meeting.

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		financial years i.e. 2014-15, 2015-16 and 2016-17.	
Agenda No.2 [Agenda item 7 emerged in 127th Meeting dated 04.03.16]	Review of rate of Administrative Charges (keeping in view of the forthcoming 7th Pay Commission). Chairman inquired about the eligibility of 7th Pay Commission in respect of SPF staff members. It was informed that all previous Pay Commission reports were implemented in SPFO as toto with approval of Board of Trustees, SPFO. Chairman further instructed to submit the Seamen's Provident Fund (Staff and Condition of Service) Regulation, 1972 for information on separate file.	A separate note dated 26.04.16 was sent to the Director General of Shipping regarding the Seamen's Provident Fund (Staff and Condition of Service) Regulation, 1972 for implementation of 7th Pay Commission. Accordingly, few queries were raised by the DGS and a draft reply to DGS query has been submitted for approval.	The Chairman informed that after the declaration of 7th Pay Commission for Autonomous Bodies by Government, the same may be presented to the Board for approval along with the calculation sheet of arrears and pay fixation of existing officers / staff members.
Agenda No.2 [Agenda item 8 emerged in 127th Meeting dated 04.03.16]	Appointment of Internal Auditors of SPFO for the financial year 2016-17 & 2017-18. 1) The Chairman directed to confirm from Director (Finance) SCI about the credibility of M/s MKPS & Associates. 2) The Chairman further instructed to visit the website of Institute of Chartered Accountant of India (ICAI) to confirm their name in the panel of ICAI.	**Action is completed.** 1) A letter dated 1st June 2016 was issued to SCI with a request to intimate in writing about performance report of M/s, MKPS & Associates. An e-mail dated 11th July 2016 was received from SCI stating that the firm is on the CA firms list maintained by C&AG for appointment of Statutory Auditors of "A Schedule" PSEs which itself conveys the creditability and its performance. 2) The name of M/s. MKPS & Associates was confirmed from the panel of ICAI website.	The Board noted the position.

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		Accordingly, M/s. MKPS & Associates has been appointed as Internal Auditor of SPFO for two financial years i.e. 2016-17 & 2017-18.	
Agenda No.2 [Agenda item 9 emerged in 127th Meeting dated 04.03.16]	Amendment of SPF Act / Scheme 1966 as requested by Ministry of Shipping, GoI regarding approval of Budget of SPFO. 1) Chairman directed Secretary to setup a committee for amendment of SPF Act / Scheme of 1966 in this regard. 2) It was further instructed to continue to send the Budget to Ministry as per Para 49 of SPF Scheme, 1966 for their approval till amendment of SPFO Act / Scheme takes place.	**Action is completed.** 1) Accordingly, a meeting of the Sub-Committee was held on 14th June 2016 and the minutes of the same is placed at agenda item No.6. 2) As instructed the Budget was sent to the Ministry which was approved vide their letter dated 30.06.2016.	The matter discussed under agenda item No.6.
Agenda No.2 [Agenda item 10 emerged in 127th Meeting dated 04.03.16	Enhancement of Cash Balance with Cashier for day to day expenses. The Board deliberated on the recommendation of the Finance Sub Committee and decided to enhance the Cash limit from Rs. 5,000/- to Rs. 10,000/- with Cashier for day to day expenses.	**Action is completed.** The same has been complied with accordingly.	The Board noted the position.
Agenda No.2 [Agenda item 11 emerged in 127th	Doubtful investment – invested Rs.19.60 Lakhs (Face Value Rs.20 Lakhs) in 16% Gujarat Small Industries Corporation Limited Bonds.	The provision of SPF Act / Scheme, 1966 has been examined and report placed in the separate agenda item No.7.	The matter discussed under agenda item No.7.

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Meeting dated 04.03.16]	After a prolonged discussion, the Board decided to check the provision in the SPF Act/Scheme 1966 regarding Write off of Investment amount Rs. 20 lakhs and asked to report the same to the Chairman.		
Agenda No.2 [Agenda item 12 emerged in 127th Meeting dated 04.03.16]	Request of Sailors Union of India (SUI) for giving permission to all registered trade Unions under The Trade Union Act, 1926 to attest the Provident Fund Application form for withdrawal of the Provident Fund amount. 1) The Board decided that the seamen may submit any one of the documents with self-attestation as against the attestation on such form from the Union, Shipping Master etc. The same was unanimously agreed by the members. 2) To reply to Sailors Union of India (SUI) about the decision of BoT.	**Action is completed.** 1) A letter dated 02.06.2016 is sent to Sailors Union of India (SUI) informing the Board's decision. 2) Office order No.4 of 2016 in this regard has been issued under intimation to DGS/SMO/ DSEO/ INSA/ FOSMA/ MASSA / NUSI / FSUI / MUI and also displayed on the SPFO / DGS website.	The Board noted the position.
Agenda No.2 [Agenda item 14 emerged in 127th Meeting dated 04.03.16]	Status of Court cases (Including Doubtful Investment) 1) Chairman suggested totake confirmation for write off investment in writing from CAG. 2) Further, Chairman inquired whether BoT has	1) A letter No.938/1/2014-15/134/2016 dated 26th July 2016 has been issued to CAG to confirm for write off of investment. 2) To be discussed under Agenda Item No.7.	The Board noted the position however the matter discussed under agenda item No.7.

	powers to write off the investments and asked to look into the matter and inform accordingly. 3) As regards UPCSMFL Chairman instructed to obtain NOC to file a Summary Suit against the Defendant. 4) Chairman instructed to invite Adv. Jyotsna Pandhi for discussion and meet the Government Council to expedite the work of court cases mainly recovery suit filed by the SPFO to recover a sum of Rs.92.78 Crores lost in security scam.	3) The next date is 03.09.2016. 4) A meeting was held between Commissioner and Adv.Jyotsna Pandhi on 9th March 2016. She informed that she will request the Court to take the matter on Board. But the Court asked her to once again serve the summons to all the 4 parties whose packages were returned. The summon is then again sent on 29.04.2016 to all the four parties. As per telephonic message on 14.07.2016 Adv. Jyotsna Pandhi informed that all the packages are returned back and she will file the application as early as possible for Publishing in newspaper. The matter is being followed up.	The matter discussed under agenda item No.14.
Agenda No.2 [Table Paper 2 emerged in 127th Meeting dated 04.03.16]	Proposal for hiring of vehicle on monthly basis for official work of SPFO. The Board decided to hire an operational vehicle for SPFO till regular appointment of Commissioner is made in SPFO.	**Action is completed.** The same has been complied with and vehicle has been hired from 08.03.2016.	The Board noted the position.

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Agenda Item No.:- 3 **Annual Accounts for the year 2015-16.**

3.1 The final copy of balance sheet for 2015-16 was provided to the trustees and explained that the same was examined by the Finance Sub-committee.

3.2 On the recommendation of the Finance Sub Committee, the Board decided that at the end of the financial year the amount in Bank accounts viz; Syndicate Bank (PF) and State Bank of India (SPF Investment) should be kept to the bare minimum after studying the inflow / outflow of funds and investedin short term TDR accordingly.

3.3 The Finance Sub-Committee member recommended to utilize the fund lying in SPF Forfeiture Account for the welfare of Seafarers. Accordingly, Chairman instructed that the fund can be utilized for electronic platform proposed by SBI in SPFO for online access to seafarer and other seamen welfare issues.

3.4 The Finance Sub-Committee also recommended removing the word 'major' and adding 'as verified by the Auditor' under Schedule 25 (Contingent Liabilities and Notes on Accounts) or to remove the full sentence. The Chairman instructed that an advice may be taken from C&AG seeking whether the sentence or 'major' is mandatory and act accordingly.

3.5 The Board deliberated on the statement of accounts and thereafter adopted and approved the Annual Account for the Financial Year 2015-16 as per the recommendations of the Finance Sub-Committee.

Agenda Item No.: 4 **Annual Report on working of seamen's Provident Fund Scheme, 1966 for the year 2015-16.**

4.1 The recommendations of Finance Sub-Committee was considered by the Board and the Annual Report for the year 2015-16 was approved and adopted.

Agenda item No.: 5 **Re-appropriation of Expenditure incurred during the Financial year 2015-2016.**

5.1 The re-appropriation of expenditure of the SPFO incurred during the financial year 2015-2016 was approved by the Board.

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Agenda item No.: 6 **Minutes of meeting of Sub-Committee held on 14.06.2016 - Amendment of SPF Act / Scheme of 1966 as requested by Ministry of Shipping, GoI regarding Budget of SPFO.**

6.1 Shri.Abdulgani Y Serang stated that in the meeting of Sub-Committee held on 14.06.2016, it was also decided to recommend to receive PF contribution from Non-CDC holders also to expand the coverage of Seafarers by SPFO.

6.2 However, since the SPF Act & Scheme, 1966 does not allow acceptance of PF contributions from Non-CDC holders and hence the same should not be accepted without the amendment in the SPF Act.

6.3 Chairman intimated that simplification of obtaining CDC and amendment of CDC rules is in progress and therefore maximum number of seafarers may be covered under the new rules hence the matter may be kept in abeyance.

6.4 It was informed to the Board that stand taken by Board of Trustees earlier has been conveyed to the Ministry by DGS.

6.5 After prolonged discussion, the Board decided to continue the procedure of sending the Annual Budget to the Ministry for approval in every financial year as per Para 49 of SPFO Act & Scheme, 1966 without any further amendment in it.

Agenda item No.: 7 **Write off doubtful investment of SPFO.**

7.1 Chairman stated that since there is no provision for write off in the SPFO Act & Scheme, 1966. The same cannot be done without clarity on it. He suggested to write a letter to Law Ministry seeking opinion for the same.

Agenda item No.: 8 **Development of New Application Software in Microsoft Visual Basic (latest version)/Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing Data.**

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8.1 Chairman informed that a meeting was held with the SBI officials for undertaking payments and receipts of SPFO on E-Platform on an outsourcing basis. The SBI officials have agreed for undertaking such job for SPFO in line with VHF model for VISA. The new system will be completely on E-platform with zero footfalls. The existing electronic system of SPFO will also be brought at par with their system which will also be compatible with DGS e-governance system. The officials of SBI will also present their proposal / modalities for the said task to BoT in a separate meeting shortly.

8.2 Chairman also suggested that for development of new application software which will be developed by SBI is for the welfare of the seafarer, therefore the fund lying in forfeiture account may be utilized for this purpose.

Agenda item No.: 9 **Minutes of the 2nd meeting of Sub-Committee held on 22.07.2016 regarding formation of Investment Monitoring Cell (IMC) and appointment of Concurrent Auditor.**

9.1 Shri.K V Sarveswaran informed that EPFO have multiple Portfolio Managers for investment of funds and therefore IMC was created, whereas SPFO has only one Portfolio manager.

9.2 Chairman stated that deputing officials from SPFO to headquarters of EPFO or officials of EPFO visiting SPFO to get an insight of the monitoring of the investment of funds is an administrative work of SPFO and hence does not require approval from the Board.

9.2 After further discussion, the Board decided that there is no requirement of IMC and Concurrent Auditor and the Finance Sub-Committee may continue to monitor such issues.

Agenda item No.: 10 **Exemption under Section 20 of Seamen's Provident Fund Act 1966.**

10.1 Chairman enquired whether EPFO have similar panel for exemption of Provident Fund. Accordingly, Shri. K V Sarveswaran informed that they have exemption provisions subject to fulfillment of conditions of EPFO and also the benefit should not be less than the entitlement under EPFO. Further, exempted companies are monitored once in a year for verification.

10.2 Further, Shri.B K Patel stated that M/s. Shipping Corporation of India has taken exemption from EPFO.

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10.3 Chairman instructed SPFO to follow the EPFO model for exemption provision along with conditions of Do's and Don'ts for the Shipping Companies seeking exemptions. Chairman further instructed that all the shipping companies should seek exemption from SPFO as per provision of SPF Act and Scheme, 1966 and accordingly issue letter to INSA / FOSMA / MASSA / ICC etc informing the same.

Agenda item No.:11 **Compliance of Internal Auditor's observation for closure of Bank Account No.11110097223 State Bank of India, Kidderpur Branch, Kolkata.**

11.1 The Chairman enquired from when the account is non-operational and accordingly he was informed since 2013, as electronic payment is being done through RTGS, the said account is non-operational.

11.2 It was decided to close the said account of State Bank of India, Kidderpur Branch, Kolkata and transfer the balance to Syndicate Bank, Mumbai (SPF Main A/c).

Agenda item No.:12 **Revision of terms and conditions of the legal consultant Adv. S. Priya**

12.1 The Secretary informed the members that the rates which were approved in 2004 are still made applicable to the legal consultant Advocate S.Priya and hence she has requested to revise the rates vide her letter dated 11th July 2016.

12.2 The Board decided to revise the terms and conditions of the legal consultant Advocate S. Priya as per her rates, as the same is not revised during last 12 years.

Agenda item No.:13 **Clearance of Un-posted Items.**

13.1 The status of un-posted items was informed to the Board. The chairman instructed to issue details of the un-posted items to the FOSMA / INSA / MASSA, etc members and seek the details in that regard from them within a month.

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Agenda item No.:14 **Status of Court Cases (Including Doubtful Investment).**

14.1 The present status of the said cases was informed to the Board. Chairman instructed to take follow up action to speed up the cases.

Agenda item No.: 15 **Investment made for the period from 01.04.2015 to 31.03.2016.**

15.1 Shri.K.V.Sarveswaran stated that investments as per the Government pattern are made on the available funds during the year and not on total corpus in EPFO. He further informed that there is a need to understand on what amount the % is calculated whether it is on investments during the year corpus or total corpus.

15.2 Commissioner stated that the amount of Rs.181 Crores has been invested / reinvested during the year as per new pattern of investment prescribed by the Finance Ministry during the financial year 2015-16. The Board noted the position of total investment upto 31st March 2016 is amounting to Rs.1303 crore. The percentage of the total invested amount of Rs.1303 crores differs from the percentage mentioned in the Ministry of Finance notification dt 02.03.2015. It was explained that previously the investment was made as per the pattern of investment prescribed in Government notification dated 14.08.2008. Further, Shri.K V Sarveswaran explained that the notification issued in the year 2015 and it may take few years to makeover the investment port-folio on total corpus as per the current investment pattern.

15.2 Chairman instructed to enquire the procedure followed by the EPFO and accordingly clarification may be called from the Ministry, if required.

6. The Meeting ended with a vote of thanks to the chair.

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न्यासी मंडल
नाविक भविष्य निधि
मुंबई

MINUTES OF THE 129TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON TUESDAY, THE 28th FEBRUARY, 2017 AT 3.00 P.M IN THE BOARD ROOM OF SEAMEN'S PROVIDENT FUND ORGANISATION, 3RD FLOOR, 'KRUPANIDHI' BUILDING, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI–400 001.

The meeting was chaired by Dr. Malini V. Shankar, IAS Director General of Shipping and Chairperson of Board of Trustees, SPFO.

The following members were present in the Board:-

1.	Dr. Amol Kirtane	...	Member
2.	Shri. Abdulgani Y. Serang	...	Member
3.	Capt. Rajesh Tandon	...	Member
4.	Capt. Vinay Singh	...	Member
5.	Shri. B.K Patel	...	Member
6.	Shri. S. Kalaikovan	...	Member
7.	Shri. Amar Singh Thakur	...	Member
8.	Shri. Subhash Barguzer	...	Member / Secretary

2. Shri. B. Krishnamoorthy, Director (Finance), Ministry of Shipping, GOI and Shri. K. V. Sarveswaran, Central Provident Fund Commissioner, EPFO telephonically informed that they would not be able to attend the meeting due to preoccupied assignments. Leave of absence was granted to Shri. B. Krishnamoorthy and Shri. K. V. Sarveswaran.

3. At the outset, all the Trustees welcomed the new Chairperson to the Board and introduced themselves. The Chairperson too welcomed all the Trustees to the Board Meeting.

4. Thereafter, the following Agenda Items were taken up for discussion..

Agenda Item No. 1: **Confirmation of the Minutes of the 128th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 19/08/2016.**

1.1 Minutes of the 128th meeting held on 19th August 2016 was confirmed without any modifications.

Agenda Item No.02:- **Action Taken Report of items discussed in 129th Meeting of BoT held on 28.02.2017.**

Sr. No.	Agenda	Subject	Action taken	Decisions taken
1	A table Paper 10 in the 115th Board meeting held on 23.07.2010	Progress report of modification/ alteration of SPF Accounting System with observations (Digitization of old records of SPFO).	Correspondence was done with National Informatics Centre for (a) Vetting of the price quoted by M/s.Writer Information (b) Whether the said rates / price covers indexing, searching and processing of digitization of documents. Accordingly, a reply is received from NICSI wherein they have only vetted the rates quoted by M/s.Writer Information. Hence, follow up separate letter for confirmation of point (b) has been again initiated.	The issue is discussed under agenda item No. 12.
2	Agenda item No. 13 in the 121st Board meeting held on 01.03.2013 & Agenda item No. 8 in the 128th Board meeting held on 19.08.2016	E – Banking & Development of New Application Software in Microsoft Visual Basic (latest version) / Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing data.	Series of meeting were been held with different arms of bank (SBI) such as Banking division (Receipt and Payment), e-payment division and SBISG.	The issue is discussed under agenda item No. 13.
3	Agenda item No.5 in the 123rd Board meeting held on 11.02.2014 & Agenda item No.9 in the 128th Board meeting held on 19.08.2016	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme - Formation of Investment Monitoring Cell & Appointment of Concurrent Auditor.	The suggestion of the Board of Trustees is noted and the same is communicated to the members of the Finance Sub Committee	The Chairperson enquired about details noted for compliance. The Secretary explained that it relates to the Finance Sub – Committee regarding monitoring the pattern of investment of funds of SPFO.

4	Agenda item No.6 in the 124th Board meeting held on 26.08.2014	Annual Accounts for the year 2013-2014 - Excess / Deficit amounts of Shipping Companies.	The work of Adjustment of amounts has been taken up. Accordingly, 457 number of adjustment entries have been passed in the computer system. 17 number of Shipping Companies have been refunded the excess amounts after adjustment of the their respective deficit amounts. The work is still in progress and likely to be completed by July, 2017.	1. The Chairperson enquired and asked if the Board were convinced that the adjustment entries positively would be completed by July, 2017 by the concerned SPFO staff. 2. The members concurred the same.
5	Agenda item No.13 in the 124th Board meeting held on 26.08.2014 & Agenda item No.10 in the 128th Board meeting held on 19.08.2016	1. Exemption to Shipping Companies under SPF Act and Scheme, 1966. 2. Proposal from "M/s Ambuja Cement Ltd" seeking exemption from payment of provident fund contributions.	1. The correspondence was initiated in that regard with EPFO and the same was obtained from their website. 2. Accordingly, letters were issued to INSA / FOSMA / MASSA / ICC, etc informing the same. 3. In this connection, it is informed that EPFO is only applicable to employees and those employed in or in connection with the work of a factory or establishment. SPFO Act / Scheme is exclusively for Seafarers. Further, comparatively rate of interest declared by SPFO for Seafarer's is more than that of EPFO over the past years. 4. Since, M/s Ambuja Cement could not furnish full details of their Scheme for it's comparison with SPFO; hence, a letter dated 06.01.2017 was issued to M/s.Ambuja Cement Ltd stating that their request for exemption from subscription to Seamen's Provident Fund cannot be considered.	1. The Secretary informed that the proposal of "M/s Ambuja Cement Ltd" seeking exemption from payment of provident fund contributions with SPFO was rejected in the light of the fact that it was less beneficial to the Seafarers. 2. The members noted the position.
6	Agenda item No.07 in the 125th Board meeting held on	Amendment in Recruitment Rules. 1. Recruitment Rules for	1) Directorate General of Shipping has forwarded the amendment copy of Commissioner's RR to the	1. It was decided that the proposal to amend the Recruitment Rules for the post of Commissioner

	16.03.2015	the post of Commissioner. The Secretary informed that Recruitment Rules already sent to the UPSC. However, the same needs to be amended in view of the Ministry of Shipping correspondence conveying the decision of the Committee of Secretaries (CoS) on the Withdrawal of SPF Act Amendment Bill, 2007 with the stipulation that the post of CEO of SPFO i.e : the Commissioner to be filled up on deputation from Group "A" organized Accounts or Revenue officials with requisite seniority and experience. 2. Recruitment Rules for the Staff of SPFO.	UPSC vide letter dated 30.11.2016 for their approval. 2) Staff Recruitment Rules has been sent to DGS on 22.09.2016 and the reply is awaited.	incorporating the changes as advised by the Committee of Secretaries to be sent to the Ministry. 2. The Secretary explained that in the case of Staff Recruitment Rules, there was some discrepancy in the schedule and the same is being rectified and submitted shortly.
7	Agenda item No.13 in the 125th Board meeting held on 16.03.2015 & Agenda item No.13 in the 128th Board meeting held on 19.08.2016	Clearance of Un-posted Items.	The letters have already been sent to Shipping Companies and further FOSMA / INSA / MASSA, etc have been informed via e-mail.	The issue is discussed under agenda item No. 16.
8	Agenda item No.15 in the 125th Board meeting held on 16.03.2015	A letter dated 03/01/2015 received from Bhartiya Navik Sena Union enquiring about Unclaimed money of Seafarers lying with SPFO.	Till date, out of 4483 cases 1200 letters have been issued to the Seafarer's towards Unclaimed money lying with SPFO. Also, the account slips for the financial year 2015-16 has been despatched to all the Seamen. In response, 220 letters were received from seamen. Accordingly, 135 cases have been settled amounting to Rs.3.36 crores and 85 cases are under correspondence for settlement of PF dues. Further, letters dated 09.05.2016, 01.08.2016 and 20.12.2016 were sent to Shipping Master for obtaining	1. The Secretary informed the Board that the details of addresses and e-mails of the Seafarers have been obtained from the DGS, Indos Cell - Shipping Master office on 28.02.2017 and that the correspondence with the Seafarers would be done via e-mail and also by post. Notices will be sent to the Seafarers by 15.05.2017. 2. The members noted the position.

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			correct addresses of approximately 1500 cases. They have informed that their records are maintained on the basis of INDOS No. and therefore it will consume time to provide the same.	
9	Table paper 1 in the 126th Board meeting held on 24.07.2015	Amendment to the SPF Act - for withdrawal of the SPF Act Amendment Bill 2007.	A letter dated 04.11.2016 was sent to Ministry of Shipping on the comments of the consulting Ministries / Departments along with counter comments of SPFO / Directorate General of Shipping together with a comparative statement of the provisions under SPF Act, 1966, EPF Act,1952 and Coal Mines PF Act,1948 depicting the Government responsibilities in that regard.	1. The Secretary explained in detail of the scam held in late 1990's in SPFO which in turn had the repercussion of the Government asking SPFO to amend the SPF Act so that the Government could absolve itself from further responsibility of recoupment of funds. 2. However, that the Board had raised serious objections and their contention was communicated to the Ministry of Shipping. 3. Further, the Secretary appraised the Board that finally the Ministry of Shipping has conveyed the decision of the Committee of Secretaries (CoS) vide minutes of the meeting held on 25.01.2017 that MoS may withdraw the SPF (Amendment) Bill 2007subject to the following conditions : a) SPFO shall strictly follow the investment guidelines of MoF as applicable to EPFO. b) MoS may consult the MoF while approving the interest rate to be paid, as done by Ministry of Labour in case of EPFO. c) The Finance Adviser of MoS should be made the Government nominee in the Board of Trustees of SPFO. d) The CEO of SPFO should be taken on deputation from among organized Group 'A' Accounts / Revenue Service Officers of requisite seniority and experience.

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10	Agenda item 6 in 127th Board meeting held on 04.03.2016	Fixation of rate of interest for credit to the Members' Account for the year 2016-17.	A letter No. 982/200/2016 dated 16.11.2016 was sent to EPFO to inform the criteria/ norms followed by them with regard to the fixation of rate of interest for its PF members. EPFO have informed vide letter dated 21.11.2016 that they have forwarded the SPFO request to their headquarter at New Delhi. The reply is awaited from EPFO.	The members noted the position and observed that on receipt of response from EPFO, there would be clarity on the issue.
11	Agenda item 9 in the 127th Board meeting held on 04.03.2016 & Agenda item No. 6 in the 128th Board meeting held on 19.08.2016	Amendment of SPF Act / Scheme 1966 as requested by Ministry of Shipping, GoI regarding approval of Budget of SPFO.	**Action is completed.** The Board decision to continue the procedure of sending thje Annual Budget to the Ministry for approval in every financial year as per Para 49 of the SPFO Act & Scheme, 1966 without any further amendment in it has been communicated to the Ministry vide letter dated 15.02.2017.	The Board noted the position.
12	Agenda item 11 in the 127th Board meeting held on 04.03.2016 & Agenda item No. 7 in the 128th Board meeting held on 19.08.2016	Doubtful investment in Bonds to the tune of Rs.19.60 Lakhs (Face Value Rs.20 Lakhs) in 16% Gujarat Small Industries Corporation Limited.	A letter dated 26.10.2016 was issued to Law Ministry seeking their opinion for" write off" with regard to doubtful investment and in response a reply received from them advising to send the reference note through the Ministry of Shipping (MoS). Accordingly, a letter No. GSICL/75/2016-17 dated 8th December 2016 has been sent to MoS on the said matter. In reponse, a letter dated 25.1.2017 is received from the MoS stating that the said matter has been taken up with IFW of MoS and hence would require some information with regard to it.	The Chairperson expressed the opinion that even Banks were not permitted to write off the loans. The Board decided to await for the reply from the Law Ministry in that regard.
13	Agenda item No.3 in the 128th Board meeting	Annual Accounts for the year 2015-16.	1) The Board's decision noted to be adhered to at the end of the financial year 2016-17 for	1. The Secretary appraised the Board that minimum balance in Syndicate Bank

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	held on 19.08.2016]		keeping minimum balance in the Syndicate Bank (PF A/c) and State Bank of India (SPF Investment A/c). 2) The necessary correction removing the word 'major' and adding "as verified by the Auditor" under Schedule 25 (Contingent Liabilities and Notes on Accounts) has been made in the printed Annual Accounts for the Financial year 2015-16.	(PF A/c) and State Bank of India (SPF Investment A/c) shall be adhered to at the end of the financial year. Also, informed that towards the financial year end i.e 25th March interest is received and accumulated in the said bank accounts and that the Portfolio Manager too is hesitant to take a call for investment at that time. 2. The Board noted that the necessary corrections have been done in the printed Annual Accounts for the financial year 2015-16.
14	Agenda item No.11 in the 128th Board meeting held on 19.08.2016	Compliance of Internal Auditor's observation for closure of Bank Account No.11110097223 State Bank of India, Kidderpur, Branch, Kolkata.	**Action is completed.** State Bank of India, Kidderpore Branch, Kolkatta account has been closed on 19.10.2016 and it's proceeds transferred to Syndicate Bank Mumbai (SPF Main A/c) through NEFT.	The Board noted that the amount from SBI, Kidderpur Branch has been transferred to Syndicate Bank in Mumbai.
15	Agenda item No.15 in the 128th Board meeting held on 19.08.2016	Investment made for the period from 01.04.2015 to 31.03.2016.	A letter No. 617/20/2016 dated 16.11.2016 was issued to EPFO to intimate the procedure followed by EPFO for investment as to whether the percentage of investment as notified by the Government is applicable to the available funds or the total corpus fund. EPFO have intimated vide letter dated 21.11.2016 that they have forwarded the SPFO request to their headquarter at New Delhi. The issue is being followed up.	The Board decided to await for the reply from EPFO in that regard.

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Agenda Item No. 3 :- Audit Committee observations of the meeting held on 22.12.2016.

3.1 The Chairperson enquired whether there was any adverse remarks / observations of the Internal Auditor. It was informed that the Audit Reports were satisfactory and without any adverse remarks.

3.2 The Secretary informed that the quotations for outsourcing of accounting in Tally software along with training of the staff were called from the Chartered Accountant firms.

3.3 Shri. B. K. Patel brought to the notice of the Board that there was a difference in the System and Manual ledger total, which needs to be fully reconciled.

3.4 Capt. Rajesh Tandon explained that the accounting in Tally software was considered in light of the capability and competency issues of the SPFO staff.

3.5 Chairperson enquired whether Annual Maintenance Contact (AMC) was in existence earlier for the SPFO software. The Secretary informed that it was persisting till 31.03.2016. However, it was discontinued w.e.f: 01.04.2016, in view of on going process of outsourcing of SPFO work to State Bank of India. However, the same didn't materialise; hence quotations for AMC were called from the NICSI empanelled vendors.

3.6 It was informed to the Board that the reconciliation of the SPF system and Manual totals would be done once the new SPF software was developed together with the AMC and Tally software was put in place.

3.7 The Board of Trustees confirmed the same.

Agenda Item No. 4 :- Revised Estimates for the financial year 2016-17 and Budget Estimates for the financial year 2017-18

4.1 The Secretary explained the summary of Revised Estimates for the financial year 2016-17 and the Budget Estimates for the financial year 2017-18 to the Board members. The members perused the details placed before them.

4.2 The Chairperson enquired if it was necessary for SPFO to follow both actual and accrual basis of accounting. Shri. Rajesh Tandon too queried on the same lines that it creates confusion and further commented that the receipts are always on actual basis as it is not appropriate to consider it on accrual basis since one is never sure of the quantum of amount of administrative charges, provident fund contributions to be received from the shipping companies and recommended to check with the Auditors.

4.3 The Chairperson expressed the view point that according to accounting approach either actual or accrual basis of accounting has to be followed from year after year and enquired that if both were needed, then the justification for the same.

4.4 The Chairperson also raised query on Rs 60 lakhs shown under the a/c head SPF staff Pension / Gratuity a/c in Budget Estimates for the financial year 2017-18. It was explained that the amount of Rs 60 lakhs would be transferred from the SPF Administrative a/c to SPF Staff Pension / Gratuity a/c for accumulation towards the actuarial valuation deficit. The Chairman commented that it meant that the amount was transferred from one fund a/c to another fund a/c.

4.5 The Board approved the Revised Estimates expenditure of Rs 3,53,90,166.00 against income of Rs 3,55,92,296.62p for financial year 2016-17 and Budget Estimates expenditure of Rs 4,19,67,800.00 against income of Rs 4,20,97,800.00 for the financial year 2017-18 and recommended to forward it for approval to the Ministry of Shipping, Government of India as per the normal procedure.

Agenda Item No. 5 :- Fixation of rate of interest for credit to the members account for the financial year 2017-18.

5.1 The Secretary brought to the notice of the Board that the matter was discussed in the Finance Sub – Committee (FSC) meeting and that the FSC has recommended 8.50 % rate of interest for credit to the members (Seafarer's) a/c for the financial year 2017-18; in view of the receding trend of interest rates in the market and to maintain the outflow of interest expenditure within the inflow of income; thus avoiding excess withdrawal from the Interest Suspense A/c.

5.2 The Board of Trustees agreed to the said recommendation and approved 8.50 % rate of interest for credit to the members (Seafarer's) a/c for the financial year 2017-18 and further recommended to forward it for approval to the Ministry of Shipping, Government of India.

Agenda Item No. 6 :- Appointment of Port Folio Manager for a period of two years viz : 2017-18 and 2018-19.

6.1 The Secretary brought to the notice of the Board that the matter was discussed in the Finance Sub-Committee (FSC meeting).

6.2 The Secretary elaborated on the discussion in the FSC on the issue bringing insights on the appointment of State Bank of India (Service Securities Branch) as the Portfolio Manager of SPFO.

6.3 That in the year 2011, Ministry of Shipping had appointed the State Bank of India (Service Securities Branch) as the Portfolio Manager of SPFO vide letter no. ST/15018/2/2004-MT dated 13.10.2011. The agreement was entered into between SPFO and SBI on 15.02.2012 for a period of two years commencing from the financial year 2011-12 @ service charges rate of 0.01% on the investment amount, which was minimal;

6.4 That the agreement with the SBI was continuously extended in the light of the fact that the services rendered were satisfactory, that too at an negligible amount and also in view of the fact that SBI was only providing such a professional service for SPFO with the special one time permission of the Reserve Bank of India;

6.5 Secretary further appraised the Board of Trustees that the Finance Sub - Committee members had unanimously agreed that SPFO being a small organization couldn't afford to have a Portfolio Manager on rotation. However, if the same was adhered to i.e : having a Portfolio Manager on rotation basis, then SPFO would lose out on such an handsome opportunity of SBI's professional services for ever. Hence, the Finance Sub - Committee in view of cognizance of the plus points decided with the proposal for granting further extension for appointment of the Portfolio Manager for a period of two years viz : 2017-18 and 2018-19 to State Bank of India (Service Securities Branch) and recommended to present the same before the Board.

6.6 The Board of Trustees agreed on lines with the Finance Sub - Committee for further extension of two years viz : 2017-18 and 2018-19 as Port Folio Manager to the State Bank of India (Service Securities Branch).

Agenda Item No. 7 :- Liaison office of Seamen's Provident Fund Organisation, Kolkatta

7.1 The Secretary appraised the Board of Trustees that the matter was discussed in the Finance Sub – Committee meeting. Further, explained that the issue of closure of Liaison office of SPFO in Kolkatta was raised on the ground that the SPF Bank a/c in Kolkatta was closed, the application forms were available online, there was shortage of manpower in Mumbai office and also that there would be a savings in the expenditure.

7.2 The Chairperson enquired if the concerned staff was one of the 14 permanent staff on roll of SPFO. The same was confirmed. The Chairperson also queried the reason for the need of telephone and broadband connection at the liaison office. The Secretary informed that the same were required in view of communication between SPFO and the liaison office with regard to the Seafarer's in question.

7.3 The Secretary appraised the Board that there is a SPFO court case which the concerned employee is attending at Berhampore. Hence, in order to avoid any hardship to the concerned staff and in the light of the fact that there would not be significant reduction in expenditure; the Finance Sub - Committee members had agreed as of date not to close the liaison office at Kolkatta subject to full utilization of the services of the concerned staff for other SPFO activities also.

7.4 The Board of Trustees too agreed with the proposition of the Finance Sub – Committee members that the said liaison office at Kolkatta may continue to operate and that the services of the concerned staff however has to be fully utilized in the interests of SPFO.

Agenda Item No. 08 :- **Closure of Inactive Savings Bank Account in Punjab National Bank Account No. 62000400271330.**

8.1 The Secretary explained to the Board of Trustees that there were two inactive savings bank accounts namely Punjab National Bank (SPF Investment A/c) and State Bank of India (SPF A/c). Further, that the Finance Sub - Committee members had decided to close only the Punjab National Bank (SPF Investment) A/c No. 62000400271330 and transfer its proceeds to Syndicate Bank (SPF Main) Account No.50772010043020 and however decided that SPFO should continue to hold on to the SPF A/c in State Bank of India as they are willing to work as an aggregator for Receipts and Payments of SPFO.

8.2 Further, the Secretary also appraised that the Finance Sub - Committee members had also recommended to open a new savings bank a/c in State Bank of India under the account holder name Seamen's Provident Fund Forfeiture A/c and that the SPF Forfeiture A/c held in Punjab National Bank to be closed and its proceeds transferred to the newly opened SPF Forfeiture a/c with State Bank of India.

8.3 The Board of Trustees agreed on the recommendations of the Finance Sub – Committee members to close the two Bank a/c's viz : Punjab National Bank (SPF Investment A/c) and Punjab National Bank (SPF Forfeiture A/c) and transfer it's proceeds to Syndicate Bank (SPF Main) Account No.50772010043020 and the newly opened SPF Forfeiture A/c with State Bank of India respectively.

Agenda Item No. 09 :- **Actuarial Valuation for SPF Staff / Officers, Pensioner's, Gratuity / Leave Encashment, etc**

9.1 The Secretary explained to the Board that in response to the CAG observations during the course of audit for the financial year 2015-16, the actuarial valuation of the SPF staff, officers and pensioner's for the financial year 2015-16 was awarded to "M/s Global Risk Consultants".

9.2 The Secretary also brought to the notice of the Board that "M/s Global Risk Consultants" had submitted it's report for the financial year 2015-16; wherein a total liability of SPFO towards the actuarial valuation was estimated at Rs 16.60 crores and that there was a deficit of around Rs 11.23 crores as on 31.03.2016.

9.3 The Secretary informed the Board that the deficit amount of Rs 11.23 crores has to be met by transferring the amounts from the SPF Administrative a/c to SPF Pension / Gratuity Fund a/c not in one go but in a phased manner.

9.4 Further, the Secretary appraised the Board that the Finance Sub - Committee members had recommended to place the said matter before the Board with the following suggestions for meeting the backlog of Actuarial Valuation deficit such as :

a) To call for the grant from the Government as SPFO is a Government organisation.
b) To increase the percentage of administrative charges or to fix a lumpsum minimum amount of provident fund contribution for Seafarers and Officers separately (in the RPS License).
c) To enforce, explore and bring all the Officers, non-members and all Indian Shipping Companies statutorily obliged to deposit the provident fund contributions under the ambit of the SPF Scheme.

9.5 The Board approved the above recommendation of the Finance Sub – Committee.

Agenda Item No. 10 :- **Approval for appointment of Hindi translator and two Accountants on contract basis.**

10.1 The Secretary explained the urgent requirement for appointment of a Hindi translator and two accountants in SPFO in view of the shortage of staff against the sanctioned strength and also that one of the staff was due for retirement in June, 2018 while three of them would be retiring in April, 2019, May, 2019 and June, 2019 respectively.

10.2 The Board of Trustees unanimously decided to appoint a Hindi translator on contractual basis in view of it being an important and indispensable task and simultaneously agreed for appointment of two accountants following the rules and regulations in that regard on regular basis.

Agenda Item No. 11 :- **Laying of Annual Accounts and Annual Report of the financial year 2015-16 in both the Houses of the Parliament.**

11.1 The Secretary informed the Board that the Annual Account and Annual Report pertaining to the financial year 2015-16 have been laid in both the Houses of the Parliament viz :- Rajya Sabha on 14.12.2016 and Lok Sabha on 15.12.2016 respectively.

11.2 The Board noted the position.

Agenda Item No. 12 :- **Digitisation of SPFO office records**

12.1 The Secretary explained to the Board the scope of work for digitization in detail that the all the office records would be initially scanned and arranged digitally file wise (meta data) facilitating easy retrieval in future.

12.2 Shri Amol Kirtane explained that the records would be classified under categories "A" (permanent record and scanned copy), "B" (scanned form record) & "C" (disposal record) on the basis of it's importance.

12.3 The Board discussed that SPFO would have to segregate the records for digitization category wise and that the important files pertaining to Court cases, important documents such as Declaration / Nomination forms, etc have to be retained in original form also.

12.4 The Board of Trustees approved the expenditure of Rs 12.25 lakhs for digitisation of SPFO office records from the qualified NICSI vendor "M/s Writer Information".

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Agenda Item No. 13 :- E – Banking

13.1 The Secretary appraised the Board that series of meetings were held with the SBI officials for outsourcing the SPFO office work and that the SBI was initially convinced and had agreed to take up the work by engaging their sister concern SBI – SGCL. Hence, the Annual Maintenance Contract from 01.04.2016 was discontinued temporarily.

13.2 However, after prolonged delay in the present scenario; the SBI backed out on undertaking the said work citing reason that the services were outside the purview of their custody license and they could only render the services as an aggregator. Hence, it was decided to go further with the AMC of the software along with migration of the existing data as SPFO as a service provider in the DGS e-governance didn't materialise..

13.3 Accordingly, quotations were called for from 9 NISCI empanelled vendors out of which only 4 vendors replied. However, three of the vendors outright rejected from taking up the job citing basically reason" lack of resource for the obsolete centura software" except for the vendor namely "M/s Silicon Techlab Pvt Ltd" who agreed to take up the job and visited SPFO for a detailed analytical study and submitted their proposal initially quoting Rs 31.50 lakhs. However, later via e-mail dated 23.02.2017 intimated that an additional cost of approximately Rs 7.50 lakhs would be required for other integrations apart from SPF system such as Payroll, Inward, etc. Thus the total tentative cost would be Rs 39.00 lakhs.

13.4 Capt. Rajesh Tandon suggested that there should be participation from all the SPFO staff with regard to Computerisation, for it to become a success in view of the expenditure involved for the same and that the present Centura software was obsolete.

13.5 The Chairperson commented that in the initial stages all the staff need to put in extra efforts, so that the E – Banking is fruitful and the SPFO computer system is put in right perspective place. The Chairperson also suggested to fix the name of the nodal person in that regard and that overall work of SPFO has to be properly co-ordinated by setting targets for the staff with regard to work such as Budget, Computerisation, E – governance, etc.

13.6 Shri. B. K. Patel advised that the E – Banking i.e : the development of the new software and migration of the existing data has to be done on war footing basis in a phased manner as suggested by the vendor "M/s Silicon Techlab Pvt Ltd" coupled with three years annual maintenance contract and transfer of knowledge to the SPFO staff.

13.7 Shri. Abdulgani Y. Serang pointed out that there was a huge problem with Source code with the previous software developer. Therefore, it is suggested that there should be clarity about the Source code in the contract.

13.8 The Board recommended that the Employer's portal should also be made available in the new software to be developed and that a meeting of the Board members be fixed with the AMC vendor namely "M/s Silicon Techlab Pvt Ltd" at the earliest.

13.9 The Board of Trustees in principle accorded the approval for an expenditure of Rs 39.00 lakhs for development of new software coupled with migration of the existing data.and three years annual maintenance contract.

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Agenda Item No. 14 :- Internal repair / renovation of office premises of SPFO

14.1 The Secretary explained to the Board that the CPWD on approval of their plan by SPFO had submitted an estimate for Rs 51,76,600/-. The Chairperson enquired whether it was in fact repair or renovation as both were different and not synonyms and also queried whether the said amount included the cost of new air conditioners.

14.2 The Administrative cum Accounts Officer explained that the expenditure of Rs 51,76,000/- was pertaining to both repair and renovation expenses inclusive of furniture expenses only ; exclusive of the air conditioners, electrical fittings, etc and that separate provision was made for meeting expenses towards electrical fittings and other expenses.

14.3 The Chairperson recommended for preparation of an exhaustive list of the items which were to be replaced and retained by SPFO citing example that the Board room table was worth retaining with just a polish finish rather than disposing it off and later replacing it at a higher cost but with an inferior quality.

14.4 The Chairperson further enquired about the need for false ceiling in the SPFO office and Administrative cum Accounts Officer commented that it was basically meant to improve the overall image and look of the office. The Chairman wasn't satisfied with the justification and said that it would have been justified only if it was meant to reduce the tonnage of the air-conditioner's owing to high ceiling in the buildings.

14.5 The Capt. Rajesh Tandon explained that it was decided earlier that the entire work has to be given to CPWD only. The Chairman appraised the Board that only the CPWD is authorised to undertake such major repair work, as otherwise it would be counter productive causing hardships.

14.6 The Chairperson commented that as per Government norms a small office with approximately 3000 square feet cannot be fully air-conditioned due to need for savings in electricity costs. Hence, recommended to opt out of centralized air-conditioner's for SPFO office and where ever required to replace with window air-conditioner's (excluding the staff) with split air-conditioners.

14.7 The Chairperson pointed out that the permanent SPFO staff members have to take an initiative and pride in this regard and chalk out item wise what needs to be replaced and also that CPWD has to compulsorily comply with the fire compliant norms of the Government of Maharashtra. Care should be taken that at each step of work by supervising the item which would be replaced as regard the quality and the variety of options available within the same range.

14.8 Further, the Board of Trustees unanimously decided that in order to extract the excellent work possible from CPWD; there was the need for one of the Board members along with an SPFO staff to co-ordinate and monitor the work minutely done by CPWD and also obtain the name of the responsible officer for contact of CPWD.

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Agenda Item No. 15 :- Revision of Pay Scales as recommended by the 7th Pay Commission for the Officers, Staff and Pensioners of the Organisation

15.1 The Secretary explained that the expenditure was towards pay revision of the SPF staff and pensioner's on account of implementation of the 7th Pay Commission as per the Government notification which totalled to approximately Rs 33.23 lakhs; against which a provision for Rs 22.75 lakhs was made in the revised estimates for the financial year 2016-17 and that the balance amount would be paid in the subsequent financial year to the employees and pensioners.

15.2 The Secretary informed that Finance Sub-Committee approved the said expenditure as the same could be met from the income (without any increase in prevailing rate 5% administrative charges). However, In addition the Committee had recommended SPFO being a Statutory organization under the act of Parliament, to call for a grant from the Government.

15.3 Shri Abdulgani Y. Serang enquired whether the SPFO staff members were entitled to VII Pay Commission. He was accordingly informed that since SPFO was following all the Government rules and regulations and was also controlled by the Government; the staff members.and the pensioner's were entitled to VII pay commission

15.4 The Chairperson commented that as per the Government notification, the organisation which was self – financed would not funded by the Government towards the implementation of the VII Pay Commission. However, Board of Trustees made observation that earlier during the implementation of the VI Pay Commission, the Government had sanctioned a grant of Rs 40 lakhs to SPFO.

15.5 The Board of Trustees unanimously decided that Seamen's Provident Fund Organisation been enacted under a Special Act of the Parliament was entitled to claim 100% grant from the Government clearly specifying all the criteria followed by SPFO as per the Government rules and regulations with regard to pay scales, dearness allowance, house rent allowance, transport allowance, dearness relief, travelling allowance, loans, advances, pay fixation, etc.

15.6 It was decided to write to the Ministry of Shipping for such a grant as per provisions of the Office Memorandum dated 13.01.2017.

Agenda Item No. 16 :- Clearance of *Unposted Items*

16.1 The Secretary explained the details placed before the Board that the Un- posted items basically relate to items of Mismatch, Duplicate and Over lapping towards the provident fund contributions of Seafarer's received from the Shipping Companies and that steps are already initiated to minimise the same and the same would be achieved in due course.

16.2 The Board of Trustees noted the position.

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Agenda Item No. 17 :- *Status of Court Cases (Including Doubtful Investment)*

17.1 The Secretary explained that there is not much progress in the court case of "Shri. A. K. Gond & ors" and that the Adv. Jyostna Pandhi was making considerable delay, working on the same lines as that of earlier Adv. Rajguru. The Adv Pandhi inspite of constant follow up from SPFO, is unable to get the permission from the Court for advertisement in the newspaper citing varied reasons; presently some objections raised by the court without a proof and follow up on the same. Shri. B. K. Patel remarked that it was a serious matter. Shri. Abdulgani Y. Serang pointed out that earlier it had already become time-barred and that lethargy procedure had to be followed for removal of the same. The Secretary brought to the notice that himself and the then Chairman "Shri. Deepak Shetty" had already discussed the issue with Adv. Jyostna Pandhi. The Board decided that the case needs to be pursued vigorously and the Chairperson commented that she would personally review the matter with the Adv. Jyostna Pandhi.

17.2 The Secretary explained that in another case Adv. Pawan Kumar Tiwari could not do the simple procedure of obtaining NOC from the Kanpur Court to implead the Official Liquidator of UPCSMFL in Mumbai. The Board recommended to issue a reminder to the Advocate and if required, the services of Adv. S. Priya may be hired for the said job in view of the urgency of the matter since the last date for submission of NOC is scheduled on 09.06.2017.

17.3 The Board enquired about the "Shri Brojen Chandra Dey" case status. The Secretary informed that the case does has weightage, the payment already made to the Seafarer and proof of payment been provided to the Advocate for further necessary action.

Agenda Item No. 18 :- Investment made for the period 01.04.2016 to 30.09.2016

18.1 The Secretary explained the investment made as per the pattern of investment during the period 01.04.2016 to 30.09.2016. He expressed that there was a marginal difference in the percentage under category at Sr. No. 2 namely FI/PSU – Bonds / Corporate Bonds.

18.2 The Board of Trustees observed that at the end of the financial year the Portfolio Manager would bring it at par with the investment pattern as per the Ministry of Finance.

Table Paper 1. (Agenda Item No. 19) :- Administrative Charges

19.1 The Secretary appraised the Board that there was a need for revision in Administrative Charges due to increase in expenditure majorly meeting the deficit of approximately Rs 11.23 crores towards actuarial valuation of SPFO staff and pensioners, etc. He also stated that last time also the rate of administrative charges revision was withheld citing reason deflation in income of the Shipping Companies. It was pointed out that the last revision was done almost 10 years earlier ie: in the year 2007.

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19.2 Shri Abdulgani Y. Serang made observations that at present as per the voluntary NUCI bilateral agreement, the Shipping Companies under FOSMA & MASSA (Foreign flagship owners) were depositing the provident fund contributions. The Indian Shipping Companies are legally bound from the payment of the provident contributions which includes even the Officers. He also enquired about the rate of administrative charges prevailing in EPFO and he was accordingly informed that it is tentatively 2.5% but covers a major share of employees and without any break in period.

19.3 Capt. Rajesh Tandon commented that instead of penalising the Shipping Companies under FOSMA & MASSA who are already voluntarily depositing the provident fund contributions by raising the percentage of administrative charges; SPFO should explore and initiate steps to collect the provident fund contributions of the Officers.

19.4 Shri B. K. Patel brought to the notice that earlier while raising the administrative charges to 5%; there was much resistance and hence recommended to bring the Officers under the ambit of provident fund contributions so as to increase the chunk and also in the interest of safeguarding it. Further, also keeping a broader aspect that in case at a later stage, the foreign flag owners make certain reservations and back out from depositing the provident fund contributions in SPFO. The Secretary informed that already letters were initiated to INSA for deposit of provident fund contributions of the Officers with SPFO. However, only marginal. provident fund contributions of the Officers were received till date. Hence now, SPFO has to exercise the provisions of the Act in respect of Indian Shipping Companies and issue Notices to them..

19.5 Shri Abdulgani Y. Serang commented that in case of Foreign flag owner shipping companies under FOSMA/MASSA, unless a bilateral agreement (MUI) is executed, it cannot be enforced on them. Shri. B. K. Patel informed that the Officers could be easily covered, since most of them are at present on contractual basis.

19.6 The Secretary informed that rate of administrative charges is specified in the SPFO Scheme where as the SPFO Act specifies about the Articles of Agreement via which the foreign flag Shipping Companies (FOSMA/MASSA) enter into a bilateral agreement.

19.7 The Secretary also appraised the Board of Trustees the decision of the Finance Sub - Committee members which were as follows :

a) The strategy to fix a minimum lumpsum amount of provident fund contributions under the RPS License for the Seamen and Officers separately, which could be raised periodically as per the decision of the SPFO Board.

b) SPFO, being a Government organization set up under the statutory act of the parliament, to call for a grant from the Government.

c) To enforce, explore and bring all the Officers, non-members and all Indian Shipping Companies statutorily obliged to deposit the provident fund contributions under the ambit of the SPF Scheme.

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d) Finally, the call for the thought process of increase in the rate of administrative charges to be chanellised.

19.8 The Board of Trustees agreed on the above lines with the Finance Sub-Committee members on the subject matter of administrative charges.

Agenda item No.20 :- **Any other information**

20.1 Shri.Abdulgani Y.Serang enquired about the appointment of full fledged Commissioner on deputation. The Chairperson commented that it was very difficult to avail any capable official in light of the prevailing poor infrastructure facilities in SPFO.

20.2 The Secretary informed that of the correspondence received from the Ministry of Shipping conveying the decision of the meeting of Committee of Secretaries to withdraw the Amendment Bill of SPF Act, 2007 subject to certain stipulations basically citing that the appointment of CEO (i.e. : the Commissioner) of Seamen's Provident Fund Organisation shall be made on deputation only from Group 'A' organized Accounts or Revenue Service Officers with requisite seniority and experience.

20.3 Board recommended to communicate with the Government for inclusion of Seamen's Provident Fund Organisation in the list of allotment of Government accommodation for the Commissioner of SPFO; in order to overcome the main hurdle of absence of accommodation and tap on more resources outside Mumbai also for the said post.

5. The meeting ended with a vote of thanks to the Chair.

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MINUTES OF THE 130TH MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON WEDNESDAY, THE 14th JUNE, 2017 AT 3.30 P.M IN THE BOARD ROOM OF SEAMEN'S PROVIDENT FUND ORGANISATION, 3RD FLOOR, 'KRUPANIDHI' BUILDING, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI–400 001.

The meeting was chaired by Dr. Malini V. Shankar, IAS, Director General of Shipping and Chairperson of the Board of Trustees, SPFO.

The following members were present in the Board:-

1.	Dr.Pradeep Kumar	...	Member
2.	Shri. Abdulgani Y. Serang	...	Member
3.	Capt. Rajesh Tandon	...	Member
4.	Shri. B.K Patel	...	Member
5.	Shri. S. Kalaikovan	...	Member
6.	Shri. Amar Singh Thakur	...	Member
7.	Shri. Subhash Barguzer	...	Member Secretary

2. Shri. S. K Aggarwal, Central Provident Fund Commissioner, EPFO and Capt.Vinay Singh telephonically informed that they would not be able to attend the meeting due to preoccupied assignments. Leave of absence was granted to Shri. S. K Aggarwal and Capt.Vinay Singh. Dr.Amol Kirtane has been repatriated to his parent office and therefore Shri.Subhash Barguzer has attended the meeting also as a member representing Crew Branch of DG Shipping.

3. At the outset, Chairperson welcomed the new member Dr. Pradeep Kumar, (Financial Adviser, Ministry of Shipping) and all the Trustees present in the Meeting. Further, the Chairperson requested the Secretary to brief the Members on the Agenda Items.

4. Thereafter, the following Agenda Items were taken up for discussion.

Agenda Item No. 1: **Confirmation of the Minutes of the 129th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 28/02/2017.**

1.1 Capt.Rajesh Tandon pointed out that Para 19.6 is to be amended as "The Secretary informed that Administrative charges are specified in the SPFO Scheme. The SPFO Act specifies about the Article of Agreement which the Indian flag vessels enter into a bilateral agreement".

1.2 Minutes of the 129th meeting held on 28thFebruary, 2017 was confirmed with modifications as above.

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Agenda item No.2 : **Action Taken Report**

(A) Pertaining to action points that had emerged in the 129th meeting held on 28/02/2017:-

S. No.	Agenda	Subject	Action taken	Decision taken
1	Agenda item No. 12 in the 129th Board meeting held on 28.02.2017	(Digitization of old records of SPFO). Progress report of modification/ alteration of SPF Accounting System with observations.	(1). As on date the records are classified as under:- Category / No. of Records (In lakhs) / Percent 'A' / 2.67 / 33.48 'B' / 2.95 / 37.00 'C' / 2.36 / 29.52 Total / 7.99 / 100 2).In this connection, it is stated that the organisation had approached to NICSI for further action and accordingly, a request for proforma invoice is received from them which is duly filled up and sent to the NICSI on 07.4.2017 via e-mail. In response, an e-mail is received from NICSI on 10.04.2017 that the matter is under process by them. The proforma invoice has been received on 17.4.2017 by e-mail from NICSI and the same is forwarded for payment and thereafter the work of digitization will commence.	Secretary briefed the members and stated that 7.99 lakhs of records are to be digitized. Chairperson enquired whether the work of digitization has started. Secretary stated that after releasing payment the work will commence. Chairperson further stated that the exercise of digitization should start from category 'A' and then with 'B' and if the budget permits then 'C" may be digitized. It was further advised to ask them to submit clear time lines for completion of work.
2	Agenda item No. 13 in the 129th Board meeting held on 28.02.2017	E – Banking & Development of New Application Software in Microsoft Visual Basic (latest version) / Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing data.	(1). The source code of SPFO system has been provided by M/s.SBN Technologies and the same will be utilized by the new software developer for migration of data. (2). A demonstration / presentation was given by the Vendor "M/s Silicon Techlab Pvt. Ltd" in SPFO office on 06.04.2017. Three	Secretary briefed the members that the work of development of SPFO accounting system is already under process and time schedule given is of 244 days to complete the entire process as per their schedule. The agreement is still to be finalized. Dr. Pradeep Kumar informed that he has suggested in the FSC meeting to link the data of seafarer with Aadhar card or ask for periodical KYC

			members of BoT were present at the time of demo and they have suggested various points to the software developer for developing of SPF Accounting system which is noted by them. (3). M/s.Silicon Techlab has also furnished the time schedule / Project planner for development / testing and implementation of the SPFO Re-engineering and maintenance project. (**Annexure 'A'**). Further, it is stated that if the NICSI audit is required (if application is hosted in their server) NICSI will charge Rs.88,000/- approximately for the necessary audit certificate. The detailed agreement shall be executed once the software is finalized after approval of the Board and accordingly the work order will be issued. Board may consider to award the contract to M/s.Silicon Techlab.	from seamen. Chairperson stated that SPFO may not insist on Aadhar card though KYC may be reviewed periodically. Further, Shri. Abdulgani Y Serang stated that there should be clarity about the Source code in the contract for efficient data migration. Shri. B K Patel also stated that the agreement should be made in such a way that in future any modification required in SPFO accounting system should not be raised with a big package. Chairperson stated that the agreement should also describe the mode of payment to the vendor in installments after completion of each stage. After detailed discussion, the Board decided to draft the agreement after consulting a legal adviser and finally to be approved by the Board.
3	Agenda item No.2, Sr.No.3 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme - Formation of Investment Monitoring Cell & Appointment of Concurrent Auditor.	Action completed.	Dr. Pradeep Kumar suggested that a committee comprising with Commissioner and two local trustees, member of EPFO and Portfolio Manager may be formed to make a quarterly study of the investment and submit report to the Board. The Board agreed with the suggestion.
4	Agenda item No.2, Sr.No.4 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Annual Accounts for the year 2013-2014 - Excess / Deficit amounts of Shipping Companies.	Total 2060 adjustment has been passed and accordingly Rs.1.42 crores has been refunded to 60 Shipping Companies as on 31.05.2017. Further it is submitted that the remaining refund of excess / deficit amount is under process.	Chairperson stated that the periodic progress made in passing adjustment as compared to the previous meeting and balance adjustment entries, refund of excess amount and recovery of deficit amount from the Shipping Company should be shown in tabular form for clarity.

5	Agenda item No.2. Sr.No.6 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Amendment in Recruitment Rules. 1. Recruitment Rules for the post of Commissioner. The Secretary informed that Recruitment Rules already sent to the UPSC. However, the same needs to be amended in view of the Ministry of Shipping correspondence conveying the decision of the Committee of Secretaries (CoS) on the Withdrawal of SPF Act Amendment Bill, 2007 with the stipulation that the post of CEO of SPFO i.e: the Commissioner to be filled up on deputation from Group "A" organized Accounts or Revenue officials with requisite seniority and experience. 2. Recruitment Rules for the Staff of SPFO.	(1). The proposal to amend the Recruitment Rules for the post of Commissioner incorporating the changes as advised by the Committee of Secretaries is sent to the DGS on 18.03.2017 for further action. Reply has been awaited. (2). The Recruitment Rules of SPFO staff has beensent to the DGS on 07.06.2017for further action.	1) The Secretary informed the members that Recruitment Rules for the post of Commissioner has been sent to UPSC for further action. Further, Dr.Pradeep Kumar stated that in the FSC meeting he has advised to recommend the Ministry to make SPFO entitled for allotment of accommodation under General Pool from the Estate Manager CPWD, Mumbai to Commissioner. He further stated that in Delhi EPFO Commissioner is provided accommodation by the Ministry. Accordingly, Board decided to write a letter to DGS / Ministry for providing accommodation to Commissioner. 2) Chairperson stated that the study of Recruitment Rules of SPFO staff is under progress.
6	Agenda item No.16 in the 129th Board meeting held on 28.02.2017	Clearance of Un-posted Items.	The position of Unposted items as stated in the 129th Meeting held on 28.02.2017 was 3516 which has been reduced to 3332 as on 31.05.2017. Further work is in progress for clearance of unposted items.	Chairperson stated that the progress made in clearing the unposted as compared to the previous meeting should be shown in tabular form for clarity.
7	Agenda item No.2. Sr.No.8 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	A letter dated 03/01/2015 received from Bhartiya Navik Sena Union enquiring about Unclaimed money of Seafarers lying with SPFO.	The unclaimed amount of Rs.47.19 crores list consisting of 4483 seafarers were sent via e-mail to ishroff@ariworld.com in excel format for obtaining the details of Seafarers such as addresses, e-mail ID, Contact phone numbers, etc. Accordingly, the details for only 750 Seafarers were received. Further, it is informed that 222 cases amounting Rs.4.05 crores has been released till 31.03.2017 and the balance amount will be released after receiving the Final Withdrawal application.	Shri. Rajesh Tandon stated that ishroff@ariworld.com is a private party and the details of seafarers should not be provided to them. Chairperson stated that the Seafarer details i.e. name, CDC No. address, contact, phone no etc should be obtained from DGS website and accordingly a letter to be addressed to DGS for collecting the information of Seafarer.

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8	Agenda item No.2. Sr.No.9 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Amendment to the SPF Act - for withdrawal of the SPF Act Amendment Bill 2007.	(1).&(2).An Office Memorandum No.ST-14018/5/2002-MT/MA (Vol.X) dated 18.04.2017 is received from MoS stating that pursuant to Cabinet approval, SPF (Amendment) Bill, 2007 has been withdrawn by Shri. Mansukh L Mandaviya, Minister of State in the Ministry of Shipping from Rajya Sabha on 07.04.2017. (3.a). The investment Portfolio Manager of SPFO (SBI Service Securities Branch) is following the investment guidelines of MoF as applicable to EPFO. (3.b). No action is required on the part of SPFO. (3.c). A letter along with the Gazette Notification dated 06.03.2017 is received from the MoS conveying the nomination of Financial Adviser (FA) in BoT of SPFO in place of Deputy Financial Adviser / Director (Finance) / Deputy Secretary (Finance). Accordingly, intimation was sent to all the members of BoT. (3.d). Action with regard to CEO (Commissioner) of SPFO to be taken on deputation from amongst the Group 'A' Accounts / Revenue Service Officers of requisite seniority and experience is initiated. Accordingly, a revised RR of Commissioner has been sent to DGS on 18.03.2017 for further action. Reply is awaited.	Action completed. The Board noted the position.
9	Agenda item No.2. Sr.No.10 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Fixation of rate of interest for credit to the Members' Account for the year 2016-17.	A reminder vide letter No. 148/V/135/2017 dated 10.04.2017 to EPFO was sent in that regard. Accordingly, a letter dated 27.04.2017 is received from EPFO addressed to the Commissioner, EPFO, Head Office, New Delhi and copy to SPFO requesting to give guidance in the respect of	The Board noted the position.

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			fixation of rate of interest. Further reply from EPFO is awaited.	
10	Agenda item No.2. Sr.No.12 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Doubtful investment in Bonds to the tune of Rs.19.60 Lakhs (Face Value Rs.20 Lakhs) in 16% Gujarat Small Industries Corporation Limited.	Law Ministry advised to send the reference note through the Ministry of Shipping. Accordingly, a letter No.GSICL/75/2016-17 dated 8th December 2016 is sent to the Ministry of Shipping. In response, a letter dated 25.01.2017 is received from MoS seeking information regarding write off of GSICL and accordingly a letter dated 10.02.2017 is issued to MoS. Further, a letter dated 24.04.2017 (Annexure 'B') is received from MoS to provide requisite information on GSICL and accordingly, a letter dated 11.05.2017 (Annexure 'C') is sent to MoS. Reply is awaited.	Dr.Pradeep Kumar suggested that expenditure incurred on the court case for the legal charges in detail to be placed in the ensuing Board meeting for detail study. He further stated that the cases are of more than 20 years and if we have spent more than the amount invested then there is no point in pursuing the case. Further, all doubtful investments were in Government investment and can be written off on bilateral basis.
11	Agenda item No.2. Sr.No.13 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Annual Accounts for the year 2015-16.	(1).A balance of Rs. 3.01crores is lying in Syndicate Bank (PF A/c) as on 31.03.2017 as per the Cash/Bank Book which includes PF amounting Rs.2.07 crores received from various Shipping Companies between 29thto 31st March 2017. The balance amount is kept for obligatory payments to Seafarers and their families which are utilized from April 2017 onwards. (2). The status of the balance as on 31.03.2017 in the State Bank of India (SPF Investment A/c) is Rs.8.40 crores. Out of Rs.8.40 crores, Rs.7.24 crores received on 31st March 2017 being interest earned on various securities. The same amount has been invested in the month of April 2017 as per pattern of investment prescribed by the Ministry of Finance.	Action completed. The Board noted the position.
12	Agenda item No.2. Sr.No.15 (under Action Taken Report) in the 129th Board meeting held on 28.02.2017	Investment made for the period from 01.04.2015 to 31.03.2016.	A reminder dated 19.4.2017 was sent to EPFO and accordingly a letter dated 04.05.2017 is received from EPFO addressed to the Commissioner, EPFO, Head office, New Delhi and copy to SPFO requesting to guide whether the percentage of investment as notified is applicable to the available funds for investment during the year or on the total	Secretary informed that a letter is received from the EPFO regarding investment pattern vide their letter dated 26.05.2017. The pattern of investment of EPFO is identical to the pattern prescribed by the Ministry of Finance and implemented by SBI, Portfolio Manager on behalf of SPFO.

			corpus fund. Further, response from EPFO is awaited.	Board noted the position.
13	Agenda item No. 3 in the 129th Board meeting held on 28.02.2017	Audit Committee observations of the meeting held on 22.12.2016.	Sr.No.2 of Action Taken Report for development of Software may be referred. The office called quotation for customized software from a CA firm. A single quotation is received with a cost of Rs.5,75,000/-. On earlier occasion in Oct 2016 the quotation received for non-customized tally software for Rs.48,599/- and Rs.31,000/- for upgrading to multiuser and AMC respectively. It is considered with implementation of SPFO account software the tally packages for non-customized version is economical therefore same is considered. Board may consider for implementation of the same.	The Board approved non-customized tally software amounting Rs.48,599/- and Rs.31,000/- for upgrading to multiple user along with AMC respectively.
14	Agenda item No. 4 in the 129thBoard meeting held on 28.02.2017	Revised Estimates for the financial year 2016-17 and Budget Estimates for the financial year 2017-18.	The Revised Estimates for the financial year 2016-17 and Budget Estimates for the financial year 2017-18 have been forwarded to the Ministry of Shipping, Government of India as per the normal procedure for approval vide letter No.695/0439/2016-17 dated 24.03.2017.	Dr.Pradeep Kumar informed that the revised budget for the financial year 2016-17 and Budget Estimates for the financial year 2017-18 have been approved by the Ministry. However, the official communication is awaited. The Board noted the position.
15	Agenda item No. 5 in the 129th Board meeting held on 28.02.2017	Fixation of rate of interest for credit to the members account for financial year 2017-18.	The Board decision of fixation of rate of interest @ 8.50% for credit to the Seafarers account for the financial year 2017-18 has been forwarded for approval to the Ministry of Shipping, Government of India vide letter No.148/0444/2016-17 dated 21.03.2017. A letter dated 25.04.2017 is received from Ministry of Shipping regarding clarification / information on fixation of rate of interest and accordingly a letter dated 07.06.2017 is issued to MoS.(Annexure 'D').	The Board noted the position.
16	Agenda item No. 8 in the 129th Board	Closing of Inactive Savings Bank Account in Punjab National Bank Account No.	(1). The letter for closure of Punjab National Bank (SPF Investment A/c) and transfer of its proceeds to	Action completed. The Board noted the position.

	meeting held on 28.02.2017	62000400271330.	Syndicate Bank (SPF Main A/c) No.50772010043020 has been issued on 17.4.2017.Accordingly, amount of Rs.4,291.89 is been already transferred from PNB (SPF Investment A/c) to Syndicate bank on 29.04.2017. (2). Secondly, the procedure for opening of a new Bank A/c in State Bank of India in the name of SPF Forfeiture A/c has been initiated by SPFO.	
17	Agenda item No. 9 in the 129th Board meeting held on 28.02.2017	Actuarial Valuation for SPF Staff / Officers, Pensioners, Gratuity, Leave Encashment, etc.	(1).In this connection, a letter dated 26.05.2017 has been sent to Ministry of Shipping for grant of Rs.11 crores for recoupment under the head "Staff Pension Gratuity Fund Account' which is short as per Actuarial valuation. (2).As per SPF Act & Scheme, 1966 under Para 35 and Para 37 an administrative charges of such percentage of the total employer's and seaman's contribution as may be fixed by the Government from time to time, shall be paid to the Fund. However, the SPF Act does not provide any lumpsum Admn charges. It is expected that due to inclusion of the officers and other eligible category the PF contribution and the Admn charges will increase. However, the position may be reviewed after one year. (3).The INSA, MASSA, FOSMA have been intimated via e-mail on 05.04.2017 for informing all those Shipping Companies statutorily obliged under the ambit of the SPF Scheme to deposit the provident fund contributions of all the Officers, non-members with SPFO.	Action completed. (1)The Board noted the position. Action completed. (2) The Board noted the position. (3) Dr.Pradeep Kumar stated that he has recommended in the FSC meeting that the deposit of PF dues of Officers should be notified. As the PF of crew is mandatory the payment of PF of officers should be made mandatory. After detailed discussion, the members decided to notify the statutory payment of PF of Officers with consultation of DGS.
18	Agenda item No. 10 in the 129th Board meeting held	Appointment of two Accountants (Junior Assistants) on regular basis and one Hindi translator on	(1). "M/s A. V. Services" has been requested to provide for the Hindi Translator job on contractual basis vide letter No.	The Board noted the position.

	on 28.02.2017	contract basis.	11/IV/145/2017 dated 11.04.2017. Reply is awaited. However, presently the Hindi translation work and other related Hindi work is being done from the open market as and when required and some of the translation work is sent to DGS. (2). The advertisement in Employment News for appointment of two Junior Assistants (Accountant) on regular basis belonging to OBC has been published on 29.04.2017 and as far 75 applications has been received in response to the advertisement.	
19	Agenda item No. 14 in the 129th Board meeting held on 28.02.2017	Internal Repair / Renovation of office premises of SPFO.	(1). The list of the items to be retained by the office has been prepared. (2). CPWD is requested to provide a detailed estimate for electrical works & has been requested to revise the estimate taking into account the reduction in cost of furniture vide letter No. 900/144/2017 dated 11.04.2017. Accordingly, an estimate costing Rs.34,06,644/- is received from the CPWD dated 29.05.2016 (Annexure - D1) for electric work which includes firefighting work. (3). A D.O letter to Chairman Mbpt has been issued vide dated 08.05.2017 requiring alternate office accommodation for shifting to facilitate repair and renovation of existing accommodation by Central Power Work Department. Reply is awaited.	Secretary briefed the members and stated that the estimate of electric works, after reduction in cost of furniture, is Rs.34.06 Lakhs. Chairperson enquired whether the work is reviewed by the Engineer. Admn-cum-Accounts Officer informed that the work of renovation including electrical work is okayed by the Executive Engineer. He further stated that the total estimate is amounting Rs.85 Lakhs (Rs.51 lakhs on renovation + Rs.34 Lakhs on electric work). Chairperson further enquired whether alternate office space is available or not. Secretary informed that a letter is sent to MBPT but still the reply is not received. Chairperson suggested to follow it up personally.
20	Agenda item No. 15 in the 129th Board meeting held on 28.02.2017	Revision of Pay Scales as recommended by the 7th Pay Commission for the Officers, Staff and Pensioners of the organization.	The grant from the MoS, GoI towards arrears amount on account of revision of pay scales as per VII pay Commission has been requested vide letter No. 966/43/2017 dated 21.03.2017. In reply, a letter dated 24.04.2017	Dr.Pradeep Kumar enquired about the number of times such grant has received by SPFO from the Ministry for payment of arrears. Secretary stated that one time grant for arrear payment of 6th CPC was

			and 19.05.2017 (Annexure 'E') were received from MoS for clarification of one time grant. Accordingly, a reply dated 09.05.2017 and 30.05.2017 were sent to them. (Annexure 'E-1')	sanctioned by the Ministry for Rs.40 lakhs. Dr. Pradeep Kumar further stated that a letter is received from the SPFO for grant of 33.23 lakhs which is under examination.
21	Agenda item No. 17 in the 129th Board meeting held on 28.02.2017	Status of Court cases (Including Doubtful Investment).	(1) Advocate. Jyotsna Pandhi is been contacted telephonically and was met on 11.04.2017 by the official of SPFO with regard to the case wherein she informed that the Court has some objection regarding the application and the same will be looked after by her. (2). A reminder dated 17.04.2017 is sent to Advocate. Pawan Kumar Tiwari. However, as per Board decision an email was sent to Advocate. S.Priya for giving advice on the case. In response, she informed via email that one officer from SPFO should be deputed along with her representative for obtaining the NOC at Kanpur. Accordingly, one official from SPFO along with her representative visited Kanpur from 15.05.2017 to 19.05.2017 and it was brought to the notice by the District Magistrate of Kanpur that they are not the liquidator of UPCSMFL whereas UPCSMFL claimed via phone that DM is the liquidator. Accordingly, Advocate S Priya vide email dated 01.06.2017 (Annexure 'F') advised that Notice of Motion may be filed by SPFO on the next date of hearing i.e. 09.06.2017 calling upon UPCSMFL to provide exact status of the liquidation proceedings; to adjourn the matter sine die, to enable SPFO to file their claim with the official liquidator or in the alternative to permit the SPFO to proceed with the Summary Suit in the Mumbai City Civil Court.	The matter is discussed under agenda item No.9.
22	Table Paper 1. (Agenda item No. 19) in the 129th Board meeting held	Administrative Charges.	(a). As per SPF Act & Scheme, 1966 under Para 35 and Para 37 an administrative charges of such percentage of the total employer's	The Board noted the position.

	on 28.02.2017		and seaman's contribution as may be fixed by the Government, shall be paid to the Fund. Presently, the Admn charges is 5% on matching contribution (i.e. employer's and seaman's contribution). (b). The grant from the MoS, GoI has been called vide letter No. 966/43/2017 dated 21.03.2017 towards arrears of VII Pay Commission. The salary as per VII Pay Commission is drawn from the month of May 2017 to officers / staff members of SPFO. If the one-time grant is sanctioned by the Government then the arrear payment will be made accordingly. However, if the grant is declined then the arrear payment will be made from the administrative account as per budget provision for the Financial year 2017-18 which is recommended by the Board and the same is sent to the Ministry for approval. ©. The INSA, MASSA, FOSMA and ICCSA have been intimated via e-mail on 05.04.2017 for informing all heir member Shipping Companies for remitting the statutory dues as per SPF Act, and Scheme, 1966.	

Agenda Item No.3:- **Annual Accounts for the year 2016-17.**

3.1 Dr.Pradeep Kumar stated that in the Finance Sub-Committee meeting the Annual Accounts for the year 2016-17 was randomly checked by Shri. B.K Patel. Chairperson enquired that under "Income and expenditure" under Schedule No.17 "Interest earned accrued interest adjustment to prior period" is showing Rs.(-)27.27 Lakhs in 2015-16 and 46.16 Lakhs in 2016-17. Office Superintendent informed that the working of the same is given on page No.73. He further stated that as per mercantile (Accrual system) of accounting the accrued interest during the financial year is adjusted with previous year accrued interest. In this connection, it is informed that as per the accounting the accrued interest during the financial year 2015-16 is adjusted with previous year accrued interest. During the financial year 2015-

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16 the accrued interest was accounted for Rs.21.74 Lakhs against Rs.49.01 Lakhs in the previous year 2014-15 which was incorporated in the books of accounts. Therefore, as per mercantile system Rs.21.74 was adjusted against Rs.49.01. Hence the negative figure of accrued interest (21.74 Lakhs – 49.01 Lakhs = (-)27.27 Lakhs). The same methodology is adopted in the financial year 2016-17 i.e. accrued interest earned for the financial year 2016-17 is Rs.67.90 Lakh and interest earned for the financial year 2015-16 is Rs.21.74 i.e. (Rs.67.90 – 21.74= Rs.46.16 Lakhs).

3.2 Chairperson enquired that on page No.53, deduction during the year is shown on what account. Office Superintendent explained that SPFO have 4 earmarked endowment fund accounts. The detail of inflow and outflow of each account head wise is shown in the balance sheet wherein the consolidated total amount is Rs.1,519.24 crores.

3.3 The Board deliberated the statement of accounts. Thereafter, the board adopted the Annual Account for the Financial Year 2016-17.

Item No:4 **Annual Report on working of seamen's Provident Fund Scheme, 1966, for the year 2016-17**

4.1 Secretary briefed the members on Annual report and stated that the figure on page No.103, "Year at a Glance" under Sr.No.6.1(2) to be amended as Rs.1507.98 crores and not Rs.1807.98 croers. Further, Chairperson stated that the bifurcation of the above said amount should be elaborated in detail for the purpose of Board instead of Rs.1507.98 crores in future.

4.2 Chairperson stated that the figures should be mentioned in lakhs or crores as there can be mistakes and further she stated that the statement should be prepared in 'excel' and not in 'word' as the excel sheet has the facility to sum the amounts which will reduce the risk of calculating.

4.3 The Board adopted the Annual Report for the year 2016-17.

Agenda Item No.5 : **Re-appropriation of Expenditure incurred during the Financial Year 2016-2017.**

5.1 The re-appropriation of expenditure of the SPFO incurred during the financial year 2016-2017 was approved by the Board.

Agenda item No.6:- **Appointment of one Multi tasking staff on regular basis.**

6.1 Secretary briefed the members that there is no regular appointment of a multi tasking staff (peon) since 2000 and after retirement of 3 peons there is only one Group 'D' staff is working as 'Daftary'. Due to shortage of staff he is utilized for inward / outward dak and enquiry counter as and when required. Hence, when he is on leave the job of handing over keys, office files cannot be entrusted to contractual employees. Therefore, Secretary suggested to fill up one post of peon on regular basis for completion of said task. Chairperson enquired whether the post of peon is sanctioned post also further stated that the appointment of a multitasking staff (peon) is no problem but does SPFO have vacant post and if so the order for sanctioning the post may be provided in the next meeting. Secretary informed that as per sanctioned strength three posts of peon is vacant long back. However, the detail will be provided in the next meeting for approval.

Agenda Item No.7 : Non-settlement of PF dues, due to various reasons. Financial year from 1999-2000 to 2008-2009.

7.1 Secretary briefed the members on the non-settlement of PF dues due to not filing of declaration / nomination form or declaring members other than family members like sister-in-law, brother etc. Shri.Rajesh Tandon enquired what does the act says? Secretary stated that in SPFO Scheme under Para 2(e) 'family' means, the wife, children whether married or unmarried and dependent parents of member and the widow and children of a deceased son of the member. Other than i.e. sister-in-law, brother is not under the family definition as per Scheme.

Further, Chairperson stated that if nominee is not mentioned then succession certificate or collector report can be called. It was informed by the Secretary that despite sending various letters and reminders calling legal heirship report, succession certificate, the replies are not received in some cases. Chairperson enquired regarding Shri.Beta Mehana and it was informed that a court case is filed between two wives therefore the case is pending in court. Chairperson stated that in some cases the letters are issued long back therefore letters may be issued again.

7.2 Chairperson enquired with Shri.Abdulgani whether they can find out about the cases through their members. Shri.Abdulgani stated that he will deploy people to enquire further details for settlement of old cases.

7.3 After prolonged discussion, it was decided to hand over the list of pending final withdrawal cases to NUSI and they will gather and provide details, address to SPFO. However, reminders will be sent by SPFO for settling such cases.

Agenda Item No.9 (For an information):- Status of Court Cases (Including Doubtful Investment).

9.1 Secretary stated that in the FSC meeting Dr.Pradeep Kumar suggested that expenditure incurred on each court case for the legal charges in detail to be placed in the ensuing Board meeting for detail study. He further stated that the cases are of more than 20 years and if we have spend more than the amount invested then there is no point in pursuing the case. Further, all doubtful investments were Government investment and can be written off on bilateral basis.

9.2 Shri.Rajesh Tandon stated that there is no provision of write off in SPF Act and Scheme, 1966 and further no one will take responsibility of write off. Therefore, Gujarat Small Industries Corporation Ltd (GSICL) case has been pursued with Ministry of Shipping for write off.

Agenda item No.10 Investment made for the period from 01.04.2016 to 31.03.2017.

10.1 The representative of SBI (Shri.Paresh Barik),Portfolio Manager of SPFO briefed the members on investment made for the period from 01.04.2016 to 31.03.2017. The chairperson enquired that if there were any sale in Equity done in Financial Year 2016-17. He replied that no sale was done in Financial Year 2016-17. The Portfolio manager further said that in order to book profit in equities they need an accounting policy in place. The chairperson advised fund manager to suggest a suitable policy for consideration of SPFO.

10.2 The chairperson also enquired if the pattern to be achieved at the end of financial year or on on-going basis. The fund manager replied that it was to be achieved at the end of financial year only. The chairperson advised the fund manager to send a mail regarding this along with details of Gazette notification.

10.3 Further, the fund manager suggested SPFO to do churning in the portfolio to book profit which will help the fund to earn higher profit. The chairperson advised Fund Manager to send a suggestion to SPFO for due consideration.

5. The Meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 131st MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON TUESDAY, THE 20th MARCH, 2018 AT 3.00 P.M IN THE BOARD ROOM OF SEAMEN'S PROVIDENT FUND ORGANISATION, 3RD FLOOR, 'KRUPANIDHI' BUILDING, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI–400 001.

The meeting was chaired by Dr. Maiini V. Shankar, IAS Director General of Shipping and Chairperson of Board of Trustees, SPFO.

The following members were present in the Board:-

1.	Shri. N.R Saraiya	...	Member
2.	Capt. Rajesh Tandon	...	Member
3.	Shri. Abdulgani Y. Serang	...	Member
4.	Shri. S. Kalaikovan	...	Member
5.	Shri. Amar Singh Thakur	...	Member
6.	Shri. Subhash Barguzer	...	Member / Secretary

2. Shri. S. K Aggarwal, Central Provident Fund Commissioner, EPFO via email dated 20.03.2018 informed that he will not be able to attend the meeting due to urgent official assignment and therefore he had authorized Shri.Ankit Goel, Asst Commissioner, EPFO to attend the meeting on his behalf. Capt.Vinay Singh via email dated 07.0.3.2018 and Dr.Pradeep Kumar via telephone informed that due to preoccupied assignments they will not be able to attend the meeting. Accordingly leave of absence was granted to the above members.

3. At the outset, Chairperson welcomed all the Trustees present in the Meeting. Further, the Chairperson requested the Secretary to brief the Members on the Agenda Items.

4. Thereafter, the following Agenda Items were taken up for discussion.

Agenda Item No. 1: **Confirmation of the Minutes of the 130th Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 14/06/2017.**

1.1 Capt.RajeshTandon pointed out the following :-

a) Under para 1.1 it should be mentioned as "The SPFO Act specifies about the Article of Agreement which **apply** to Indian flag vessels. **Additionally, voluntary**

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contributions by foreign flag employees are made on the basis of bilateral agreement".

b) Under ATR 7 it should be mentioned as "Shri.Rajesh Tandon stated that ishorff@ariworld.com is a private party and the details of seafarers should not be provided to them **to protect the data**."

c) Under ATR 17 it should be mentioned as "After detailed discussion, the members decided to notify the statutory payment of PF of Officers of **Indian Flag ship** with consultation of DGS.

1.2 Minutes of the 130th meeting held on 14th June, 2017 were confirmed with the above modifications.

Agenda item No.2 : **Action Taken Report**

(A) Pertaining to action points that had emerged in the 130th meeting held on 14/06/2017:-

<table>
<tr><th>S. No.</th><th>Agenda</th><th>Subject</th><th>Action taken</th><th>Decision taken</th></tr>
<tr><td>1</td><td>Agenda item No.2, Sr.No.1 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017</td><td>(Digitization of old records of SPFO).</td><td>The requirement of digitization of old records has been revised category wise.
(1). The records have been classified as under:-
<table><tr><th>Category</th><th>No. of Records (In lakhs)</th><th>Percentage</th></tr><tr><td>'A'</td><td>1.47</td><td>23.70</td></tr><tr><td>'B'</td><td>2.90</td><td>46.73</td></tr><tr><td>'C'</td><td>1.83</td><td>29.57</td></tr><tr><td>Total</td><td>6.21</td><td>100</td></tr></table>Accordingly, a revised proforma invoice/ estimate was called vide letter dated 12.01.2018 from NICSI with an endorsement to vendor M/s. Writer information.

The firm was also asked to submit the time line for completion of work vide letter dated 01.02.2018. In response, an email dated 09.02.2018 is received from vendor Writer Information stating that they</td><td>Secretary briefed the members and stated that Writer Information have vide email dated 09.02.2018 informed that the productivity of one scanner is about 5000 pages per day. Based on the timeline within which the project has to be completed the deployment of additional resources and equipments can also lead to enhancement of productivity requirement and they will complete the digitization of "A" documents within 30 working days without any extra charges.

Board noted the position.</td></tr>
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			will require 100 working days from the date of commencement of work for category 'A' documents.	
2	Agenda item No.2, Sr.No.2 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	E – Banking & Development of New Application Software in Microsoft Visual Basic (latest version) / Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing data. Board may consider to award the contract to M/s.Silicon Tech Lab.	1. SPFO may not insist on Aadhar card though KYC may be reviewed periodically. 2. The agreement should describe the mode of payment to the vendor in instalments after completion of each stage. 3. To draft the agreement after consulting a legal adviser and finally to be approved by the Board.	Discussed under agenda item No. 6.
3	Agenda item No.2, Sr.No.3 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme - Formation of Investment Monitoring Cell & Appointment of Concurrent Auditor.	A Committee comprising of Commissioner and two BoT members has been formed as under:- 1. Addl Central PF Commissioner 2. Shri. Abdulgani Y. Serang 3. Shri. Vinay Singh 4. Port Folio Manager of SPFO The Committee met on 21.02.2018 and report of the Committee is placed at **Annexure 'A'.**	The Secretary briefed the members and stated that Board decided to form a Committee comprising Commissioner, 2 local trustees, EPFO member and Portfolio Manager of SPFO to monitor investment. Accordingly, a meeting was held on 21.2.2018. Further, in the 60th FSC meeting held on 20.03.2018 EPFO has suggested to nominate expert authority (preferable from other department) may be nominated to the committee for fruitful purpose. Further, Shri.Abdulgani Serang stated that Shri.N.R.Saraiya may be included as member of the Committee for monitoring the SPFO investment. After detailed discussion, it was decided that a fresh proposal may be sent to EPFO for nominating an officer with relevant experience as a member of the Committee and to add Shri.N.R.Saraiya as a new member of the Committee.

4. Agenda item No.2, Sr.No.4 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017

Annual Accounts for the year 2013-2014 - Excess / Deficit amounts OF Shipping Companies.

Summary of adjustments of excess /deficit of PF contribution and admn. charges are given below:-

Particulars	Total No. of adj to be passed 3364	No. of Shipping co's concerned 273
Exc / Def PF &Admn Chg adjusted as on 31.05.17	1487	60
Exc / Def PF &Admn chg adjusted from 01.06.17 to 31.01.18	742	21
Adj passed but not refunded as no bank details provided by Shipping Co's. Reminders sent.	1001	168
Adj not passed since either PF or Admn is deficit and both accounts are maintained separately. The work will be completed before 31.03.2018.	134	24
TOTAL	**3364**	**273**

Secretary briefed the members and stated that Board decided a periodic progress made in passing adjustment as compared to the previous meeting and balance adjustment entries, refund of excess amount and recovery of deficit amount from the Shipping Company should be shown in tabular form for clarity and accordingly, Secretary briefed the members the position of excess deficit. Shri..N R Saraiya pointed out that refund amount and adjustment amount should be incorporated with the statement. Accordingly, Secretary informed the status as on 31.01.2018 which is stated below:-

Particulars	Total approx adjustments	No. of Shipping companies	Amount paid (In lakhs)	
	3364	273	Provident Fund	Admn charges
Excess / deficit PF & Admn Chg. Adjusted as on 31.05.2017	1487	60	146.99	22.69
Excess / Deficit PF & Admn Chg Adjusted from 01.06.2017 to 31.01.2018	742	21	14.28	1.04
Adjustments passed but remittance could not be made since Shipping Companies did not submit Bank details	1001	168		
Adjustments not passed since either PF contributions or Admn charges are deficit and both accounts are maintained separately.	134	24		
Total	3364	273	161.27	23.73

Further, due to non-receipt of bank details, approximately PF amount of Rs.50 Lakhs and Admn charges of Rs.10 Lakhs could not be refunded though the adjustment towards refund is passed in the system.

Members noted the position.

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5	Agenda item No.2, Sr.No.5 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Amendment in Recruitment Rules. (1)(a) Recruitment Rules for the post of Commissioner to be sent to UPSC for further action. (1)(b) Providing accommodation to Commissioner. (2). Chairperson stated that the revision of Recruitment Rules of SPFO staff is under progress.	(1)(a)It is submitted that the RR of Commissioner has been approved by the UPSC and forwarded to the Law Ministry, GoI by DGS vide letter dated 31.01.2018 for vetting before publication in office Gazette. (1)(b) A draft proposal has been submitted to DG Shipping on 28.12.2017.Accordingly, proposal sent to Ministry of Shipping by DGS on 07.03.2018. (2). Proposal as per the DGS guidelines along with documents for necessary action has been sent to DGS on 10.01.2018 and accordingly a letter dated 26.02.2018 is received from DGS wherein clarification is called for RR for the post of AO, AAO and OS. A reply was sent to DGS on 05.03.2018 for further action. Accordingly, submitted to DGS for approval.	(1)(a) Chairperson informed that the Law Ministry has raised a query and reply is under process. (1)(b) Board noted the position. (2) The Board noted the position.
6	Agenda item No.2, Sr.No.6 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Clearance of Un-posted Items.	The progress made in clearing the un-posted as compared to the previous meeting should be shown in tabular form for clarity.	Discussed under agenda item No.09.
7	Agenda item No.2. Sr.No.7 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Settlement of unclaimed amount of seafarers. For the unclaimed amount of Rs.47.19 crores.	1. A letter dated 08.12.2017 was sent to DGS e-gov official mail for furnishing information of the Seafarers details for unclaimed amount and soft copy also of such seafarers sent by email on 15.12.2017 and 06.03.2018. The response is yet to be received. 2. 222 cases amounting Rs.4.05 crores were released till 31.03.2017. The total unclaimed amount released till 31.12.2017 is 404 cases for Rs.Rs.9.94 Crores out of 4483 cases for Rs.47.19 crores. The break-up is as under:-	Board noted the position. Further, Secretary briefed the members and informed that DGS e-gov via email provided details of 575 Seafarers however some of the Seafarers addresses are incomplete. The correspondence is being made with the correct Seafarer address. Chairperson enquired if the claim is not made by the Seafarer then what is done? Accordingly Secretary informed that as per SPF Act and Scheme, 1966 the amount not claimed is required to be transferred to

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			Particulars / No. of cases / Amount In Rs.(Cr) Total cases: 4483 / 47.19 Cases settled as on31.05.17: 222 / 4.05 Cases settled w.e.f 01.06.17 to 31.12.2017: 182 / 5.88 Total cases settled: 404 / 9.94 Balance: 4079 / 37.25 The balance unclaimed cases will be processed after obtaining details of seafarers from DGS/ Unions if available with them. In this connection, it is also mentioned that reminder to 2816 cases out of total balance of 4079 cases have been sent to their last address available with SPFO.	Forfeiture account within 3 years for welfare of Seafarers. Chairperson enquired with EPFO representative and he stated that such subscriptions are transferred and utilized for the welfare of the subscribers.
8	Agenda item No.2, Sr.No.10 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Doubtful investment in Bonds to the tune of Rs.19.60 Lakhs (Face Value Rs.20 Lakhs) in 16% Gujarat Small Industries Corporation Limited.	As on date, the total cost incurred in pursuing the case is Rs.71,300/-. As decided by the Board in the 128th meeting held on 19.08.2016 the matter has been referred to Ministry of Shipping for write off and is pending with them for final decision.	The matter is discussed under agenda item No.10.
9	Agenda item No.2, Sr.No.13 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Audit Committee observations of the meeting held on 22.12.2016. The Board approved non-customized tally software amounting Rs.48,599/- and Rs.31,000/- for upgrading to multiple user along with AMC respectively.	**Action is completed.** The Tally ERP Accounting software amounting Rs.42,480/- was installed by M/s.First Base Solutions Pvt Ltd on 11.08.2017 along with AMC for the next one year for Rs.31,860/-. The initial stage of setup of data in Tally will be completed till 31.03.2018. Besides this, training was also organized for the staff on 21.08.2017.	The Board noted the position.
10	Agenda item No.2, Sr.No.14 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Revised Estimates for the financial year 2016-17 and Budget Estimates for the financial year 2017-18.	**Action is completed**. A letter dated 21.06.2017 has been received from the Ministry approving the revised budget for the Financial year 2016-17 and Budget Estimate for the financial year 2017-18.	The Board noted the position.

11	Agenda item No.2, Sr.No.15 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Fixation of rate of interest for credit to the members account for financial year 2017-18. The proposal was sent to Ministry of Shipping vide letter No.148/0444/2016-17 dated 21.03.2017. The Board noted the position.	A letter dated 24.08.2017 is received from the Ministry regarding clarification / information on fixation of rate of interest and accordingly a letter dated 11.09.2017 was sent to the Ministry clarifying various points i.e. total corpus, investment details, inactive member accounts and whether interest credited to them, treatment for the surplus leftover after distribution of income amongst the subscriber, provision of a reserve fund for unforeseen liabilities and details of calculations of rate of interest for the last 5 years of SPFO. Again a reminder dated 01.01.2018 has also been sent to the Ministry for approval of rate of interest. Reply is awaited.	Secretary briefed the members and stated that an email dated 08.03.2018 is received from the Ministry wherein they have asked for some clarification / information on fixation of rate of interest and accordingly a letter dated 12.03.2018 was sent to the Ministry clarifying various points i.e. purpose of recommending rate of interest in advance, methodology of calculating interest, feasibility of adoption of the same policy and methodology of EPFO, circumstances of grant of Rs.92.78 crore to SPFO, and investment details of total corpus fund along with policy guidelines of investment. Reply is awaited.
12	Agenda item No.2, Sr.No.17 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Actuarial Valuation for SPF Staff / Officers, Pensioners, Gratuity, Leave Encashment, etc. The Actuarial valuation upto 31.03.2016 is already done by the Global Risk Consultants and as per their report "Staff Pension Gratuity Fund Account' is short of an amount Rs.11.23 crores. (1) The Board decided to write a letter to the Ministry for one time grant. (2)Actuarial valuation for Financial year 2016-17 and 2017-18 to be done.	(1)As per Board decision a letter dated 26.05.2017 was written to Ministry of Shipping requesting for one time grant of deficit amount of Rs.11.23 crores for recoupment under the head "Staff Pension Gratuity Fund Account' as per Actuarial valuation report as on 31.03.2016. In reply an e-mail is received from the Ministry on 11.08.2017 calling for some clarification and accordingly a reply dated 27.10.2017 sent to the Ministry. Reply is awaited. (2) Vide letter dated 03.01.2018 Global Risk Consultants were requested for the actuarial valuation for the financial year 2017-18 and 2018-19 which is under process by the said consultancy.	Shri.N R Saraiya pointed out the typo error that under ATR 12 (2) it should be "Actuarial" and not "Actual". The Board noted the position.
13	Agenda item No.2, Sr.No.18 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Appointment of two Accountants (Junior Assistants) on regular basis and one Hindi translator on contract basis.	76 Applications were received for appointment of 2 Junior assistants in response to the advertisement published in Employment News dated 29.04.2017. Out of 76 candidates, 37 candidates are shortlisted for written examination.	Secretary briefed the members and stated that a written examination was held on 13.03.2018 and 2 candidates have been selected on merit basis and a wait list of 3 candidates

			The written exam is scheduled to be held on 13.03.2018. 2. The work of Hindi translation has been assigned to M/s. Shreeram Enterprises, an outsourcing agency.	are also prepared. The offer letters to both the candidates are being sent. Board noted the position.
14	Agenda item No.2, Sr.No.19 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Internal Repair / Renovation of office premises of SPFO. (1) Revised estimates taking into account the reduction in cost of existing furniture to be taken from CPWD. The initial cost of repairing received from CPWD was Rs. 85,83,244/- (Civil – Rs.51,76,600/- and Electrical – Rs.34,06,644/-). (2) Chairperson further enquired whether alternate office space is available or not.	(1) A communication dated 24.10.2017 was sent to the CPWD to revise estimate i.e. civil work and electrical work. (a) Electrical department of CPWD has revised the estimate vide letter dated 26.10.2017 i.e. for Rs.37,14,427/- after reducing the value of the scrap material including GST. (b) A communication dated 12.02.2018 has been received from CPWD, Civil department revising the estimate excluding the price of existing furniture to be retained for Rs.73,32,690/- including contingencies at 5% and departmental charges of CPWD at 22.75% to cover the probable cost of civil / electrical work. The total cost for civil / electrical work amounts to approximately Rs.1.11 crore. Board may kindly accord approval for Rs.1.11 crores (Estimate cost) for renovation of SPFO office premises. Accordingly, the fund may be released to CPWD. (2) The issue was personally followed up by the Commissioner with MBPT. They suggested two sites (1) Nirman Bhavan, 3rd Floor, Civil Society, Mazgaon (2) Bhandar Bhavan, 2nd Floor, Store room, Mazgaon. Both the places were visited and it was found that "Nirman Bhavan, 3rd Floor, Civil Society, Mazgaon" is suitable. Accordingly, a letter dated 12.02.2018 has been sent to MBPT for conveying approval for providing premises situated at **"Nirman Bhavan, 3rd Floor, Civil Society, Mazgaon".**	(1)The Board approved for internal repair / renovation along with electric work of SPFO from CPWD amounting to Rs.1.11 crores. (2) The Secretary briefed the members for shifting of SPFO office from Ballard Estate to MBPT, Mazgaon. The office will be shifted after receiving acceptance letter from MBPT. Board noted the position.

15	Agenda item No.2, Sr.No.20 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Revision of Pay Scales as recommended by the 7th Pay Commission for the Officers, Staff and Pensioners of the organization.	The grant from the MoS, GoI towards arrears amount on account of revision of pay scales as per VII pay Commission has been requested vide letter No. 966/43/2017 dated 21.03.2017. A letter dated 21.08.2017 was then received from the Ministry stating that SPFO may meet the expenditure on payment of arrears on account of implementation of 7th CPC to the employees of SPFO from their own source without any support from Govt **(Annexure 'E')**. In this connection, it is submitted that **as per Rule 9(3) of SPFO (Staff & Condition of service), 1972 read as "the fixation of pay, increment and connected matter shall, in the case of an employee, be governed by the Provision contained in the fundamental Rule and supplementary rules framed thereunder, as applicable from time to time, to employees of the Central Government holding corresponding posts' for Pay, leave, Provident Fund and age of compulsory retirement of SPFO staff / officer**. However, the budget provision for making the arrear payment to existing staff members / pensioners was made in the financial year 2016-17 which had been approved by the Government and the same was lapsed due to non-payment of arrears. The same amount has been transferred to surplus fund. Therefore, again provision for the financial year 2017-18 in the revised budget has been made towards arrear payment of approximately Rs.15 lakhs to existing staff members and Rs.16 lakhs to pensioners of SPFO. Board may please approve.	After detailed discussion the Board approved arrear payment of 7th CPC which is approximately Rs.15 lakhs to existing staff members and Rs.16 lakhs to pensioners of SPFO. The payment will be made from Administrative charges account as per revised budget for the financial year 2017-18.

16	Agenda item No.2,Sr.No.22 (under Action Taken Report) in the 130th Board meeting held on 14.06.2017	Administrative Charges. (a). As per SPF Act & Scheme, 1966 under Para 35 and Para 37 an administrative charges of such percentage of the total employer's and seaman's contribution as may be fixed by the Government, shall be paid to the Fund. Presently, the Admn charges is 5% on matching contribution (i.e. employer's and seaman's contribution). However, the SPF Act does not provide any lumpsum Admn charges. It is expected that due to inclusion of the officers and other eligible category the PF contribution and the Admn charges will increase. However, the position may be reviewed after one year. The INSA, MASSA, FOSMA and ICCSA have been intimated via e-mail on 05.04.2017 for informing all heir member Shipping Companies for remitting the statutory dues as per SPF Act, and Scheme, 1966. (b). The grant from the MoS, GoI was called vide letter No. 966/43/2017 dated 21.03.2017 towards arrears of VII Pay Commission. The salary as per VII Pay Commission is drawn from the month of May 2017 to officers / staff members of SPFO. If the one-time grant is sanctioned by the Government then the arrear payment will be made accordingly. However, if the grant is declined then the arrear payment will be made from the administrative account as per budget provision for the Financial year 2017-18 which is recommended by the Board	The Board noted the position. No decision was arrived. **Noted:**(a) In this connection, it is informed that some of the Shipping companies are depositing PF contribution of their officers. However most of the Shipping Companies are not depositing PF contribution of their officers in spite of issuance of two Circulars dated 18.05.2015 and 24.03.2017. List of Shipping companies depositing and not depositing PF of officers is enclosed **Annexure 'F'.** Board may decide. (b)The salary of SPFO staff /officer and pensioners has been increased as per 7th CPC. Besides the expenditure for recurring and non-recurring is also increased. Following are the enhanced expenditure:- (1) The internal repair of SPFO office premises is under process and approximately Rs.1.11 Crore is estimated. (2) The digitization work of SPFO is in pipeline wherein the total expenses will be around Rs.12 lakhs. (3) In addition, Rs.44 lakhs to be paid for development of new software which is also under process and Rs.7.70 lakhs per annum to be paid to NIC for cloud service. (4) Rs.11.23 crore is deficit under the head of "SPF Staff Pension and Gratuity" as per Actuarial valuation done by the consultancy. Therefore, it may be appropriate that admn charges may be increased from 5% to 7%. The comparative details of working as given below for the financial year 2018-19 may be considered:	Secretary briefed the members and stated that "**No Comp**" means the Shipping companies who are not registered with SPFO, "**Yes**" means the Shipping companies who are depositing PF of officers as well as ratings and "**No**' means the Shipping companies who are sending PF of only ratings and not officers. He further stated that as per ICCSA member list of 79 Shipping companies, 22 companies are depositing PF of officers, 28 are not depositing PF of officers and 29 companies account is not opened with SPFO. Also as per list of INSA of 44 Shipping companies, only 16 companies are depositing PF, 19 are not depositing PF of officers and 9 companies are not opened with SPFO. Capt.Rajesh Tandon stated that 5% is quite high for the shipping companies and he is of the opinion that the same should not be increased. Further, he stated that PF of officers are not remitted by many of the shipping companies. If they are taken into ambit of SPFO administrative charges will increase. Chairperson stated that as per Section 9,10 and 18 of SPF Act, 1966 the Shipping companies be instructed to pay the PF of both ratings and officers whose account is not opened with SPFO. Chairperson further instructed to issue letters to Shipping companies who

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		and the same is sent to the Ministry for approval.	Particulars / Rupees in crores Employer/ Employers Provident Fund Contribution to be received in 2018-19. — Rs.93.53 Present Admn charges @ 5% — Rs.4.68 Admn charges @5.5% (If increased by 0.5%) — Rs.5.14 Admn charges @6% (If increased by 1.00 %) — Rs.5.61 Admn charges @6.5% (If increased by 1.5%) — Rs.6.07 Admn charges @7% (If increased by 2.00%) — Rs.6.54 Board may decide.	are not remitting PF and to look into the legal provision enforcing them to deposit PF with SPFO. A report is then to be submitted in the next Board meeting.
17	Agenda item No.4 & 5 in the 130th Board meeting held on 14.06.2017	Annual Report and Annual Account on working of seamen's Provident Fund Scheme, 1966, for the year 2016-17	The Board adopted the Annual Report for the year 2016-17. Further, it is submitted that Ministry of Shipping vide letter dated 08.01.2018 has informed that the 51st Annual Report and Accounts of Seamen's Provident Fund for the year 2016-17 has been laid on the table of Lok Sabha on 21.12.2017 and Rajya Sabha on 05.01.2018.	Board noted the position.
18	Agenda item No.6,in the130th Board meeting held on 14.06.2017	Appointment of one Multi tasking staff on regular basis.	As per BoT decision in the 76th Meeting of BoT, SPFO held on 28.11.1996, the total sanctioned strength isas under:- S.No / Group / Total sanctioned Strength / Filled up / Vacant 1. / 'A' / 2 / -- / 2 * 2. / 'B' / 1 / -- / 1 3. / 'C' / 28 / 12 / 16 4. / 'D' / 5 / 1 / 4 Total / / 36 / 13 / 23 * DDG of Shipping having dual charges is Commissioner of SPFO and AHS official of MPSO is looking after the work of Admn-cum-Accounts Officer.	Secretary briefed the members and stated that one multi tasking staff is required in SPFO to look after the day to day work of SPFO as there is only one daftary in SPFO under group 'D'. Chairperson stated that it has been brought to her notice that many seafarers' visit SPFO on daily basis. Office Superintendent informed that nearly 50 to 60 Seafarer visit SPFO for viewing their PF details. Some of the seamen come for submitting Final withdrawal and Non-refundable withdrawal forms with SPFO and some of the seamen come for enquiry of the status of their claims

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			Therefore, it is submitted that one post of Multi Task Staff on regular basis may be recruited for important indoor and outdoor work considering accountability of a regular staff in comparison to person hired on contract. Board may decide.	Chairperson instructed SPFO to make an excel sheet of number of seamen visiting SPFO, purpose of their visit and time taken to address the seaman. Further, Chairperson enquired how many contractual employees are there in SPFO. Secretary informed that there are 11 contractual employees. Chairperson further enquired the need of 11 contractual employees'. Office Superintendent stated that 4 contractual employees are engaged for Seafarer data feeding, checking of unposted, feeding of declaration / nomination form, checking of PF edit list etc under the control section and 2 contractual employees are engaged for accounts work under the Administration section. One contractual employee is engaged as stenographer and one for computer section for looking after the work of hardware (non-working of printer, computer), work of up-dation of website of SPFO, computer related work along with other work. Two contractual employees are engaged as peon and one as cleaner. Chairperson further enquired whether they are appointed on work contract or people contract. It was informed that they are appointed on people contract. Chairperson further stated that a full profile may be prepared of contractual employees i.e. nature of the work done by them and submit the same in the next meeting.

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				Chairperson also stated that the contract should be work contract. Chairperson further stated that an appointment can be done of multi tasking staff only after the above required details are submitted in the next meeting.
19	Agenda item No.7, in the 130th Board meeting held on 14.06.2017	Non-settlement of PF dues, due to various reasons. Financial year from 1999-2000 to 2008-2009 Chairperson enquired with Shri.Abdulgani whether they can find out about the cases through their members. Shri.Abdulgani stated that he will deploy people to enquire further details for settlement of old cases.	(1) As decided a list of 39 Final withdrawal cases handed over to NUSI vide letter dated 03.08.2017, 19.01.2018 and 06.03.2018 ad to gather and provide details, address to SPFO. (2) Reminders to Seafarers sent by SPFO for settling such cases.	Secretary informed the members that NUSI vide letter dated 20.03.2018 has submitted latest addresses of 15 Seafarers whose claim is pending with SPFO and accordingly letters will be issued to them in due course. Board noted the position.
20	Agenda item No.10, in the 130th Board meeting held on 14.06.2017	Investment made for the period from 01.04.2016 to 31.03.2017	The representative of SBI (Shri.Paresh Barik), Portfolio Manager of SPFO briefed the members on investment made for the period from 01.04.2016 to 31.03.2017. The chairperson enquired that if there were any sale in Equity done in Financial Year 2016-17. He replied that no sale was done in Financial Year 2016-17. The Portfolio manager further said that in order to book profit in equities they need an accounting policy in place. The chairperson advised fund manager to suggest a suitable policy for consideration of SPFO. The chairperson also enquired if the pattern to be achieved at the end of financial year or on on-going basis. The fund manager replied that it was to be achieved at the end of financial year only. The chairperson advised the fund manager to send a mail regarding this along with details of Gazette notification. Further, the fund manager suggested SPFO to do churning in the portfolio to book profit which will help the fund to earn higher profit. The chairperson advised Fund Manager to send a suggestion to SPFO for due consideration.	A meeting for investment monitoring was held on 21.02.2018 and the matter was discussed under ATR No.3. The Board noted the position.

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Agenda Item No.03: - **Audit Committee's Observations of the meeting held on 06.12.2017.**

3.1 The matter was discussed in the meeting and the Board noted that no adverse remarks have been reported by the audit committee.

Agenda Item No. 04 : - Revised Estimates for the Financial Year 2017-2018 and Budget Estimates for the Financial Year 2018-2019.

4.1 The Secretary briefed the members for revised budget for the financial year 2017-18 and budget estimate for the financial year 2018-19 and he further stated that the same is recommended by the Finance Sub-Committee.

4.2 Chairperson enquired regarding Rs.13.74 lakhs expenses shown under recurring expenditure. It was informed by office Superintendent that the details of Rs.13.74 Lakhs is total expenditure till October 2017 and the details is shown on the next page under the head "recurring expenditure – other allowance". Chairperson enquired why the expenditure of Rs.20,000/- on Swatch Bharat Abhiyan is not used. Office Superintendent informed that the budget is based upon the expenses upto October 2017 and the amount of Rs.17,704/- is utilized in the following months till 20.03.2018. Further, Chairperson enquired regarding the amount of Rs.4 lakhs against postage. It was informed that the amount is required for sending yearly account slip to the Seafarers. Further, Chairperson enquired about the washing allowance and the "amenities of staff". It was informed that the washing of curtain and towels is shown as washing allowance and the "amenities of staff" amount pertains to tea provided twice in a day to Staff of SPFO.

4.3 The Board considered the recommendations of the Finance Sub Committee and adopted the Revised Estimate for the financial year 2017-18 and Budget Estimates for the financial year 2018-19.

Agenda Item No.05: - Fixation of rate of Interest for Credit to the Members Account for the Year 2018-19.

5.1 The Secretary briefed the members that the Finance Sub-Committee has recommended interest rate of Seafarers @8.25% for the financial year 2018-19.

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5.2 Chairperson enquired as to how the rate of interest is calculated for the next financial year. In response Secretary informed that the base of interest calculation is considered on the aggregate interest earned on investment of previous financial year e.g. the interest is to be calculated for 2018-19 then the interest earned is calculated on aggregate investment for the financial year 2017-18. The interest credited to Seafarers account is considered as the anticipated total liabilities of Seafarers as on 01st April in every Financial Year. Chairperson stated that the rate of interest for the financial year 2017-18 is not formally approved by the Ministry.

5.3 The Board recommended 8.25% rate of interest for the financial year 2018-19.

Agenda Item No.06: **Development of New Application Software in Microsoft Visual Basic (latest version)/Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing Data .**

6.1 Secretary briefed the members and stated that the work of development of new application software is under process and a sum of Rs.3.60 Lakhs is released on 15.12.2017 out of Rs.9 Lakhs being the 40% payment towards cost of phase-1.

6.2 Chairperson further enquired regarding the cloud service of Rs.7.70 Lakhs yearly. Secretary informed that Rs.7.70 lakhs is exclusive of the total amount of Rs.37.06 Lakhs for development of new software. Chairperson enquired if cloud service is included in the e-gov package. Chairperson also stated that the SPFO can be brought under the e-gov cloud support and the matter needs to be discussed further with e-gov to ensure compatibility of new e-gov software by DGS.

Agenda Item No.07 : **Appointment of Internal Auditors.**

7.1 Secretary briefed the members stating that 35 quotations were received from various chartered accountant firms which are empanelled with C&AG Institute of Cost Accountant and works. Accordingly, the lowest bidder will be appointed after proper scrutiny.

7.2 The Board noted the position.

Agenda Item No. 08:- **Exemption under Section 20 of Seamen's Provident Fund Act 1966.**

8.1 Secretary briefed the members and stated that a proposal is received from M/s.Tolani Shipping Company Ltd requesting exemption for their crew / officers as per exemption given by EPFO to them for their ground staff.

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8.2 Chairperson enquired that how many shipping companies may have their own fund who can come for exemption. Further, if exemption is given then all shipping companies will come for exemption. Shri.N.R.Saraiya informed that SCI has their own fund and likewise there are some bigger shipping companies who have their own fund. But smaller shipping companies will not go for exemption.

8.3 Chairperson enquired the procedure of EPFO to provide exemption. Mr.Ankit Goel informed that they have guidelines for exemption enforced on the trust. Further, they have differentiator like group of employees, single person or class of person for exemption.

8.4 The Board after discussion came to the decision that a letter may be sent to EPFO to provide their guidelines for exemption. Exemption for SPFO can be made on the lines of EPFO wherein the company seeking exemption should follow the investment guidelines as prescribed by the Government of India. Regular inspection to be done and finally the guidelines should be vetted by an advocate. Chairperson further stated that a Committee may be formed comprising of Shri.Abdulgani Y Serang, Shri. Amar Singh Thakur and Capt.Rajesh Tandon to frame the guidelines and a report be submitted in 30 days.

Agenda Item No.09 (For information):- **Clearance of Un-posted Items.**

9.1 The Secretary briefed the members that the efforts are taken to reduce the unposted items. Shri.N.R.Saraiya stated that if the unposted items are old then the amount can be reverted back to the Shipping Companies. Office Superintendent informed that if a seafarer comes for final withdrawal then the unposted list is checked and is posted to his account after proper scrutiny.

9.2 After discussion, the Board decided that a company wise list should be prepared with age wise breakup for further scrutiny and action.

Agenda Item No. 10 (For information):- **Status of Court Cases (Including Doubtful Investment).**

10.1 The Secretary briefed of the status of court cases and the expenses incurred on each case. Shri.N.R.Saraiya pointed out that expenses of nearly Rs.7.62 Lakhs incurred in the UP Co-operative Spinning Mills Federation Ltd. Capt.Rajesh Tandon stated that Board has no authority to write off the doubtful investment therefore the cases has to be pursued.

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Agenda item No.11 (For information):- **Investment made for the period from 01.04.2017 to 31.12.2017.**

11.1 Secretary briefed the members that SBI, the Port folio Manager of SPFO had provided the detailed information on investment made for the period 01.04.2017 to 31.12.2017 which is discussed under ATR-3. The Board noted the position.

Agenda item No.12 (For information):- **Issuance of No Objection Certificate For various vessels of Shipping Corporation of India.**

12.1 Secretary briefed the members stating that SPFO has given NOC to SCI after receiving outstanding dues from SCI in respect of the manning agents of SCI i.e. VIndhyawashini Marine Services Pvt Ltd and M/s.Chinar Ship & Infrastructure (I) Pvt Ltd though damages of and M/s.Chinar Ship & Infrastructure (I) Pvt Ltd is still outstanding. SCI has informed that they are in process of filing FIR and court case against and M/s.Chinar Ship & Infrastructure (I) Pvt Ltd for breach of contract due to non-payment of PF dues of Seafarers engaged by them and accordingly they undertake to pay damages subject to the outcome of the said legal case.

12.2 Shri.N.R.Saraiya stated that each time SCI applies for NOC, SPFO demand for payment of PF dues of Seafarers dating back of a longer periods. Office Superintendent informed that since letters / complaints are received from Seafarer for non-deposit of PF dues and accordingly letters are sent to SCI for settlement of PF dues. Chairperson stated that the PF is the statutory dues of Seafarer and it is the statutory duty to ask for claim of seafarer from the shipping companies.

12.3 Capt.Rajesh Tandon suggested that the dues of SCI can be shown as pending dues with pending court cases and the NOC should be released.

12.4 The Board decided to add this issue in the list of court cases wherein the pending dues of SCI can be shown and the NOC may be issued on case to case basis when required.

Agenda Item No.13 (For information):- Memorandum of Understanding between SPFO, Mumbai and Ministry of Shipping, Govt of India.

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13.1 The Secretary briefed the members that a letter dated 21.09.2016 was received from DG Shipping to draft MoUs in respect of SPFO enclosing therewith a letter dated 23.08.2016 received from Shri.Satish Kumar, under Secretary to the Govt of India addressed to DG Shipping requesting to draft MoUs in respect of SPFO. Accordingly, the MoU was prepared and circulated amongst the members of Board of trustees for their suggestion / proposed amendment if any vide letter dated 27.10.2017. SPFO has received suggestions from NUSI and MUI. Further, Secretary stated that recently Mr.Satish Kumar attended the SWFS meeting wherein he stated that MoU for autonomous bodies may not be required for organisation such as SPFO, SWFS However Chairperson stated that the details may be submitted in the next meeting.

13.2 Board noted the position.

Table Paper No.1 : One time settlement scheme of UP State Yarn Co Ltd

T.1. Secretary briefed the members and stated that a letter dated 30.12.2017 is received from UPSYCL on 08.02.2018 for one time settlement of payment of 14.90% UPSYC Bonds issued by the company. Accordingly, a letter dated 05.03.2018 is sent to UPSYCL accepting their proposal without prejudice to our legal rights of making a claim in appropriate forum. However, an email dated 13.03.2018 is received by UPSYCL stating that if SPFO thinks it fit and desirous to settle prolonged issue then a request letter to be made to Managing Director of the company along with affidavit towards full and final settlement of unpaid principal invested amount in the company subject to limitations of without interest amount lying pending in the books of accounts of the company as on date under the umbrella of "One Time Settlement Scheme" launched by the company.

T.2. After prolonged discussion, the members decided to send their approval for one time settlement scheme of UP State Yarn Co Ltd along with affidavit towards unpaid principal invested amount of Rs.89.75 Lakhs.

5. The Meeting ended with a vote of thanks to the chair.

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MINUTES OF THE 132nd MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON TUESDAY, THE 4th SEPTEMBER, 2018 AT 4.00 P.M IN THE CONFERENCE ROOM OF THE DIRECTORATE GENERAL OF SHIPPING, 9TH FLOOR, BETA BUILDING, I-THINK TECHNO CAMPUS, KANJURMARG-EAST, MUMBAI–400 042.

The meeting was chaired by Dr. Malini V. Shankar, IAS Director General of Shipping and Chairperson of Board of Trustees, SPFO.

Following members were present in the Board:-

1.	Shri. N.R Saraiya	...	Member
2.	Capt. Rajesh Tandon	...	Member
3.	Shri. S. Kalaikovan	...	Member
4.	Shri. Subhash Barguzer	...	Member / Secretary

2. Shri.Abdulgani Y Serang vide letter dated 27.08.2018 informed that he will not be able to attend the meeting as he would be out of station during the time of meeting. Shri. S. K Aggarwal, Central Provident Fund Commissioner, EPFO vide email dated 04.09.2018 informed that he will not be able to attend the meeting due to urgent official assignment and has authorized Shri.Ankit Goel, Asst Commissioner, EPFO to attend the meeting on his behalf. Shri.Shambu Singh, Financial Adviser, MoS vide email dated 30.08.2018 and Shri.Amar Singh Thakur vide email dated 03.09.2018 informed that due to preoccupied in assignments they will not be able to attend the meeting. Shri.Vinay Singh telephonically informed that he will not be attending the meeting. Accordingly leave of absence was granted to the above members. Shri.Jayaseelan Idas, Director, Ministry of Shipping attended the meeting as an special invitee.

3. At the outset, Chairperson welcomed all the Trustees present in the Meeting. Further, the Chairperson requested the Secretary to brief the Members on the Agenda Items.

4. Thereafter, the following Agenda Items were taken up for discussion.

Agenda Item No. 1: **Confirmation of the Minutes of the 131st Meeting of the Board of Trustees, Seamen's Provident Fund Organization, Mumbai held on 20/03/2018.**

1.1 Minutes of the 131st meeting of the Board of Trustees, Seamen's Provident Fund held on 20th March. 2018 was confirmed without any modification.

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Agenda item No.2 : **Action Taken Report**

(A) Pertaining to action points that had emerged in the 131st meeting held on 20/03/2018:-

S. No.	Agenda	Subject	Action taken	Decision taken
1	Agenda item No.2, Sr.No.1 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	(Digitization of old records of SPFO).	An amount of Rs.166,752/- was released to NICSI for digitization of 'A' category records on 20.04.2018. However, the work order was issued on 29.06.2018 by NICSI to M/s.Writer Business Services Pvt Ltd. Accordingly, the work has been started on 13.07.2018. As on date 24.08.2018, 1,25,000 records under the category Á' has been digitized.	Secretary briefed the members that the work of digitization commenced on 13.07.2018 and under 'A' category 1,46,000 records has been digitized. Members noted the position.
2	Agenda item No.2, Sr.No.2 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	E – Banking & Development of New Application Software in Microsoft Visual Basic (latest version) / Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing data.	A letter dated 21.05.2018 was sent to DGS regarding facilitation of cloud services to SPFO (Enclosed as **Annexure Á**'). Matter is being followed up with DGS. Further, an email dated 14.08.2018 was received from NICSI stated that validity period of PI has expired and if required to retain these services then to re-initiate the process to validate the PI and payment. They further stated that the reserved space will be allocated to some other user if not reverted. Accordingly, an email dated 14.08.2018 was sent to NICSI for extending the validity period. However, NICSI informed that they cannot hold the PI beyond the validity period and whenever SPFO requires the resources a fresh request can be placed. **The Board may decide.** Further, it is informed that a demonstration by M/s.STPL was conducted on 31.05.2018 by Shri.Phani Kiran, software engineer of M/s.STPL, Smt.Savita Gawli, General Manager, NICSI, Mumbai and staff members of SPFO	1)Shri.N.R Saraiya stated that the validity period of PI has expired (valid for 3 months) and if the process is re-initiated then will the cloud service charges of Rs.7.70 lakhs p.a. be same as quoted before by NICSI. Asstt. Admn Accounts Officer stated that an email dated 04.09.2018 is received from NICSI wherein they have stated that the amount will remain unchanged. Secretary informed that an email dated 04.09.2018 is received from Shri. Deependra Singh Bisen, ADG, Directorate General of Shipping, Mumbai informing that The Directorate in his RPF for revamp of e-governance project has included the SPFO module, so whenever the project will go live (as per timeline submitted by Rolta in the month of December 2018) the Cloud based DC and DR will be up and running. He has further advised to make

			wherein Suggestions / modification were noted by M/s.STPL and staff. An email dated 08.06.2018 was received from STPL stating that they had successfully installed new application and database in SPFO's local server and it will work locally in PC with the link provided. He suggested the software application be tested and corrections / suggestions if any be conveyed. Accordingly, few correction / suggestions were conveyed to STPL from time to time and the last communication was made on 26.07.2018 with M/s.STPL is **annexed at 'B'.** Revised alteration / modification as per our requirement in software from STPL is yet to be received.	temporary arrangement till December 2018. Board decided that it may take longer time therefore instructed SPFO to arrange temporary cloud service for 1 year from NICSI. 2) Secretary briefed the members stating that STPL will be providing the software for testing before 30th September, 2018 as per the telephonic conversation with Mr.Ajit Sarangi. Further, Secretary stated that a representative of STPL visited SPFO and he was provided with the details of modification / corrections required in the new system. Mr.Ankit Goel suggested that STPL team should visit EPFO office for studying the software. Members noted the position.
3	Agenda item No.2, Sr.No.3 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Changes Suggested in SPF Act / Scheme on the basis of EPF Act / Scheme - Formation of Investment Monitoring Cell & Appointment of Concurrent Auditor.	Fresh proposal vide letter dated 14.05.2018 is made to EPFO to nominate a relevant expert authority as a member of the Committee. Reminder dated 14.08.2018 also issued to EPFO. Reply is awaited.	Mr.Ankit Goel informed that a letter dated 23.05.2018 has been sent to their head office, New Delhi for nominating a relevant expert authority as a member of the Committee. Members noted the position
4	Agenda item No.2, Sr.No.5 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Amendment in Recruitment Rules.	(1)(a) RR of Commissioner has been approved by the Law Ministry, GoI and it has been forwarded for publication in Government notification. (1)(b) A letter dated 12.07.2018 has been sent to DGS, Mumbai to intimate latest status of the proposal of general pool accommodation to Commissioner. Reply is awaited. (2)A letter dated 26.02.2018 is received from DGS wherein	(1)(a) The Board noted the position. (1)(b) The Board noted the position. (2) Secretary informed the members that the RR of SPFO staff members is

			clarification is called for RR for the post of AO, AAO and OS. A reply was sent to DGS on 05.03.2018 for further action. The matter is being followed up regularly.	under submission to DG for approval.
5	Agenda item No.2, Sr.No.6 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Clearance of Un-posted Items.	1) A separate Agenda is placed under item No.10. 2) It is submitted that there is no provision in SPFO accounting system for splitting company wise with year wise break up of mismatch, overlapping and duplicate items. However, a list of mismatch with break up is prepared manually in excel sheet which is placed at **annexure 'C'**.	The matter is discussed under item No.10.
6	Agenda item No.2. Sr.No.7 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Settlement of unclaimed amount of seafarers of the unclaimed amount of Rs.47.19 crores.	1) It is submitted that the amount un-claimed by Seafarers was transferred to in-operative account as per Board's decision. However, in the 86th Meeting held on 04.10.2001 the Board decided that all the in-operative account may be reactivated due to loss of interest to the Seafarers. Accordingly, all the in-operative accounts were re-activated. Further, while developing the new system, we may make provision to incorporate the transfer the unclaimed PF amount to forfeiture account but the Seafarers may lose interest. The Board may decide. 2)The latest position of the unclaimed amount is given below :-	Secretary briefed the members stating that total 449 cases have been settled amounting to Rs.11.67 crores. Chairperson enquired as to why the seamen have not claimed. Accordingly, Asstt Admn. Accounts Officer informed that the major cases in unclaimed amount are the balance amount after releasing first payment and amount transferred from dead account to active account in 2002 for which the addresses are not available. Annual account slip is sent yearly to the Seafarers. Besides, correspondence has been made to the members whose addresses are available with SPFO and the list is uploaded in the SPFO website. Capt.Rajesh Tandon stated that some seamen are ignorant about PF amount, therefore are not claimed by them. Further, Asstt. Admn Accounts Officer informed that as per Board's approval

	No. Of cases	Amt (In Cr)
Total cases	4483	47.19
Cases settled till 31.12.2017	404	9.94
Cases settled from 01.01.2018 to 31.03.18	45	1.73
Total cases settled	449	11.67

			Further, as per DGS list of 575 Seafarers, wherein the full address is found, 255 letters were issued to seafarers for claiming the FW. Besides, the account slip for the financial year 2016-17 has also been sent. Further, the approval for fixation of rate of interest for crediting the interest in the seafarer account for the financial year 2017-18 has been received late vide their letter dated 13.06.2018. Hence, the interest is calculated in the month of June 2018 therefore the first quarter i.e. April to June 2018 unclaimed amount was not settled. However, the efforts are being made to reduce the unclaimed amount in the second quarter.	the amount was transferred to in-operative account but in the 86th Board of Trustee meeting held on 04.10.2001 the Board decided to re-activate the dead account as the Seafarer is losing interest if kept in dead account. Accordingly, the dead accounts were activated. Chairperson stated that there should be some criteria to transfer the fund to forfeiture account. It was agreed that an age wise and amount wise data of seafarers' unclaimed amount will be made and placed in the next Board meeting to decide on the amount which can be transferred to forfeiture account.
7	Agenda item No.2, Sr.No.10 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Doubtful investment in Bonds to the tune of Rs.19.60 Lakhs (Face Value Rs.20 Lakhs) in 16% Gujarat Small Industries Corporation Limited.	**Action completed.** A letter dated 07.05.2018 is received from Ministry of Shipping stating that the proposal to write off doubtful investment made in GSICL was taken up with Ministry of Finance, Department of expenditure and agreed to the proposal vide letter dated 24.04.2018.	The Board noted the position.
8	Agenda item No.2, Sr.No.13 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Audit Committee observations of the meeting held on 22.12.2016.	**Action completed.** All the data of SPF main account, Admin account, forfeiture account, staff pension & Gratuity account and General provident Fund account required for making annual account is incorporated in the tally package.	The Board noted the position.
9	Agenda item No.2, Sr.No.15 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Fixation of rate of interest for credit to the members account for financial year 2017-18.	**Action completed.** In response to this office clarification, a letter dated 13.06.2018 is received from the Ministry of Shipping conveying approval of the Govt for fixation of the rate of interest @8.5% for the financial year 2017-18.	The Board noted the position.
10	Agenda item No.2, Sr.No.17 (under Action	Actuarial Valuation for SPF Staff / Officers, Pensioners,	(1)No further letters are received from the Ministry of Shipping	The Board noted the position.

	Taken Report) in the 131st Board meeting held on 20.03.2018	Gratuity, Leave Encashment, etc.	regarding recoupment of 11.23 crores under the head "Staff Pension Gratuity Fund Account' as per Actuarial valuation report as on 31.03.2016. However a reminder was sent to them on 23rd August, 2018. (2)Global Risk Consultants vide email dated 24.08.2018 submitted draft report for the actuarial valuation as on 31.03.2017 amounting Rs.19.19 crores which includes leave encashment, pensioners, existing staff. However, clarification is called from them. Further the actuarial valuation for the financial year 2017-18 is under process.	
11	Agenda item No.2, Sr.No.18 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Appointment of two Accountants (Junior Assistants) on regular basis and one Hindi translator on contract basis.	**Action completed.** Two Junior assistants i.e. Ms.Supriya S More and Mrs.Rajshree T Malkar are appointed on 24.04.2018 and 02.07.2018 respectively. Besides the work of Hindi translator is carried out on job work and on contract basis as the placement agency of M/s.Shreeram agency has not sent any candidate for the post.	The Board noted the position.
12	Agenda item No.2, Sr.No.19 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Internal Repair / Renovation of office premises of SPFO.	(1) An amount of Rs.55 lakhs and Rs.26 lakhs was released on 27.03.2018 towards payment against civil & furniture works and electric works respectively to CPWD as advance payment. (2) Letter from MBPT for allotment of premises is still awaited. However, due to critical position (fall of ceiling) of SPFO office premises, office is shifted to Seamen Employment Office, "Nav Bhavan" till allotment of premises from MBPT. Further, it is informed that a letter dated 16.08.2018 has been sent to DGS for allotment of office premises in ground floor of "Nav Bhavan" which is vacant.	The Board noted the position.

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13	Agenda item No.2, Sr.No.20 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Revision of Pay Scales as recommended by the 7th Pay Commission for the Officers, Staff and Pensioners of the organization.	Action completed. The arrear payment of 7th CPC amounting Rs.14,35,327/- was paid to the existing staff members on 26.03.2018 and arrears to the pensioners of SPFO amounting Rs.26,60,000/- approximately is under submission.	The Board noted the position.
14	Agenda item No.2, Sr.No.22 (under Action Taken Report) in the 131st Board meeting held on 20.03.2018	Administrative charges. **Noted:**(a) In this connection, it is informed that some of the Shipping companies are depositing PF contribution of their officers. However most of the Shipping Companies are not depositing PF contribution of their officers in spite of issuance of two Circulars dated 18.05.2015 and 24.03.2017. List of Shipping companies depositing and not depositing PF of officers is enclosed **Annexure 'F'.**	Instructions has been sent vide letter dated 9th July 2018 to the shipping companies those who are not registered with SPFO and those who are registered with SPFO but not depositing PF dues with SPFO and who are not depositing PF dues of officers.	Secretary informed that letters are sent to all the shipping companies as per the list provided by DGS e-governance and accordingly, responses are being received from the shipping companies. Chairperson recommended to send reminders to the Shipping companies who have not complied with the PF remittance.
15	Agenda item No.6, in the 131st Board meeting held on 20.03.2018	Appointment of one Multi tasking staff on regular basis. As per BoT decision in the 76th Meeting of BoT, SPFO held on 28.11.1996, the total sanctioned strength is as under:- S. No / Group / Total sanctioned Strength / Filled up / Vacant 1. / 'A' / 2 / -- / 2 * 2. / 'B' / 1 / -- / 1 3. / 'C' / 28 / 12 / 16 4. / 'D' / 5 / 1 / 4 Total / / 36 / 13 / 23	(1)An excel sheet is prepared and is placed at Annexure 'D'. (2)A list of work carried out by contractual workers including multitasking staff is annexed at 'E'. Further, it is submitted that a quotation was uploaded in SPFO website for appointment of placement agency for supply of manpower on job work basis as the contract is expiring on 31.08.2018. One multitasking staff is required to be appointed on regular basis for important indoor and outdoor work and also for opening and closing the office considering accountability of a regular staff in comparison to person hired on contract. Board may decide.	Board decided that one multitasking staff may be appointed.
16	Agenda item No.7, in the 131st Board meeting held on 20.03.2018	Non-settlement of PF dues, due to various reasons. Financial year from 1999-2000 to 2008-09.	As per the address provided by NUSI of 15 Seafarers, letters were issued to Seafarers for calling bank details, voyage proof, LHR, FW application etc.	The Board noted the position.

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			Out of 15 cases, 3 FW cases are settled during April, 2018 to July 2018.	
17	Agenda item No.04 in the 131st Board meeting held on 20.03.2018	Revised Estimates for the Financial year 2017-18 and Budget Estimates for the Financial year 2018-19.	**Action completed.** A letter dated 25.06.2018 is received from Ministry of Shipping informing approval of revised estimate for the financial year 2017-18 and budget estimate for the financial year 2018-19.	The Board noted the position.
18	Agenda item No.5 in the 131st Board meeting held on 20.03.2017	Fixation of rate of interest for credit to the Members accounts for the year 2018-19	A letter dated 18.04.2018 has been sent to the Ministry of Shipping for approval of rate of interest for the financial year 2018-19. A reminder dated 20.08.2018 has also been sent to the Ministry.	Secretary informed that a letter dated 13.08.2018 is received from the Ministry of Shipping stating that the rate of interest for the financial year 2018-19 will be approved after providing the actual interest earned on total investment of SPFO main account during the financial year 2018-19 as was done for the financial year 2017-18.
19	Agenda item No.7 in the 131st Board meeting held on 20.03.2018	Appointment of Internal Auditors	A separate Agenda is placed under item No.8.	The matter is discussed under agenda item No.8.
20	Agenda item No.8 in the 131st Board meeting held on 20.03.2018	Exemption under Section 20 of Seamen's Provident Fund Act 1966 to Shipping Companies	A letter dated 06.06.2018 was sent to EPFO to provide the rules of EPFO for exempting the employer who apply for exemption towards payment of Provident Fund contribution so that SPFO can frame the guidelines for exemption to Shipping companies. In response, a letter dated 15.06.2018 is received from EPFO and accordingly the Committee met on 16.07.2018. However, the members felt some more time is required to study this matter and the report will be submitted in the next Board meeting.	Shri.N.R.Saraiya informed that in the 61st FSC meeting held on 04.09.2018, a list of 36 conditions under exemption is provided by Mr.Ankit Goel, Asst. Comm, EPFO. Chairperson instructed to submit report in the next Board meeting.
21	Agenda item No.10 in the 131st Board meeting held on 20.03.2018	Status of Court cases (Including doubtful investment)	A separate Agenda is placed under item No.09.	The matter is discussed under agenda item No.09.
22	Agenda item No.12 in the 131st Board meeting held on 20.03.2018	Issuance of No Objection Certificate for various vessels of Shipping Corporation of India	A separate Agenda is placed under item No.09.	The matter is discussed under agenda item No.09.

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23	Agenda item No.13 in the 131st Board meeting held on 20.03.2018	Memorandum of Understanding between SPFO Mumbai and Ministry of Shipping, GoI	**Action completed.** The Commissioner discussed this issue with Mr.Satish kumar, Under Secretary who in turn opined that the issue was basically for GoI under takings and not for autonomous Bodies like SPFO and SWFS.	The Secretary stated that Mr.Satish Kumar clarified that MOU is not required for SPFO and SWFS. Board noted the position.
24	Table paper No.1 in the 131st Board meeting held on 20.03.2018	One time settlement scheme of UP State Yarn Co Ltd	**Action completed.** As per the decision of the Board, acceptance of the proposal for one time settlement scheme towards unpaid principal amount of Rs.89.75 lakhs along with affidavit and other documents were sent to UPSYCL. Accordingly UPSYCL has credited SPFO account with Rs.89.75 Lakhs on 13.04.2018.	The Board noted the position.

Agenda Item No.03:- **Minutes of the Audit Committee's meeting held on 16.07.2018.**

3.1 The Chairperson enquired whether there was any adverse remarks / observations of the Internal Auditor. It was informed that the Audit Reports were satisfactory and without any adverse remarks.

3.2 The Board of Trustees confirmed the same.

Agenda Item No.4:- **Annual Accounts for the year 2017-18.**

4.1 Asst Admn Accounts Officer informed that CAG audit has been completed on 24.08.2018 and there are no any adverse remarks / observation during the course of audit. The Board deliberated on the statement of accounts and thereafter adopted and approved the Annual Account for the Financial Year 2017-18 as per the recommendations of the Finance Sub-Committee.

Agenda Item No.5:- **Annual Report on working of seamen's Provident Fund Scheme, 1966 for the year 2017-18.**

5.1 The recommendations of Finance Sub-Committee was considered by the Board and the Annual Report for the year 2017-18 was approved and adopted.

Agenda item No.6:- **Re-appropriation of Expenditure incurred during the Financial year 2017-168**

6.1 The re-appropriation of expenditure of the SPFO incurred during the financial year 2017-18 was approved by the Board.

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Agenda item No.7.:- **Appointment of Port folio Manager for the period of two years 2017-18 and 2018-19.**

7.1 The Secretary informed that an email dated 27.06.2018 was received from SBI Fund Management Pvt. Ltd., wherein they have mentioned that for mandate with AUM (Assets Under Management) over Rs. 1000 Crores their fund manager fees range from 0.01% to 0.02% p.a. The custody and fund accounting fees are separate which will not exceed Rs. 10 lakhs p.a. SPFO has total corpus fund balance of Rs. 1640 crores approximately as on 31.03.2018. The total AUM charges will be around Rs. 16.40 lakhs @0.01% and Rs. 32.80 lakhs @0.02% plus tax. Further, again vide email dated 10.08.2018 M/s.SBI Fund Management Pvt Ltd informed that they have decided to match the pricing of SBI in terms of portfolio management of Rs. 0.01% of the money invested annually which will be around Rs. 3 to 4 lakhs and custodial charges Rs. 50 to Rs. 60 thousand p.a. approximately.

7.2 After prolonged discussion, the Board approved the appointment of Portfolio Manager Services for further period of January 2019 to March, 2019, 2019-20 and 2020-21 and thereafter, it may be extended further on financial year basis based on performance.

Agenda item No.8.:- **Appointment of Internal Auditor for SPFO**

8.1 Chairperson enquired as to why the internal auditor is not appointed for 3 years. Asst. Admn. Accounts Officer informed that as per the decisions in the 15th Audit Committee meeting held on 3rd and 7th July, 2015, the Internal Auditor term should not be beyond 2 years.

8.2 Shri.N.R Saraiya stated that the present internal auditor period may be extended for next three months or till appointment of new internal auditor on pro-rata basis.

8.2 Chairperson suggested that approval for appointment of internal auditor for two years and thereafter may be extended to 1 year based on their performance.

8.3 The recommendations of Finance Sub-Committee to appoint M/s.R.Seth & Associates as Internal Auditor of SPFO approved by the Board for 2 years and further extension for one year on same terms and conditions based on performance of the firm.

Agenda item No.9.:- **Status of Court cases (Including doubtful investment).**

9.1 The Secretary briefed the members stating that no action is been initiated by the Advocate (Government Council). Letters were issued to the Law Ministry to appoint a new Government Council but no reply is received. Shri.Ankit Goel stated that when huge amount of Rs.92.78 Crores is involved then why a private advocate is not appointed. Secretary stated that the case of Rs.92.78 crores is in CBI Court. He further stated that if a private advocate is appointed then a huge amount will be spent as seen in the case of UP Co-operative Spinning Mills Federation Ltd wherein total amount spent is Rs.10.10 crores for recovery of Rs.46 Lakhs which is still under process.

9.2 Chairperson suggested that the case of GSICL which is to be written off is required to be closed and therefore further action be initiated. Accordingly, AAAO informed that a letter dated 13.08.2014 was received from Adv. Paurami Seth along with Court judgement stating that the Hon'ble Court has not accepted SPFO Appeal and the matter stands dismissed. Hence, the Board decided to send a letter to Ministry for write off.

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9.3 Chairperson enquired about the court cases of GSICL and UPSYCL. AAAO informed that the approval for write off of GSICL is received from the Ministry of Shipping on 07.05.2018 and the principal amount of UPSYCL is received which will be accounted in the books of accounts in the next financial year 2018-19

9.4 Shri.N.R.Saraiya stated that the amount of Rs.3.50 lakhs is spent on this case against Rs.1.62 Lakhs. Asst. Admn Accounts Officer informed that the case is filed on SPFO therefore it cannot be closed. Shri.N.R.Saraiya stated that when the Seafarer is already paid the amount and is informed to the Court then it is not required to pursue the matter. He suggested to ask the Advocate regarding the same.

9.5 Capt.Rajesh Tandon suggested that the heading should be "Shipping Corporation of India vs Vindhyawashini & Chinar and not "Shipping Corporation of India'.

9.6 Shri.Jayaseelan Idas suggested to provide the letter which was sent to the Law Ministry for appointment of another Government Council on behalf of Civil suit case No.633/2004 for recovery of Rs.92.78 crores of security scam which was noticed in 2002.

Agenda item No.10.:- **Clearance of Unposted items.**

10.1 Chairperson enquired as to why only 319 cases are cleared during the financial year 2018-19. Asst Admn Accounts Officer informed that approval for rate of interest for the financial year 2017-18 was received late from the Ministry vide letter dated 13.06.2018 therefore the account for the financial year 2017-18 was not closed through system. Hence, new financial year transactions were not recorded in system till closing of the financial year 2017-18 in system. Therefore, no clearance of un-posted could be done from April 2018 affecting the clearance of unposted items.

10.2 Capt.Rajesh Tandon stated that 2 new assistants have been appointed therefore extra hand be given for clearing unposted items.

10.3 Chairperson instructed to reduce the un-posted items and submit progressive report accordingly.

Agenda item No.11.:- **Investment made for the period from 01.04.2017 to 31.03.2018.**

11.1 Shri.N.R.Saraiya asked the representative of SBI Port folio manager of SPFO to point out the guidelines wherein the percentage is not required to be maintained at the end of the financial year. Shri.Monu kumar, representative of SBI (portfolio manager of SPFO) informed that the pattern is required to be maintained on the incremental investment which is maintained but the pattern cannot be maintained on the total holdings. Capt. Rajesh Tandon stated that the matter has been discussed and is found that the pattern may vary during the financial year but it is to be maintained at the end of the financial year.

11.2 Shri.Monu Kumar, stated that he will verify and let Board know whether the pattern is required to be maintained on total holdings also.

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Table Paper No.1 **Contributory Annuity Scheme for Seafarers.**

T.1 Capt.Rajesh Tandon proposed that the matter may be discussed when Shri.Abdulgani Y Serang is present to debate the matter.

T.2 Secretary informed that a draft proposal for the Amendment in the Seamen's Provident Fund Act, 1966 and for the Contributory Annuity Fund Scheme (CAFS) was sent to the Ministry vide letter dated 09.09.2014. In response, a letter dated 01.09.2015 was received from the Ministry that "a Seamen Provident Fund Amendment bill, 2007 is still pending in Rajya Sabha since 2017. In view if this, the second amendment bill cannot be processed". Further, Secretary informed that Ministry vide letter dated 18.04.2017 informed that pursuant to Cabinet approval, the Seamen's Provident Fund (Amendment Bill), 2007 has been withdrawn by the Ministry of Shipping from Rajya Sabha on 07.04.2017.

T.3 Chairperson stated that with part time Commissioner, the matter cannot be studied properly.

T.4 Chairperson instructed to provide details, synopsis in the next meeting.

5. The meeting ended with vote of thanks to the Chair.

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