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IT FUND ORGANIZATION, MUMBAI

MINUTES OF
OF TRUSTEES MEETING
TO
OF TRUSTEES MEETING

List of Minutes from 54th to 64th Board of Trustees Meeting

Sr. No.	BoT Meeting	Date and Time of Meeting
1	54th BoT Meeting	8th March, 1986 at 11.00 a.m.
2	55th BoT Meeting	10th September, 1986 at 11.00 a.m.
3	56th BoT Meeting	7th January, 1987 at 9.00 a.m.
4	57th BoT Meeting	10th August, 1987 at 3.00 p.m.
5	58th BoT Meeting	12th January, 1988 at 11.00 a.m.
6	59th BoT Meeting	23rd August, 1988 at 3.00 p.m.
7	60th BoT Meeting	5th January, 1989 at 3.00 p.m.
8	61st BoT Meeting	13th September, 1989 at 3.00 p.m.
9	62nd BoT Meeting	15th January, 1990 at 3.00 p.m.
10	63rd BoT Meeting	10th September, 1990 at 3.00 p.m.
11	64th BoT Meeting	24th January, 1991 at 3.00 p.m.

FROM 54TH G-64th

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contains 189 pages. (from No. 1 to 189.)

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MINUTES OF THE 54TH MEETING OF THE BOARD OF TRUSTEES, SEAMEN'S PROVIDENT FUND, HELD ON SATURDAY, 8TH MARCH, 1986, AT 11-00 A.M. IN THE BOARD ROOM OF THE SEAMEN'S PROVIDENT FUND ORGANISATION, 'KRUPANIDHI', 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, BOMBAY 400038.

The following were present:-

1.	Shri N. Chakraborty	Chairman
2.	Shri N. K. Prasad	Member
3.	Shri T. S. Narayan	Member
4.	Capt. K.S Bhandarkar	Member
5.	Dr. Leo Barnes	Member
6.	Shri U.M. Almeida	Member
7.	Shri M.A. Sayeed	Member
8.	Shri V.S Gangurde	Secretary.

Shri V. Ranganathan, Secretary, Owners/Agents' Committee (Crews) and Shri A.V. Ketkar of National Union of Seafarers of India, Bombay were permitted to attend the meeting as observers while Shri V.I Tawani, Commissioner (Retd) attended the meeting to assist the Secretary.

Leave of absence was granted to Shri M.S Darbari, Deputy Secretary to the Government of India, Ministry of Transport, Shri B.K. Chaturvedi, Controller of Accounts, Ministry of Transport and Capt. Ravindra Nath, Chairman, Calcutta Liners' Conference (Crews), Calcutta.

The Board then took up the items on the Agenda for consideration.

Item No 1: Confirmation of the Minutes of the 53rd Meeting of the Board of Trustees, Seamen's Provident Fund held on 26th July 1985, at 11 00 AM. in the Board Room of the Seamen's Provident Fund Organisation at 'Knepanidhi' 3rd Floor, 9. walchand Hirachand Marg. Ballard Estate, Bombay - 400038.

The Board approved the draft Minutes and accepted as confirmed.

The Trustees of the Board of Seamen's Provident Fund placed on record their appreciation of the good work done by Shri U.I. Tewani, who retired as Commissioner w.e.f. 31.1.1986, though he held that office only for a short period of 1½ years.

Item No.2: Action taken on the decisions of the Board.

The members noted the position regarding all the paras except para 3 regarding adjustment of Money Order Commission for amounts below Rs.500/- where Dr Barnes enquired whether the issue was still pending. Shri N.K.Prasad explained that though the Gazette Notification in this regard was still awaited the proposal had already been implemented.

The Board noted this.

Item No. 3: Receipts, Payments and Accounting of Provident Fund moneys and progress of work upto 31.12.85.

Dr. Leo Barnes enquired about the necessity of inward entries of medical bills tution fees etc., reported at Para No.XII. It was explained that the claims preferred by the staff members towards medical bills, tution fees etc were also the receipts received in the office and this forms the part of the work of this organisation. This was being

reported to the Board from the beginning.

The Board noted the position.

Item No. 4: Budget proposals for the year 1986-87 and Revised Estimate 1985-86.

Capt. K.S. Bhandarkar observed that the list of the salary of each staff member was not necessary. Then Shri Narayan and the Secretary stated that the format in which the Budget proposals were required to be submitted was approved by the Government and all these details were required to be furnished in the Budget proposal.

Regarding House Building Advance Shri Narayan pointed out that the office had no sufficient funds and receipts were also less. Thereupon it was explained that the staff in the organisation was not entitled for Government accommodation and housing being the essentiality in everybody's life every year 3-4 requests of staff members were being considered. This organisation has a limited staff and at this rate all staff members would have their own accommodation within next four years.

The Board approved the Budget proposals for the year 1986-87 and Revised Budget Estimates of 1985-86.

Item No.5: Draft Annual Report on the working of the Seamen's Provident Fund Scheme for the year 1984-85.

The Secretary explained that the draft Annual Report for the year 1984-85 had already been Circulated amongst all members of the Board for obtaining their opinion. He further stated that excepting Shri T.S. Narayan, no other member had

suggested any corrections / comments. These corrections would be incorporated in the Report after approval of the Chairman and Report would be submitted to the Government. The Board approved of the arrangement proposed.

Item No. 6(A): Payment of Interest on opening Balance.

The Secretary explained the views expressed by Dr. Leo Barnes, regarding payment of Interest on opening balance. The Chairman enquired about the method adopted by the office in calculation of Interest. The Commissioner explained that the office was paying Interest on reduced balance after settling the Non-refundable withdrawal claims. The Chairman opined that the procedure required re-examination as the subscribers were getting less interest compared to the subscribers of other Provident Fund Schemes.

As the members differed in their views on method of calculation of Interest, the Chairman directed the Commissioner to prepare a note in detail showing the method adopted for calculation of Interest in other organisations like Employees' Provident Fund, Coal Mines Provident Fund etc, and the same should be submitted to the Chairman and to the members of the Board within 3 months

Item No. 6(B): Fixation of rate of Interest for credit to members' account for the year 1985-86.

While initiating the discussion on the issue of fixation of rate of Interest Dr. Barnes brought to the notice of the members the points raised by National Union of Seafarers of India in the note circulated amongst the members regarding Investment of Fund. He insisted that the Seamen's Provident Fund Organisation

should approach the Government for liquidation of low yield securities which were affecting adversely the Interest earnings of the Fund. He strongly criticised the existing Investment Pattern of the Fund which was yielding returns which were not sufficient to meet the demand of higher rate of Interest payment to the members. Further he stated that 40% of all contributions be invested first in 5 years' Post Office Time Deposits till estimated 40% was reached. The remaining amount be invested in Special Deposits till 30% was reached.

Further the Government should be approached to remove the clause of 15% investment in Central and State loans till optimum level was reached. During the discussions he also produced a cutting of Finance Ministry's Note wherein it was stated that any deficit in payment of Interest on provident fund at prescribed rate to the members be met by the employers. The Chairman asked the Secretary to obtain a copy of Finance Bill and while agreeing with the views of Dr. Barnes he observed that Investment of Fund should be managed by Seamen's Provident Fund Organisation instead of Reserve Bank of India managing it so that the investment would be done in accordance with the Fund's preference for fetching more and more interest by investments in high yield securities / loans. Shri M.B. Sayeed, Seafarers representative from Calcutta concurred with the views expressed by Dr. Barnes and insisted that as declared by the Government of India, Members of Seamen's Provident Fund should also be

paid 12% interest. He suggested that short fall if any, to pay the 12% interest on the members' accumulations end march, 1985 should be made good by the employers. After some discussions considering the position of Funds available it was proposed that at least interest at the rate of 9.5% be paid to the members and it should ~~be~~ not be reduced to 9.25% as worked out by the Secretary. The short fall which worked out to Rs. 9 lakhs be met from Forfeiture Fund. The employees representatives Dr. Barnes and Shri Sayeed, however, insisted for payment of higher rate without adjustment from Forfeiture Fund and moving the Government for agreeing to relaxation of Investment pattern in order to yield more interest. It was agreed to take up the matter with the Government for relaxation of investment pattern. The Board finally recommended that rate of Interest for payment to members be fixed at 9.50% P.A. and any deficiency be adjusted from Forfeiture Account by treating the amount as a loan from the Forfeiture Account for the time being.

Item No. 7: Inspection report on the accounts of the Seamen's Provident Fund Organisation, Bombay for the year 1984-85

The Board noted the position recorded

Item No. 8: Acceptance of the Provident Fund distribution work of employees of M/s Malabar Steamship and its allied Companies as per the Judgement passed by High Court Bombay.

The Board noted the position explained by the Commissioner and the approval granted by Government

to the payment of honoreria to the Commissioner.

Item No. 9: Taking over of the charge of investment work from Reserve Bank of India by the Seamen's Provident Fund Organisation.

The Commissioner pointed out that due to the mismanagement of Investment of State loans which are paying maturity proceeds delayed and also making delayed recovery of interest, the organisation had been facing considerable loss which were indirectly affecting interest earnings on securities. Considering the rates of service charges quoted by Reserve Bank of India and State Bank of India, the Board instructed the Commissioner to examine the issue as to how best Seamen's Provident Fund Organisation would manage the investment work.

Item No. 10: Introduction of Deposit Linked Insurance Scheme for Seamen covered under the Seamen's Provident Fund Act and Scheme.

Whilst making observations Shri M.A Sayeed said that the rate of payment of amount fixed at Rs. 4.000/- appeared to be low and should be enhanced

The Board while approving the amendments to Seamen's Provident Fund Act and Deposit linked Insurance Scheme recommended that the rate of payment be enhanced when resources permitted

Item No. 11: Fraudulent drawal of Seamen's Provident Fund moneys in:

a) Final withdrawal claim from the account of Seaman Shri Dayabhai Becharbhai Patel EDC No. A60387 Regn. No. BD 47821.

b) Non-refundable withdrawal claim under Para 58-C - Construction of dwelling House - from the account of seaman Shri Joseph Michael Dias CDC No. AGC466 (Fitter)

c) Non-refundable withdrawal claim under Para-58 B - Sickness - from the account of Seaman Shri Mathew Francisco Varella CDC No. A 57164 Regn-No. BD 34158.

a) The Secretary informed the Board that in case of seaman Shri Dayabhai Becharbhai Patel, CDC No. AG0387 this office was able to recover the amount of Rs. 13940/- wrongly paid to Smt Manjulaben alias Dahiben Dayabhai Patel with the help of the Collector of Surat.

b) As regards the case of seaman Shri Joseph Michael Dias, CDC No. AGC466 (Fitter) the Secretary informed that the police and Bank were not co-operating and as the seaman was insisting on re-credit of the amount to his account, the same had been credited (Rs. 5420/-) from Forfeiture Account.

The Board approved the same.

c) As regards the case of seaman Shri Mathew Francisco Varella, CDC No. A57164 the Secretary informed that it was learnt from the Police that the payee was untraceable and therefore they had closed the investigation.

The Board therefore decided to credit the amount to the seaman's account from Forfeiture Account.

The Board also desired that due care should be taken while settling the payment cases to avoid such wrong payments.

Item No. 12: (A) Recommendations of the Sub-Committee on (i) Amendments to various Sections/paras of Seamen's Provident Fund Act/Scheme

(ii) G. Ramanujam Committee Report.

The Board deferred the discussion on the item No. 12 (A) (i) & (ii).

(B) Proposed amendment of para 44 of the Seamen's Provident Fund Scheme 1966 to provide for facility of depositing the Seamen's Provident Fund Money in any nationalised Bank instead of State Bank of India only.

The Commissioner explained that initially only State Bank of India was nationalised Bank and as such provision of depositing of fund money in State Bank of India was made.

However, due to nationalisation of Banks, restrictions of deposit of money in State Bank of India was not proper and as such Para 44 of Seamen's Provident Fund Scheme be amended to provide deposits with nationalised banks. The Board accepted the amendment for referring to the Ministry for approval.

Item No. 13: Payment of Honoraria for Liaison work at Calcutta.

It was pointed out that the Liaison officer at Calcutta, excepting issuing provident fund withdrawal forms to the seamen was not attending to any other job and hence it was not-

necessary to consider the increase in honoraria for liaison work.

Shri Sayeed suggested that the staff from Seamens Provident Fund be posted for attending to liaison work at Calcutta. However, as it would involve additional exponses it was decided to continue the existing arrangements at Calcutta and to review the rate of honoraria at appropriate time.

Item No. 14: Upgradation of the post of Junior Assistant to Sr. Assistant.

Item No. 15: Appointment of New Legal Adviser in place of Smt. Lata Desai.

Item No. 16: Recovery of outstanding dues in respect of M/s Peni Ocean Steamship Ltd.

Addetional Item No. 1: Credit of Provident Fund Contributions to the member's account on due basis and not on receipt basis - Proposal of Dr. Leo Barnes, General Secretary, National Union of Seafarers of India.

Addetional Item No. 2: Disbursement of Final withdrawal of provident fund dues.

Additional Item No. 3: Transfer of Gratuity money deposited by M/s B.P Indian Agencies Jt. Enterprise Ltd, in Seamen's Provident Fund Office to Seafarers Welfare Fund Society, Bombay.

As regards items No. 14, 15, 16 and Additional Items 1, 2 and 3 the Board could not discuss due to lack of time and deferred the discussions to the next meeting

The meeting then terminated with a vote of thanks to the Chair.

Confirmed.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY
7.1.87

SECRETARY 7.1.87.
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 55th Meeting of the Board of Trustees, Seamen's Provident Fund held on Wednesday, the 10th September, 1986, at 11.00 a.m. in the Board Room of the Seamen's Provident Fund Organisation, 'Kreparidhi', 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay - 400038.

The following were present.

Shri Praveen Singh	Chairman
Shri N.K. Prasad	Member
Shri T.S. Narayan	Member.
Dr. Leo Barnes	Member
Shri U.M. Almeida	Member
Shri V.S. Gangurde	Secretary.

Shri V. Ranganathan, Secretary, Owners/Agents Committee (Crews) and Shri A.V. Ketkar of National Union of Seafarers of India were permitted to attend the meeting as Observers

Capt. K.S. Bhandarkar, Chairman, Owners/Agents Committee (Crews), Bombay informed the Secretary on telephone that he would be out of station on that day. Leave of absence was therefore granted to Capt. K.S Bhandarkar. No intimation was received from Shri M.S. Darbari, Deputy Secretary to the Government of India, Ministry of Transport. Shri B.K. Chaterjee, Controller of Accounts, Ministry of Transport, and Shri M.A. Sayeed, President, Forward Seamen's Union of India.

The Chairman welcomed all the members and expressed the hope that, as usual, the members would co-operate to conduct the proceedings in a spirit of cordiality and goodwill.

Dr. Leo Barnes while reciprocating the sentiments expressed by the Chairman stated that there were rumours that the Director General of Shipping was considering to delegate his powers as Chairman of Board of Trustees, Seamen's Provident Fund to one of his juniors. He requested the Chairman that this organisation being an important organisation looking after the social security of the merchant navy personnel he should continue to be the Chairman of the Board of Trustees. Dr. Barnes further stressed the necessity for the Director General of Shipping to continue as a chairman as it would facilitate for expeditious disposal of the proposals that might be under consideration of the Government. Dr. Barnes on behalf of the seafarers' side as well as shipowners side assured the fullest cooperation to the Chairman. Shri T.S. Narayan agreed with the views expressed by Dr. Barnes.

The Board then took up the items on the agenda for consideration.

Item No. 1. Confirmation of the Minutes of the 54th Meeting of the Board of Trustees, Seamen's Provident Fund held on 8.3.1986 at 11.00 AM. in the Board Room of the Seamen's Provident Fund Organisation, Bombay.

The Board approved the draft Minutes of the 54th meeting held on 8th March, 1986 with the

amendment proposed by Shri T.S. Narayan. The minutes were then confirmed.

Item No. 2: Action taken on the decisions of the Board

On perusal of the statement enclosed, while the position indicated against items No. 1.6.9.12 and 14 were noted by the Board, the Chairman expressed great concern over the delay in issuing various notifications regarding proposed amendments to the various sections of the Seamen's Provident Fund Act, 1966 and corresponding paras of the Seamen's Provident Fund Scheme, 1966. At this Dr. Barnes suggested that Chairman might discuss the pending issues with the Transport Secretary for expeditious disposal of the same. The Chairman advised the Secretary to prepare a self contained note with all details to enable him to discuss this issue with the Transport Secretary during his visit to Delhi.

As regards Sr. No. 8 i.e. Payment of Interest on opening balance the Chairman desired that we need not wait any further for the reply from the Central Provident Fund Commissioner. The procedure regarding calculation of interest should be discussed with the local authorities of the Employees' Provident Fund Office and note should be prepared immediately to facilitate the Board to take early decision in this regard.

With regard to Sr. No. 10 i.e. Taking over of the charge of investment work from Reserve Bank of India by the Organisation,

the Secretary expressed his regrets that due to heavy work load he was not able to examine this issue so far. He, however, stated that the Reserve Bank of India has already been instructed to follow the revised investment pattern in order to accrue maximum interest to the Organisation which would help to pay more interest to the members of the Fund. The Chairman advised to examine this issue as early as possible.

Item No. 3: Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 31.7.86.

The Chairman desired to know as to how some of the cases are pending as far back as from 1978-79. The Secretary explained that all these cases were pending due to non-receipt of legal heirship reports from the Revenue/ Police authorities concerned. Dr. Barnes suggested that all these cases are more than 3 years old and if there were no counter claims filed by any other persons the Commissioner should disburse the amount to the applicants after obtaining Indemnity Bonds. The Chairman agreed with the views expressed by Dr. Barnes and instructed the Commissioner to dispose of all the cases pending till 1983-84 as expeditiously as possible. While perusing the position of the outstanding provident fund contributions from the shipowners who had gone into liquidation the Chairman

expressed great concern about the pending recoveries worth Rs. 10.46 lakhs. He stated that the recovery through the courts/ official liquidator was a very lengthy procedure and hence the Commissioner should examine the possibility of recovering this amount directly from the owners by implementing the penal provisions in the Seamen's Provident Fund Act/ Scheme, 1966.

Item No. 4: Balance Sheet for the year 1985-86 and Receipt and Payment, and Income & Expenditure Accounts of the Seamen's Provident Fund Organisation for the year 1985-86.

Dr. Barnes observed that under certain items, namely Travelling Allowance, Medical reimbursement claims, Over-time etc, the expenses appeared to be on higher side. In view of the recent recommendations of the 4th Pay Commission the Organisation might require some extra funds for making the payments of arrears as well as future enhanced payments on implementation of the 4th Pay Commission recommendations. He further stated that the Seamen's Provident Fund Organisation was getting the maximum administrative charges admissible i.e. 3¼ on the provident fund contributions and the present recession in the shipping industry would not allow us to increase these charges further. He, therefore, suggested that the administrative expenses of the organisation should be kept to the minimum possible to ensure that our needs could be met from the amount

available with us. The Commissioner assured that efforts will be made to keep the expenses on all sides to the minimum possible.

Item No. 5: Draft Annual Report on the working of the Seamen's Provident Fund Scheme for the year 1985-86.

The Secretary explained that the draft Annual Report was sent to the members alongwith the Agenda. No suggestions/corrections were received from any of the members. The Board approved the draft Annual Report.

The Secretary stated that the report would be submitted to the Government before 30th November as required under para 64 of Seamen's Provident Fund Scheme, 1966.

Item No. 6: Upgradation of the post of Junior Assistant to Senior Assistant.

Dr. Barnes though agreed in principle for upgradation of one of the posts of Junior Assistant to Senior Assistant he stated that due to present recession in the shipping industry the number of jobs were being reduced every day and therefore naturally the work load in the Organisation was also being reduced to that extent. Sarvashri N.K. Prasad and T.S. Narayan agreed with the views expressed by Dr. Barnes and suggested that a work study of the organisation might be undertaken to find out the exact requirement of staff and then the question of upgradation be also considered.

Item No. 7: Application of revised Pay Scales as recommended by 4th Pay Commission for the officers and the staff of the Organisation.

The Chairman desired that unless the financial implications involved in this regard were made known to the Board, it would be rather difficult to give any sanction to this proposal. The Chairman, therefore, advised the Commissioner to work out the financial implications as early as possible and place it before the Board at its next meeting.

Item No. 8: Disbursement of Final Withdrawal of Provident fund dues.

Dr. Barnes stated that the claims for final Withdrawal of the seamen who were attaining the age of superannuation on completion of a voyage should be settled together with the provident fund contributions of their last voyage on the strength of Account of Wages without waiting for the actual receipt of provident fund contributions from the employer concerned to avoid delay and also duplication of work.

The Chairman appreciated the suggestion of Dr. Barnes but stated that there might be administrative difficulties in making the payments before actual receipts from the employers. It would therefore be better if the Commissioner could examine in detail as to how many such cases were there during the year, what would be the administrative difficulties in making such payments etc. The Commissioner agreed

to prepare a note on this and submit it to the Board at its next meeting.

Item No. 9 : Credit of Provident Fund Contributions to the member's account on due basis and not on receipt basis — Proposal of Dr. Leo Barnes, General Secretary, National Union of Seafarers of India.

The Secretary stated that it was understood from the Coal Mines Provident Fund as well as Employees' Provident Fund that the contributions were credited on due basis but not on receipt basis. He however, expressed that the same procedure could not be introduced as the contributions in the Coal Mines and Employees' Provident Fund were received on monthly basis while contributions in this organisation were received at one lump-sum after discharge of the seamen. The Shipowners were allowed one month's time to deposit the contributions from the date of discharge of the seamen. Hence the seamen's contributions after the discharge in the month of March were due to receive upto the month of April. Hence such contributions could not be shown unless they are received before 31st March, of every year in the opening balance.

Dr. Barnes stated that if the contributions received after 31st March, could not be shown ~~in~~ in the opening balance then the non-refundable withdrawals made by the seamen should also not be taken into account while crediting the interest in the member's account.

The Chairman desired that the Commissioner should examine the issue in details and place

it before the Board at its next meeting.

Item No. 10 : Recovery of outstanding dues in respect of M/s Pent Ocean Steamships Co. Ltd.

The Secretary explained that out of the three ships of M/s Pent Ocean Steamship Co. Ltd., the company had since remitted the provident fund contributions and administrative charges in respect of their ship m.v. 'Samudra Daya' while for other two ships the company had agreed to remit the provident fund contributions and administrative charges from the sale proceeds of their ship m.v. 'Samudra Vijay' which was with the receivers M/s S.M. Coomer and M.K. Bose appointed by the Hon'ble High Court, Calcutta. The Commissioner further stated that the Jt. Receivers with whom the matter was taken up had informed to file our claim through the Hon'ble High Court Calcutta and the action was being taken accordingly.

The Chairman advised that the Commissioner should go ahead with the action as stated by him. However, the possibility of recovering the amount directly from the Shipowners under the provisions of the Act should be examined to effect expeditious recovery.

Item NO. 11 : Transfer of Gratuity money deposited by M/s BP Indian Agencies Jt. Enterprises Ltd.) in Seamen's Provident Fund Office to Seafarers Welfare Fund Society, Bombay.

The Secretary stated that since the draft Gratuity Act and Scheme were already submitted to Government the gratuity money need not be

transferred to the Seafarers' Welfare Fund Society as the work relating to gratuity would be done by this organisation as soon as the Gratuity Act was passed.

Shri N.K.Prasad stated that since the accele- had raised objection to hold the gratuity money in this organisation, it was decided to transfer this amount to Seafarers' Welfare Fund Society. Dr. Barnes suggested that as ~~soon~~ and when Gratuity Act was passed the gratuity amount could be taken back from the Seafarers' Welfare Fund Society. In the meantime the amount of Gratuity be transferred to the Seafarers Welfare Fund Society as per the instructions of the Director General of Shipping. The administrative charges be retained with the Seamen's Provident Fund Organisation.

The Board accepted the above proposal and passed the resolution as under:-

"Resolved that in accordance with the arrangement agreed between the Director General of Shipping and the BP Indian Agencies JT Enterprises Ltd., the Gratuity fund deposited with the Seamens Provident Fund Organisation, be transferred to the Seafarers' Welfare Fund Society, for disbursement to the concerned Seamen pending enactment of the Gratuity Act.

Resolved further that while transferring the documents etc. to the Seafarers' Welfare Fund Society, the amount received on account of Administration Charges be retained in Seamens Provident Fund

Organisation and be merged with the Seamen's Provident Fund Administration Account to meet the expenses incurred in connection with maintenance of the accounts."

Item No.12: Recommendations of the Sub-Committee on
(i) Amendments to various Sections/Paras of Seamen's Provident Fund Act/Scheme
(ii) G. Ramanujam Committee Report.

The Secretary stated that the Ramanujam Committee Report was yet to be accepted by the Government. This item was deferred for consideration by the Board at its next meeting.

Item No.13: Waiver of recovery of Rs 388.55 being Administrative Charges from M/s Nasser Saudi Ltd. Jeddah.

The Board agreed to waive the recovery of an amount of Rs.388.55 since there was no response from the shipowners or their local agents concerned and an amount of Rs.388.55 was just negligible.

The Meeting then terminated with a vote of thanks to the Chair.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

MINUTES OF THE 56TH MEETING OF THE BOARD OF TRUSTEES, SEAMEN'S PROVIDENT FUND HELD ON WEDNESDAY, THE 7TH JANUARY, 1987 AT 9.00 AM. IN THE BOARD ROOM OF THE SEAMEN'S PROVIDENT FUND ORGANISATION AT 'KRUPANIDHI' 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, BOMBAY 400038.

Shri Praveen Singh, Chairman, Board of Trustees Seamen's Provident Fund conveyed his inability to attend the meeting as he was rquired to proceed to New Delhi to attend some urgent meeting. In the absence of Chairman, the Secretary welcomed all the members present at the meeting and wished them a very Happy and Prosperous New Year on behalf of the Chairman and the officers and Staff members of the Organisation. The Secretary also requested that in the absence of the Chairman the members should elect one of them to preside over the meeting. Shri Bhandarkar while reciprocating the sentiments expressed by the Secretary, proposed that Shri N.K Prasad be elected to preside over the meeting in the absence of the Chairman. Dr. Barnes seconded the proposal, and accordingly Shri N.K. Prasad presided over the meeting.

The following were present:

Shri N.K. Prasad	Chairman.
Shri K.S. Bhandarkar	Member
Dr. Leo Barnes	Member
Shri U.M. Almeida	Member
Shri V.S. Gangurde	Secretary.

Shri A.V. Ketkar of National Union of Seafarers of

India was permitted as usual to attend the meeting as an observer.

Shri T.S Narayan intimated his inability to attend the meeting due to ill-health while Shri M.S Darbari intimated his inability to attend the meeting due to preoccupation. Leave of absence was granted to both these members.

No intimation was received from Shri B.K. Chaturvedi, Controller of Accounts, Ministry of Transport, New Delhi and Shri M.A. Sayeed, President, Forward Seamen's Union of India, Calcutta.

The Board then took up the items on the list of Business for consideration.

Item No. 1: Confirmation of the Minutes of the 55th Meeting of the Board of Trustees, Seamen's Provident Fund, held on 10th September, 1986 at 11.00 AM. in the Board Room of the Seamen's Provident Fund Organisation, 'Knapanidhi' 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay-400 038.

The Secretary stated that except Shri K.S Bhanderkar, who had no comments to offer, no other members had sent any comments on the minutes which were already circulated.

The Board accepted the minutes of the 55th meeting as confirmed.

Item No. 2: Action taken on the decisions of the Board.

The Secretary stated that as directed by the Chairman at the last meeting a self contained note on Paras No. 1 to 5 covering amendments to

various Sections and Paras of Seamen's Provident Fund Act and Scheme 1966 was prepared and submitted to the Ministry on 22.9.1986, a copy of which was also submitted to the Chairman to enable him to discuss this issue with the Ministry during his visit to New Delhi. It was understood from the Director General of Shipping that he had discussed this issue with the Joint Secretary and the Deputy Secretary in the Ministry and he was informed that a comprehensive note for the various amendments of the Seamen's Provident Fund Act/Scheme, 1966 was under preparation by the Ministry. Further developments in this regard were still awaited.

The members noted that the items at paras No. 6, 7, 10, 11 and 12 were being discussed separately as agenda items. As regards para No. 8 the Secretary reported that as instructed by the Chairman in the last meeting efforts were being made to dispose of the pending cases upto 1983-84. Out of the 15 pending cases, payments were already made in three cases and the remaining 12 cases were under correspondence with the parties concerned for Indemnity Bonds/Guardianship Certificate, etc.

As regards Para No. 9 regarding upgradation of one Junior Assistant to Senior Assistant the Secretary pointed out that though the Board decided to conduct the work study of the Seamen's Provident Fund Organisation it was not clear as to whether the work study was to be conducted by the Sub-Committee of the Board or the same should be assigned to some professional organisation. Dr. Leo Barnes stated that the members of the Sub-Committee of the

Board would not be in a position to devote their full time to undertake the work study of the Organisation and hence the services of some professional expert should be availed of who could devote his full time to undertake this work. Afterwards the Sub-Committee could examine the report submitted by this professional expert. It was unanimously agreed to avail of the services of the professional expert and a Sub-Committee consisting of the following members was appointed to examine the report of the professional expert in details :-

1) Shri N.K. Prasad.
2) Shri K.S. Bhandarkar
3) Dr. Leo Barnes
4) Commissioner - Convener.

It was further decided that this Sub-Committee would also examine the other proposals which might be placed before it by the Seamen's Provident Fund Organisation.

The Board noted the position reported at para No 13 regarding transfer of Gratuity money deposited by M/s B.P. Indian Agencies Jt. Enterprise Ltd., to Seafarers' Welfare Fund Society.

Item No. 3: Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 30.11.1986.

The Secretary reported the latest position of the receipts of the provident fund, administrative charges and damages as on 31.12.1986. As regards the arrears of the provident fund dues he stated

that wherever necessary the matter was taken up with the respective District Collectorates to recover the provident fund dues as arrears of land revenue as provided under Section 10 of the Seamen's Provident Fund Act, 1966 and in other cases the matter was taken up with the authorities concerned i.e. either the Receivers or Official Liquidators as the case be.

Dr. Leo Barnes pointed out that the seamen reporting at the counter for submitting their applications could not be classified as enquiries. These applications were to be shown as receipts in the Organisation and only the seamen who report at the counter for the enquiries regarding their payments etc; should be shown as enquiries. The Secretary agreed with the suggestion of Dr. Leo Barnes and stated that in future two separate registers would be maintained for this purpose. Dr. Leo Barnes also observed that despite 100% checking of provident fund returns the number of unposted items reported for 1985-86 appeared to be on high side. He suggested that in respect of the items where inspite of verifying the records of Seamen's Employment Office and Shipping Office the correct information was not available, such items be transferred to the Provident Fund Dead Account instead of showing them as unposted items. The Board agreed with the suggestion.

Item No. 4: Budget- Proposals for the year 1987-88 and Revised Estimates 1986-87.

The Secretary, while submitting Budget-Estimates for 1987-88 and Revised Estimates for 1986-87 to the Board stated that- excepting Group 'A' posts, for all other posts the Budget- Estimates and Revised Estimates were prepared on the basis of the revised pay scales recommended by the Fourth Pay Commission. The Secretary stated that- the deficit in the Budget Estimates due to revision in the pay scales of the Officers and staff of the Organisation would be covered up by observing utmost economy in recurring and non-recurring expenses and by selling the flat- which was purchased for the use of Commissioner and presently lying vacant. He further stated that- due to 14% increase in the wages of seamen members the receipt towards administrative charges would ~~help~~ also be increased to some extent which would help to meet the deficit In view of the above and in view of the present- recession in the Shipping industry it- was not proposed to increase the administrative charges. The Board approved the Budget- Estimates for 1987-88 and Revised Estimates for 1986-87 and also revised pay scales recommended by the Fourth Pay Commission.

Item No 5: Fixation of rate of Interest for credit to the members' accounts for the year 1986-87.

The members noted the gradual increase

in the interest income which was due to revised pattern of investment- and reinvestment of the low yield securities in the high yield securities. After some discussions it was decided to pay the interest at the rate of 10.15% instead of 10% as proposed by the Commissioner, as it was felt that the approximate balance of Rs. 8.56 Lakhs would be sufficient to meet the emergencies, if any.

Item No. 6A: Entrusting the job of computerisation of Seamen's Provident Fund Accounts for the further period of 3 years

While initiating the discussions the Secretary stated that during his discussion with Shri I.B. Joshi of M/s Compatility India Pvt. Ltd., the latter suggested that if the Organisation would go for a computerisation machine which would cost about 4 to 5 lakhs of rupees the recurring expenses of Rs 70,000/- per year could be saved and also the Organisation could have their day to day work on this computer machine. Shri Bhandarkar stated that the installation of computer machine at this stage might not be possible as the staff members would need the training to operate the computer machine besides the non-availability of the funds. He therefore suggested that the present system of getting the work done through M/s Compatility India Pvt. Ltd., be continued and the installation of computer machine be considered in due course. The members agreed to entrust the

job of computerisation to M/s Computility India Pvt. Ltd., for a further period of 3 years. It was however, suggested that before signing the contract, the notice period of termination of contract should be ascertained from them so that the Organisation would not be forced to suffer any loss in case it was decided to go for installation of Computer machine.

Item No. 6 B: Sale of residential flat at B-2, 42 & 43 Khiranagar, S.V. Road, Santacruz (West), Bombay - 400054

The Secretary explained that the flat which was purchased at the cost of Rs. 550.000/- in 1981 for the use of Commissioner was at present lying vacant since April 1985. The Organisation had to incur an expenditure of Rs. 5000/- P.A. towards the maintenance of this flat. Since the flat was not likely to be occupied by the prospective Commissioner, there was no point in keeping the flat vacant and incur an expenditure of Rs. 5.000/- P.A. In order to make up the deficit in the Budget Estimates due to revision of pay scales the amount of sale proceeds of the flat could be invested in the special deposits which would fetch additional income towards the administrative charges.

The Chairman stated that as explained by the Secretary in view of the reduced earnings

towards the administrative charges and the fact that the flat was not likely to be occupied by the prospective Commissioner, there should not be any objection to sell the flat which would help to meet the short falls in the budget estimates and also save the expenses of Rs 5.000/- P.A towards the maintenance of the unoccupied flat. After some discussions it was unanimously agreed to sell the flat in consultation with the Sub-Committee appointed under Item No. 2.

Item No. 7: Inspection Report on the annual accounts of the Commissioner, Seamen's Provident Fund Organisation, Bombay, for the year 1985-86.

The audit report received from the Directorate of Audit (Central), Bombay was placed on the table of the Board. On perusal of the report Board noted the same and expressed satisfaction.

Item No. 8: Payment of interest on opening balance.

While initiating the discussion on the issue of payment of interest on the opening balance Dr. Leo Barnes strongly criticized the existing procedure of calculating the interest on the opening balance as on the first day of the last year till the time of Non-refundable withdrawal if any, made by the seamen member and then on the reduced balance

thereafter, He pointed out that under the existing provisions of the Scheme the Commissioner had no authority to pay the interest on the reduced balance. Shri K.S Bhandarkar opined that the procedure followed by the Organisation in calculation of the interest on the reduced balance after accounting of ~~for~~ the non-refundable withdrawals during the currency of the account seemed to be correct. To this Dr. Barnes replied that the procedure was not correct as per the relevant provisions of the Scheme and also that when the deposits during the currency of the account were not taken into account for calculation of the interest. The calculation of the interest at the reduced balance after accounting of the non refundable withdrawal was also not logical. In case there were no deposits during the currency of the account the members concerned were entitled for the interest at the opening balance which was a reduced balance for the next year's currency of account.

After some discussion it was unanimously agreed that the non-refundable withdrawals should not be taken into account and the interest should be paid on the opening balance as provided in the Seamen's Provident Fund Scheme 1966.

Item No. 9: Credit of Provident Fund Contributions to the members accounts on due basis and not on receipt basis - Proposal of Dr. Leo Barnes, General Secretary National Union of Seafarers of India, Bombay.

Item No. 10: Disbursement of withdrawal of provident fund dues.

In view of the decision taken on item No.8, Item No.9 and 10 proposed by Dr. Barnes were withdrawn by him.

Item No. 11: Taking over of the charge of investment work from Reserve Bank of India by the Seamen's Provident Fund Organisation.

As instructed by the Chairman a detailed note regarding taking over the charge of the investment work by the Organisation was submitted by the Secretary. On perusal of the note the members agreed that the work regarding the investment of the funds of the organisation be continued to be entrusted with the Reserve Bank of India However, taking into consideration the past experience regarding non-payment of interest and the maturity proceeds on due dates by some of the State Governments which in turn was loss to the Organisation, the possibility of investing our funds in the securities / bonds of the states of Maharashtra and Gujrat only be explored

The Secretary stated that this was already discussed with the Reserve Bank of India who had expressed their inability to keep the funds idle till the Securities of above state Governments were available. He however assured that further discussions with the Reserve Bank of India to explore the possibility of investment with the above State Governments and also the public undertakings, if permissible, would be held.

Item No. 12 : Recommendations of the Sub-Committee on

i) Amendments to various Sections/Paras of Seamens Provident Fund Act/Scheme.

ii) G. Ramanujam Committee Report.

The recommendations of the Sub-Committee regarding amendments to various Sections and Paras of Seamen's Provident Fund Act and Scheme, 1966 were approved with slight changes wherever necessary.

Item No. 13. Recovery of Bank Commission from Seamen for remittances of final withdrawal/ Non-refundable withdrawal payments by Demand Drafts.

The Secretary reported that as decided by the Board in the earlier meeting arrangements were made with the State Bank of India to issue Demand Drafts to the outstation Seamen members without charging any Commission. This facility of issuing Demand Drafts free of cost was subsequently withdrawn by the State Bank of India, in view of the instructions issued by the Reserve Bank of India to all the nationalised and other banks. As a result of this the Organisation had to pay an amount of about Rs. 9000/- during the period of eight months towards the Commission of Demand Drafts which was being debited to the administrative account. The Secretary further stated that in view of the present deficit in the Administrative Account-

the expenses towards the Commission for demand drafts would be a further burden on the ~~Administration~~ charges and hence it was proposed to recover the Commission on the demand drafts from the seamen concerned instead of debiting it to the administration account. The Board agreed with the suggestion.

The meeting then terminated with a vote of thanks to the Chair.

Prava Singh

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY 12.1.88
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 57th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 10th August, 1987 at 3.00 P.M. in the Board Room of the Seamen's Provident Fund Organisation at 'Krupanidhi' 3rd Floor, 9 Walchand Hirachand Marg Ballard Estate Bombay 400038.

The following were present:

Shri Praveen Singh	Chairman.
Shri N.K. Prasad	Member
Shri N.C. Aggarwal	Member
Shri K.S. Bhandarkar	Member
Dr. Leo Barnes	Member.
Shri M.A. Sayeed	Member.
Shri U.M. Almeida	Member.
Shri V.S. Gangurde	Secretary.

Shri V. Ranganathan, Secretary, Owners/Agents' Committee (Crews) and Shri A.V. Kotkar of National Union of Seafarers of India, Bombay were present as observers

The Secretary introduced Shri N.C. Aggarwal, Chief Controller of Accounts, Ministry of Surface Transport, New Delhi, who was attending a Board meeting for the first time, to the Chairman and other members of the Board of Trustees Shri Aggarwal succeeds Shri B.K. Chaturvedi as Trustee.

The Chaiman welcomed the members of the Board. Before he commenced the items on the

Agenda, the Secretary referred to the retirement of Shri T.S. Narayan from the services of the Indian National Shipowners' Association. Shri Narayan had been a Member of the Board of Trustees for the last eleven years. The Board appreciated the valuable services rendered by Shri Narayan as Trustee and resolved to place on record his useful contribution to the proceedings of the Board and furtherance of its objectives. The Members requested the Chairman to convey the sentiments expressed by the Board to Shri Narayan.

The Board then took up the items on the list of business for consideration.

Item No 1: Confirmation of the Minutes of the 56th Meeting of the Board of Trustees, Seamen's Provident Fund, held on Wednesday, the 7th January, 1987 at 9.00 AM. in the Board Room of the Seamen's Provident Fund Organisation at 'Knapanidhi', 3rd Floor, 9. Walchand Hirachand Marg, Ballard Estate Bombay - 400038.

The Chairman stated that the Minutes of the 56th meeting were already circulated to the members and no comments had been received from any one.

Thereafter the Minutes of the 56th Meeting were confirmed.

Item No 2: Action taken on the decisions of the Board.

The Secretary explained that the items at 1 and 2 involving amendments to various Sections and paras of Seamen's Provident Fund Act and Scheme, 1966, were already referred to the Ministry with the requisite Cabinet Note and draft Bill.

The Chairman stated that it might take another couple of months to issue the notification. However, the Ministry might be apprised that the Board had discussed this issue and decided that the Government be requested to finalise as early as possible the amendments to the various sections of the Seamen's Provident Fund Act and paras of the Seamen's Provident Fund Scheme, 1966.

As regards item 3 the Secretary explained that he had contacted Dr. A.M. Sarma of Tata Institute of Social Sciences, a professional consultant in the matter. Dr. Sarma had expressed his inability to undertake the work study of the Organisation owing to his pre-occupation. Secretary therefore, suggested that the Sub-Committee consisting of Shri N.K. Prasad, Shri K.S. Bhandarkar and Dr. Leo Barnes, with the Commissioner, as convener might be requested to examine the work load involved and the staff strength required for the Organisation. Dr. Barnes stated that the work study of any office was a specialised job and the Sub-Committee which was appointed to examine the various administrative problems arising from time to time might not be in a position to do this specialised job. We should therefore try to procure the services of an expert with minimum

possible expenditure.

The Board decided that the Sub-Committee should examine this issue with a view to explore the possibilities of locating a suitable person or Agency to carry out the work at a reasonable cost.

The position regarding item Nos. 4 to 7 was noted by the Board.

Item No.3: Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 30.6.1987.

The Secretary reported the latest position with regard to provident fund receipts and administrative charges. He also reported that as decided earlier two separate registers, one for Receipts and another for Enquiries were introduced at the Enquiry Counter.

As regards the pending cases of final withdrawal upto 1983-84 five cases were disposed of as directed by the Board at its 55th meeting after obtaining the relevant documents namely Indemnity Bonds, legal heirship reports etc. Serious efforts were being made to settle payments in the remaining ten cases by obtaining relevant documents/certificates.

The Board noted the position.

Item No.4: Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1986-87.

The Board approved the draft of the Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the

year 1986-87.

Item No.5: Filling up of the post of Accounts Officer in the Seamen's Provident Fund Organisation.

The Secretary explained that the post of Accounts officer in the Organisation had been lying vacant since the retirement of Shri S.K.Bose Roy w.e.f. 1.2.1985. Inspite of wide publicity given by the Ministry by circulating the vacancy to all concerned in New Delhi as also in Bombay and also by inserting an advertisement in the Employment News, there had been negligible response from outside candidates. He further stated that as per the existing Recruitment Rules the post of Accounts Officer was to be filled in by transfer on deputation of an officer holding analogous post under the Central Government or Accounts or Audit Officer with five years service in the grade from the Indian Audit and Accounts Department, Indian Defence Accounts Department or Indian Railways Accounts Department. The Secretary stated that the Administrative/Asstt. Accounts Officer of the Organisation was presently performing the duties of Accounts Officer in addition to his own as directed by the Ministry for the last 2½ years. Since this arrangement has been found working satisfactorily, the Board was requested to consider promoting the present Administrative/Asstt. Accounts Officer as Accounts Officer by making necessary amendment to the existing recruitment rules.

The Board accepted the proposal in principle and suggested that the Commissioner should submit

specific draft proposal for the amendment of the Recruitment Rules at the next meeting of the Board.

Item No 6: Enhancement of Medical allowance to the staff of the Seamen's Provident Fund Organisation.

The request of the staff members of the Organisation for enhancement of the medical allowance from Rs. 30/- p.m. to Rs 60/- p.m. on the lines of the Employees' Provident Fund Organisation was considered.

The Chairman asked the Secretary as to what would be the financial implications if the medical allowance was increased from Rs 30/- p.m. to Rs 60/- p.m. Secretary explained that the additional expenditure would work out to approximately Rs. 20,000/- P.A. Dr. Barnes stated that the facility of giving uniform medical allowance to all the staff members irrespective of the fact whether the expenditure was incurred or not was introduced as an incentive measure. Since the schemes like Medi-Claim etc. were in existence, before allowing the enhancement in the present allowance of Rs 30/- p.m. the Sub-Committee should be asked to examine the issue in detail.

Shri M.A. Sayeed stated that since the amount involved towards the additional expenses was not very high the request of the staff members should be considered and the medical allowance be raised from Rs 30/- p.m.

to Rs. 60/- p.m. The Chairman, however, opined that the various schemes in existence needed detailed examination keeping in mind the Organisation's budgetary constraints before any final decision was arrived at in this matter. He desired the Sub-Committee to go into the matter and to report at the next meeting of the Board.

Item No. 7: Proposal from the Central Provident Fund Commissioner, Employees' Provident Fund Organisation, New Delhi regarding Periodical meetings of the heads of the Statutory Provident Fund Organisations in the Country

The proposal regarding attending the periodical meetings of the heads of the Statutory Provident Fund Organisations in the Country was appreciated by the Board and it was decided that the Commissioner should attend such meetings which would help to improve the working of the Organisation.

Item No. 8. Opening of Seamen's Provident Fund Account with Punjab National Bank, Bombay

The Secretary explained that in order to earn little more interest the Current Account with the State Bank of India was converted into Savings Bank Account. However, in view of the present restrictions imposed by ~~the~~ State Bank of India of 50 withdrawals in the period of six months as otherwise the Organisation would lose the interest for that particular

month, the very purpose of over opening the Savings Bank Account with the State Bank of India was defeated. The representatives of Punjab National Bank, who called on the Commissioner had agreed to extend the facility of withdrawals without any restrictions and also to give the best possible services to the Fund. It was, therefore, suggested to open an account with the Punjab National Bank.

Some of the members opined that it was their experience that the services rendered by Punjab National Bank were not very satisfactory.

It was, therefore, decided that pending amendment to Section 4(3) of the Seamen's Provident Fund Act, 1966 and para 44 of Seamen's Provident Fund Scheme, 1966 the Commissioner should go ahead as per the instructions issued by the Finance Ministry to open an Account with any other Nationalised Bank which would extend better or similar operational facilities.

Item No. 9: Proposal to amend paragraph 58-E of the Seamen's Provident Fund Scheme 1966 to provide relief to the members to meet the expenses in connection with the marriage of a member of family of Seaman or the Seaman himself.

The proposal to allow second withdrawal under para 58-E was considered and accepted by

the Board and it was decided that the Commissioner should submit the draft amendment to sub-para(3) of paragraph 58-E of Seamen's Provident Fund Scheme, 1966 to the Government for issue of Notification.

Item No. 10: Formation of Departmental Promotion Committee for Seamen's Provident Fund Organisation.

The Chairman opined that generally the Departmental Promotion Committee consisted of three officers and hence only three members needed to be named for the Departmental Promotion Committee.

Dr. Barnes stated that the Departmental Promotion Committee should be represented only by the Government officers. At this stage Chairman asked the Secretary whether there were any proposals pending consideration by the Departmental Promotion Committee. Secretary replied in the negative. The Chairman, therefore, advised that the Departmental Promotion Committee might be constituted as and when the need arose.

Item No. 11. Waiving of recovery of excess payment made to Seaman Shri Karim Mohideen, CDC No. 56347.

The Board agreed to waive the recovery of excess payment made to Shri Karim Mohideen, CDC No. 56347 and decided to adjust this excess payment of Rs. 2020/- by transfer from Forfeiture Account to Provident Fund Account.

Lastly when the Chairman enquired whether any member desired to raise any matter

Shri M.A. Sayeed suggested opening of Regional Office of Provident Fund at Calcutta.

The Secretary explained that the liaison arrangements were already in existence on payment of honorarium to the Director, Seamen's Employment Office, Calcutta and three of his staff members.

This liaison arrangement was working satisfactorily and with the present financial position of the Fund it was not advisable to open a regional office at Calcutta.

Dr. Barnes suggested that this matter be examined.

The Chairman instructed the Secretary to examine this issue with reference to the work load involved, man power required and financial liability and submit his report at the next meeting of the Board.

The meeting then terminated with a vote of thanks to the Chair.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

MINUTES OF THE 58TH MEETING OF THE BOARD OF TRUSTEES, SEAMENS PROVIDENT FUND HELD ON TUESDAY, THE 12TH JANUARY, 1988 AT 11-00 AM, IN THE BOARD ROOM OF THE SEAMENS PROVIDENT FUND ORGANISATION AT 'KRUPANIDHI', 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, BOMBAY 400038.

The following were present:

Shri Praveen Singh	...	Chairman
Shri N.K. Prasad	...	Member
Shri K.S. Bhandarkar	...	Member
Shri S.V. Parande	...	Member
Dr. Leo Barnes	...	Member
Shri M.A. Sayeed	...	Member
Shri U.M. Almeida	...	Member
Shri V.S. Gangurde	...	Secretary

Capt. Kotherkar, Secretary, Owners/Agents' Committee (Crews), Shri A.V. Ketkar of National Union of Seafarers of India, Bombay and Shri C. Stalin of Forward Seamens Union of India, Calcutta were present as observers.

Leave of absence was granted to Shri N.C. Aggarwal, Chief Controller of Accounts, New Delhi, who intimated his inability to attend the meeting due to pre-occupation.

Secretary introduced Shri S.V. Parande, representative of the Indian National Shipowners Association, who was attending the meeting for the first time. Shri Parande succeeds Shri T.S. Narayan as Trustee.

The Chairman welcomed the members and expressed the hope that as usual the members would co-operate to conduct the proceedings in a spirit of cordiality and goodwill. The Board then took up the items on the list of business for consideration.

Item No.1 : Confirmation of the Minutes of the 57th Meeting of the Board of Trustees, Seamen's Provident Fund, held on Monday, the 10th August, 1987 at 3-00 P.M. in the Board Room of the Seamen's Provident Fund Organisation at 'Knapanidhi', 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay - 400038.

Secretary stated that the minutes of the 57th Meeting were already circulated among the members and no amendments/suggestions were received from any member. The Board then approved the draft Minutes of the 57th Meeting as confirmed.

Item No.2 : Action taken on the decisions of the Board.

The Chairman asked Secretary to explain the position regarding action taken on the various decisions arrived at by the Board in the previous meetings.

While initiating the discussions Secretary stated that amendments to various Sections of the Seamen's Provident Fund Act together with draft cabinet note and draft bill submitted to the Ministry were sent to the Law Ministry for further examination.

As regards amendments to the various paras of Seamen's Provident Fund Scheme, the Ministry of Labour, who were consulted by the Ministry of Surface Transport, had made certain observations relating to Paras 59(3) 58(C) and 62(1) and (3).

The Ministry of Labour have opined that the existing provisions under Para 59(3) were already more liberal in comparison to the Employees' Provident Fund provisions and hence they did not consider any further liberalisation in the existing Forfeiture provisions.

Dr. Barnes stated that the permanent-floating staff of the companies were entitled to receive the employers' contributions in full on completion of 6 years service and with a view to have uniformity and considering the intermittent nature of service of the seamen, it was proposed to reduce the period of 10 years to 6 years for eligibility to withdraw the provident fund accumulations (both employees' and employers' share) in full.

The Chairman while endorsing the views expressed by Dr. Leo Barnes suggested that the Ministry may be approached again to accept the amendments proposed for reducing the period of 10 years to 6 years by emphasising the peculiar employment conditions of the Seamen and the special situation arisen on account of present unemployment among them.

As regards amendments to Para 58(C) Secretary pointed out that the Ministry of Labour had suggested that for the sake of uniformity

it would be better if Para 58(c) of the Seamen's Provident Fund Scheme was amended to have similar provisions as existing under Para 68(B) of the Employees' Provident Fund Scheme which provides for grant of withdrawal for House Building purpose after completion of 5 years service. It was decided to accept the suggestion of the Labour Ministry

Amendments proposed under Para 62(1) & (3) was considered to be on very much high side by the Ministry of Labour, who had further observed that the proposal to amend the relevant provision of the Employees' Provident Fund Scheme for enhancement of the ceiling of Rs. 10,000/- to Rs. 20,000/- was under consideration. The Board agreed to have the similar provision in the Seamen's Provident Fund Scheme raising the present limit of Rs. 5,000/- to Rs. 20,000/- to have uniformity.

Commissioner was advised to submit the revised amendments to paras 58(C) and 62(1) & (3) to the Ministry for their approval.

While discussing the proposal regarding reducing the period from 10 years to 5 years for eligibility for Non-refundable withdrawal for house building, Shri M.A. Sayeed stated that in the absence of provisions for repaying the various Non-refundable withdrawals drawn by the Seamen under para 58 A, B, C and E, the stage would come that the Seamen members might not hold any amount in their accounts at the time of superannuation and as such

provision should be made for repayment. Secretary pointed out that the Non-refundable withdrawals were permissible only from the member's share and that too not in full, but a certain percentage of the member's share standing to his credit at that particular time. Shri Sayeed however, was insisting to make provision for repayment of all the withdrawals under Para 58. The Chairman however advised Shri Sayeed to send his proposal as a separate item for the next meeting of the Board of Trustees

Paras 2, 3, 4 and 8 of item 2 were discussed separately as agenda items.

As regards paras 5, 7 and 9, the Board noted the position.

As regards Sr. No 6 Secretary explained that when the State Bank of India was informed about the Board's decision to close the account with them due to restriction of 50 withdrawals in a period of 6 months, they had agreed to withdraw the restrictions imposed and to pay the interest on the balance held in the Savings Bank account. The account with the State Bank of India was therefore maintained. The Board agreed to continue Seamen's Provident Fund Account with State Bank of India.

Item No. 3: Receipts, Payments and Accounting of Provident Fund moneys and progress of work upto 30.11.1987

The Chairman opined that from the data furnished under this item it was observed that the disposals

since last Board meeting appeared to have gone down. Secretary explained that 149 old cases which were categorised as miscellaneous cases and lying unattended were taken out and these cases were being processed for disbursement of provident fund dues to the seamen and/or beneficiaries concerned. The Chairman, however, stated that even then the number of pending cases was more than the number of cases reported at the last meeting. Secretary then explained that almost all these cases were pending due to non-availability of legal heirship reports, CDCs, Indemnity Bonds, Certificates regarding confirmation of correct names of the nominees/legal heirs etc. The Board noted the position.

Secretary further pointed out that in order to facilitate quick disposal and to reduce the hardships of the nominees/legal heirs of the deceased seamen it was decided in the 56th Meeting of the Board that whenever legal heirship reports were not forthcoming from the Revenue Authorities and/or the legal heirs were not able to procure the Succession Certificate, the cases be decided by the Commissioner on production of Indemnity Bond from the recognised unions and the provident fund accumulations be disbursed to the legal heirs. Accordingly, 6 cases pending for a long time were disposed of and efforts were being made to settle the remaining cases also.

Secretary also pointed out that inspite of repeated requests from the Organisation, the Commissioner of Police, Calcutta was not co-operating in sending the legal heirship reports in respect of deceased seamen, who were the residents of Calcutta. The Chairman then suggested to Shri Sayeed that alike Bombay registered seamen, the cases of seamen registered at Calcutta should also be decided in consultation with the Commissioner by furnishing Indemnity Bonds to avoid delay. The Board noted the position.

The Board noted the position explained in the remaining paras

Item No. 4 : Budget proposals for the year 1988-89 and Revised Estimates for the year 1987-88

While initiating the discussion on the Budget proposals, the Chairman expressed great concern over the deficit Budget placed before the Board. He requested the members to give the serious thought and suggest the way out to overcome this deficit budget.

Secretary pointed out that for the last 5/6 years the organisation was facing this situation and this was mainly due to increase in telephone and postal tariffs, electricity charges, printing charges and prices of stationery etc. If it was decided to make up the deficit from the surplus funds available with the organisation, the surplus funds would also be exhausted within

next- 3/4 years

Shri Bhandarkar stated that the shipowners were paying the administrative charges at the maximum rate of 3% on provident fund contributions and with the present recession and the serious problems of cash flow experienced by the shipping companies there was no possibility of increasing the rate of administrative charges.

Shri M.A. Sayeed stated that due to the present trend of escalation in prices of stationery, printing charges, telephone/postal charges and electricity charges it would be rather difficult to prune the expenditure, already proposed in Budget estimates submitted by the Commissioner. He, therefore, suggested that the present definition of wages which includes only wages and leave/holiday wages should be changed and the wages should be defined as per Section 3(57) of the Merchant Shipping Act, 1958, which includes all the emoluments. This would fetch little more income. With this increased income and the interest earned on the amount in fixed deposit it would be perhaps possible to make up the deficit.

Shri Bhandarkar stated that Shri Sayeed's proposal would put undue burden on owners and the present financial crisis faced by the shipowners, was such that it would not be at all possible either to increase the administrative charges or to change the definition of wages. He, therefore, suggested that there was no other alternative than to exercise utmost economy in day to day expenses wherever

it was possible.

Shri Parande stated that it would be observed from the figures given under the head 'Receipts' mentioned under Item No.3 that assets were shown on the basis of receipts of 1986-87, whereas there would be increased receipts due to revised wage rates in the future. It was pointed out that the figures shown under Item No 3 were actual receipts upto 30.11.87, the anticipated increase in the receipts due to revised wage rates was taken into consideration while preparing the Budget proposals under Item No.4.

Dr. Barnes stated that the demand for change in definition of wages in the Seamens Provident Fund Act was periodically made by National Union of Seafarers of India from 1969 onwards but was not accepted by the Board.

The Chairman finally suggested and the Board agreed that since the shipping companies were going through serious financial crisis there was no scope for improving the income by increasing the administrative charges. The only solution was to make up the short fall by pruning the expenses by observing utmost economy wherever possible.

Secretary then stated that all efforts would be made to observe the utmost economy to prune down the expenses wherever possible. The four posts had been kept unfilled as one of the economy measures.

The suggestion of Dr. Barnes to get the computer work done at the minimum cost would

also be examined, as soon as the existing contract with M/s Computility India Pvt. Ltd. would expire.

The Board finally approved the Budget Estimates for the year 1988-89 and Revised Estimates for 1987-88 which were based on actuals and recurring and non-recurring expenses incurred during the last 8 months and it was decided to send the Budget Proposals to the Ministry for their approval.

Item No.5: Appointment of a Legal Adviser for the Seamen's Provident Fund Organisation

Secretary explained that though the legal advice of the Law Ministry was sought by the Organisation on important decisions, the legal advice on certain matters of prosecution etc. was required on urgent basis and hence the proposal to appoint the Legal Adviser on payment of conveyance allowance of Rs. 15/- per visit and the other terms and conditions and fees payable as per the rates prescribed by the Law Ministry was submitted before the Board.

The Board accepted the proposal submitted by the Commissioner for appointment of an advocate Vice Smt. Lata Desai.

Item No.6: Fixation of rate of interest for credit to the members' accounts for the year 1987-88

Secretary explained that there was slight increase in the income in the organisation due to reinvestment of low yielding securities into high

yielding securities and hence the rate of interest was proposed @ 10.75%. P.A. as against 10.15% declared in the year 1986-87.

Dr Barnes welcomed the increase in rate of interest proposed by the Commissioner. He, however, recalled that while fixing the rate of interest for the year 1984-85, it was agreed by the Board that the difference between the rate declared by Employees' Provident Fund and the rate declared by Seamen's Provident Fund Organisation would be paid as and when the resources permitted.

The Board accepted the rate of interest @ 10.75% as proposed by the Commissioner for crediting to the members' account for the year 1987-88.

Item No.7: Report of the Sub-Committee on issue of:

i) Work study of the Seamen's Provident Fund Organisation to assess requirement of staff.

ii) Enhancement of Medical Allowance to the staff of the Seamen's Provident Fund Organisation.

Secretary explained that at the 57th Meeting of the Board a sub-Committee was appointed to examine the issues regarding:

(i) Work study of the Organisation and

(ii) Request of the staff for the enhancement of the Medical Allowance.

The Committee while examining the issue regarding work study of the Organisation observed that due to reduced number of jobs the work load was

also reduced to some extent. Since the accounts of the Organisation were only partly computerised, while processing the claims for the final withdrawals the dealing assistants concerned had to refer various yearwise binders of Computility of India Pvt. Ltd. To avoid this duplication and delay in processing the cases the Committee had recommended that the individual accounts of the members should be updated manually by making entries in the individual ledger folios from the yearwise binders received from the Computility India Pvt. Ltd., and the whole procedure should be examined by the Commissioner to minimise the hardships to the seamen members.

Secretary stated that the work regarding updating the accounts of the individual members was since started and the working procedures in the various Sections will be examined to avoid duplication of work and to minimise the difficulties faced by the seamen members.

As regards the enhancement of medical allowance, the Committee had recommended that the existing allowance of Rs 30/- be increased to Rs. 50/- per month. Shri M.A. Sayeed, however, insisted that the allowance be increased to Rs 60/- as demanded by the staff as this would not cost much financial burden on the Organisation.

Dr. Barnes stated that we should be objective and not play to the gallery.

Shri Prasad, however, opined that considering

the present deficit financial position of the Organisation the Committee's recommendation for increasing the allowance from Rs 30/- to Rs. 50/- might be accepted and the position might be reviewed as and when the financial resources would be available. The Board accepted the recommendations of the Committee.

Item No. 8: Filling up of the post of the Accounts Officer in the Seamen's Provident Fund Organisation.

Secretary explained that the post of Accounts officer was lying vacant for last nearly three years i.e. from 1.2.1985, the date of retirement of Shri S.K. Bose Roy on superannuation. He further stated that as pointed out to the Board during the last meeting (57th), there was negligible response from the officers of the Accounts/Audit departments. The only one officer who was sponsored by Bhabha Atomic Research Centre was not fulfilling the 5 years service condition laid down in the Recruitment Rules and inspite of the recommendations to relax the condition of 5 years no orders were being received from the Minstry. In view of the poor response from the Accounts/Audit officers it was thought suggested to consider the ~~appointment of~~ Accounts Officer by promoting suitable senior-most staff member from the organisation by amending the Recruitment Rules. The Board agreed with the suggestion in principle and the commissioner was asked to submit

the draft Recruitment Rules. Accordingly, the draft was submitted by the Commissioner before the Board and the same was approved by the Board and it was decided to approach the Ministry to approve the proposed amendments to the existing Recruitment Rules

The Board also approved the payment of honorarium to Administrative/Asst. Accounts officer who was looking after the duties of the Accounts officer for the last three years. It was resolved that the quantum of honorarium to be paid to the Administrative/Asst. Accounts officer be decided by the Commissioner with the approval of the Chairman and the same should be paid with retrospective effect.

Item No. 9: Opening of Regional Office of the Provident Fund at Calcutta - Proposal of Shri M.A. Sayeed of Forward Seamen's Union of India, Calcutta

Secretary explained that as directed by the Board at its last meeting the question regarding opening of regional office at Calcutta with reference to work load involved, man power required and financial implications involved was examined and a detailed note was placed before the Board. It was observed that minimum monthly expenditure to maintain the Regional

Office at Calcutta would be around Rs 15,000/- PM. In view of the deficit Budget of the Organisation it might not be advisable to have Regional Office at Calcutta at this stage.

Secretary further stated that the provident-fund accounts of all Calcutta registered seamen were maintained by the Organisation and annual statements of the accounts were despatched to the seamen every year. The payment of provident-fund dues (final withdrawals/non-refundable withdrawals) to seaman was being made by the Organisation either by postal money order or by crossed cheques by post or depositing money in the payee's postal Savings bank account. The complaints regarding discrepancies, accounts etc; which were received directly from the seamen were being rectified on verification by the individual accounts and wherever needed, corrections were made under intimation to the members concerned. Therefore, there was very little need for seamen to have any direct dealing with the organisation. Besides, the present liaison arrangement at Calcutta was found to be working satisfactorily. The need for opening of regional office at Calcutta was, therefore not warranted.

Shri M.A Sayeed stated that though the position explained by the Secretary was correct, the seamen members from Calcutta had a feeling that with the regional office at Calcutta their difficulties would be further

reduced. The liaison arrangement at Calcutta was not sufficient to fill up the gap of Communication. He further suggested that to understand the problems of Seamen members from Calcutta Commissioner should visit Calcutta and meet ~~them~~ the Seamen members. After some discussions it was agreed that there was no need to open a regional office at Calcutta at this stage. However, the Commissioner or one of his representatives from the Organisation should go to Calcutta to sort out the problems of seamen members from Calcutta in person.

Item No 10: Provision for inspection of Accounts of members exempted from operation of the Seamen's Provident Fund Act/Scheme.

Secretary explained that the provisions of Seamen's Provident Fund Act/Scheme were more or less parallel to those of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Scheme framed there-under. However, the provision regarding inspection of accounts of the employers who were granted exemption was absent in the Seamen's Provident Fund Act, 1966. In order to have supervision/control over the provident fund maintained by the exempted employers, the additional provisions to Section 20 of Seamen's Provident Fund Act were proposed.

The Board agreed with the views expressed by the Secretary and approved the proposed additional provisions to Section 20 and recommended to submit the same to the Ministry for issuing notification to that effect.

Item No. 11 Audit & Inspection Report on the annual accounts of the Seamen's Provident Fund Organisation, Bombay for the year 1986-87

The Board noted the observations made by the Auditors in the Audit Report placed before it.

Item No. 12: Objection raised by the Auditors for retention of Administration Charges received with Gratuity Fund, deposited by M/s BP Indian Agencies Jt. Enterprise Ltd., in the Seamen's Provident Fund Administration Account.

Secretary explained that the Audit had raised objection to our retaining the gratuity administration charges amount of Rs. 62,804/- received from M/s B.P. Indian Agencies Jt. Enterprise Ltd., though the gratuity amount was transferred to the Seafarers' Welfare Fund Society. Secretary pointed out that on receipt of the gratuity amount from M/s BP Indian Agencies Jt. Enterprise Ltd, the work was allotted to one Jr. Assistant under the supervision of one Senior Assistant who was paid special pay. The major work regarding opening of individual accounts of the members and crediting the amount in the individual accounts was done by this

Organisation. Claims filed by some of the Seamen were also settled before transferring the amount to Seafarers' Welfare Fund Society. If separate staff was to be appointed to attend this work, the expenses towards the salary of one Jr Assistant and one Senior Assistant, purchase of Stationery etc. would have been incurred. However, this work was managed with the existing staff and no expenditure was incurred towards the salaries of two assistants. The expenditure towards Stationery such as ledgers, binders registers etc. was incurred from the administrative account of this Organisation. The amount received from M/s B.P. Indian Agencies Jt. Enterprise Ltd., was kept separately in anticipation that the draft legislation of the Gratuity Act/Scheme would be notified by the Government and then this amount would be transferred to this account. The position explained by the Secretary was appreciated by the Board and it was decided that the amount of Rs. C2804/- retained by the Organisation need not be transferred to the Seafarers' Welfare Fund Society.

Item No. 13: Proposal to amend sub-para (4) of Para 52 and Para 2 (c) of the Seamen's Provident Fund Scheme, 1966.

Secretary while initiating the discussions explained that the amendments to para 52(4) were proposed since the organisation was facing problems,

wherever the seamen members had failed to file the revised Declaration/Nomination forms on their acquiring families i.e. after marriage. In such cases the counter claims were received from the nominee i.e. mother or father, who were part of the family and also from the wife. To avoid the difficulties in settling the claims in such cases the proposed amendments were submitted before the Board.

Dr. Barnes stated that it was the sole prerogative of the member to nominate any member of his family and even for that matter anybody to whom he desired to disburse his provident fund accumulations. The amendments proposed by the Commissioner would compel the member to change his nomination and nominate only his wife which was not proper legally. The Chairman agreed with the views expressed by Dr. Leo Barnes and it was decided that there was no necessity to amend existing provisions of para 52.

The meeting then terminated with a vote of thanks to the Chair.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND

MINUTES OF THE 59TH MEETING OF THE BOARD OF TRUSTEES, SEAMEN'S PROVIDENT FUND, HELD ON TUESDAY, THE 23RD AUGUST, 1988 AT 3.00 P.M. IN THE BOARD ROOM OF THE SEAMEN'S PROVIDENT FUND ORGANISATION AT 'KRUPANIDHI' 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, BOMBAY 400038.

The following were present:

Shri	N.K. Prasad	Chairman
Shri	N.C. Aggarwal	Member.
Shri	K.S. Bhandarkar	"
Shri	S.V. Parande	"
Shri	U.M. Almeida	"
Shri	V.S. Gangurde	Secretary.

Capt. Kothurkar, Secretary, Owners/Agents' Committee (Crews), Bombay and Shri A.V. Kothkar of National Union of Seafarers of India, Bombay were present as observers.

Secretary welcomed the members on behalf of the Chairman, who could not attend due to his sudden departure for New Delhi to attend some urgent meeting. He further requested the members present that, as provided under para 12 of the Seamen's Provident Fund Scheme, 1966, the Trustees present should elect one of them to preside over the meeting. Shri Bhandarkar proposed the name of Shri N.K. Prasad to preside over the meeting which was seconded by Shri N.C. Aggarwal. Shri N.K. Prasad then took the Chair.

Leave of absence was granted to Sarvashri M.S. Darbari, J.E. D'Souza, M.A. Sayeed and Dr. Leo

Barnes who were unable to attend the meeting due to pre-occupation/ill health.

Thereafter, the items on the list of business were taken up for consideration.

Item No. 1: Confirmation of the Minutes of the 95th Meeting of the Board of Trustees, Seamens Provident Fund, held on 12.1.1988 at 11.00 AM. in the Board Room of the Seamens Provident Fund Organisation.

Secretary stated that Shri Parande had suggested an amendment to the draft minutes under Item No. 4. He further clarified that the amount of Rs. 1.2833.174/- shown as anticipated receipts for the remaining 4 months i.e. December 1987 to March, 1988 instead of an amount of Rs. 1.3583.412/- was a clerical error and the fact that the Budget proposals as recommended by the Board had already been approved by the Government; the question of reviewing the position at this stage would not arise. In view of the position explained by the Secretary, Shri Parande agreed to withdraw his suggestion and the draft Minutes were confirmed.

Item No. 2: Action taken on the decisions of the Board

The position at Sr. No. 1, 2 and 3 was noted by the Board.

As regards Sr. No 4 Secretary explained that the post of Accounts Officer had been lying vacant for the last more than three years

i.e. from 1.2.1985, after the retirement of Shri S.K Bose Roy, the then Accounts officer. Inspite of wide publicity through an advertisement in the 'Employment News' and the circulation in the various concerned Ministries the post has still remained vacant. Efforts were being made to fill in the post as early as possible in consultation with the Ministry of Surface Transport.

Shri N.C. Aggarwal, stated that the Accounts officer working in the similar grade might not be interested to join in this organisation on deputation. Only Junior Accounts officers in the other Government departments might offer themselves for appointment in the Organisation on deputation. Secretary stated that in the recent advertisement published by the Ministry of Surface Transport, the conditions regarding experience were relaxed by the Ministry and the proposal to promote senior staff member of this organisation was also submitted to the Ministry with suitable amendment in the existing Recruitment Rules.

With regard to Sr. No. 5 regarding appointment of legal adviser, Secretary stated that he had a talk with advocate Shri S.S. Ambedkar, who is on the Panel of Government Counsels approved by the local branch of Ministry of Law and after his acceptance of the terms as approved by the Ministry of Law, he will be appointed as legal adviser to the Organisation.

Item No. 3: Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 30.6.1988.

Shri Bhandarkar though expressed satisfaction over the considerable improvement in payment

cases i.e final withdrawals and Non-refundable withdrawals, pointed out that some of the cases were pending for a long time i.e. as far back as from 1978-79. He also enquired as to whether any period had been specified under the Seamen's Provident Fund Act and Scheme, 1966 to keep the case open.

Chairman stated that there was no specific time limit either to keep the case open or close. The Commissioner was delegated powers to disburse the amounts if it does not exceed Rs. 5000/- after satisfying himself with the genuineness of the claimant concerned. The cases where amount exceeds Rs. 5000/- but does not exceed Rs. 10,000/- the powers were vested with the Chairman. He advised the Secretary to look into these cases and to make efforts to disburse the amounts to the proper legal heirs.

Secretary stated that the parties concerned were already advised to furnish Indemnity Bonds/ Succession Certificate and other relevant documents and on receipt of the same the amount would be disbursed to the proper legal heirs. In case no reply was forthcoming from the parties concerned the account would be closed and the amount would be transferred to Dead Account maintained by the Organisation.

The progress made in clearing unposted items was also noted by the members with satisfaction.

Item No. 4: Draft Annual Report on the Working of the Seamen's Provident Fund Scheme, 1966, for the year 1987-88

Shri Bhandarkar stated that the draft Annual Report prepared by the Secretary covers all the items and there was hardly anything to suggest.

Secretary, however, pointed out that sub-para 20 and Para 21 of the draft report were more or less same and hence sub-para 20 be deleted and Para 21 be reworded as follows:-

" Para 21: The requests for Non Refundable withdrawals under para 58 were more as compared to the preceding year i.e 1986-87. The organisation has greared up its machinery to ensure expeditious payments to the members and/or to the next-of-kins of the deceased members and we have been able to make payments of final withdrawal cases in three weeks and Non-Refundable withdrawal cases in a week's time."

The Board then approved the Annual Report for onward submission to the Government.

Item No. 5: Proposal for enhancement of rate of Administrative Charges.

While initiating the discussions on the proposed enhancement of Administrative Charges, Secretary explained that in view of the present recession in the shipping industry the Organisation was going through the serious financial crisis. Inspite of the best efforts to keep the expenditure

at the minimum possible, there was no possibility of striking the balance between the receipts and expenditure, due to revised pay scales as recommended by the Fourth Pay Commission and general escalation in the tariffs of telephone, postage, electricity and cost of stationery etc.

He further stated that every year expenses exceed to the tune of Rs. 1.5 lakhs than the income. He expressed the fear that this deficit would further increase because of periodical increase in DA, payment of bonus, retiral benefits to be paid to the staff members due to retire in near future and for meeting these additional expenses the present cushion of Rs. 8.5 lakhs held by the organisation in the fixed deposits would exhaust in next 3-4 years. Secretary further emphasised the need for Reserve Fund to meet any exigencies and stated that with a view to make some additional funds available to meet the day-to-day increasing expenses, a proposal to install our own computers was submitted for consideration of the Board separately under Item No. 8. This would save the Recurring expenditure of Rs. 60,000/- to Rs. 70,000/- towards the payment to M/s computility (India) Ltd. This would help to reduce the deficit to some extent but would not be sufficient to meet administration expenses of the Organisation. And, therefore, there was no other alternative than to increase Administrative charges at least by 1/-.

Shri K.S. Bhandarkar stated that though he appreciated the anxiety of the Secretary to keep the balance between the receipts and expenditure and to maintain some 'Reserve' Fund to meet any exigencies, enhancement of administrative charges from 3/- to 4/- would not be advisable at this stage as the shipowners were still facing financial crisis. He further pointed out that the recent increase of 14% in the basic wages of the seamen and inclusion of certain percentage of the Seniority Supplement in the basic wages for calculation of provident fund should fetch some more income to the organisation. At this stage, secretary pointed out that the recent increase in wages and inclusion of Seniority Supplement into wages for calculation of provident fund contributions was taken into consideration while submitting the proposal before the Board. Shri Bhandarkar stated again that this was not the opportune time to enhance the Administrative charge and the shortfall which the Organisation might have to face, inspite of the slight increase in the receipts, should be met from the present surplus of Rs. 8.5 Lakhs.

Shri Parande stated that he fully endorse the views expressed by Shri Bhandarkar. He further stated that he worked out the additional receipts of the Organisation due to recent increase of wages and observed that the present deficit would be reduced to some extent though not in full and therefore the shortfall, if any, be met from the present

at the minimum possible, there was no possibility of striking the balance between the receipts and expenditure, due to revised pay scales as recommended by the Fourth Pay Commission and general escalation in the tariffs of telephone, postage, electricity and cost of stationery etc.

He further stated that every year expenses exceed to the tune of Rs. 1.5 lakhs than the income. He expressed the fear that this deficit would further increase because of periodical increase in D.A., payment of bonus, retiral benefits to be paid to the staff members due to retire in near future and for meeting these additional expenses the present cushion of Rs. 8.5 lakhs held by the Organisation in the fixed deposits would exhaust in next 3-4 years. Secretary further emphasised the need for 'Reserve Fund to meet any exigencies and stated that- with a view to make some additional funds available to meet the day-to-day increasing expenses, a proposal to install our own computers was submitted for consideration of the Board separately under item NO. 8. This would save the Recurring expenditure of Rs. 60,000/- to Rs. 70000/- towards the payment to M/s computility (India) Ltd. This would help to reduce the deficit to some extent but would not be sufficient to meet administration expenses of the Organisation. And, therefore, there was no other alternative than to increase Administrative charges at least by 1/-.

Shri K.S. Bhandarkar stated that- though he appreciated the anxiety of the Secretary to keep the balance between the receipts and expenditure and to maintain some 'Reserve' Fund to meet any exigencies, enhancement of administrative charges from 3/- to 4/- would not be advisable at this stage as the shipowners were still facing financial crisis. He further pointed out that the recent increase of 14% in the basic wages of the seamen and inclusion of certain percentage of the Seniority Supplement in the basic wages for calculation of provident fund should fetch some more income to the organisation. At this stage, secretary pointed out that- the recent increase in wages and inclusion of Seniority Supplement into wages for calculation of provident fund contributions was taken into consideration while submitting the proposal before the Board. Shri Bhandarkar stated again that this was not the opportune time to enhance the Administrative Charge and the shortfall which the Organisation might have to face, inspite of the slight increase in the receipts, should be met from the present surplus of Rs. 8.5 Lakhs.

Shri Parande stated that- he fully endorse the views expressed by Shri Bhandarkar. He further stated that he worked out the additional receipts of the Organisation due to recent increase of wages and observed that the present deficit would be reduced to some extent though not in full and therefore the shortfall, if any, be met from the present

surplus fund as suggested by Shri Bhandarkar.

It was then unanimously agreed to keep the proposal in abeyance for the time being and to review the position during the next meeting when budget proposals for 1989-90 would be worked out.

Item No.6: Amendment to Section 2(n) of the Seamen's Provident Fund Act, 1966 and Paragraph 26(3) of the Seamen's Provident Fund Scheme, 1966.

Secretary stated that the proposed amendment was necessitated due to the inclusion of seniority supplement and supplement in the wages for calculation of provident fund contributions as per the revised National Maritime Board Agreement of 1988. He further stated that the present definition of wages includes only basic wages and the leave wages and hence it would not be legally correct to accept the provident fund contributions after inclusion of seniority supplement and supplement in the 'wages' as agreed to by the National Maritime Board unless the definition of 'wage' was amended. Under Para 26(3) contributions were required to be calculated on the basic wages payable for each period of service.

The fact that the terms and conditions of service were decided by the National Maritime Board Agreement and there was possibility of inclusion of some other

allowances for calculation of provident fund contributions, the definition of wages was proposed to give wide scope at par with definition in the Merchant Shipping Act, to avoid frequent amendments.

Shri Bhandarkar stated that the definitions in the Merchant Shipping Act was very wide as it was inclusive of all emoluments. This might lead to complications and hence the present definition under Section 2(n) should be amended only by addition of sub-section (iii) for inclusion of supplement and seniority supplement in the basic wages.

Shri N.C. Aggarwal stated that slight change in sub-section (ii) of Section 2(n) by adding the word 'to' instead of 'of' or 'of/to' might take care of the present amendment of the National Maritime Board. He however, suggested that the advice of the Law Ministry be sought in this regard, before considering any amendment to Section 2(n) and para 26(3).

It was then agreed that before any amendment was submitted to the Government the opinion of the Law Ministry should be obtained. In the meatime, provident fund contributions calculated after inclusion of seniority supplement/ supplement into wages be accepted by the Commissioner by issuing Administrative Order.

Item No. 7: Budget Re-appropriation 1987-88.

The position was noted by the Board.

Item No. 8: Computerisation of Accounts.

Secretary stated that the accounts of the Organisation were partly computerised for the last 16 years for which expenses of Rs.1.15.000/- per year on an average, were incurred by the Organisation. This was inclusive of the cost of stationery required for computerisation of Accounts. Since the existing computerisation of Accounts was not complete, while processing the final withdrawal cases yearly binders were required to verify the voyage to voyage basis contributions to ensure the correct payments, which was a laborious and time consuming process, with a view to bring the accounts more upto date and further expeditious disposal of the final withdrawal cases as also to avoid recurring expenses of Rs.60.000/- to Rs.70.000/- (Expenses of Rs 25.000/- to Rs 30.000/- would have to be incurred for purchase of stationery) it was proposed to instal our own computer. Shri Aggarwal stated that the National Information Centre extends all possible assistance to instal computers in the Government Organisation and hence Commissioner should take up the matter with the National Information Centre.

Secretary stated that quotations were already invited from the various firms dealing with computers. The National Information Centre would also be contacted and after obtaining detailed information from all sources a self contained proposal would be submitted to the

Sub-Committee for examination.

Item No 9: Grant of exemption from operation of the provisions of the Seamen's Provident Fund Act, 1966, under Section 20 of the Act - Request from M/s Essar Shipping Company Ltd., Bombay and M/s Poompuhar Shipping Corporation Ltd., Madras.

Shri U.M. Almeida pointed out that there appeared to be slight anamoly under Shipping Companies provident fund rules. The Shipping Company's Provident Fund Rules provide that the member shall subscribe to the fund, from the beginning of the month following the month in which he has completed three months of continuous service or has actually worked for not less than 60 days within a period of three months or less in the Company or in any other Factory or establishment, while the provisions of Seamen's Provident Fund Scheme provide that the member was required to contribute to the fund from the very first day of his joining the sea-service. He, therefore, suggested that the provident fund contributions in respect of seamen who were members of this fund should continue to be deducted even during the probation period on their appointment on permanent basis by the Shipping Company concerned, and these contributions should be deposited with the Seamen's Provident Fund Organisation. Under any circumstances there should not be any break in the deduction

of provident fund contributions of the seamen members on their appointment as Petty Officers on permanent basis by the Shipowners

Secretary stated that he would discuss this issue with the representative of M/s Essar Shipping Ltd., and then only the exemption sought for by the Company would be granted.

The Board agreed to exempt M/s Essar Shipping Ltd., and M/s Poompuhar Shipping Corporation Ltd. from operation of the provisions of Seamen's Provident Fund Act/Scheme, 1966, under Section 20 subject to the clarification of the above suggestion of Shri Almeida.

The meeting then terminated with a vote of thanks to the Chair.

Praveen Singh.
CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

U.G—1.
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

MINUTES OF THE 60TH MEETING OF THE BOARD OF TRUSTEES, SEAMEN'S PROVIDENT FUND HELD ON THURSDAY, THE 5TH JANUARY 1989, AT 3.00 P.M. IN THE BOARD ROOM OF THE SEAMEN'S PROVIDENT FUND ORGANISATION AT 'KRUPANIDHI' 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, BOMBAY-400 038.

The following were present :-

Shri	Praveen Singh	Chairman
-11-	N. K. Prasad	Member
-11-	K. S. Bhandarkar	-11-
-11-	S. V. Parande	-11-
Dr	Leo Barnes	-11-
Shri	U. M. Almeida	-11-
-11-	M. A. Sayeed	-11-
-11-	V. S. Gangurde	Secretary

Shri A. V. Ketkar of the National Union of Seafarers of India was present as an observer.

The Chairman welcomed the members and expressed the hope that as usual the members would co-operate in conducting proceedings of the meeting in a spirit of cordiality and goodwill. The Board then took up the items on the list of business for consideration.

Item No. 1 : Confirmation of the Minutes of the 59th Meeting of the Board of Trustees, Seamen's Provident Fund held on 23rd August 1988 at 3.00 P.M. in the Board Room of the Seamen's Provident Fund Organisation.

The Chairman stated that it would be observed from the note submitted by Secretary that no comments on the minutes circulated amongst the members were received except from Shri K.S. Bhandarkar who had found the minutes in order. Dr. Barnes pointed out that at page 4 of the Minutes the word 'incurring expenditure' should be corrected as 'Recurring expenditure'.

The Board then approved the draft minutes of the 59th meeting as confirmed after making necessary corrections as suggested by Dr. Barnes.

Item No. 2 : Action taken on the decisions of the Board.

The position reported at Sr. Nos. 1, 3 & 4 was noted by the Board.

As regards Sr. No. 2 Dr. Barnes observed that the Board had agreed in principle to pay an honorarium to the Admn./Assistant Accounts Officer for looking after the duties of the Accounts Officer after the retirement of Shri S.K. Bose Roy the then Accounts Officer w.e.f. 1.2.1985. He should therefore be paid some additional remuneration in some form or other if it was not possible to pay honorarium as pointed out by the Secretary.

The Chairman advised the Secretary to re-examine the issue and submit the proposal for payment of additional remuneration to the Admn./Asst. Accounts Officer as suggested by Dr. Barnes.

Secretary stated that the proposal would be re-examined and a note would be submitted to the Chairman. In this context, Secretary pointed out that inspite of the repeated reminders issued to the Ministry for appointment of the Accounts Officer no action was taken so far. He, therefore, suggested that a D.O. reminder from the Chairman be issued to the Secretary, Ministry of Surface Transport, New Delhi, so that the question of appointment of Accounts Officer could be finalised at least in near future.

The Chairman advised Secretary to put up file to him with a draft D.O. letter to the Secretary, Ministry of Surface Transport, New Delhi.

As regards Sr. No. 5 regarding proposed amendment to Section 2(n) of the Seamen's Provident Fund Act, 1966, Board recommended that the proposed amendment to Section 2(n) as suggested by Shri Aggarwal be submitted to the Ministry for approval.

With regard to Sr. No. 6, Secretary reported that as directed by the Board, at its last meeting, the National Information Centre were approached to guide us for installation of the Computer in the Organisation. However, no reply was so far received from National Information Centre.

The Chairman suggested that at present there was lot of competition in the market and a commercial firm dealing in computers would

perhaps be able to deliver the goods in a better way. There was, therefore, no need to wait any further for the proposals from the National Information Centre and the quotations from commercial firms should be called and placed before the Sub-Committee for examination and recommendations to the Board.

Item No. 3. : Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 30-11-1988.

Dr. Barnes observed that the number of in-operative accounts was increasing as also large number of cases were pending upto 1985-86. He stated that as on date there would be at the most 32,000 seamen registered with the Seamen's Employment Office, Bombay/Calcutta and hence the number of accounts shown by the Commissioner was on very much higher side. This might be because of some of the accounts were maintained in duplicate, the accounts of seamen who have superannuated were not settled and the accounts of seamen who were subsequently made permanent employees of the company were yet to be transferred to their present employer. Dr Barnes, therefore, suggested that the Commissioner should review the position and all such in-operative accounts should be transferred to Forfeiture Account.

Secretary stated that there was no provision to transfer such In-operative accounts to the forfeiture account. However, the Organisation was holding a 'Dead Account' for such cases. The

work regarding verification of all the accounts was in progress and the amount lying in these in-operative accounts would be transferred to 'Dead Account' after closing these Accounts. As and when any seaman approaches for settlement of his account the amount due to him would be settled without paying him any interest.

The Chairman directed Secretary to submit an upto-date report in this regard at the next Board meeting.

It was also decided that the accounts remained in-operative for more than 3 years period should be closed and amount held in such accounts should be transferred to 'Dead Account'.

The Chairman expressed great concern towards the large outstanding provident fund contributions from some of the employers viz. shipping companies.

Secretary explained that major portion of outstanding provident fund contributions was due from shipping companies who had gone into liquidation and the claims were filed with the respective Official Liquidators. He further stated that wherever possible action was being taken to recover the outstanding provident fund contributions through the concerned District Collectors as arrears of land revenue as provided under Section 10 of the Seamen's Provident Fund Act, 1966.

Secretary further explained that in case of the existing Shipping companies on

verification of the provident fund returns received from the Shipping Masters, the shipping companies were issued with the Show Cause Notices for not depositing the provident fund contributions within the stipulated time limit of 30 days. If the employer failed to remit the contributions inspite of receipt of Show Cause Notice issued by the Organisation an inquiry was conducted under Section 7 of the Seamen's Provident Fund Act, 1966 and amount was recovered as arrears of land revenue through the concerned District Collectors. The Shipping Masters concerned were also requested not to allow to sign on the fresh set of crew for vessels of such defaulting companies unless and until provident fund contributions were deposited by them.

The Chairman opined that some means of ensuring that Provident Fund contributions are not lost, be considered e.g. obtaining a Bank Guarantee. The trustees discussed this point in some detail and concluded that since the Shipping Master takes a Bank Guarantee in cases where an employer is considered to be non traditional (i.e. where a company has not employed seamen for a long period) there is no requirement to persue this for the present. The Commissioner was requested to maintain a close liaison with the Shipping Master to prevent any possibility of defaults occuring particularly by new employers of unknown integrity.

Item No 4 : Budget proposals for the year 1989-90 and Revised Estimates for the year 1988-89

and

Item No. 5 : Proposal for enhancement of rate of Administrative Charges.

The Chairman suggested that since Item No. 4 and Item No 5 were co-related, both these items could be discussed together, if the members see no objection to it. Both these items were then discussed together.

The Chairman expressed great concern over the alarming financial condition of the Organisation as was observed from the Budget proposals submitted by the Secretary. He, therefore, stated that in view of this alarming financial conditions Secretary's proposal for increase in the present rate of 3% of Administrative Charge deserved some consideration. Chairman further stated that the Organisation could not afford to exhaust surplus funds available with it to meet the deficit which was increasing every year. In fact efforts should be made to build up the surplus funds to meet the increasing expenses towards the salaries, pension, gratuity etc. to the employees and also the expenses towards the telephone, electricity, stationery etc.

Shri Bhandarkar observed that while variation in the recurring and non-recurring expenditure was negligible, the variation in the pay and allowances was very much on higher side. At this stage Shri Parande opined that figures towards the receipts of provident fund contributions of

Rs. 4.20 crores were perhaps not calculated after taking into consideration the recent increase in wages increase in Leave days and leave wages as also inclusion of Seniority Supplement and 10% of supplement in wages for calculation of provident fund contributions. He further stated that according to him with the increase in the wages from October, 1987 to April, 1989 and the inclusion of Seniority Supplement and 10% supplement into wages for calculation of provident fund contributions, the Organisation should receive an amount of Rs. 4.90 crores towards the provident fund contributions and hence the administrative charges would also increase to that extent which should be sufficient to meet the present deficit.

Secretary stated that all these increases were taken into consideration while submitting the proposals before the Board.

The Chairman advised that Secretary and Shri Parande should examine this issue once again to find out the correct receipt of Provident Fund contributions with the increased rate of wages and submit the correct figures at the next Board meeting. The Chairman also observed that there could not be so much difference between the figures worked out by the Organisation and as pointed out by Shri Parande. He, therefore, opined that some enhancement in the present rate of 3% of Administrative Charges was inevitable.

After some discussions it was unanimously agreed to increase the rate of Administrative

Charges from 3% to 3.5%. The Board felt that the increase was adequate. However after working out the correct figures the actual status should be submitted at the next meeting. Should there be a shortfall the same can be reviewed at the time of submission of supplementary budget.

The Budget proposals were finally approved for onward submission to the Ministry.

Item No. 6: Fixation of rate of interest for credit to the member's accounts for the year 1988-89.

Secretary, while initiating the discussions on the proposed rate of interest for the year 1988-89, stated that in view of erroneous calculation of the interest earnings on the Provident Fund investments, the rate of interest was suggested as 12%. However, after collecting the relevant information from the Reserve Bank of India, who were looking after our investments the interest earnings were re-calculated which worked out to Rs. 1032.73 Lakhs. This amount would not be sufficient to pay interest at the rate of 12% as suggested in the note circulated earlier amongst the members. He, therefore, suggested that as submitted in the revised proposal rate of interest for the year 1988-89 be fixed at 11.5% which would leave a balance of Rs 10.08 Lakhs to meet the emergencies, if any.

The Board approved the proposal submitted by the Secretary and it was decided to fix the rate of interest for the year 1988-89 as 11.5% and directed the Commissioner to approach the Government for their approval.

Item No.7 : Inspection Report on the annual accounts of the Commissioner, Seamen's Provident Fund Organisation, Bombay for the year 1987-88.

The Chairman while initiating the discussions on this item observed that Shri Tewani had not yet paid difference of licence fees and Secretary should therefore, persuade Shri Tewani to pay this amount as early as possible to enable the Organisation to settle the audit objection.

Shri Bhandarkar stated that it was rather difficult for a retired person to pay such amount and hence suggested that the Board may take a lenient view.

The Chairman observed that as per the terms and conditions for deputation of Shri Tewani, Officer was permitted to occupy the accommodation provided by the C.P.W.D. and 10% of his emoluments on licence fees as per the F.R. 45-A III actually worked out, whichever is less, was to be recovered from him. The Chairman, therefore, stated that when 10% of his emoluments was already recovered, it was not clear why an amount of Rs 6542.05 was required to be recovered from Shri Tewani. He directed the Commissioner to check up the terms and conditions of the appointment of Shri Tewani and

examine the relevant audit objection in that context.

The correct position should be reported to the Board at its next meeting.

Shri Bhandarkar expressed fear as to how there was such a huge difference of Rs 67,46,077/- between the balance sheet figure under the Seamen's Provident Fund Account of 1987-88 and the figure shown by the Computer.

Secretary explained that this difference was mainly due to un-posted items, excess deposits by the shipping companies, etc.

The Chairman, however, opined that there should not be such a huge difference for the reasons stated by Secretary. Secretary should, therefore, verify the position again and a detailed report in this regard should be furnished to the Board at its next meeting.

The position with regard to other audit objections was noted by the Board.

Item No.8. : Grant of exemption from operation of the provisions of the Seamen's Provident Fund Act/Scheme, 1966 Requests from M/S. Larsen & Toubro Ltd., and M/S Varun Shipping Company Ltd Bombay.

Secretary explained that under Section 20 of the Seamen's Provident Fund Act, 1966 the Board was authorised to exempt any seamen to whom this Act applied and his employer from the operation of all or any of the provisions of

this Act if, in the opinion of the Board the seamen was in enjoyment of benefits in the nature of provident fund or pension and such benefits, separately or jointly are on the whole not less favourable to the seamen than the benefits provided by or under this Act.

M/s. Larsen & Toubro Ltd., and M/s. Varun Shipping Company Ltd., Bombay had requested to grant exemption from the provisions of Seamen's Provident Fund Act to their Petty Officers who were their permanent employees and were members of their Provident Fund Scheme. The benefits provided under the Provident Fund Scheme of M/s. Larsen & Toubro and M/s. Varun Shipping Company Ltd., Bombay were not less favourable than the benefits provided under the Seamen's Provident Fund Act.

Dr. Barnes stated that he was not in favour of allowing exemption to the Petty Officers and their employers from the provision of Seamen's Provident Fund Act, 1966 as the conditions of the companies Provident Fund were not only unsecured but were also not providing any extra benefits to the Seamen members. In this context Dr. Barnes pointed out the case of M/s. Malabar Steamship Company from whom the provident fund dues of their employees could be recovered only through the Honble Court. He further stated that since there was a move to give coverage to the Merchant Navy Officers under the Seamen's Provident Fund Act 1966, he was not in favour of granting any more exemption to the employers. In fact exemptions already granted should also be withdrawn.

Shri Bhandarkar, however, stated that there was a provision for grant of refundable loans under the companies Provident Fund Scheme which was certainly advantageous to the members. Hence there was merit in granting exemptions to companies which are stable and broad-based.

It was finally decided that exemption already granted need not be withdrawn at this stage unless there were some complaints against these companies. However, the exemption sought for by M/s. Larson & Toubro Ltd., and M/s. Varun Shipping Company Ltd., Bombay should not be considered at this stage and both the companies be advised to deposit the provident fund contributions of their Petty Officers with the Seamen's Provident Fund Organisation.

Item No. 9 : Coverage of Merchant Navy Officers under the Seamen's Provident Fund Act / Scheme, 1966.

The Chairman enquired about the proposed inclusion of the Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme.

Shri Prasad explained that the proposal was submitted by the Maritime Union of India for consideration of the National Welfare Board who had recommended that the Director General of Shipping should examine the proposal in details and report should be sent to the Ministry. Accordingly meetings were held with the interests concerned viz. Shipowners representative and

representatives of Maritime Union of India and it was agreed to include the Merchant Navy Officers within the purview of Seamen's Provident Fund Act/Scheme. This would necessitate the amendment to Section 2(1) wherein the term 'seaman' was defined. The proposal was submitted to the Ministry who enquired whether the proposal was approved by the Seamen's Provident Fund Board. In view of this query from the Ministry, the proposal was placed before the Board for consideration.

The Chairman expressed doubt whether the present set up of the Seamen's Provident Fund Organisation would be able to handle the extra burden which might fall on it as a result of inclusion of Merchant Navy Officers within the purview of Seamen's Provident Fund Act/Scheme, 1966.

Secretary explained that intention of Maritime Union of India to give coverage to the Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme was to have Governmental control over the companies Provident Fund Scheme to ensure proper implementation of the provisions of Companies Provident Fund Schemes. It was also felt that companies who have their own Provident Fund Schemes under which Merchant Navy Officers were covered, would seek exemptions under Section 20 of the Seamen's Provident Fund Act, 1966 and hence there might not be any additional burden on this Organisation so far as the provident fund accounts of the Officers were concerned.

The Chairman, however, directed that before we convey our views to the Government the proposal should be examined in details with regard to the additional staff requirements, financial liabilities towards the administration etc., and a detailed report should be submitted to the Board at its next meeting.

The Chairman then enquired whether any of the members would like to discuss any additional item. Shri M. A. Sayeed stated that it was agreed at the last meeting of the Board that the Commissioner would visit Calcutta and examine the proposal regarding opening of Regional Office at Calcutta.

Secretary pointed out that in the 58th meeting of the Board Shri Sayeed was advised by the Chairman to submit his proposal before the Board which was still awaited. Shri Sayeed, however, stated that seamen at Calcutta were facing lot of problems so far as their provident fund enquires were concerned and, therefore, Commissioner should visit Calcutta as early as possible to examine the issue regarding opening of Regional Office at Calcutta.

The Chairman opined that unless the specific problems faced by the Calcutta seamen were spelt out no useful purpose would be served by a visit of the Commissioner to Calcutta. He, therefore, advised Shri Sayeed to send his proposal in detail, which should spell out the specific problems faced by seamen at Calcutta as also need for opening Regional Office at Calcutta.

On receipt of the proposal from Shri Sayeed Commissioner should visit Calcutta and examine the issue on the basis of problems brought forward by Shri Sayeed.

The meeting then terminated with a vote of thanks to the Chair.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

MINUTES OF THE 61ST MEETING OF THE BOARD OF TRUSTEES SEAMEN'S PROVIDENT FUND, HELD ON WEDNESDAY, THE 13TH SEPTEMBER, 1989, AT 3.00 P.M. IN THE BOARD ROOM OF THE SEAMENS PROVIDENT FUND ORGANISATION "KRUPANIDHI" 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE BOMBAY - 400 038.

The following were present :-

Shri	Praveen Singh	Chairman
-"-	N. K. Prasad	Member
-"-	S. V. Parande	-"-
-"-	K. S. Bhandarkar	-"-
-"-	T. E. DiSouza	-"-
Dr.	Leo Barnes	-"-
Shri	U. M. Almeida	-"-
-"-	V. S. Gangurde	Secretary

Shri A. V. Ketkar of the National Union of Seafarers of India was present as an observer.

Shri R. K. Bhansali, Acting Chairman, Bombay Port Trust informed on phone his inability to attend the meeting due to preoccupation.

Sarvashri N. C. Aggarwal and M. A. Sayeed also could not attend presumably due to preoccupation.

Leave of absence was granted to these members.

Chairman welcomed the members present and expressed the hope that as usual members would cooperate in conducting proceedings of the meeting in a spirit of cordiality and goodwill.

The Board then took up the items on Agenda for consideration.

Item No. 1 Confirmation of the Minutes of the 60th Meeting of the Board of Trustees, Seamen's Provident Fund held on 5-1-1989 at 3.00 p.m. in the Board Room of the Seamen's Provident Fund Organisation, Bombay.

Secretary stated that Shri Parande had suggested some amendments as stated in Appendix 2 to Item No. 1 of the Agenda. He further stated that since the "Wages" as defined in the Seamen's Provident Fund Act, include the 'leave wages' it was suggested that the words "increase in leave days and leave wages" need not be included.

The Chairman, however, opined that since leave wages were included in the definition of wages, there was no harm in accepting the amendment proposed by Shri Parande.

After some discussions, it was agreed to include the suggestions made by Shri Parande and the draft minutes were confirmed.

Item No 2. : Action taken on the decisions of the Board.

The position reported at Sr. Nos. 1, 3, 5, 6 and 7 was noted by the Board.

As regards Sr. No. 2 regarding filling up of the post of Accounts Officer, Secretary stated that the post was advertised again and hence no D.O. reminder was issued to the Secretary, Ministry of Surface Transport as was decided in the last meeting.

Shri Bhandarkar enquired as to whether pending regular appointment of Accounts Officer by the Government, arrangements could be made to appoint a qualified person from open market on an ad-hoc basis by advertising the post locally. Secretary stated that the posts of Commissioner and Accounts Officer are filled in by selection of eligible officers from other Government Departments on deputation and there was no provision to make any ad-hoc appointment in the existing Recruitment Rules. Secretary also stated that the proposal to fill in the post by promotion from amongst suitable departmental candidates was also submitted to the Government and approval of the Ministry in this regard

was awaited.

The Chairman advised Secretary to pursue the matter with the authorities concerned, with a request to fill in the post, as early as possible.

As regards payment of additional remuneration to Admn/Asst. Accounts Officer, Secretary stated that as already pointed out during the last meeting most of the work of Accounts Officer was attended by him. However, prior to his taking over as Commissioner, when Admn./Asst. Accounts Officer was attending to the work of Accounts Officer, he was paid an Acting Allowance to the extent of about Rs 5000/-. In view of this and the present financial crisis faced by the Organisation, it was decided to treat the issue as closed.

As regards Sr No. 4 Secretary explained that as was decided during the last meeting, the work regarding locating the in-operative accounts was taken up and 2,839 such accounts were located. The amount held in these accounts was transferred to 'Dead Account' and these accounts were treated as closed. He further stated that the Board had decided at its 60th Meeting held on 5.1.1989 that the accounts lying in-operative for three years or more should be closed and the un-claimed amounts should be transferred to Dead

Account maintained by the Organisation. This being a regular exercise at the end of every financial year, action would be taken regularly and the progress in this regard would be intimated to the Board at every meeting.

The Chairman stated that he was surprised to see that a very large amount was lying unclaimed. Secretary stated that the seamen members/nominees of deceased seamen were contacted at the addresses available on the records of the Organisation but there was no response and hence the amount was lying unsettled. Chairman, therefore, advised that Commissioner should ensure that all members file the Declaration/Nomination forms so that the organisation could have the full and correct details of the seamen/nominee including their permanent addresses, which would facilitate remittance of the amounts in question to the proper persons instead of holding such a large amount in "Dead Account".

While going through Sr. No.8 regarding Inspection Report, Shri Bhandarkar observed that very large amount was shown against the Unposted Items to be cleared. Secretary explained that this amount was pertaining to the year 1987-88.

The majority of these Unposted Items was cleared and as on 31.7.1989, only 107 items were pending clearance due to certain clerical errors in the particulars of the seamen i.e. name of the seaman, Regn. No., CDC No., etc. Efforts were being made to obtain the correct particulars of the seamen concerned and the amount of Rs 1,42,309=22 (as against an amount of Rs. 29,70,778=01 lying unposted during the year 1987-88) will be cleared after crediting the same in the respective accounts.

As regards recovery of an amount of Rs 6,542=05 from Shri V.J. Tewani, Ex-Commissioner, Secretary explained that as instructed by the Chairman during the last meeting, the terms and conditions of appointment of Shri Tewani on deputation as Commissioner to this Organisation were verified and it was observed that Shri Tewani was required to pay 10% of his emoluments towards the rent for accommodation provided by either the Seamen's Provident Fund Organisation or the Central Government and accordingly the licence fees were recovered from him. The Director of Audit was therefore, requested to clarify the position and his reply was awaited. In the meantime, the matter was also discussed with the Audit Officer who inspected the accounts of this Organisation

for the year 1988-89 during the month of August, 1989. The Audit Officer opined that since Shri Tewani did not occupy the accommodation available with the Organisation and continued to stay in the Government accommodation, the Estate Manager charged him licence fees as per the market rate. Had Shri Tewani occupied the accommodation provided by the Organisation, the House Rent payable by him would have been only 10%. Hence the amount in excess of 10% of his emoluments paid by the Organisation should be recovered from him. Secretary further explained that as per the terms and conditions laid down by the Director General of Shipping it was not obligatory on the part of Shri Tewani to occupy the accommodation provided by the Seamen's Provident Fund Organisation and hence the amount of licence fees recovered from him @ 10% of his emoluments was correct. He, therefore, suggested that payment of Rs. 6,542=05 made by the Organisation be approved by the Board in order to settle the Audit objection.

The Chairman, however, opined that since the matter was referred to the Director of Audit and clarification from him was awaited, the Commissioner should try to obtain the clarification

as early as possible and the case be re-submitted at the next meeting of the Board.

As regards Sr. No. 9 involving coverage of Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme, 1966, when the Chairman enquired about the details of the proposal under consideration, Shri Prasad explained that the issue was originally discussed at the request of Maritime Union of India at the forum of National Welfare Board, wherein it was decided that the question of giving coverage to the Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme, 1966, should be examined by the Director General of Shipping. Shri Prasad further stated that the question was therefore, discussed with the interests concerned and it was decided to give coverage to Merchant Navy officers by amending existing definition of 'seaman' under Section 2(1) of the Seamen's Provident Fund Act, 1966. The Ministry, however, enquired whether the Board of Trustees, Seamen's Provident Fund were consulted in this regard.

The matter was, therefore, placed before the Board at its 60th Meeting held on 5.1.1989, wherein Secretary was instructed to prepare a detailed note regarding financial implications, etc. A meeting of the

Standing Sub-Committee of the Board of Trustees was convened to work out the details as instructed by the Chairman. The Sub-Committee members opined that in view of the different procedures followed for remittances of provident fund contributions in respect of the Officers, they being permanent employees of the shipping companies, facilities available under the Companies' Provident Fund Schemes for housing loans, etc; and considering the limited financial resources of the Organisation, the question of giving coverage to the Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme, 1966 might be deferred for the time being.

Shri Bhandarkar stated that besides the position explained by the Secretary, the transferring of contributions held by the shipping companies in respect of their permanent employees would be a very cumbersome procedure and hence the question of giving coverage to Merchant Navy Officers might be deferred as recommended by the Sub-Committee.

The Chairman, while appreciating the position explained by Secretary and the views expressed by Shri Bhandarkar, observed that the

Maritime Union of India which initiated this question at the forum of National Welfare Board had also not come up with any concrete proposals in this regard.

It was therefore, unanimously agreed to inform the Government that coverage to Merchant Navy Officers under Seamen's Provident Fund Act/Scheme, 1966 might be deferred.

Item No. 3 : Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 31.7.1989

While going through this item the Chairman remarked that the Directorate General of Shipping had been receiving complaints mostly from the nominees of the seamen regarding non-payment of provident fund dues. Secretary explained that the final withdrawal claims received from the seamen/nominees/dependents of the deceased seamen were settled within 10 to 15 days in the normal course. Only the cases where nominations were not subsisting and the legal heirship reports were called for from the District Revenue Authorities, the delay occurred.

Dr. Barnes stated that so far as Bombay registered Seamen were concerned the National Union of Seafarers of India

was furnishing Indemnity Bonds wherever the nominees were known to the National Union of Seafarers of India and indemnified the Commissioner, Seamen's Provident Fund Organisation from his liability to facilitate quick settlement of the claims of the nominees/dependents of the deceased seamen. Secretary at this stage stated that similar request was made to Shri Sayeed, representing Seafarers at Calcutta. However, there was no response from him.

The Chairman advised that every effort should be made to settle the claims of the seamen/nominees of the deceased seamen as early as possible, to eliminate their hardships.

The Chairman further enquired as to whether the defaulting shipping companies shown in the list for non-payment of provident fund dues could be prosecuted under the provisions of the Seamen's Provident Fund Act, 1966.

Secretary explained that the claims were filed with the Official Liquidators in respect of the companies which had gone into liquidation.

As regards the existing shipping companies which defaulted in

making payment to the Provident Fund Organisation action was taken against them to recover the amounts due from them as arrears of land revenue through the concerned District Revenue Authorities as provided under Section 10 of the Seamen's Provident Fund Act.

The Chairman enquired as to how many such recoveries were made in the recent past. Secretary stated that the provident fund amount due from M/S. Nirvan Shipping Company was recovered through the District Collector of Bombay while the arrears from M/S. Hede Navigation Co. Ltd. were recovered after holding an enquiry under Section 9 of the Seamen's Provident Fund Act, 1966.

Other information submitted by the Secretary regarding Receipts and Payments was noted by the Board.

Item No 4 Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1988-89

The draft of the Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1988-89 was approved by the Board and the Commissioner was advised to submit the same to the Ministry.

Item No 5 : Budget Re-appropriation 1988-1989.

The Budgetary Re-appropriation of funds sanctioned in the Budget for the year 1988-89 by the Government submitted by the Commissioner as required under Para 49(3) of the Seamen's Provident Fund Scheme, 1966 was noted by the Board.

Item No. 6 : Request from the Trustees of M/S. Varun Shipping Company Employees' Provident Fund for exemption from the operation of the provisions of the Seamen's Provident Fund Act/Scheme, 1966.

Secretary while initiating the discussions in this regard stated that the Trustees of M/S. Varun Shipping Company Employees' Provident Fund had again made a request to review the earlier decision of the Board rejecting their request for grant of exemption under Section 20 of the Seamen's Provident Fund Act, 1966. In support of their request the company had not brought forth any fresh point excepting that the rate of interest paid by Varun Shipping Company Employees' Provident Fund was 12% and the provident

fund of the company was in the form of a separate Trust which functions independently and therefore irrespective of whatever happens to the company the provident fund money was intact with the Trust.

Dr Barnes stated that he did not see any justification in reviewing the earlier decision taken by the Board. He stated that every company was having a separate Trust for the Employees Provident Fund. However, there was no guarantee that provident fund money deducted from the employees' wages was remitted to the Provident Fund Trust regularly and the amount in question was invested properly. He also pointed out that there was no representative of the seafarers on the Board of Trustees of Companies Provident Funds. Dr Barnes further stated that it was observed from past experience that Provident Fund Organisation had to face considerable difficulties in recovery of provident fund contributions from the employers who wound up their business which had caused unnecessary hardships to the members of the Funds for no fault of theirs. He was, therefore, of the view that no request for exemption should be considered in future.

The Chairman while appreciating the views expressed by Dr. Barnes observed

that the Commissioner should examine the request of the company in more details particularly with reference to the Trust Deed and audited statements of accounts for the past few years. Chairman also observed that the request of the company was signed by one of the Trustees of the Employees Provident Fund and not by the employer. It was, therefore, decided that the request of the company should be re-examined after obtaining more details as advised by the Chairman and matter be placed before the Board at its next meeting.

Item No. 7: Transfer of un-claimed amounts to the Forfeiture Account.

Secretary stated that as explained in the note circulated along with the Agenda papers, under the existing provisions of Paragraph 59 certain percentage of employer's share was forfeited where the seamen leave the seafaring profession before completing the stipulated period of service i.e. 10 years. The amount lying unclaimed for three years or more, therefore, could not be transferred to 'Forfeiture Account' as suggested by Dr. Leo Barnes.

The Chairman enquired as to where the unclaimed amount was at present being credited. Secretary explained that the organisation was maintaining three main accounts i.e. Seamen's Provident Fund Account, Interest Suspense Account and Forfeiture Account. The amount lying unclaimed for three years or more was continued to be invested alongwith the other provident fund contributions. However, at the end of every financial year after verifying the individual accounts the in-operative accounts were closed and the amount lying unclaimed for three years or more was transferred to 'Dead Account' which was only a book adjustment.

After some discussions, the Board approved the amendment proposed by the Secretary to Paragraph 62 by inserting an additional sub-para (6) as follows to enable the Commissioner to transfer the unclaimed amounts to the 'Forfeiture Account' as suggested by Dr. Leo Barnes.

"Sub-Para (6) accumulations in respect of any member who has either ceased to be employed or died, but no claim has been preferred within a period of three years from the date it becomes payable, or if any amount remitted to a person is received back undelivered, and it is not claimed again within a period of three years from the date it becomes payable shall be transferred to an account called "Forfeiture Account".

Provided that in the case of a claim for the payment of the said balance, the amount shall be paid by debiting the 'Forfeiture Account."

Item No. 8 : Non-Refundable Withdrawals from the Fund.

Dr Leo Barnes while initiating the discussions on this item stated that the seamen members should be allowed Non-Refundable Withdrawals up to the maximum of Rs. 5000/- to enable them to purchase the 'Social Security Certificates' which had a built-in Insurance Cover.

Shri Bhandarkar opined that the suggestion of Dr. Barnes was perhaps to encourage the habit of thrift amongst the seamen members. However, this would have adverse effect on the accumulations in the Seamen's Provident Fund. He further observed that to give the Insurance Coverage

to the seamen members the Board has already approved the Deposit Linked Insurance Scheme and the same was under consideration of the Government and hence the Non-Refundable Withdrawals on this account need not be considered at this stage.

After some discussions, it was unanimously agreed that the Non-Refundable Withdrawals to purchase the 'Social Security Certificates' need not be considered at this stage.

Item No. 9 : Financial Assistance of Rs. 5000/- to the widows of deceased seamen, who die off Articles and where widows do not receive death compensation.

Secretary stated that on perusal of the records of the Organisation, it was observed that on an average about 200 provident fund claims of the nominees/ legal heirs of seamen died off articles were settled every year. Hence, if the suggestion of Dr Barnes to grant financial assistance of Rs. 5,000/- to the widows of such seamen, if accepted, it would involve yearly payment of about Rs 10 Lakhs. At present, an amount of about Rs. 39 Lakhs was held in Forfeiture Account and so at the rate of Rs 10 Lakhs per year, the amount held in Forfeiture Account

would be exhausted within next 4 years.

Dr. Barnes stated that the amount held in Forfeiture Account was required to be utilised for the purposes conducive to welfare of the seamen and their families. Since the Deposit Linked Insurance Scheme submitted to the Government was likely to take some more time, he had proposed this financial assistance to the widows of seamen who die off articles so as to ease their financial problems.

The Chairman observed that Dr. Barnes' proposal was worth considering as the same was conducive to the welfare of families of deceased seamen and there was a provision in the Seamen's Provident Fund Scheme to utilise this amount for such purpose. He would have therefore, no objection to implement the proposal of Dr. Barnes to eliminate the financial problems faced by the widows of the deceased seamen provided the members of the Board agreed.

Dr. Barnes further clarified that it was not necessary that an amount of Rs. 5,000/- only need be paid as suggested by him, but any amount payable from the interest accrued on the Forfeiture Account depending on the number of cases of seamen who died off articles be paid so that the amount forfeited would be held in tact for

utilising for some other form of welfare and the interest could be utilised for this purpose instead of this amount just piling up.

Shri Bhandarkar stated that since the Deposit Linked Insurance Scheme approved by the Board was under consideration of the Government, which would provide Insurance Coverage to the seamen members, he did not see any justification in formulating any other Scheme providing any financial assistance to the legal heirs of the deceased seamen. He further opined that it was rather beyond the scope of the provisions of the Provident Fund Scheme to introduce such schemes. Shri Bhandarkar also stated that as pointed out by the Secretary in his note a scheme for payment of ex-gratia financial assistance of Rs. 3,000/- to the widows of deceased seamen was already in operation with Seafarers Welfare Fund Society. He therefore, suggested that efforts should be made to get the Deposit Linked Insurance Scheme which was under consideration of the Government duly approved for implementation as quickly as possible.

The Chairman advised Secretary to pursue the Government to finalise the Deposit Linked Insurance Scheme as early as possible. He also asked each member about his opinion about the proposal of

Dr. Barnes. Excepting Shri Bhandarkar who requested to record his differed views as above, all other members agreed in principle to introduce the proposal of Dr. Barnes from the funds available on account of interest accruals of the 'Forfeiture Account'.

The Chairman then instructed the Secretary to work out a Scheme in consultation with the standing Sub-Committee to finalise the guide-lines for operation of the Scheme, specifying the period for filing the claim, average interest earnings on the Forfeiture Account etc; and submit the same to the Board at its next meeting.

Item No. 10: Enhancement in the rate of honoraria to the Director, Seamen's Employment Office, Calcutta, and his staff for liaison work of the Seamen's Provident Fund Organisation.

Secretary stated that the Director, Seamen's Employment Office, Calcutta, who was acting liaison officer for the organisation, had requested to enhance the honoraria paid to him and his staff members from Rs 190/- p m to Rs. 1200/- p.m.

The Chairman enquired as to when was the present honoraria fixed and the volume of work attended to by the liaison officer. Secretary stated that the present honoraria was fixed on 1-10-1980. Though at present the work attended by the Director, Seamen's Employment Office in his capacity as liaison officer for this organisation, was not very heavy, considering the escalation in various prices during the past 9 years and the threatening attitude of the staff members of the Director, Seamen's Employment Office the honoraria might be increased from Rs 190/- to Rs 500/- p.m. and not Rs 1,200/- p.m. as demanded by the Director, Seamen's Employment Office. It was unanimously agreed to enhance the honoraria from Rs 190/- p.m. to Rs. 500/- p.m. to the Director, Seamen's Employment Office and his staff members assisting him in the work of Seamen's Provident Fund Organisation. The distribution of this amount amongst himself and the staff members doing the liaison work for this Organisation should be left to the discretion of the Director, Seamen's Employment Office.

The Chairman advised the Commissioner that he should also have a dialogue with the Director, Seamen's Employment Office and try to convince him to accept this increased honoraria of Rs 500/- p.m. The

Director, Seamen's Employment Office should also be asked to furnish the work load attended by his office on behalf of this Organisation so that if necessary Board would consider further increase in the honoraria.

The meeting then terminated with a vote of thanks to the Chair.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

MINUTES OF THE 62ND MEETING OF THE BOARD OF TRUSTEES, SEAMEN'S PROVIDENT FUND, HELD ON MONDAY, THE 15TH JANUARY, 1990, AT 3·00 P.M. IN THE BOARD ROOM OF THE SEAMEN'S PROVIDENT FUND ORGANISATION, KRUPANIDHI 3RD FLOOR, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, BOMBAY – 400 038.

The following were present.

Shri	Praveen Singh	Chairman
–"–	R. K. Bhansali	Member.
–"–	N. K. Prasad	–"–
–"–	K. S. Bhandarkar	–"–
–"–	S. V. Parande	–"–
–"–	T. E. DeSouza	–"–
Dr	Leo Barnes	–"–
Shri	U. M. Almeida	–"–
–"–	V. S. Gangurde	Secretary

Shri M. A. Sayeed, informed his inability to attend as he was out of India and Shri N. C. Aggarwal could not attend owing to preoccupation. Leave of absence was granted to both these members.

Capt. A. P. Kothurkar, Secretary, Owners / Agents' Committee (Crews), Bombay, Shri A. V. Ketkar of National Union of Seafarers of India, Bombay and Shri A. B. Das of Forward Seamen's Union

of India, Calcutta, were present as observers.

Chairman welcomed the members present and urged them to extend their co-operation as usual in conducting proceedings of the meeting in a spirit of cordiality and goodwill.

The Board then took up the items on Agenda for consideration.

Item No 1 : Confirmation of the Minutes of the 61st Meeting of the Board of Trustees, Seamen's Provident Fund, held on 13th September, 1989.

Secretary stated that draft minutes were circulated amongst the members of the Board with a request to furnish their comments, if any. Except Shri Bhandarkar, who had found the minutes in order. no other member has sent any comments. The Chairman, however, again enquired of members whether they had any comments on the minutes. All the members opined that minutes were in order and thereafter the draft minutes were confirmed.

Item No 2 Action taken on the decisions of the Board.

The Chairman asked the Secretary to explain the position on each of the decisions taken by the Board in its earlier meetings.

As regards Sr. No. 1, Secretary explained that Ministry had since informed that amendments to various Sections of the Seamen's Provident Fund Act, 1966 and Paragraphs of the Seamen's Provident Fund Scheme, 1966, as recommended by the Board were sent to the Ministry of Law for vetting. The Chairman advised Secretary to pursue the matter further.

As regards Deposit Linked Insurance Scheme for seamen, the draft Scheme as approved by the Board, was submitted to the Government, together with the draft note for Cabinet, implementation schedule and draft bill, for amendment. The Deposit Linked Insurance Scheme was proposed to be introduced to give insurance cover for seamen and the payment of this amount was to be made from the 'Fund' created from the contributions payable by the employer shipping companies and the Government. The Ministry had observed that the Draft Cabinet Note did not clearly indicate the source of meeting the expenditure to be borne by the Government. It was clarified to the Ministry that under Section 6(6) of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 'special

grant' was paid by the Government into the Family Pension Fund and hence it was suggested to make a special provision in the Ministry's Budget for payment of contributions and administrative charges to the 'Insurance Fund'. Ministry had further requested that the possibility of providing such provision for payment of contributions and administrative charges to the 'Insurance Fund' in the DG (Shipping)'s Budget might be explored in consultation with the Director General of Shipping. A reference to this effect was, therefore, made to the Director General of Shipping. The Chairman enquired as to what was the amount involved. Secretary stated that on the basis of rate proposed identical to that of Employees' Deposit Linked Insurance Scheme, an amount of Rs. 5 lakhs towards 'Insurance Fund' and Rs. 1 lakh towards the Administrative Charges would be payable by the Government. Secretary further explained that there was no specific provision available in the Employees' Provident Fund and Miscellaneous Provisions Act, so far as the payment of Employees' Deposit Linked Insurance Fund was concerned. However, the payment to the 'Pension Fund' was made from the special grant. The Chairman advised Secretary to obtain

further details from the Regional Provident Fund Commissioner's Office and to submit the same to the Director General of Shipping.

Dr. Barnes suggested that it might take some more time to notify the Scheme and hence the Ad-hoc Deposit Linked Insurance Scheme as recommended by the Sub-Committee of the Board be introduced. He stated that in order to augment the Funds for Insurance cover to be paid to the families of deceased seamen members an amount held in Dead Account, i.e. a proforma account maintained by the Commissioner for the unclaimed provident fund contributions, be transfferred to 'Forfeiture Account' so that interest accruals on this account would be more and the Ad-hoc Scheme could be introduced to extend financial assistance to the families of deceased seamen members. He further stated that such amount utilised from the interest accruals on 'Forfeiture Account' could be considered as Government's share and the Employers should be asked to pay their contributions to the Fund at the rate proposed in the Draft Deposit Linked Insurance Scheme already under consideration of the Government.

Shri Bhandarkar stated that the member companies of Owners/Agents' Committee

(Crews) and Indian National Shipowners' Association would be required to be consulted for payment of their share of contributions to the 'Insurance Fund' before the Scheme was notified by the Government. He was also not sure whether the contributions were payable with retrospective effect or from the date the Scheme was to be notified.

Secretary further explained that proposal to transfer the amounts held in Dead Account to Forfeiture Account was submitted to the Government for approval and hence it might not be in order to transfer the amounts held in Dead Account to Forfeiture Account at this stage.

The Chairman then opined that Secretary should obtain further details in this regard and the item be placed before the Board at its next meeting.

As regards Sr. No. 2 Secretary stated that the Ministry had informed that inspite of their best efforts they could not find suitable candidate for the post of Accounts Officer in the Organisation and hence some alternate measure be suggested to sort out this long pending issue. It was pointed out by the Secretary that the Board had already recommended amendments to the existing Recruitment Rules for

the post of Accounts Officer so as to fill up the post from amongst suitable senior staff members of the Organisation. The proposal to this effect was already submitted to the Ministry, who were informed accordingly.

The Chairman advised Secretary to pursue this matter with the Ministry for their expeditious orders so that the post of Accounts Officer could be filled in as early as possible.

As regards Sr. No. 3, Secretary stated, it was decided by the Board to call for quotations from various firms dealing in computerisation. Accordingly, quotations were invited from various firms and 5 firms submitted their quotations which were considered by the Sub-Committee at its meeting held on 10-7-1989. In this meeting it was decided to obtain expert's opinion on the various quotations. As suggested by Shri Bhandarkar the computer expert Shri Shashi Nair was consulted, who opined that though quotations submitted by M/s. Computility India Limited, were in line with the requirements of the Organisation, the prices quoted by them were rather on higher side. The sub-Committee which met again on 1.12.89, considered the report submitted by Shri Shashi Nair.

In this meeting Shri Prasad and Dr. Barnes opined that since M/s. Computility (India) Ltd., were doing computerisation of accounts of the Organisation for the past ten years, it would be better to entrust the work to them as they were familiar with our Accounting procedure.

Shri Bhandarkar, however, opined that commercial firms generally do not pay required attention to the maintenance / repairs of machines, training of the staff members etc. He, therefore, suggested that Shri Shashi Nair who was expert in this field and had provided services to number of shipping companies might be entrusted the job.

After perusal of the record note of discussions submitted by the Secretary alongwith the Agenda and quotations submitted by Shri Shashi Nair it was unanimously agreed to entrust the job of installation of Computer in the Organisation to Shri Shashi Nair.

As regards Sr. No. 7 regarding request of M/s. Varun Shipping Company Employees' Provident Fund for exemption from the operation of the provisions of the Seamen's Provident Fund Act / Scheme, 1966, Secretary stated that as instructed by the Chairman in the last meeting

the Trust Deed and Audited Accounts of the Company were called for, and a separate proposal in this regard is submitted under Item No. 10 of the Agenda.

As regards Sr. No. 9 since the issue was linked up with item at Sr. No. 1 regarding Deposit Linked Insurance Scheme as decided by the Board the proposal would be submitted at its next meeting after obtaining further details as directed by the Chairman.

The position reported at Sr. Nos. 4, 5, 6, 8 and 10 was noted by the Board.

Item No 3. : Receipts, Payments and Accounting of the Provident Fund moneys and progress of work upto 30.11.1989.

The overall position regarding Receipts, Payments and Accounting of Provident Fund moneys and progress of work upto 30-11-1989 submitted by the Secretary was noted by the Board.

The Chairman, however, stated that he had observed from the letters received from some of the dependents of the deceased seamen that due to non-availability of nominations their claims were delayed considerably. He, therefore, advised that in order to eliminate the hardships to the

dependants of the deceased seamen members Commissioner should ensure that all members file Declaration/Nomination forms. He further enquired whether it was possible to locate number of seamen who had not yet filed Declaration/Nomination forms.

Secretary stated that from the Annual Account Slips received from the Computer firm, it was observed that Declaration/Nomination forms from about 3,700 seamen were not available on the records. A port-wise list of these seamen was being prepared which would be furnished to the respective Shipping Masters to obtain their Declaration/Nomination forms as and when they report to sign on/off the Articles of Agreement.

Dr. Barnes stated that a list of such seamen should be furnished to the Union also so that the Declaration/Nomination forms would be got filled in from these seamen members as and when they report to their office. The similar list would be furnished to the National Union of Seafarers of India, Bombay, and Forward Seamen's Union of India, Calcutta.

Item No. 4 : Budget proposals for the year 1990-91 and Revised Estimates for the year 1989-90.

Shri Bhandarkar stated that it was observed from the Budget proposals for the year 1990-91 and Revised Estimates for the year 1989-90 that Commissioner appeared to have made best efforts to keep the expenditure within the anticipated income of the Organisation.

Secretary stated that the provisions made for Pay and Allowances of Officers and Staff were on actual basis and hence there was hardly any possibility to reduce expenditure on this Account. However, efforts were made to prune expenditure to the minimum possible under other recurring heads. But in view of the overall increase in the tariffs on telephone postage, electricity as also escalation of prices of stationery and Sanitory items, the expenditure was exceeding the anticipated income of the Organisation. Efforts would be made to keep the expenditure to the minimum by enforcing utmost economy wherever possible.

Dr. Barnes enquired as to why there was steep rise in the provisions made under the heads Pension and Gratuity and Encashment of Leave. It was explained that one of the staff members was due to retire in the year 1990-91 and hence an extra provisions for payment of his Gratuity and Encashment of leave was made.

The Budget proposals for the year

1990-91 and the Revised Estimates for the year 1989-90 were approved by the Board.

Item No. 5 : Fixation of rate of interest for credit to the members' accounts for the year 1989-90.

The position reported by the Secretary in his note was noted by the Board.

Shri Bhandarkar and Dr. Barnes expressed their happiness towards the increasing interest earnings on the provident fund accumulations and the rate of 12% proposed by the Commissioner for crediting to the members' Accounts.

Dr. Barnes enquired about the loan taken from the Forfeiture Account some few years back to meet the shortfall for payment of interest to the members.

Secretary stated that the amount of Rs. 9,00,000/- withdrawn from the Forefeiture Account was recredited.

The Board then approved the rate of interest of 12% and advised Commissioner to approach the Government for their sanction.

Item No. 6 : Inspection Report on the Annual Accounts of the Commissioner,

Seamen's Provident Fund Organisation, Bombay for the year 1988-89.

The position was noted by the Board.

Item No. 7 : Proposal of Dr. Barnes to credit the interest accrued on 'Dead Account' to 'Forfeiture Account.'

This item was linked up with the proposed Insurance cover under the Deposit Linked Insurance Scheme and was discussed in detail under Sr. No. 1 of Item 2. This item would be placed before the Board again after obtaining further information in this regard.

Item No. 8 : Amendment to Seamen's Provident Fund Act, 1966 providing for Audit of Accounts by the Comptroller and Auditor General of India, New Delhi.

Secretary stated that under the existing provisions of the Seamen's Provident Fund Act/Scheme, 1966 the accounts of the fund including the Administration Account were audited in accordance with

the instructions issued by the Government in consultation with the Comptroller and Auditor General of India.

The Comptroller & Auditor General of India had in his communication to the Ministry informed that under Section 19(2) of the Comptroller & Auditor General Act, 1971 the duties and powers of the Comptroller & Auditor General in relation to the audit of the Corporations (not being Government companies) established by or under law made by the Parliament were required to be performed and exercised by him in accordance with the provisions of the respective legislations. Therefore, under the existing relevant provisions of Seamen's Provident Fund Act/Scheme the only function of Comptroller and Auditor General of India was that of consultation in the issue of instructions by the Central Government. Since by the Employees' Provident Fund & Miscellaneous Provisions (Amendment) Act, 1988 (33 of 1988) new Sub-Sections 5 to 9 have been inserted under Section 5-A of the Employees' Provident Fund & Miscellaneous Provisions Act, 1952 providing inter-alia, audit by the Comptroller & Auditor General of India, similar amendment should be considered in the Seamen's Provident Fund Act, 1966.

The Chairman stated that as Employees' Provident Fund Act/Scheme was

amended providing the audit by the Comptroller & Auditor General of India, there was perhaps no choice for us other than making similar amendment to our Act also as suggested by the Comptroller & Auditor General of India. However, Chairman advised Secretary to find out whether any additional cost would be involved for payment to the Comptroller & Auditor General of India for inspection of our accounts.

Secretary stated that fees for audit charged by the Director of Audit might have been fixed with the approval of the Comptroller & Auditor General of India. However, enquiries would be made to find out whether we would be required to incur any additional expenditure on this Account and the same would be reported to the Board.

The Board then approved amendment to Section 5 of the Seamen's Provident Fund Act, 1966 as proposed by the Secretary and advised him to submit the same to the Government for their approval.

Item No. 9 : Proposals of Dr. Leo Barnes
i) to credit the interest in the Seamen's Accounts on 'due' basis and not on 'receipt' basis and
ii) Payment of provident fund contributions of last voyage on the basis of Account of wages.

i) Secretary explained that as per the existing practice provident fund contributions due before the 31st March of every year, if received during the following year, such amounts were credited to the members account in the year in which it was received. This results in the loss of interest to the members concerned. Therefore, Dr. Barnes had suggested to credit the interest on due basis and not on receipt basis.

Shri Bhandarkar stated that he was not very clear about the crediting of the interest on due basis as even if the amount due on 20th March was received by the Commissioner by that date and credited to the members account it might not be correct to credit the interest for the whole year when the amount was held by the Commissioner only for 10 days. Even the Banks were not paying any interest in such short period credits.

Dr. Barnes clarified that the interest was not credited at the end of the financial year during which the contributions were due or received. But the interest was credited on the opening balance in the following financial year.

Chairman enquired of Shri Bhandarkar whether he was convinced on the clarification given by Dr. Barnes. Shri Bhandarkar was

convinced and agreed to the suggestion of Dr. Barnes.

The Board then agreed to credit the interest on due basis and not on receipt basis.

ii) Secretary explained that generally contributions for the last voyage were received within the stipulated period of 30 days and hence the payments were made in full. Only in few cases, where the payments were received after settlement of the claims of the seamen concerned the balance amount was paid little later after receiving from the Employer Shipping Company. He further stated that though it would involve little additional work in maintenance of separate register for making payments by withdrawal of an amount from 'Forfeiture Account' and crediting back the same on receipt from the employers in order to avoid duplication of work and to avoid any inconvenience to the seamen members, payment of contributions would be made on the strength of Account of Wages as suggested by Dr. Barnes from the Forfeiture Account.

The proposal of Dr. Barnes was approved by the Board.

Item No. 10 : Request from M/s. Varun Shipping Co. Ltd for exemption from the operation of the Seamen's Provident Fund Act/Scheme 1966.

Secretary stated that as instructed by the Chairman the Trust Deed and Audited Statement of Accounts were called for from M/s. Varun Shipping Co. Ltd. It was observed therefrom that the rules and regulations of the Company's Provident Fund Scheme were more or less identical to the Seamen's Provident Fund Act/Scheme, 1966. The benefit only was that the company was crediting interest to the members' account at the rate of 12%. However, for the year 1989-90 the Organisation had also proposed to pay interest at the rate of 12% which might continue in the following years considering the present increasing trend of interest earnings on provident fund accumulations. It was observed that the overall benefits provided by M/s Varun Shipping Company's Employees' Provident Fund were not less favourable to the seamen but also did not provide any additional benefits.

After some discussions, it was agreed that the request of M/s. Varun Shipping Co. Ltd., for exemption from operation of the Seamen's Provident Fund Act/Scheme, 1966, did not merit consideration. The company should therefore, be asked to deposit the provident fund contributions in respect of all Petty Officers employed by them and covered under the Seamen's Provident Fund Act/Scheme with the

Seamen's Provident Fund, Bombay.

The meeting then terminated with a vote of thanks to the Chair.

V. G

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Praveen Singh

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 63rd Meeting of the Board of Trustees, Seamen's Provident Fund, held on Monday, the 10th September, 1990, at 3.00 p.m. in the Conference Room of the Directorate General of Shipping, Jahaz Bhavan, Walchand Hirachand Marg, Bombay-400038.

The following were present:-

Shri Praveen Singh	Chairman
Shri V. K. Prasad	Member
Shri K. S. Bhandarkar	—"—
Shri S. V. Parande	—"—
Dr. Leo Barnes	—"—
Shri M. A. Sayeed	—"—
Shri V. S. Gangurde	Secretary.

The Chairman welcomed the members present and urged them to extend their co-operation as usual in conducting proceedings of the meeting in a spirit of cordiality and goodwill.

Secretary informed the Board about the death of Shri T. S. Narayan, who was associated with the Board as its member for more than a decade. The Chairman then requested the members to observe two minutes

silence as a mark of respect to the memories of late Shri T. S. Narayan. The members of the Board after observing two minutes silence passed the following resolution in appreciation of the services rendered by late Shri T. S. Narayan to the Seamen's Provident Fund Organisation in particular and Shipping industry in general.

"The Board of Trustees, Seamen's Provident Fund learnt with profound sorrow the sad demise of Shri T. S. Narayan. Shri Narayan was a member of the Board for more than a decade and had rendered valuable services to the Board with his varied and rich knowledge of the Shipping. Shri Narayan's demise is an irreparable loss not only to his family but also to the Shipping industry as it has lost an expert adviser.

The Board of Trustees conveys its deep sympathies to his family in their sad bereavement."

The Chairman asked Secretary to send this resolution to the family of Shri Narayan.

Intimations were received from Sarvashri P. J. Vincent, R. K. Bhansali, J. E. D'souza and V. M. Almeida for their inability to attend the meeting due to pre-occupation. Leave of absence was granted to these members.

The Board then took up the items on Agenda for consideration.

Item No. 1: Confirmation of the Minutes of the 62nd Meeting of the Board of Trustees, Seamen's Provident Fund, held on 15th January, 1990 at 3.00 p.m. in the Board Room of the Seamen's Provident Fund Organisation, Bombay.

Secretary stated that draft minutes were circulated amongst the members of the Board with a request to furnish their comments, if any. None of the members sent any comments in this regard. The Chairman, however, again enquired of members whether they had any comments on the minutes. The members present opined that minutes were in order and thereafter the draft minutes were confirmed.

Item No. 2: Action taken on the decisions of the Board.

The Chairman observed that the statement regarding action taken on the decisions of the Board at its earlier

meetings was circulated to the members. However, he desired that Secretary should explain the position on each item.

Secretary explained that amongst the various amendments proposed to the Scheme, amendments to paragraphs 58-C, 59(3) and 62(1) were approved by the Government and a notification to this effect issued in this regard was circulated to the members of the Board for their information. He further stated that with these amendments the seamen members would be benefitted further in that by amending Para 58-C the members would now be eligible to get Non-refundable withdrawals to the extent of 36 months wages or 50% of the employee's share and employer's share as against 50% share of employee only. With the amendment of Para 59(3), the maximum service condition of 10 years has been brought down to 6 years which would now entitle the members to get the full share of their employers without any forfeiture. Amendment to Para 62(1) has empowered the Chairman and Commissioner to sanction an amount of Rs.20,000/- as against Rs.5,000/- to the guardians of minors or managers of lunatic persons on production of Satisfactory documents.

Secretary further stated that the

consolidated notification for the remaining amendments to paragraphs 20, 44, 51, 58A & 62 was submitted to the Ministry as desired by them.

As regards amendments to various sections of the Act, the Ministry have informed that the matter was being looked into separately.

The draft of the Deposit Linked Insurance Scheme submitted to the Government is under consideration of the Ministry.

The Chairman advised Secretary to pursue the matter with the Ministry to expedite Governments approval to the amendment of various sections of the Seamen's Provident Fund Act, Paragraphs of the Seamen's Provident Fund Scheme and the Deposit Linked Insurance Scheme.

As regards filling up of the post of Accounts Officer, the Ministry had asked for certain clarifications regarding feeder posts, Recruitment Rules, etc; which were submitted to the Government. The Ministry had asked further clarifications which were being examined and would be submitted to the Government as early as possible.

With regard to Computerisation of Accounts, Secretary informed the Board that as approved by the Board at its 62nd

meeting held on 15th January, 1990, orders for installation of inhouse computer were placed with M/s. Computers & Management Services, who have since supplied the machines together with the systems specifications. Shri Nair, representative of M/s Computers & Management Services opined on inspection of the room where the organisation had proposed to install the computer machines, that the room would not be suitable for the machines, documents and media stored inside, as there was good possibility of water ingress due to rains. He, therefore, suggested that a room in the centre of the office would be more ideal which would also save the loss of signal strength from the main machine to the Terminals. Proper air conditioning would also be required for the smooth functioning of the computer machines. The expenditure towards air conditioning, renovation of the room, etc; was not anticipated earlier. A provision for this purpose was, therefore, not made in the budget estimates for 1990-91. It was estimated that an expenditure of Rs. 50,000/- (Rs. 30,000/- cost of air conditioning machine + Rs. 20,000/- for renovation of the room and furniture for computer machines etc); was likely to be incurred for this purpose. The provision in this regard would be made in the revised estimates for 1990-91.

However, to avoid delay in the computerisation of accounts Commissioner was authorised to incur an expenditure of upto Rs. 50,000/-.

Shri Bhandarkar stated that second hand assembled air conditioners were available in the market at cheaper rates. The Commissioner should, therefore, examine the possibility of purchasing second hand air conditioner which would save some expenditure. The Chairman, however, observed that for better and long service of such costly computer machines, it would perhaps be better to go for new air conditioner. However, Commissioner could make enquiries from the market about second hand assembled machines as suggested by Shri Bhandarkar. The Chairman further advised that Commissioner should make efforts to complete the computerisation of accounts, which was already in arrears from April, 1990 atleast by November this year.

Regarding Sr. No. 4, Dr. Barnes observed that the proposal was delayed for nearly 8 months. Shri Bhandarkar stated that there was no delay on the part of Commissioner. However, due to certain administrative difficulties the information sought for by the Commissioner could not be furnished by the Owners/Agents' Committee (Crews) in time.

Secretary stated that similar information was awaited from Indian National Shipowners' Association, who would be reminded to expedite the information regarding contributions to be made by the employers towards the Deposit Linked Insurance Scheme, before the Scheme was notified by the Government. The Chairman asked Secretary to obtain the relevant information from the Indian National Shipowners' Association as expeditiously as possible and submit the proposal at the next Board meeting.

As regards Sr. No. 5, Shri M. A. Sayeed enquired as to why nominations were not obtained from such a large number of seamen. Secretary stated that the list of seamen who have failed to file Declaration/Nomination forms was already submitted to the respective Shipping Masters, National Union of Seafarers of India, Bombay and Forward Seamen's Union of India, Calcutta, with a request to obtain the Declaration/Nomination forms from concerned seamen as and when they report to the Shipping Master's and Union offices. Shri Sayeed requested for a copy of the list of the Calcutta based seamen so that he could expedite the work of obtaining Declaration/Nomination forms.

The position regarding Sr. No. 6, 7, 8 and 9 reported by Secretary was noted by the Board.

Item No. 3 : Receipts, Payments and Accounting of Provident Fund Monies and progress of work upto 31-7-90.

The Chairman pointed out that from the statement submitted by Secretary the number of pending cases was rather on the higher side. Secretary explained that all these cases were pending for want of legal heirship reports from the concerned authorities. Efforts were continuously made to obtain the legal heirship reports from the respective revenue authorities on urgent basis. However, inspite of our best efforts, some of the revenue authorities did not respond in reasonable time, as a result of which such cases remained pending. The Chairman asked Commissioner to try to clear these cases as early as possible.

Shri M. A. Sayeed enquired about the break up of the pending cases shown yearwise. Secretary explained that the position was indicated separately for every year and the balance for the previous year was not carried forward for the subsequent year. After showing the yearwise position the total of all pending cases was shown in the last column.

From Item No. III (a) regarding Final settlement of Provident Fund Claims, Dr. Barnes observed that figures shown under the heading No. of Registered Seamen

was not correct. In support of his observation, he pointed out that when during the year 1985-86 there were 30,128 seamen registered and during the past 5 years about 7,132 claims were settled, the number of seamen should have been around twenty two or twenty three thousand and not 28,133 as shown by the Commissioner in his report.

Secretary explained that unregistered seamen holding CDCs issued from Goa, Cochin, Vizag, Port Blair, Tuticorin were also members of the fund. Besides, every year new Accounts were opened after issue of CDCs by the Shipping Masters, Bombay & Calcutta. The figures shown in the statement were inclusive of these seamen members and hence the figures were not tallying.

Secretary further stated that the heading under this column was required to be changed to avoid confusion. In future, the number of Accounts held by the Organisation in respect of the seamen members, whether registered or unregistered, would be shown to reflect the correct position.

The Chairman observed that position regarding outstanding recoveries was rather alarming and all efforts should be made to recover these amounts to minimise the difficulties of the seamen members.

Secretary explained that claims were already filed with the Official Liquidators in respect of the employers who had gone into liquidation. The Official Liquidators had instructed not to remind them since claims were taken on their records and the same would be settled as and when the properties of these employers would be available for disposal.

The Official Liquidator, High Court, Bombay had accepted our claim against M/s. Universal Shipping Company from out of the sale proceeds of one of their vessels m.v. 'Uni Bakshi' and an amount of Rs.1,63,701/- would be sent to us after the orders were issued by the Hon'ble High Court, Bombay.

As regards recoveries through the District Collectors under Section 10 of the Seamen's Provident Fund Act, 1966, the authorities concerned were being pursued to expedite the recoveries in question.

Shri Parande observed that some of the companies were defunct and hence the amounts were not recoverable. Therefore, there was no point in showing these amounts as arrears. He suggested that such non-recoverable amounts be written off. Secretary stated that this aspect will be examined in detail and the proposal to write off the amounts, which were not recoverable, would be placed before the

Board at its next meeting.

Item No. 4: Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1989-90.

Shri Sayeed stated that amounts shown at Sub-para 6.8 of Chapter V regarding sums invested/re-invested during the year 1988-89 and 1989-90 and sub-para 6.9 regarding interest accruals for these years were not proportionate. Shri Bhandarkar explained that the amounts shown against investments/re-investments included the interest accruals which were re-invested together with maturity proceeds and the amount shown against the interest accruals was exclusively the interest earned during that particular year and hence these figures would not have any proportion as such.

Shri M.A. Sayeed further enquired about the Provident Fund Suspense Account shown under Para 13 (Chapter XII). Secretary explained that undelivered cheques, demand drafts, money orders issued to the seamen members towards Non-refundable withdrawals/final withdrawals were held in Suspense Account. These amounts were subsequently released from the Suspense Account as and when requests from the seamen members were received. In fact, all the Provident Fund contributions were held in only one account, i.e. Provident Fund Account with

the State Bank of India and thereafter transferred to the Reserve Bank of India for investment as per the pattern laid down by the Government of India. The Provident Fund Suspense Account, the Provident Fund Dead Account were only book adjustments to facilitate compilation/reconciliation of the accounts.

Dr. Barnes observed from Para 13.5 of the Annual Report that the Organisation was making payments against Final Withdrawal claims within two to four weeks and against Non-refundable withdrawal claims within a week's time. He said this was really a commendable performance by the Organisation and hence appreciable.

The Chairman shared the views expressed by Dr. Barnes and the Board unanimously appreciated the work done by the Organisation.

Shri Sayeed pointed out that the heading under Chapter XX 'Conclusion' was not perhaps suitable considering the matter explained thereunder. The Chairman agreed with the views expressed by Shri Sayeed and advised that heading of Chapter XX should be corrected. It was suggested that Chapter XX might be corrected as 'Amendments to Seamen's Provident Fund Scheme'.

The chairman also observed that

there were some typographical errors as also some sentences were required to be modified grammatically. Commissioner, therefore, should go through the report again and carry out necessary modifications before the report was given for printing. The figures in the blank spaces should also be filled in before printing of the report.

The Board then approved the Annual Report and Commissioner was advised to submit the same to the government within the stipulated time limit.

Item No. 5 : Budget Re-appropriation 1989-90

The position reported by Secretary was noted by the Board.

Item No. 6 : Request from the Trustees of M/s. Larsen & Toubro Officers and Supervisory Staff Provident Fund for exemption from the operation of the provisions of the Seamen's Provident Fund Act/Scheme, 1966.

Secretary explained that the request of M/s. Larsen & Toubro Ltd., was rejected by the Board at its 60th meeting held on 9th January, 1989. M/s. Larsen & Toubro had, however, requested to reconsider the Board's decision. The members observed from the note submitted by the Commissioner, that the benefits provided under the Larsen &

Toubro officers and supervisory staff provident fund were not more beneficial than the benefits available under the Seamen's Provident Fund Scheme. There was, therefore, no justification to reconsider the decision already taken by the Board.

Commissioner was advised to inform M/s. Larsen & Toubro Ltd., suitably and also ask them to deposit the provident fund contributions of the Petty Officers governed by the Seamen's Provident Fund Act/Scheme, 1966 with the Seamen's Provident Fund Organisation.

Item No. 7 : Additional voluntary contributions to Provident Fund.

Dr. Barnes suggested to allow seamen members to contribute additional voluntary contributions @ 25% of wages or 2½ times of compulsory contribution. Secretary explained that under the existing provisions of Para 26 of the Seamen's Provident Fund Scheme, 1966, the seamen members are allowed to subscribe voluntary contributions not exceeding 10% of their wages i.e. equivalent to the compulsory contribution. This, however, did not have any corresponding obligation on the part of employers to increase their contribution proportionately. The proposal of Dr. Barnes to allow the seamen members to contribute 25% of wages or 2½ times of

the compulsory contribution as voluntary contribution could, therefore, be considered only after amending Para 26 to this effect.

The Chairman opined that besides encouraging the seamen members to cultivate the habit of thrift, if they were entitled to get some relief from income tax there was no harm to amend Para 26 to facilitate seamen members to subscribe voluntary contributions at the rate of 25% of their wages or 2½ times of their compulsory contributions. Secretary was advised to submit a proposal to this effect at the next Board meeting.

Item No. 8: Crediting of Interest on mean balance basis.

Secretary explained that under the provisions of Para 51(2)(a) of the Seamen's Provident Fund Scheme, 1966, interest for the currency of the Account is required to be credited w.e.f. last day of the period on the Opening Balance at the credit of the members on the first day thereof. Similar procedure was followed by other Provident Fund Organisations like Employees' Provident Fund Organisation, Assam Tea Plantation Provident Fund & Pension Fund Organisation, Gauhati and The Coal Mines Provident Fund Organisation, Dhanabad. Unless requisite amendment was carried out to Para 51(2)(a), proposal of Dr. Barnes could not be considered.

Shri Parande stated that where the Provident Fund contributions were deposited on monthly basis, the interest is calculated monthwise. In case of Seamen's Provident Fund, since the contributions were deposited in one lump sum after final pay off of the seamen members, the contributions deposited by the employers during the currency of account were, however, not taken into consideration for calculation of interest. Thus the seamen members were deprived of the interest on such contributions. He was, therefore, of the opinion that Dr. Barnes' proposal to credit the interest on mean balance basis was worth considering. The Chairman while sharing the views expressed by Shri Parande, advised Secretary to consult the representatives of M/s. Computers & Management Services, who have been entrusted with the job of installation of inhouse computer in the Organisation as to whether it would be possible to credit the interest on 'mean balance' as suggested by Dr. Barnes and thereafter proposal to amend Para 51(2)(a) be placed before the Board at its next meeting.

Item No. 9: Deposit Linked Insurance Scheme.

While initiating the discussions on this item Shri Sayeed enquired as to why

the rate of contribution was proposed at 0.5% and not at 1%.

The Chairman clarified that rate of 0.5% proposed was at par with the rate already existing under the Employees' Deposit Linked Insurance Scheme framed under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. He, however, opined that an amount of Rs.4,000/- was small and hence the proposal to increase this amount to Rs.10,000/- should be examined by the Sub-Committee of the Board.

Shri Parande stated that the figures given by Secretary appeared to be low. With the present rate of wages, the contributions payable by the employers at the rate of 0.5% should be not less than 25 to 26 lakhs. Therefore, an amount of Rs.10,000/- could be easily provided as an insurance benefit to the families of the deceased seamen members.

The Chairman desired that this issue also be examined in detail by the Sub-Committee of the Board and its recommendations be submitted to the Board at its next meeting.

Item No.10: Mode and periodicity of payment of contribution.

Secretary explained that under the provisions of the Seamen's Provident Fund

Scheme, 1966, the employers were required to deposit the provident fund contributions (both employers and employees shares) within 15 days of the date "on which the wages became payable to the seamen". The shipowners expressed their difficulties in remitting the contributions within the period of 15 days due to delay in getting provident fund returns from out-ports, difficulties in banking transactions, etc. The Board appreciated the difficulties expressed by the shipowners and a grace period of 15 days was allowed over and above 15 days stipulated period.

Dr. Barnes stated that employers were required to file provident fund returns to the Shipping Masters at the time of final pay off of the seamen. When the shipowners could settle the wages of seamen within 4 days from the date of their discharge as per the provisions of the Merchant Shipping Act, 1958, it was not understood as to why they could not deposit the provident fund contributions immediately after the final pay off before the Shipping Masters.

Shri M.A. Sayeed shared the views expressed by Dr. Barnes and stated that late remittances of provident fund contributions by the employers (Shipowners) was a loss to the seamen members as they were not getting any interest for that period.

Sarvashri Bhandarkar and Parande opined that so far as the payments at Bombay were concerned, there might not be any difficulties in remitting the provident fund contributions within the stipulated period of 15 days. However, shipowners continued to face the difficulties placed before the Board sometimes back in cases where the pay offs took place at out ports. They, therefore, urged that the grace period of 15 days should be continued.

The Chairman asked Secretary to examine the issue further after ascertaining the difficulties faced by the employers to remit the amount within the stipulated period of 15 days in consultation with the Sub-Committee.

Item No. 11: Additional benefit schemes on the lines of schemes provided under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952.

Secretary stated that it would be observed from the note placed before the Board that the draft of the Deposit Linked Insurance Scheme submitted to the Government was already receiving the Ministry's attention. Once the Deposit Linked Insurance Scheme was approved by the Government the seamen members

would be left out from the benefits of the family pension scheme. He suggested that as proposed by Dr Barnes the question regarding providing additional benefit schemes to the seamen members might be entrusted to the Sub-Committee of the Board consisting of the following members.-

Shri V. K. Prasad
Shri K. S. Bhandarkar
Dr. Leo Barnes
Shri V. S. Gangurde

It was decided to ask the Sub-Committee to examine this issue and submit its report as early as possible.

Item No. 12: Enhancement of Medical Allowance to the staff of the Seamen's Provident Fund Organisation.

While initiating the discussions, Dr. Barnes opined that this being an administrative issue, the Commissioner in consultation with the Chairman should decide this issue on the basis of facilities available in other autonomous organisations considering the financial constraints, etc.

Shri Sayeed opined that instead of going for increasing the medical allowance from time to time, the possibility of extending the benefits available under the Employees State Insurance Scheme to the staff members of the Seamen's Provident

Fund Organisation be examined.

Shri Bhandarkar shared the views expressed by Shri Sayeed.

After some discussions it was decided that the Sub-Committee of the Board should examine this issue and submit its report as early as possible.

Item No. 13 : Liaison arrangement at the port of Calcutta.

Secretary explained that though the Director, Seamen's Employment Office, Calcutta, had declined to work as liaison officer of this organisation inspite of increase in the honoraria from Rs. 190/- to Rs. 500/-, the staff members in the Seamen's Employment Office had extended their co-operation to the organisation and they were carrying out the liaison work of the organisation. The work load involved did not warrant any further increase in honoraria already approved by the Board. However, the work now attended by the non-gazetted staff of the Seamen's Employment Office should be supervised by one of the officers at Calcutta.

Shri Sayeed stated that one of the senior staff members of the organisation should be sent on deputation atleast for six months to Calcutta to train the staff attending the liaison work.

Secretary explained that liaison

work involved issue of final withdrawal application forms, Non-refundable withdrawal application forms and forwarding of these forms as also the complaints, if any, from the seamen members regarding missing credits etc; to the organisation. Since the work involved was of a routine nature and considering the financial position of the organisation, it was not possible to send any of the staff members to Calcutta on deputation.

The Chairman asked Secretary to undertake a tour to Calcutta and discuss this issue in length with Principal Officer, Mercantile Marine Department, Shipping Master, Director, Seamen's Employment Office and representatives of the Forward Seamen's Union of India and submit a report as early as possible.

The meeting then terminated with a vote of thanks to the Chair.

Pravin Singh

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

V. G.

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 64th Meeting of the Board of Trustees, Seamen's Provident Fund, held on Thursday the 24th January, 1991, at 3.00 p.m. in the Conference Room of the Directorate General of Shipping, Jahaz Bhavan, Walchand Hirachand Marg, Bombay-400038.

The following were present:-

Shri Praveen Singh	Chairman
Shri N. K. Prasad	Member
Shri K. S. Bhandarkar	—"—
Shri S. V. Parande	—"—
Dr. Leo Barnes	—"—
Shri V. S. Gangurde	Secretary

The Chairman welcomed the members present and urged them to extend their co-operation as usual in conducting proceedings of the meeting in a spirit of cordiality and goodwill.

Secretary informed that a telephonic intimation was received from Shri P. J. Vincent on 14th instant about his inability to attend the meeting. Sarvashri R. K. Bhansali, J. E. D'souza, M. A. Sayeed and V. M. Almeida could not attend owing to pre-occupation. Leave of absence was granted to these members.

The Board then took up the items on Agenda for consideration.

Item No.1 : Confirmation of the Minutes of the 63rd Meeting of the Board of Trustees, Seamen's Provident Fund, held on 10th September, 1990, at 3.00 p.m. in the Conference Room of the Directorate General of Shipping, Bombay.

Secretary informed that the draft minutes were circulated amongst the members of the Board for their comments, if any. Except Shri K.S. Bhandarkar, who had found the minutes in order, no other members had furnished any comments/amendments.

The Chairman, however, enquired whether any of the members had any observations on the minutes already circulated by Secretary.

The members opined that minutes were in order and thereafter the draft minutes were confirmed.

Item No.2 : Action taken on the decisions of the Board.

The members of the Board expressed serious concern over the delay in issue of notifications regarding amendments to various Sections/Paragraphs of the Seamen's Provident Fund Act/Scheme, 1966. The Chairman enquired whether clarifications sought for by the Ministry from time to time were furnished or not.

Secretary stated that the clarifications required by the Ministry were furnished

together with consolidated draft gazette notification in this regard on 7-12-1990. Secretary further stated that the Ministry had since informed that the amendments to the various Sections of the Seamen's Provident Fund Act, 1966, were receiving Government's attention.

The Chairman asked Secretary to pursue the matter with the Ministry in order to obtain Government's approval as expeditiously as possible. He also desired that Dr. Leo Barnes should apprise the Hon'ble Minister for Surface Transport about the pending approval of the Government to the various amendments to the Seamen's Provident Fund Act/Scheme, 1966, and Deposit Linked Insurance Scheme for seamen.

As regards Sr. No.3 regarding Computerisation of Accounts Secretary explained that the latest enquiries made with M/s. Computility India Pvt. Ltd., revealed that the computerisation of accounts would be completed within the next 10 to 15 days.

The Chairman asked Secretary to follow up with M/s. Computility (India) Ltd., to complete the accounts as expeditiously as possible to avoid further back-log in the computerisation of accounts on our in-house computer. The Chairman also enquired about the type of training the staff members were being imparted and whether there was any duration fixed for this training. Secretary stated that the staff members were being given preliminary

training to operate the computer machine and acquire the desired speed. A further training would be started on receipt of the 'Master data' tapes from M/s. Computility India Pvt. Ltd., There was no duration for the training as M/s. Computers & Management Services had agreed to train all the staff members without any time limit.

With regard to Sr. No. 4, it was decided to discuss this issue alongwith Item No. 8 of the Agenda as the issues involved therein were inter-linked.

As regards Sr No. 5, the Chairman observed that there was negligible improvement in receipt of Declaration/Nomination forms, as out of 3,700 seamen members, only 296 seamen had so far filed their Declaration/Nominations. In order to avoid hardships to the families of the deceased seamen members, Commissioner should pursue with the authorities concerned i.e. Shipping Masters, Unions etc, to obtain the Declaration/Nomination forms from all the concerned members.

Dr Barnes stated that as and when the seamen members report to the union office, they are advised to file their Declaration/Nominations. However, inspite of this, if there were some cases where the Declaration/Nominations were not available, the Union was giving Indemnity Bond to release the Provident Fund Organisation from its responsibilities.

Secretary stated that all efforts would be made to obtain the Declaration/Nominations from

the members concerned as directed by the Chairman.

With regard to Sr. No. 7 the Chairman observed that in view of the position explained by Secretary in his note at Annexure III regarding outstanding recoveries from M/s. Hindustan Shipping Company and M/s. Bangera & Associate Pvt. Ltd., there was hardly any chance to recover the amounts outstanding from these companies. The amounts in question should, therefore, be written off with the approval of the Government as suggested by Secretary.

It was agreed unanimously to write off the outstanding amounts of Rs. 31,981-36 (Rs. 19,353-15 from M/s. Hindustan Shipping Company + Rs. 12,628-21 from M/s. Bangera & Associate Pvt. Ltd.) and the Government should be approached to issue necessary sanction in this regard.

As regards Sr. No. 9, an amendment to the proviso under Paragraph 26(2) of the Seamen's Provident Fund Scheme, 1966, as proposed by Commissioner was approved by the Board and he was directed to approach the Government for its approval.

Position regarding Sr. Nos. 2, 6, 8 and 10 was noted by the Board.

Item No. 3: Receipts, Payments and Accounting of the Provident Fund moneys and progress of work upto 30th November, 1990.

The Chairman observed that 221 cases of final withdrawal were still pending.

Shri Bhandarkar stated that it would be observed from Sr. No. 6 under Item No. 2, that 126 cases

out of 250 pending cases were settled during the past four months. There was, therefore, a considerable improvement in the disposal of pending cases.

Secretary explained that these cases were pending for want of legal heirship reports which was a very time consuming process. However, efforts were being made to persone the authorities concerned to furnish the legal heirship reports to settle these pending cases.

The Chairman instructed to obtain legal heirship reports as expeditiously as possible by constant pursuasion of the authorities concerned so that Provident Fund dues of the deceased seamen members could be disbursed to their proper legal heirs.

As regards outstanding provident fund contributions, Secretary explained that the official liquidators, with whom the claims were filed, had informed us that no reminders should be issued to them and our claims would be settled alongwith other debtors as and when funds were available. The District Collectors were also being pursued for expeditious recoveries.

The Chairman advised that vigorous efforts should be made to collect the outstanding recoveries.

Item No.4 : Budget Proposals for the year 1991-92 & Revised Estimates for the year 1990-91.

The Chairman expressed serious concern about the deficit Budget placed before the Board inspite of an increase of about Rs.5 lakhs in

the receipts towards Administrative Charges. He further observed that increase towards Dearness Allowance was on higher side than the provision made during the current year i.e. 1990-91.

Sheri Parande stated that the receipts shown in the Budget estimates appeared to be little conservative. With substantial increase in basic wage, leave period, supplement and seniority supplement as per the revised MMTS Agreement from 1-4-90, the receipts towards Administrative Charges should be more than what was estimated by the Commissioner. Sheri Bhandarkar shared the views expressed by Sheri Parande.

Secretary explained that excess expenditure of Rs.2,98,597/- over and above income was mainly due to additional provision of Rs.50,000/- for Pension and Gratuity Fund, which was required to build-up to meet the future liabilities towards pension and gratuity payment of the staff members due to retire in near future and a provision of Rs.2 lakhs made towards House Building Advance. Secretary further stated that due to paucity of funds, requests from the staff members for House Building Advance could not be considered during the past 3/4 years. Due to periodical increase of Dearness Allowance as per the recommendations of the Fourth Pay Commission, the Organisation was required to make additional provision for this purpose. A provision was also made towards the salaries and allowances of 2 Jr. Assistants and 1 Hindi Typist. These posts were lying

vacant for the past five years and it was proposed to be filled in against the vacancies likely to be caused due to retirement of some of the staff members. The post of Hindi Typist was also required to be filled as per Government directives. He further clarified that this extra expenditure would be met from the surplus funds available with the Organisation.

Shri Bhandarkar stated that so far as the pay and allowances of the officers and staff of the Organisation were concerned there was hardly any chance to curtail the expenses. However, Commissioner should try to minimise the expenses towards other recurring items such as postage, electricity, telephone, stationery etc. He also suggested that furnishing annual account slips to the individual members might be discontinued, which could save considerable amount towards the postage of dispatching the Account slips to the members.

Secretary explained that it would be observed from the items under recurring heads that the provisions were kept to the minimum possible. The proposal of Capt. Bhandarkar could not be acceded to as supplying of annual account slips was a statutory requirement. However, due to overall increase in the tariffs on telephone, postage, electricity as also escalation in the prices of stationery and sanitary items the anticipated expenditure was slightly more than the sanctioned budget grants for the year 1990-91. Efforts would, however, be made to

observe the utmost economy as was done in the previous years.

Shri V.K. Prasad stated that provision towards House Building Advance was necessary as the staff in the Organisation was not entitled to Government accommodation and hence the Organisation should provide them some financial assistance to have their own homes.

The Chairman opined that though generally he shared the views expressed by the members, in order to avoid any economic strain on the Organisation, the surplus fund should not be allowed to be wiped out. He also advised that possibility of saving in the staff in view of the in-house computerisation of accounts should also be examined. Though the provision of Rs.2 lakhs towards House Building Advance should be retained, initially an amount of Rs.1 lakh only should be disbursed. The receipts towards Administrative Charges should also be worked out afresh in consultation with Shri Parande and the position be reviewed and reported to the Board while submitting the Revised estimates for 1991-92.

The Budget proposals for 1991-92 and the Revised estimates for 1990-91 were then approved by the Board and the Commissioner was directed to submit the same to the Government for approval.

Item No.5 : Fixation of rate of interest for credit to the members' accounts for the year 1990-91.

Secretary explained that after taking into consideration the adjustments and provision towards Reserve fund to meet emergencies, if any, the interest at the rate of 12% could be credited to the members accounts from the available funds.

The Board approved the rate of interest of 12% suggested by Secretary.

Item No.6: Inspection Report on the Accounts of the Commissioner, Seamen's Provident Fund Organisation, Bombay for the year 1989-90.

The Chairman observed that there was no major audit objection in the Inspection Report placed before the Board by Secretary. He asked whether the members would wish to make any observation on this. None of the members had any observations.

The Inspection Report was noted by the Board.

Item No.7: Reduction in the rate of Administrative Charges payable under Paragraph 35 of the Seamen's Provident Fund Scheme, 1966.

Secretary stated that as explained in the note circulated to the members, in view of the various liabilities of the Organisation such as building of Pension and Gratuity fund provision for House Building Advance, cost of maintenance of office premises and periodical increase in the pay and allowances of officers and staff, there

could hardly be any savings in the Administration account. The anticipated income towards Administrative Charges would be just about meet the requirements of the Organisation and hence the present rate of 3.5% should be retained.

Sarvashri Bhandarkar and Parande reiterated that the anticipated receipts worked out by the Commissioner were on conservative side. In view of the revised rates of wages the income should be much more.

The Chairman opined that saving due to reduction in the rate of Administrative Charges would be just negligible and in view of the position explained by Secretary the present rate of Administrative Charge should be retained.

It was unanimously agreed to retain the rate of Administrative Charges at 3.5%.

Item No.8: Report of the Sub-Committee on issues of:-

i) Deposit Linked Insurance Scheme.
ii) Additional benefit Schemes on the lines of Schemes provided under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952.
iii) Enhancement of Medical Allowance to the Staff of the Seamen's Provident Fund Organisation.
iv) Withdrawal of 15 days grace period allowed to the employers to remit the Provident Fund Organisation in addition to the stipulated period of 15 days from the date of pay off.

i) Deposit Linked Insurance Scheme.

The Chairman observed that as pointed out by Secretary under Sr. No. 4 of Item No. 2 of the Agenda, the member lines of Owners/Agents' Committee (Crews) and Indian National Shipowners Association, though committed to the proposed Deposit Linked Insurance Scheme, were willing to make their contributions only when the Scheme is formally approved by the Government and ready for implementation. As such the proposal of Mr. Barnes to introduce an ad-hoc Deposit Linked Insurance Scheme of financial assistance of Rs. 5,000/- to the widows of the deceased seaman could not be introduced. He further observed that since the proposal was pending with the Government for a long time the matter should be pursued to obtain Government's approval to the Scheme, as early as possible.

Shri V. K. Prasad stated that the Ministry had asked to obtain the views of the shipowners for payment of contributions towards Deposit Linked Insurance Scheme. Secretary stated that since the Owners/Agents' Committee (Crews) and Indian National Shipowners Association had confirmed their commitment towards the Deposit Linked Insurance Scheme, the Government might be informed accordingly.

The Chairman, however, stated that fresh letters should be obtained from the Indian National Shipowners Association and the Owners/Agents' Committee (Crews) regarding their commitment for making payment of their contributions towards the Deposit Linked Insurance Scheme and Government be informed thereafter. The Chairman advised Shri V. K. Prasad to write a letter to the Government to expedite their approval to the Deposit Linked Insurance Scheme. Secretary was also asked to prepare a D.O. letter from the Chairman to the Secretary to the Ministry of Surface Transport for expeditious sanction to the Scheme.

ii) Additional benefit Schemes on the lines of Schemes provided under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952.

The position noted in the record note of discussion in the Sub-Committee was noted by the Board.

iii) Enhancement of Medical Allowance to the staff of the Seamen's Provident Fund Organisation.

The Committee's recommendation to enhance the Medical Allowance from Rs. 50/- p.m. to Rs. 100/- p.m. was approved.

Secretary stated that the staff members submitted their representation for enhancement in the medical allowance in the month of July, 1990 and hence the payment of enhanced allowance might be considered w.e.f. 1-7-1990. The Members, however, did not accept the suggestion and it was decided to pay the enhanced Medical Allowance of Rs. 100/- p.m. from January, 1991.

iv) Withdrawal of 15 days grace period allowed to the employers to remit the Provident Fund

contributions to Seamen's Provident Fund Organisation in addition to the stipulated period of 15 days from the date of pay off.

Position was noted by the Board and Shri Bhandarkar was requested to submit his proposal in support of the 15 days grace period over and above the stipulated period of 15 days for consideration of the Sub-Committee.

Item No. 9: Any other item with the permission of the Chair.

Secretary with the permission of the Chairman stated that the Organisation would be completing 25 years in July, 1991. It was therefore, suggested that a Silver Jubilee function might be arranged to celebrate the 'Silver Jubilee' year of the Organisation.

The Chairman opined that the Organisation was doing a good job and to commemorate its 'Silver Jubilee' year members might not have any objection to arrange a function.

It was unanimously agreed to celebrate the 'Silver Jubilee' year of the Organisation. The Sub-Committee of the Board was asked to chalk out the programme for this celebration.

The meeting then terminated with a vote of thanks to the Chair.

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY