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MINUTES BOOK

SEAMEN'S PROVIDENT FUND ORGANIZATION, MUMBAI

MINUTES OF

65TH BOARD OF TRUSTEES MEETING

TO

82ND BOARD OF TRUSTEES MEETING

List of Minutes from 65th to 82nd Board of Trustees Meeting

Sr. No.	BoT Meeting	Date and Time of Meeting
1	65th BoT Meeting	20th September, 1991 at 3.00 p.m.
2	66th BoT Meeting	13th January, 1992 at 3.00 p.m.
3	67th BoT Meeting	3rd September, 1992 at 3.00 p.m.
4	68th BoT Meeting	23rd January, 1993 at 3.30 p.m.
5	69th BoT Meeting	20th September, 3.00 p.m.
6	70th BoT Meeting	31st January, 1994 at 11.00 a.m.
7	71st BoT Meeting	14th September, 1994 at 11.00 a.m.
8	72nd BoT Meeting	16th January, 1995 at 11.00 a.m.
9	73rd BoT Meeting	29th September, 1995 at 10.00 a.m.
10	74th BoT Meeting	22nd January, 1966 at 3.00 p.m.
11	75th BoT Meeting	23rd September, 1996 at 3.00 p.m.
12	76th BoT Meeting	28th November, 1996 at 3.30 p.m.
13	77th BoT Meeting	31st January, 1997 at 3.30 p.m.
14	78th BoT Meeting	7th October, 1997 at 3.00 p.m.
15	79th BoT Meeting	23rd January, 1998 at 3.00 p.m.
16	80th BoT Meeting	12th October, 1998 at 3.00 p.m.
17	81st BoT Meeting	28th January, 1999 at 3.30 p.m.
18	82nd BoT Meeting	26th October, 1999 at 11.30 a.m.

Minutes of the 65th Meeting of the Board of Trustees, Seamen's Provident Fund held on Friday, the 20th September 1991 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-400038.

Shri Praveen Singh, Chairman, Board of Trustees, Seamen's Provident Fund conveyed his inability to attend the meeting due to pre-occupation. The Secretary, therefore, stated that in the absence of the Chairman the members should elect one of them to preside over the meeting. Dr. Leo Barnes while reciprocating the sentiments expressed by the Secretary proposed that Shri V.K. Prasad, Government representative be elected to preside over the meeting in the absence of the Chairman. Cdr. Sharma seconded the proposal and accordingly Shri V.K. Prasad presided over the meeting.

The following were present:-

Shri V.K. Prasad	Chairman
Cdr. S.K. Sharma	Member
Shri J.E. D'souza	Member
Dr Leo Barnes	Member
Shri V.M. Almeida	Member
Shri Anil Baran Das	Member
Capt. C.R. Neelakantan	Secretary

Shri Prasad appreciated the good services rendered by the out going Trustees and welcomed the Trustees present including new Trustees. Simultaneously he expressed appreciation of the services rendered by the former Secretary, Shri V.S. Gangurde and welcomed the new Secretary, Capt. C.R. Neelakantan. It was decided by the Board to place on record the Board's deep appreciation of services rendered by Sarvashri R.K. Bhansali, K.S. Bhandarkar, S.V. Parande and M.A. Sayeed as Trustees of the Board. The Chairman urged the members to extend their co-operation as usual in conducting proceedings of the meeting in a spirit of cordiality and goodwill.

Secretary informed that a telegraphic message was received from Shri P.K. Mishra, Director, Ministry of Surface Transport on 19th instant expressing his inability to attend the meeting. Sarvashri Dharamvir Gupta and S.R. Ajgaonkar could not attend owing to pre-occupation. Leave of absence was granted to these members.

Dr Barnes suggested that the Secretary should send a suitable letter conveying appreciation of the Board for the good services rendered by the out going Trustees. Board agreed.

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

Item No.1 : Confirmation of the 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.

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.

Sr. No 1, 2 and 4 were noted by the Board and the Chairman directed the Secretary to remind the Government to take early action on these matters.

Regarding Sr. No. 3 Secretary stated that the In-house computer has already been started in the Organisation. He pointed out that through M/s. Computility India Pvt. Ltd., had printed annual

account slips for 1989-90 and handed over to us in the second week of February, 1991. They could not give us Master tape for 1989-90 due to damage to the Master tape. On this account they could not submit their bill for processing computerisation of our accounts for 1989-90 to the extent of over Rs 65,000/-. Therefore, there was a saving of this amount. However, they have supplied us the Master tape for the year 1988-89 only on 22-3-1991, on that basis this Organisation has created a Master file taking the opening balance of 1990-91 on In-house computer. Now the work of computerisation of accounts for the year 1990-91 is in progress. M/s Computility India Pvt. Ltd. have not submitted their bill, if any, till now. Hence, no payment will be made to M/s. Computility India Pvt. Ltd., unless the Master tape for the year 1989-90 is handed over to us. The Board agreed with the views of the Secretary

Secretary further stated that the accounts slips for the year 1990-91 and 1991-92 are still pending for printing. Hence he consulted Shri Shashi Nair, Computer expert, who suggested to give this job to outsiders, which would cost around Rs 30,000/- for up-dating 1990-91 accounts slips.

Cdr. L.K. Sharma opined that it is not advisable to employ outsiders or depend upon them and we must train our own

staff as in the long run that would add to their efficiency, performance and utility. He also added that there is an urgent need to computerise all records in order to avoid errors. In this context, Dr. Barnes stated it is not necessary to issue account slips and the same can be made available to the members as and when they visit the office. If the account slips are sent to the seamen by post when they are employed on board, the slips may not be properly preserved. He also stated that the actual figures are not taken into account by the staff and hence their correctness needs to be ensured with the help of the computer. Secretary pointed out that some seamen particularly from outstations do not call on the office every year and mentioned that the issue of these slips to seamen members is a statutory requirement. He also informed that while some staff members have already been trained in computerisation of accounts and their performance/efficiency is improving, the employment of outsiders may assist in clearing the back-log and bringing the work upto date.

Cdr. Sharma pointed out that at the last meeting of the Board, the Chairman had advised to explore possibilities of saving in the staff in view of the inhouse computerisation of accounts and enquired whether it is not possible to use the existing staff instead of filling of the vacant posts for which a separate item is

included in the Agenda. He also observed that in view of computerisation of accounts, it may be advisable to arrange a man power work study of the organisation by some outside party in the field. He further stated that after such a study particularly with reference to computerisation programme the traditional work of the organisation may require to be redistributed.

Secretary stated that the installation of computer is intended for improvement in efficiency and even after computerisation, the sanctioned strength of the staff complement should be maintained.

Finally, as suggested by Mr. Barnes, the Board agreed to employment of outsiders in order to clear the back-log of work pertaining to the issue of account slips at a cost of about Rs.30,000/- and to spend another sum of Rs.27,000/- to bring out certain improvement in computerisation work, as advised by Mr. Shashi Nair, Consultant.

Regarding Sr. No.5 Cdr. Sharma raised the issue of legal heirship and stated that since nominees as required under Merchant Shipping Act are some times different from the legal heirs, the Shipowners have to face some unnecessary problems on this account and have to receive Court Notices/Orders etc. Secretary clarified that every seaman has a legal right

to make nomination of his choice subject to the conditions stipulated in the Seamen's Provident Fund Rules etc. While the Chairman desired that the work relating to collection of Declaration/Nomination forms from the remaining seamen members may be completed in consultation with the Shipping Masters and Seamen's Unions, Mr. Barnes observed that the amount standing to the credit of seamen members in their Provident Fund Accounts can be paid only to their nominees which are considered legally valid as per the provisions of the Seamen's Provident Fund Scheme. The other claimants can have recourse to the Court of Law if required. Cdr. Sharma, however, reiterated that in order to avoid involvement into unnecessary litigations etc. suitable precautionary measures may be taken by way of amendment of the relevant Rules.

Regarding Sr. No.6 Secretary stated that the Government's approval to write off the outstanding recoveries from M/s. Hindustan Shipping Company and M/s. Bangera & Associate Pvt. Ltd., was since received.

Regarding Sr. No.7 Secretary informed that he had managed to get a copy of the original Gazette Notification which revealed that there is no limit prescribed for making Provident Fund contribution. Cdr. Sharma, however, opined that the matter may be examined more closely since in his view it seemed impossible

that no limit was prescribed. He also stated that a letter seeking clarification may be addressed to the Ministry. Dr. Barnes pointed out that although there is no limit prescribed for contribution the entire amount contributed is not taken into account for exemption from payment of Income Tax and a limit has been prescribed for the purpose under the Income Tax Act/Rules. Cdr. Sharma, however, drew the attention of the members to the fact that even under Public Provident Fund Scheme a limit for payment of contribution has been prescribed and since the exemption from Income Tax or Wealth Tax etc. are available on such payments, the question of prescribing a limit may be examined.

The position with regard to Sr. Nos. 8 and 9 was also noted by the Board.

Item No. 3 : Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 31-07-1991.

Dr Barnes observed that out of 323 applications for final withdrawal, the cases which are prima facie clear cut should be disposed off expeditiously. It was clarified that monthly progress reports are being sent to the Director General of Shipping and whenever any references are received from the Director General of Shipping, prompt replies are sent

to them. In reply to a query raised by Cdr. Sharma the Chairman stated that the pattern of investment of accumulations in the Provident Fund is decided by the Ministry of Finance.

The position of other items 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 1990-91.

Cdr. Sharma pointed out that as per Para XVI of the report the receipts of the Organisation during last year are almost double of those in 1988-89. He added that while the expenditure has also increased, the increase in receipts is comparatively more and as the actual receipts are more than the estimated receipts the matter may be reviewed and progress reported at the next meeting.

With these observations the Board approved the draft Annual Report.

Item No. 5 : Budget Re-appropriation 1990-91.

Secretary stated that the Organisation has re-appropriated the payment of Pension and Gratuity.

The Board noted the Budgetary Re-appropriation.

Item No.6: Housing Accommodation for the Commissioner.

Cdr. Sharma stated that while he is not averse to the proposal for the purchase of a residential flat for the use of Commissioner, it is seen that in the past the flat was procured and later on sold. Mr. Barnes mentioned that there are two issues involved. One is whether the accommodation should be acquired and if so the other issue is how to provide funds. Cdr. Sharma stated that the member could perhaps agree in principle to the proposal for the purchase of a flat. Mr. Das desired that for the sake of convenience of the Commissioner the location of the flat to be procured, must be as near as possible to the place of his duty. Mr. Barnes suggested that the possibilities of acquiring a flat upto Thane on Central Railway and upto Borivli on Western Railway may be explored at a cost of Rs. 9 to 10 lakhs which has been realised from the sale proceeds of the old flat.

After some discussion Mr. Barnes suggested to appoint a sub-Committee consisting of the following members:-

Cdr. R. K. Sharma
Mr. Leo Barnes

which was agreed by the Board.

The Chairman directed the Secretary

hold a Sub-Committee meeting within one - two months to discuss the matter and take decision.

Item No.7: Installation of Intercom System.

Mr. Barnes stated that since the office of the Organisation is small, there is really no need to install this system. Cdr. Sharma was of the view that the Organisation's requirement must be first evaluated before deciding to incur the estimated expenditure of Rs 20,000/- which also appears to be on the high side. It was, however, considered that there is no objection to invite quotations from a few reputed firms and to consider the matter further by a Sub-Committee.

Item No.8: Group Insurance Scheme sponsored by the Life Insurance Corporation of India in place of Deposit Linked Insurance Scheme for the Seamen.

Secretary informed that as desired by the Ministry of Surface Transport, New Delhi, the Life Insurance Corporation of India has been approached for providing a suitable insurance scheme for seamen and the requisite information has also been furnished to the Life Insurance Corporation of India who are accordingly working out a package scheme, envisaging insurance coverage of Rs. 8 to 10 thousand without taking into account the

mortality rate. He clarified that this scheme does not involve any payment of contribution by Government and would be financed out of the contributions agreed to be paid by the Shipowners which on the basis of the Seamen's present wages may work out to Rs. 17.50 lakhs and in case the proposal submitted by the Life Insurance Corporation of India to their higher authorities is not approved, the insurance coverage may have to be proportionately reduced within the premium payable.

Dr Barnes stated that at one time some good suggestions were made and there is no point in paying more money and receiving less. He suggested that the general insurance may be considered. Cdr Sharma supported Dr. Barnes and stated there are several schemes of General Insurance and Life Insurance Corporation of India that can be considered.

After some discussion it was decided to discuss this item in the Sub-Committee meeting, after receipt of the Group Insurance Scheme from Life Insurance Corporation of India.

Item No. 9 : Nomination of the Commissioner for National Welfare Board for Seafarers.

Dr Barnes stated that the Board has no right to nominate the Commissioner to the National Welfare Board.

The Chairman opined that National Welfare Board consists of limited members from seafarers side, Government side and shipowners side. He further opined that as the National Welfare Board has got limited number of seats, if the Board recommends Commissioner, it should see where the Commissioner would fit in.

Cdr. Sharma stated that the membership of Commissioner, on the National Welfare Board would be beneficial for the seamen.

The Board then decided to leave this matter to the Government to decide. The Commissioner was directed to refer this matter to the Government through the Director General of Shipping, Bombay.

Item No. 10 : Coverage of Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme 1966.

Secretary stated that the proposal has been placed before the Board in pursuance of the communication received on the subject from the Director General of Shipping. Cdr. Sharma stated that the object behind setting up the Seamen's Provident Fund Organisation is specific. Merchant Navy Officers who unlike ratings are permanent employees of the Shipping Companies and receive monthly salaries and are quite capable of taking care of their interests. He therefore felt that there is less than adequate justification in the proposal made by the

Maritime Union of India. Dr. Barnes supported the contention of Cdr. Sharma and it was decided not to provide any coverage to Merchant Navy Officers as proposed by the Maritime Union of India.

While on the subject Dr. Barnes also observed that the matter was considered on number of occasions in the past and it was felt that the coverage of Merchant Navy Officers under Seamen's Provident Fund Act/Scheme, 1966 is not considered necessary and feasible.

The Chairman opined that the Board had earlier come to the conclusion that Merchant Navy Officers could not come under the purview of the Seamen's Provident Fund Act as they were permanent employees. If the officers are to be included under the Seamen's Provident Fund Act a number of amendments would be required.

The Board decided to close the matter.

Item No. 11: Membership of International Social Security Association, Geneva.

Secretary stated that so far as the financial position of the Organisation being not good he was not interested to get the membership of International Social Security Association, Geneva.

Dr. Barnes opined that as far as foreign exchange was concerned it was difficult to get the Reserve Bank of India's permission.

Secretary withdrew the proposal of getting membership of International Social Security Association, Geneva.

The Board agreed.

Item No. 12: Report of the Sub-Committee of the Board.

i) Withdrawal of 15 days grace period allowed to the employers to remit the Provident Fund dues to the Seamen's Provident Fund Organisation in addition to the stipulated period of 15 days from the date of pay off.

Cdr. Sharma stated that while he is agreeable to the proposal in principle some distinction must be made between the Companies who are regular defaulters and others who could not remit the contribution within the stipulated period on any specific occasion due to certain genuine difficulties. He suggested that such companies may not be penalised for the delay occured in the remittance of the contributions due to the reasons beyond their control. Dr. Barnes, however, pointed out that such genuine cases can be considered under the discretionary powers available to the Secretary in the matter and there is no need to give any grace period, which has already been withdrawn. In view of the observations made by Dr. Barnes, Cdr. Sharma agreed with the recommendations made by the sub-committee

The retirement benefits for the seamen are in lump sum including the employees contribution which on an average works out to Rs 50 to 60 thousand per seaman. If the employers' contribution is taken away for the purpose of pension scheme the retirement benefit to the seamen would be meagre and therefore the pension scheme would not be advantageous to the seamen.

In our Provident Fund Scheme we are giving housing loan including the contribution of employers. This would not be available in case we introduce seamen's pension scheme i.e. portion of employees contribution alone would not be enough for a reasonably good sum for the seamen.

Seamen are now getting ex-gratia payment of Rs.200/- from the Seafarers' Welfare Fund Society. This is in addition to the lump sum amount of the Provident Fund accumulations. If the employers contribution of the Provident Fund for the seamen is appropriated towards the pension scheme the seamen would have little amount left for loan for housing and other purposes.

Considering all these aspects, Secretary stated that the scheme as it is may not be worth while for seamen. He also pointed out that contribution from the Government may not be available as in the case of members

of Employees' Provident Fund.

The members observed the above points of Secretary and unanimously agreed to consider this scheme when the need arises.

Item No.14: Filling up of the vacancies of Accounts Officer, Junior Assistants and Hindi Typist in the Seamen's Provident Fund Organisation.

It was pointed out that the vacancies are within the sanctioned strength of the Organisation. The Chairman quoted out the observations made by the Director General of Shipping and Chairman of the Board in the context of the installation of computer in the Organisation. Secretary stated that he is not pressing for the post of Accounts Officer for the present. Cdr. Sharma desired that the proposal may be deferred and considered after the work study of the man power requirements is carried out. Dr. Barnes, however, stated that the requisite staff may be appointed on temporary basis for a period of three months to be extended by a further period of one month if necessary. He added that the staff may not form an integral part of the sanctioned strength and may be discontinued if the work study finds that they are not required. The Board agreed with the suggestions made by Dr. Barnes.

Under the item with the permission of the Chair Shri Anil Baran Das stated that there was an arrangement for doing liaison work by the Director, Seamen's Employment Office. However, now there is no body working as Liaison Officer. He suggested that one person should work on permanent basis as Liaison Officer. He also said that the earlier Commissioner had assured to visit Calcutta but so far no one has turned up. Without the Liaison Officer the Calcutta seamen find it very diggicult to contact the Seamen's Provident Fund office regarding their accounts and withdrawal of provident fund dues.

Dr. Barnes suggested that the Commissioner may visit Calcutta before the end of the year to assess the situation. Accordingly Commissioner was asked to visit Calcutta to sort out the issue.

Cdr. Sharma pointed out that the revenue of the Organisation by way of collection of administrative charges at $3\frac{1}{2}\%$ from the shipowners is continuously increasing and requires review. Dr. Barnes observed as the issue raised by Cdr. Sharma is of a substantive nature it may be necessary to table a separate item for consideration of the Board at its next meeting. Cdr. Sharma reiterated that there has been steep increase in the wages of seamen particularly after

last National Maritime Board Meeting held in 1990 and according to him, there is a prima facie case for reduction of charges.

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 66th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 13th January, 1992 at 3.00 p.m. in the Board Room of the Seamen's Provident Fund Organisation, Kamgar Nidhi 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay-400038.

Shri Praveen Singh, Chairman, Board of Trustees, Seamen's Provident Fund retired on superannuation on 31-12-1991. The new Chairman, Shri R. G. Singh was away from Bombay. The Secretary, therefore, stated that in the absence of the Chairman the members should elect one of them to preside over the meeting. Dr. Leo Barnes while reciprocating the sentiments expressed by the Secretary proposed that Shri N. K. Prasad, Government representative be elected to preside over the meeting in the absence of the Chairman. Cdr. Sharma seconded the proposal and accordingly Shri N. K. Prasad presided over the meeting.

The following were present:-

Shri N. K. Prasad	Chairman
Cdr. L. K. Sharma	Member
Shri S. R. Apte	Member
Dr. Leo Barnes	Member
Shri U. M. Almeida	Member
Shri Anil Baran Das	Member
Capt. C. R. Neelakantan	Secretary

The Board placed on record its deep sense of appreciation of the excellent services rendered by Shri Praveen Singh, Director General of Shipping who had the longest tenure as Chairman. The Board passed the following resolution.

"The Board wishes to place on record their deep appreciation of the excellent services rendered by Shri Praveen Singh as Chairman. It was decided by the Board to convey its deep appreciation of effective and longest services rendered as Chairman by Shri Praveen Singh".

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

Secretary informed that telegraphic messages were received from Shri P.K. Mishra, Director, Ministry of Surface Transport and from Shri J. E D'souza, Chairman, INSA (Floating Staff), Calcutta, expressing their inability to attend the meeting. Shri Dharamvir Gupta Assistant Financial Adviser, Ministry of Surface Transport also conveyed on telephone his inability to attend the meeting. Leave of absence was granted to these members.

Dr. Barnes suggested that the Secretary should send a suitable letter conveying appreciation of the Board for the good services rendered

by Shri Praveen Singh, as Chairman. Board agreed.

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

Item No.1: Confirmation of the Minutes of the 65th Meeting of the Board of Trustees, Seamen's Provident Fund held on 20th September, 1991 at 3.00 p.m. in the Board Room of the Seamen's Provident Fund Organisation, 'Kamgaridhi', 3rd Floor, 9, Waldhand Hiradhand Marg, Ballard Estate, Bombay-400038.

Secretary informed that the draft minutes were circulated amongst the members of the Board for their comments, if any. In reply Cdr Sharma pointed out certain amendments in his letter dated 1st November, 1991 as follows:

Item No.14: Para 1: Line 11:

The words "by a further period of one month" may be inserted between the words "extended" and "if necessary".

Para 4: Line 3:

The words "is continuously increasing and" may be added between the words "Shipowners and "required".

The word "and" appearing in line 5 of Para 4 may be deleted.

Para 4: Line 6:

The words "at its next meeting" may be substituted for the words "in due course".

The members agreed to the above

amendments and the draft minutes were confirmed.

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

Sr.No.1: Dr Barnes stated that it is a very long pending issue and found that the amendments proposed by the Board are not yet notified by the Government.

Edr. Sharma enquired of the Secretary as to whether all those amendments proposed to various Sections and Paragraphs of the Seamen's Provident Fund Act/Scheme, 1966 sent to the Ministry were approved by the Board? Secretary replied in affirmation. He stated that the Organisation has been pursuing the matter by sending reminders. He further stated that the Ministry vide their last telex dated 8-10-1991 raised queries and again sought further clarifications for amending Sections 4 and 8 regarding depositing of money in nationalised banks and for fixing the rate of Provident Fund contributions which were furnished by the office by return telex dated 11-10-1991.

Dr. Barnes requested the Chairman to take up the matter strongly with the Ministry.

The Chairman then directed Secretary to put up a letter to the Ministry to be sent under the signature of the Chairman of the Board of Trustees.

Sr.No.2: Secretary stated that the requisite Recruitment Rules for the post of Accounts Officer

have been framed but since no eligible employees of the Board are available to fill up the post by promotion, suitable amendments have been proposed to the Recruitment Rules and exemption/relaxation from the existing rules have been sought.

The Board noted the position.

Sr. No. 3: Edr. Sharma asked about the progress made by the Organisation on inhouse computerisation. Secretary stated that the clearing of back-log of 1990-91 will be completed by end of February, 1992 and the Account Slips for that year will be issued to the respective seamen members. The work of computerisation of the accounts for the year 1991-92 will commence immediately thereafter. In this connection, the outside services would still be needed for clearing the back-log as per the expert Shri Shashi Nair's letter dated 7th January, 1992 and it would cost Rs.25,000/- to complete the back-log by June, 1992.

Edr. Sharma asked Secretary whether this will be the last occasion to involve outside services. Secretary replied in affirmative. The Board agreed for the above.

About issuance of Account Slips Dr. Barnes desired that the Account Slips in respect of Bombay registered seamen can be delivered at office. Secretary, however stated that to send annual account slips by post is a statutory requirement under Para 63 of the Seamen's Provident Fund Scheme, 1966.

Cdr. Sharma then asked what is the procedure of sending account slips whether monthly or otherwise. Secretary stated that account slips are sent by post only once in a year after closing of the annual accounts each year.

Shri Anil Baran Das stated that as far as the Calcutta seamen are concerned the accounts slips are to be sent by post and he also emphasised to post one clerk of the Organisation at Calcutta to do the work of issuance of withdrawal application forms, filing of Declaration/Nomination forms and allied duties.

Cdr. Sharma stated that posting of one person at clerk's level will not be enough. Some responsible officer needs to be there as these are the functions of a liaison officer.

The Board agreed with the suggestion of Dr. Barnes to deliver account slips in respect of Bombay based seamen at the Seamen's Provident Fund office.

Sr. No. 4: Dr. Barnes opined that collecting Declaration/Nomination forms from seamen members while signing on before the Shipping Masters is the best solution and the same may be continued on expeditious basis to collect the remaining Declaration/Nomination forms in co-ordination with employers. Cdr. Sharma concurred with Dr. Barnes.

Sr. No. 5: Cdr. Sharma stated that as far as contributions to the Provident Fund are concerned both the statutory and voluntary contributions

together should not exceed 20% and because of administrative problems all seamen who want to contribute in excess of this limit should make their own arrangements for depositing the amount. The Chairman observed that there would be problems if voluntary contributions are not remitted. It was agreed to defer further consideration of the matter.

Sr. No. 6: The Board noted that the issue of review of the rate of Administrative Charges would be discussed while discussing Item No. 5 of the agenda.

Sr. No. 7: About work study of the Organisation, Secretary produced a letter dated 6th January, 1992, received from one of the experts Shri R. Subramanian of Grandslam Associates, who has quoted an amount of Rs. 24,000/- to conduct work study. Cdr. Sharma stated that any worth while work study would cost that much. Dr. Barnes suggested that the Commissioner should discuss the matter with Indian Sailors' Home Society who have recently got the work study done. The Board while finally agreeing to the work study at a maximum cost of Rs. 24,000/- left the matter to Cdr. Sharma and Commissioner to finalise.

Sr. No. 8: Shri Anil Baran Das pointed out that the liaison officer is not working properly. Most of the work is done by the Forward Seamen's Union of India. Hence one Clerk should be appointed at Calcutta on full time basis.

Secretary stated that during his visit to

Calcutta in November, 1991, he had discussion with the Director, Seamen's Employment Office regarding the liaison work at Calcutta. The Director, Seamen's Employment office was of the view that the present arrangement is fair enough and that it need not be disturbed as the work transaction available is not much. He had also no objection for his staff doing the job and he would assist us in all means possible. Hence appointment of a clerk doesn't arise.

Dr Barnes suggested that Forward Seamen Union could look after the job of liaison as a welfare measure for seamen till the next meeting so that the work load could be assessed. The Board agreed with the suggestion.

Dr. Barnes further state that Non-Refundable Withdrawal application forms for unemployment in respect of Calcutta based seamen could also be forwarded through the Forward Seamen's Union of India along with a photo copy of their last voyage as mentioned in the CDC which enable the Commissioner to assess the unemployment period of seamen for effecting necessary payment. The number of such applications can also be computed for assessing the work load of the liaison office at Calcutta.

The Board agreed with the views expressed by Dr. Bob Barnes and the Chairman

asked Shri Das to undertake the work as a welfare measure of seamen and submit his concrete proposal with complete data, during the next meeting for consideration about the liaison work at Calcutta and also to submit his concrete proposal for a regional office at the next meeting.

Sr. No. 9: The Board noted that there was a separate item No. 10 on the agenda.

Item No. 3: Receipts, Payments and Accounting of Provident Fund Moneys and progress of work upto 30-11-1991.

Sr. No. II: Regarding Final Withdrawal Payments, Cdr. Sharma enquired of the reasons for pending final withdrawal cases and its number which is increasing. Secretary stated that it is mainly for want of legal heirship reports from the Revenue/Police authorities who don't respond for long periods. The office is also unable to settle such claims in the absence of proper nominations, dispute etc.

The Chairman expressed concern over the delay in the receipt of legal heirship reports and for waiting for over a period of one year and stated that the family members have to suffer a lot to receive the provident fund monies as the Revenue/Police authorities expect something from the beneficiaries.

Dr. Barnes observed that the Provident Fund accumulations vary from seaman to seaman and

in some cases the amounts are also meagre. He, therefore, stated that instead of waiting for the legal heirship reports, the Commissioner should collect Indemnity Bonds duly indemnified by the respective Unions for payments upto Rs.30,000/-. Cdr. Sharma also agreed to the suggestion.

The Chairman directed Secretary to settle small claims by collecting indemnity bonds from Unions and/or employer concerned wherever possible.

Item No.4: Revised Estimates for the year 1991-92 & Budget Proposals for the year 1992-93.

Cdr. Sharma enquired about the various elements taken into consideration for preparation of budget proposals. Secretary clarified that expenditure on establishment and recurring and non-recurring items are taken into consideration for framing estimates for expenditure budget of the organisation.

Mr. Das enquired as to how the actual expenditure on contingencies (non-recurring) had gone up from Rs.170/- in 1988-89 and Rs.6,625/- in 1989-90 to Rs.4,09,438/- in 1990-91. Secretary clarified that this was due to the expenditure incurred on the purchase of computer during 1990-91.

During the discussions on the item, Cdr. Sharma pointed out while the total of actual and anticipated receipts of provident fund

contributions during this year, indicated in Column No.7 and 8 of the Annexure-I works out to Rs.8,71,80,248/- (say Rs.8.72 crores) the same has been shown as Rs.8 crores in Column 9 of the said Annexure. He therefore suggested that this provision may be raised to Rs.8.72 crores in Revised Estimate 1991-92 and atleast to Rs.9.00 crores in Budget Estimate 1992-93. He further added that since the provisions of Administrative Charges are estimated at 3.5% of Provident Fund Contributions, the same also need to be re-worked out on the basis of the above figures, both in Revised Estimate 1991-92 and Budget Estimate 1992-93. He stated that these and a few other discrepancies noticed in the budget proposals may be reconciled. Secretary replied that all the typographical errors etc. will be rectified.

Mr. Apte observed that while the provision on pension and Gratuity fund was Rs 1,43,000/- during 1991-92, for 1992-93 it is only Rs.50,000/-. Secretary clarified that while two persons retired in 1991-92, nobody is due to retire during 1992-93.

After some discussions, the Revised Estimates for the year 1991-92 and Budget proposals for the year 1992-93 were approved by the Board, subject to the observations made by Cdr. Sharma 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 1991-92.

The Chairman directed the Secretary that as far as possible for crediting interest to the seamen members' accounts, the monies need not be borrowed from Forfeiture Account or from any other fund of the Organisation. The scrutiny of the securities at certain intervals is also essential to see that the low yielding securities do not become a major issue to credit interest to seamen members' accounts below 12%. He brought to the notice of the members that the guidelines of the government for the prescribed pattern of investment are taken into account.

The Board approved the rate of interest of 12% for 1991-92 to be credited to seamen members' accounts as suggested by Secretary.

Item No.6: Inspection Report on the Accounts of the Commissioner, Seamen's Provident Fund Organisation, Bombay, for the year 1990-91.

The members observed that there was no major audit objection in the Inspection Report placed before the Board. None of the members made any comments.

The Inspection Report was noted by the Board without any comments.

Item No.7: Counting of past government service rendered by the staff of the Seaman's Provident Fund Organisation for allowing retirement benefits.

Mr. Barnes stated that for leaving the government service the pension liability is to be discharged by the Government by paying in lump sum as a one-time payment, the pro-rata pension/service, gratuity/terminal gratuity and SCR for the service up to the date of absorption in the autonomous body.

Adv. Sharma supported the views of Mr. Barnes and stated that a person who left Government service would not get the benefit of counting past service from this Organisation. The employees of the Organisation who have resigned the government service and joined this Organisation should have taken up the matter with their respective offices claiming the benefits accrued to them during their service with them.

The Secretary stated that he will take up this matter with the Director General of Shipping for their favourable consideration as all of them have joined this organisation from that office.

The Board agreed with the suggestion.

Item No.8: Proposal for review of the rate of Administrative Charges.

Adv. Sharma stated that while of late, there has been continuously substantial increase in the Organisation's receipts, its expenditure has increased by much lesser proportion and it is

Item No. 5: Fixation of rate of interest for credit to the members' accounts for the year 1991-92.

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The Secretary stated that he will take up this matter with the Director General of Shipping for their favourable consideration as all of them have joined this organisation from that office.

The Board agreed with the suggestion.

Item No. 8: Proposal for review of the rate of Administrative Charges.

Cdr. Sharma stated that while of late, there has been continuously substantial increase in the Organisation's receipts, its expenditure has increased by much lesser proportion and it is

likely that this trend would continue. He added that, the workload and expenditure of the organisation are not likely to increase in proportion to the increase in its revenue and the budget of the organisation has already become surplus. The receipts of provident fund contributions and as a consequence thereof of the administrative charges are continuously increasing particularly after substantial increase in the seamen's wages agreed at the last NMB Meeting effective from 1-4-1990. It was pointed out that prior to the last increase in the seamen's wages, the actual receipts of the organisation on account of administrative charges during 1988-89 were Rs.12,42,139/- and the same has now gone up to about Rs.31 lakhs. As against this, the expenditure of the organisation which was Rs.15.40 lakhs during 1988-89 has increased to Rs.21.50 lakhs during last year. Cdr Sharma further pointed out that, since there is no increase in the organisation's workload or new addition to its staff and there has been substantial increase in the Organisation's receipts as against its expenditure, the present quantum of administrative levy is unrealistic. He also opined that it may be worthwhile to calculate cost per person.

Dr. Barnes, while agreeing to the views expressed by Cdr. Sharma observed that the system followed is pragmatic and there is no

objection to the review of the present quantum of administrative charges levied at 3.5% of the seamen's provident fund contributions. Cdr. Sharma desired that the administrative charges may be levied on a more systematic basis. Dr. Barnes stated that, since the NMB is due to meet again shortly, revision of the levy may be made from 1-4-1992 and for that matter added that, the present rate is not sacrosanct.

The Chairman observed that while Government pay scales are followed by the organisation for its staff, the administrative charges are levied on the basis of the provident fund contributions, collected on the basis of seamen's wages which are reviewed every two years by the NMB and hence the receipts of the organisation are bound to increase proportionately whenever seamen's wages are increased.

As suggested by Dr. Barnes, it was finally agreed to review the rate of administrative charges after March, 1992.

Item No.9: Filling up vacancy of Accounts Officer.

Dr. Barnes opined that the Board has no authority to appoint an Accounts Officer for this Organisation. He further stated that the Commissioner should discuss this matter with the Chairman and finalise.

The Board agreed with the views of Dr. Barnes.

Item No.10: Report of the Sub-Committee on issues of :-

i) Housing Accommodation for the Commissioner.

ii) Installation of Intercom System.

iii) Group Insurance Scheme sponsored by the Life Insurance Corporation in place of Deposit Linked Insurance Scheme for seamen

The Record note of the discussions held at the meeting of the Sub-Committee of the Board of Trustees, Seamen's Provident Fund was placed before the Board. The Board noted the recommendations made by the Sub-Committee on each item.

As regards Sub-Item No.i-for want of sufficient time, this item was deferred and the Board decided to discuss the same at the next meeting.

Additional Item No.1: Opening of Regional Office of the Seamen's Provident Fund Organisation at Calcutta.

As it has already been decided in the earlier items that the forward Seamen's Union will co-ordinate the work for assessment of the work load involved in the establishment of a liaison office, this matter was not pursued further.

Additional Item No.2: Payment of Provident Fund contributions on retainer allowance to the Seamen employed from the General Rosters.

The Board deferred this item proposed by Shri Anil Baran Das.

The meeting then terminated with the 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 67th Meeting of the Board of Trustees, Seamen's Provident Fund held on Thursday, the 3rd September, 1992, at 3.00 p.m. in the Board Room of the Seamen's Provident Fund Organisation, Kengnanidhi 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay-400 038.

The following were present:

Shri D. K. Agrawalparkar	Chairman
Cdr. P. K. Sharma	Member
Shri J. E. D'souza	Member
Dr. Leo Barnes	Member
Shri U. M. Almeida	Member
Shri Anil Baran Das	Member
Capt. C. R. Neelakantan	Secretary

The meeting started with introduction by every member present to the Chairman. Dr. Leo Barnes welcomed the new Chairman and introduced Shri A. V. Kelkar as observer. Cdr. P. K. Sharma also introduced Shri Dhumal as observer.

Dr Barnes mentioned that this Board has got very good tradition of giving unanimous decisions and the decisions taken were objective in nature. The Chairman thanked all the members present and expressed his happiness over his association

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

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BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

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The following were present:

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Cdr. P. K. Sharma	Member
Shri J. E. D'souza	Member
Dr. Leo Barnes	Member
Shri U. M. Almeida	Member
Shri Anil Baran Das	Member
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The meeting started with introduction by every member present to the Chairman. Dr. Leo Barnes welcomed the new Chairman and introduced Shri A. V. Kelkar as observer. Cdr. P. K. Sharma also introduced Shri Dhumal as observer.

Dr Barnes mentioned that this Board has got very good tradition of giving unanimous decisions and the decisions taken were objective in nature. The Chairman thanked all the members present and expressed his happiness over his association

with the Board. He also expressed that the proceedings should be impartial and assured that he would do his best. He urged the members to extend their co-operation as usual in conducting the proceedings of the meeting in a spirit of cordiality and goodwill.

Secretary suggested that the Board may like to place on record the good services rendered by Shri V.K. Prasad, Member, Board of Trustees. Accordingly, the Board passed the following resolution. The Chairman also directed Secretary to send a suitable letter conveying appreciation of the Board of the good services rendered by Shri V.K. Prasad.

"The Chairman appreciated the good services rendered by Shri V.K. Prasad. It was decided by the Board to place on record the Board's deep appreciation of services rendered by Shri V.K. Prasad."

Secretary informed that there was no intimation from Shri Dharamvir Gupta, Assistant Financial Adviser, Ministry of Surface Transport, Shri P.K. Dubey, Director, Ministry of Surface Transport and from Shri S.R. Apte, Shipowner's representative. 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 66th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 13th January, 1992.

Cdr. Sharma stated that himself and Mr. Barnes had seen the draft minutes earlier. The draft minutes now placed before the Board takes care of their comments and amendments suggested. Hence at this stage, they have no comments. The Minutes were then taken as read and confirmed.

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

Sr. No. 1: Mr. Barnes stated that amendments to the various Sections and Paras of the Seamen's Provident Fund Act/Scheme is a long pending issue with the Ministry.

Secretary stated that he understands that the matter is now under Law Ministry's active consideration. The same is being pursued with the Ministry of Surface Transport.

The Chairman desired to know what was the original position and the amended version of the various paras of the Seamen's Provident Fund Scheme. He directed the

Secretary to submit its list for his perusal.

Sr. No. 2: Dr Barnes stated that there was no Accounts Officer in this organisation for long. The Chairman expressed that since the budget expenditure is not debited to the consolidated account of the Government of India it should not be a problem to fill up the vacancy and assured to look into the matter.

Sr. No. 3: The Chairman enquired with Secretary about the delay in sending account slips. Secretary stated that previously account slips were prepared by an outside agency viz. M/s Computility India and when we installed in-house computer there was delay in retrieving the master tape. After long pursuation we could get master tape only for 1988-89. As a result, the organisation had to create a master tape for 1989-90 for which we approached outside agency and for data re dating, which resulted in delay.

Secretary stated that the work of preparation of account slips for the year 1991-92 was in progress and the arrears will be completed by December, 1992. The matter regarding maintaining individual ledger accounts, as is done in the case of individual accounts in banks, in respect of Provident Fund was discussed. Secretary replied that the closing balance of the previous year is carried forward

as opening balance and the credits and debits for that year appear in the individual account slips. But the credits for the year do not appear in individual ledger accounts. This would involve considerable work. Dr. Leo Barnes mentioned that it is necessary to have a complete record of all the credits and debits for the years for which the Provident Fund Scheme is running in respect of an individual in his ledger account which should appear separately. Cdr. Sharma mentioned that this would need a major modification in the programme and that it is desirable that it should not disturb the progress of the preparation of the account slips for the year 1991-92 to be completed by December 1992 as mentioned in the foregoing.

It is desirable and necessary to maintain individual accounts like 'khatas' and post all credits and debits in that 'khata'. However, considering the amount of work involved this could start from the year commencing from 1st April, 1993. In short, from 1st April, 1993 individual ledger account of each seaman will reflect the opening balance as on 1-4-1992 and show all credits and debits during the year 1992-93 and the closing balance as on 31st March 1993. The Commissioner, Seamen's Provident Fund agreed to do this. A suitable computer programme

can be devised for this.

Sr No.4: Dr. Barnes expressed that it was earlier decided that the Declaration/Nomination forms should be obtained while signing on/offs of the seamen.

Cdr. Sharma mentioned that such Declaration/Nominations should be changed after seamen's acquiring family. In this context Dr. Barnes suggested that the account slips itself should contain the Name of the Nominee so that the seamen can be aware of the nominee and he may make change of nominee if required.

Secretary stated that this suggestion can be accepted and it may require some modification in the computer programme and feeding up of datas.

The Chairman directed Secretary to go ahead with the modification and continue to pursue the Shipping Masters, Directors, Seamen's Employment Offices and Unions and update the Declaration/Nominations.

Subject at Sr. No. 6 was discussed last under the item - "With the permission of the Chairman"

Subjects at Sr Nos. 5, 7, 8, 9 and 10 were noted by the Board.

Item No.3: Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1991-92.

The Chairman wanted some clarifications on Para 6.2 - the amount Rs.102.20 lying with Reserve Bank of India is only Rs.102.20 or it is Rs.102.20 crores. Secretary stated that it was only Rs.102.20 and balance after purchase of Government Securities.

The Chairman further asked Secretary of the action being taken for recovery of Provident Fund moneys long outstanding from defaulting companies. The Secretary stated that some companies went into liquidation and the cases were pursued with the Official Liquidators. In the cases of other companies which were closed, the matter was duly taken up with the Collectors of the respective districts to collect the dues as arrears of land revenue.

After some more discussion the Draft Annual Report was approved by the Board.

Item No.4: Budget Re-appropriation 1991-92.

Secretary stated that there was only one Re-appropriation i.e. Medical allowance. As Accounts Officer's post was vacant, the other amounts were savings.

The Board noted the position and approved this item.

Item No.6: Social Security Scheme for seamen.

Cdr. Sharma mentioned that this Organisation cannot run an insurance scheme parallel to Life Insurance Corporation of India and perhaps the Welfare Fund Society only can operate a suitable scheme.

Dr. Barnes stated that the employers have agreed in principle to pay ½% of the wages towards Group Insurance Scheme of Life Insurance Corporation of India and as the Social Security Scheme is a substitution for the same the employers could commence contributions. In this context, Cdr. Sharma mentioned that the agreement of the employers at that time was for Group Insurance Scheme run by the Life Insurance Corporation of India and though there may not be any objection in principle for a suitable substitute scheme to be run by the Welfare Fund Society/Provident Fund Commissioner, he wanted the matter to be referred to the members of the employers before taking a decision on the issue. Chairman having enquired that Dr. Barnes has no objection agreed that the matter be deferred.

Item No.7: Coverage of Merchant Navy Officers under the Seamen's Provident Fund Act/Scheme 1966.

Cdr. Sharma mentioned that it would be good to bring the Merchant Navy Officers under the Seamen's Provident Fund Scheme. He further

added that many companies have got their own Provident Fund Schemes. All that the Union requires is that the Commissioner should oversee proper scrutiny of the Companies Schemes.

Dr. Barnes felt that there may be some practical difficulties in bringing Merchant Navy Officers under the Seamen's Provident Fund Scheme. He said, firstly the Act should be amended. Secondly, the officers are under permanent employment and this needs to be looked into.

The Chairman mentioned that it is a good proposal to bring the Merchant Navy Officers under the Seamen's Provident Fund Scheme. In case of companies which are sound, there is also a provision for exempting such companies from the operation of the Scheme. After taking the consensus in view it was accepted in principle to bring the Merchant Navy Officers under the Seamen's Provident Fund Scheme. The Chairman said that the modalities are to be worked out in consultation with the employers and union after a joint meeting.

Item No.8: Work study of the Seamen's Provident Fund Organisation.

Cdr. Sharma mentioned that in the last meeting that he alone suggested for a work study. He expressed his desire to see the work

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Item No.8: Work study of the Seamen's Provident Fund Organisation.

Cdr. Sharma mentioned that in the last meeting that he alone suggested for a work study. He expressed his desire to see the work

study report before taking a final decision. He also expressed his desire to talk with M/s. Jokhakar & Associates, Chartered Accountants, who have done the work study.

Dr. Barnes stated that the work study recommends additional staff for the organisation which may be agreed on short term basis and keep a review later.

The Chairman mentioned that Cdr. Sharma can go through the report and the decision may be arrived at in a month's time.

Item No.9: Interest payment on half yearly basis to seamen members.

Dr Barnes stated that the Seamen's Provident Fund Organisation is calculating interest on opening balance of the Provident Fund accounts of seamen where the amounts deposited during the course of the year do not earn interest, as such the seamen are losers. He further added that now the Organisation is receiving considerable amount of money as Provident Fund contributions during the currency of the year, and so they should be paid atleast on half of the amount received during the year. The Secretary stated that the earlier procedure is as per the provision of Para 51 of the Scheme and has been followed in order to keep the interest rate atleast 12% as the Organisation is investing on various Government Securities which are

yielding much less interest. He mentioned that if he has to pay interest on the current contributions of the year it perhaps may not be possible to maintain the rate @ 12%. He also mentioned that if the interest has to be calculated on the revised basis an amendment to the Scheme and a modification in the computer programme may be required.

Dr. Barnes said that even if the interest is less it would encourage the seamen to contribute more in the provident fund which in the long run work in the interest of seamen.

After some discussion the Chairman directed the Secretary to take action to amend the Scheme and thereafter pay interest as suggested by Dr. Barnes by making suitable modification in the programme so that seamen could earn more interest on their actual deposits.

Item No.10: Proposal for review of the rate of Administrative Charges.

Cdr. Sharma stated that there has been substantial increase in the wages of the seamen as per NMB Agreement, 1992. In the last meeting it was decided to review the position after NMB Agreement. NMB Agreement was finalised in March, 1992. Now the Organisation has got surplus funds to the tune of

Rs.20 lakhs and that he is against any building up of surplus funds by the Organisation. The Secretary stated that this Organisation has not created pension/gratuity fund which is essential for payment of Pension and Gratuity to the retiring officials. He has also mentioned that the surplus now available includes the sale proceeds of the Commissioner's flat besides certain amount of surplus should be necessary for rainy days.

Dr. Barnes stated that it is time honoured practice to increase the rate of Administrative Charges when the shipping companies are in boom and reducing it when the industry was in recession. Cdr Sharma stated that at present the shipowners are not able to pay 3½% of Administrative Charges due to increased wages, supplement and seniority supplement and they are over burdened. He suggested for reduction in Administrative Charges and assured that whenever Seamen's Provident Fund Organisation needs more money, they would increase the rate of Administrative Charges.

After some more discussion the Board decided to consider this matter in the next meeting.

Any other item with the permission of the Chair.

Shri A.K. Das proposed for creation of an office at Calcutta to look after the provident

fund related work of Calcutta based seamen. The Secretary stated that if an office is created it would add to expenses and there would be no control and proper supervision.

Dr. Barnes suggested that a staff from the Shipping office, Director, Seamen's Employment office, Calcutta could be earmarked to guide the seamen in matters relating to Provident Fund under the guidance of an officer already there. What is required is only to provide Non-Refundable withdrawal application forms and guide them in filling the applications. He also mentioned that the Secretary should assess the volume of correspondence received from the Calcutta seamen, so as to exactly assess the requirement of an office if any. Dr Barnes further added that the more important requirement for the Calcutta seamen is that they should be able to get their cheques encashed at Calcutta. The Secretary can make arrangement of opening an account in Calcutta. So that cheques could be issued on Calcutta branch.

The Chairman directed the Secretary to keep a note of correspondence received from Calcutta with an objective to assess the work load and to evolve a solution to the problem. He also suggested that the Secretary should find ways and means to pay Calcutta seamen at Calcutta. The Chairman also mentioned that he may like to entrust the work to an officer at Calcutta as a part of Welfare

measure for seamen.

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 64th Meeting of the Board of Trustees, Seamen's Provident Fund held on Saturday, the 23rd January, 1993, at 3.30 p.m. in the National Union of Seafarers of India's 'Holiday Resort Complex' at Ponavala.

The following were present:-

Shri D. K. Agralpurkar	Chairman
Shri J. E. D'souza	Member
Shri S. R. Apte	Member
Dr. Leo Barnes	Member
Shri U. M. Almeida	Member
Capt. C. R. Neelakantan	Secretary

The following were present as 'Special Invitees':-
Capt. N. A. Hiranandani
Shri K. E. Sukhia
Shri A. V. Kelkar attended the meeting as an observer.

Dr. Leo Barnes welcomed the Chairman and other Trustees to the "NUSI RESORT" at Ponavala, for the meeting.

The Chairman welcomed the members and wished them a very happy and prosperous New Year.

Secretary informed due to pre-occupation Sarvashri P. K. Dubey, Director and Sharanvir Gupta, Asst. Financial Adviser of Ministry of Surface Transport were not present. Besides, Cdr. S. K. Sharma and Shri A. D. Das had intimated their inability to

attend the meeting. Leave of absence was granted to all the above members.

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

Item No 1: Confirmation of the minutes of the 67th meeting of the Board of Trustees, Seamen's Provident Fund held on 3rd September, 1992.

The amendments to the minutes proposed by Cdr. Sharma vide his letter No. 0/AC(C)/49 dated 17-12-1992 was considered. After having found the contents of the amendments has the same meaning of the draft, it was agreed by the Chairman and members to record the minutes as were drafted.

Dr. Leo Barnes suggested minor corrections as follows:-

i) Page No 1 Para 2 of the Minutes to delete the word 'of' appearing between the words 'were' and 'objective in nature' in the third line.

ii) Page 3 Para 2, in 5th line the sentence starting with 'In short' was modified to "In short, from 1st April, 1993, individual ledger account of each seaman will reflect the opening balance as on 1-4-1992 and show all credits and debits during the year 1992-93 and the closing balance as on 31st March, 1993."

The minutes were then taken as read and confirmed by carrying out the corrections as above.

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

Sr. No. 1: The Chairman informed the members that he has already discussed the issue for expeditious approval to the amendments to various Sections and Paragraphs of the Seamen's Provident Fund Act/Scheme, 1966 respectively with the Secretary, Ministry of Surface Transport. The Chairman also expressed that he will again take up the matter during his next visit to New Delhi.

Sr. No. 2: Secretary apprised the position that he had discussed the matter with the Chairman and that the action for appointment of an officer on deputation from the accounts department of the Government of India is in progress.

Dr. Leo Barnes mentioned whether Shri Aher, who is looking after the duties of the Accounts Officer can be adjusted against the vacant post. Secretary mentioned that Shri Aher is not qualified for the post but as he is retiring shortly, some financial assistance by way of one or two increments to him can be considered. However, while considering the case for giving benefits retrospectively, the entire matter was then left by the Board to the decision of the Chairman and Secretary.

Sr. No. 3: (a) Secretary apprised the Board that the work of printing the account slips for the year 1991-92 was completed in November, 1992 itself and despatch of account slips are in progress.

(b) Secretary explained that the modification/upgradation so as to store 5 years credits and

debits in computer machine and produce it in the form of ledger (Khatas) has been implemented effective from 1991-92 onwards. To a query whether the ledger accounts for the previous years can also be computed, Secretary replied that he did not have enough man power and time to recast the entire 25 years old records. Mr. Barnes suggested that for the sake of immediate retrieval of information we should keep the past records also in ledger form which would be available immediately at one place instead of going through number of files as at present. He mentioned if the organisation has no man power or the capacity in their computer they can give the work on contract basis. Secretary mentioned the cost involved may be high. The Chairman suggested atleast a beginning could be made with the persons who are immediately retiring within 5 years. Secretary mentioned that the Organisation is not computing details on the basis of the age of the seamen and it would be difficult for him to bifurcate such cases and that if we have to get the information at one place it may be necessary to give the work to outside agency. The Chairman then asked Secretary to explore the possibilities.

Sr. No. 4, 5 & 6: Noted by the Board.

Sr. No. 7: The Chairman mentioned that he has already addressed a letter to the Government of Maharashtra in this regard and he will pursue the

matter further with the Secretary [illegible] Government of Maharashtra so as to get an allotment of accommodation from the Chief Minister's quota.

Sr. No. 8: Secretary mentioned that the joint meeting of the representatives of Maritime Union of India and Indian National Shipowners' Association scheduled for 19-1-1993 could not be held as neither Indian National Shipowners' Association nor the Maritime Union of India were able to get written legal opinion from their respective lawyers. Mr. Barnes expressed all that the Maritime Union of India wants is a measure for security in case if any company goes on liquidation and as such there should not be any difficulty for the Board to take decision. Shri K. E. Sukhia, General Secretary, Maritime Union of India who was 'Special Invitee' to the meeting mentioned that the shipowners have already agreed to consider the transfer of monies to the Seamen's Provident Fund Commissioner, if permitted by law and they had no objection. Maritime Union of India to take initiative with Director General of Shipping. In view of that he suggested that the Board should consider for amendment of the Act and he further explained that his interest is not immediate transfer of money to the Seamen's Provident Fund Commissioner and all that is required is that the Seamen's Provident Fund Commissioner should be empowered to over see the functioning of the companies trust for the sake of the

safety of the officers' contribution. Dr. Barnes also mentioned that the request is quite reasonable and an amendment to the Act can be proposed. Shri Apte mentioned that the Indian National Shipowners Association should be consulted before taking a decision. After due deliberations the Chairman directed that the Secretary should write to Indian National Shipowners' Association that the Board recommended that the Act be amended to include the Officers also to come under the purview of the Seamen's Provident Fund Act and Scheme, 1966 and that if they have any objection they should come forward with concrete details within the period of 15 to 20 days.

Sr. No.9: Secretary explained that Cdr. Sharma has now accepted for filling the vacancies as per the existing sanctioned strength and the Board has noted the same.

Sr. No.10: Secretary mentioned the amendments proposed was already approved by Dr. Barnes and Cdr. Sharma could not give his views as he is ill. The Chairman mentioned after obtaining his views Secretary may take further necessary action.

Sr. No.11: Noted by the Board.

Item No.3: Revised Estimates for the year 1992-93 & Budget Proposals for the year 1993-94.

While discussing the item Dr. Barnes enquired how an enhanced provision has been made towards

encashment of leave. Secretary mentioned that the enhancement had been proposed taking into account the retirement of one Dy. Superintendent and Administrative/Asst. Accounts Officer who are entitled for encashment of their leave during their retirement time. Dr. Barnes suggested that in general staff should not be encouraged to take encashment of leave for pecuniary benefit only. They should be encouraged to go on leave for change, recreation and recuperation so that their efficiency may improve.

The Chairman observed there is a slight increase under the head Non-recurring for the Budget provision of 1993-94. Secretary mentioned besides the item mentioned in the note a provision has also been made for the replacement of old and broken furniture of the office. The Chairman made an observation that the provision for electricity charges are less than the actuals for the year 1991-92. The Chairman also enquired how many house building advance cases are pending for which the Secretary replied that there is only one case is pending.

The Board then unanimously approved the Revised Estimates for 1992-93 and Budget Estimates for 1993-94.

Item No.4: Fixation of rate of interest for credit to the members' accounts for the year 1992-93.

Secretary explained that considering the interest

earnings on investments the interest payment proposed for the year 1992-93 would be at the rate of 11.75% and there will be a balance of Rs. 7.41 lakhs in the Interest Suspense Account for future.

The Board noted the same and approved the payment of interest of 11.75% for the year 1992-93.

Item No. 5: Audit Report & Inspection Report for the year 1991-92.

While discussing this item the Chairman enquired of Secretary as to why there is a wide gap between the Computer figure and the ledger figure. Secretary mentioned that these figures have now been reconciled.

The members observed that there being no major Audit Objection in the Inspection Report placed before the Board none of the members have comments.

The Inspection Report was noted by the Board.

Item No 6: Proposal for review of the rate of Administrative Charges.

Secretary clarified that the Organisation has not created considerable amount of savings for Gratuity and Pension to retiring staff. Besides the income and expenditure now are almost breaking even with meagre surplus. Secretary further stated that the Provident Fund Commissioners of various Provident Fund Organisations in India are provided with housing and transport by

their Provident Fund Organisations and this organisation requires atleast a staff car for effective performance of duty by the Commissioner.

Dr. Leo Barnes suggested a separate item on this may be placed. The Chairman suggested Secretary to place an item for the next meeting.

Item No. 7: Social Security Scheme for seamen.

Dr. Barnes mentioned that the shipowners have already agreed in principle to pay $\frac{1}{2}$% of wages towards Group Insurance Scheme and that they should start paying the amount immediately to the Seafarers Welfare Fund Society so that a proper scheme could be evolved for the betterment of the seamen. Shri Apte mentioned that Cdr. Sharma was not present in the meeting as such the matter may be deferred.

The Chairman agreed for considering this item during the next meeting.

Dr. Barnes thanked all the members and proposed that the next meeting of the Board of Trustees can be held at Goa. All members unanimously agreed to the suggestion.

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

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 69th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 20th September, 1993 at 3.00 p.m. in Mormugao Port Trust's Guest House at Mormugao, Goa.

The following were present:-

Shri R. Vasudevan	Chairman
Shri A.K. Gautam	Member
Cdr. R.K. Sharma	Member
Shri J.E. D'souza	Member
Dr. Leo Barnes	Member
Shri U.M. Almeida	Member
Shri Anil Baran Das	Member
Capt. C.R. Neelakantan	Secretary

Dr. Leo Barnes while welcoming the new Chairman mentioned that the Board has a very good tradition of arriving at unanimous decisions and the decisions taken were objective in nature. He also introduced Shri A.V. Kelkar from National Union of Seafarers' of India as observer. On behalf of the Shipowners, Cdr. Sharma welcomed the new Chairman and assured him of active participation and support by the Shipowners representatives in the deliberations of the Board. The Chairman thanked all the members present and expressed his happiness over the association with the Board and assured that he would endeavour

his best to make the deliberations meaningful.

Secretary suggested that the Board may like to place on record their appreciation of services rendered by Shri D. K. Afzulpurkar, Chairman, Board of Trustees and Shri S. R. Apte, Member, Board of Trustees. Accordingly, the Board passed the following resolution. Chairman also directed the Secretary to send a suitable letter conveying the appreciation of the Board, of the services rendered by Sarvashri D. K. Afzulpurkar and S. R. Apte.

"The Board appreciated the good services rendered by Shri Afzulpurkar and Shri Apte by virtue of their long experience and expertise. It was decided to place on record the Board's deep appreciation of services rendered by both of them."

The Secretary informed that there was no intimation from Shri Dharamvir Gupta, Assistant Financial Adviser, Ministry of Surface Transport. Shri P. K. Dubey, Director, Ministry of Surface Transport, had intimated his inability to attend the meeting. Leave of absence was granted to both the above members. Mr. Barnes mentioned that the members from the Ministry are not attending the Board meetings and that the Chairman may like to persuade them to attend the meetings.

The Board thereafter took up the Agenda items.

Item No.1: Confirmation of the minutes of the 68th meeting of the Board of Trustees, Seamen's Provident Fund held on 23rd January, 1993.

The Chairman invited the members for comments. Mr. Barnes mentioned that he had seen the minutes earlier and has no comments. Cdr. Sharma mentioned that he could not attend the last meeting and had no comments to offer.

The Chairman then mentioned that noddings on Page 4 Sr. No. 8 of the minutes require slight modification. The Chairman suggested the substitution of the following words.

"The Board recommended that the Act be amended to include the Officers" instead of the words 'the Board had decided to amend the Act to include the Officers'.

After these observations, the Board took the minutes as read and confirmed.

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

Sr. No.1: The Chairman enquired about the details of the amendments pending with the Ministry. The Secretary submitted the detailed list of amendments to various Sections of the Seamen's Provident Fund Act, pending with the Ministry for the information of the Chairman.

Sr. Nos. 2, 3, 4: Noted by the Board.

Sr. No.5: While on this subject Cdr. Sharma

explained that the Merchant Navy Officers are the permanent employees of the company and their Provident Fund amounts are safe in the hands of the Board of Trustees of the companies. Secretary mentioned that the point made by the Maritime Union of India is that when a company goes into liquidation, the officers are deprived of their savings and it is in this context that the Maritime Union of India has been urging for inclusion of officers in the Seamens Provident Fund Act and Scheme. The Chairman enquired whether the Provident Fund Commissioner's office would be in a position to manage the accounts of the officers if they are included. The Secretary mentioned that there would not be much difficulty for this office to handle the work.

In this connection, Mr. Leo Barnes mentioned that the officers require certain guarantee for their savings. Cdr. Sharma mentioned that the companies can be asked to give a Bank Guarantee towards the savings of the Provident Fund of the officers so that the officers are not put to a loss. The Chairman expressed the view that the Act is primarily meant for seamen and it will be difficult to convince the Government about the need for expanding the scope of the Act.

Sr. No. 6 & 7: Separate agenda items are placed.

Sr. No. 8 & 9: Noted by the Board.

Sr. No. 10: A separate agenda item was placed.

Item No. 3: Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1992-93.

The Chairman mentioned that the Annual Report should also have the audit report together with auditor's observations for the Board to approve the same. Secretary mentioned that the Annual Account and the auditors observations would be reflected in the Annual Account. He further added that the procedure followed is that on receipt of the Audit Report the same is printed alongwith Annual Account and submitted to the Ministry for placing on the table of the Parliament. He mentioned that this procedure is adopted to keep up the time schedule laid by the Ministry. The Chairman suggested that the audited accounts be placed on the table of the Parliament only after the approval of the Audit Report by the Board. The Secretary mentioned that if such a procedure has to be followed we may have to call for a separate meeting only for the approval of Audit Report on receipt from the Audit Office.

After due deliberations the Annual Report was approved by the Board.

Item No. 4: Budget Re-appropriation for the year 1992-93.

Secretary stated that there are only two re-appropriations i.e. T.A. & L.T.C. and Recurring.

The Accounts Officer's post was vacant and the other amounts were savings.

The Board noted the position and approved the same.

Item No.5: Interest payment on half yearly basis to seamen members.

Secretary explained the present mode of calculating interest for crediting to seamen's account. He explained that the amendment brought forward by Dr. Barnes was to discourage withdrawals and at the same time to encourage savings. Dr Barnes mentioned that a six monthly basis was taken in view of the fact that the withdrawals during the period are discouraged and also some interest to the seamen are paid on credits.

Cdr. Sharma stated that while he had no objection to the calculation of interest on 6 monthly basis, the same should be done on a different basis. He outlined that first of all, the credit balance in the Provident Fund Accounts may be calculated on a month to month basis after taking into account the carry forward balance from the previous month and adjusting for the credits and debits made during the month. Thereafter, the average balance per month may be worked out for a period of 6 months and the interest calculated on this amount and credited into the member's account on 6 monthly basis.

As the method of calculating interest envisaged in the amendment proposed by Dr. Barnes differed in detail from the proposal outlined above by Cdr. Sharma, it was decided to examine the matter further and discuss it again at the next meeting.

Whilst on the subject, the Secretary mentioned that due to investment of money into low-yielding securities, there are limitations to pay high rate of interest to the seamen members. Dr. Barnes agreed with the view expressed by the Secretary.

Item No.6: Social Security Scheme for seamen.

Dr. Barnes explained that shipowners have already agreed in principles to pay ½% of wages towards Group Insurance Scheme and they shall start paying the amount immediately. Cdr. Sharma mentioned that this being a NMB issue, requires the approval of the NMB and this item may be included in the next NMB meeting. The Chairman suggested that this may be left to the decision of NMB.

Item No7: Purchase of a flat for Commissioner's accommodation.

The Secretary explained that the Government officers coming to autonomous bodies like Seamen's Provident Fund Organisation are not entitled to retain the Government quarters and he has either to vacate the Government quarters or else, he may be evicted from the Government quarters. The

Chairman mentioned that provision of accommodation must be a condition in the terms of deputation. Cdr Sharma mentioned that irrespective of the deputation terms it has been already agreed and a decision was taken in the last meeting that the Commissioner should not be put at loss and any amount that he might have to incur due to increase in rent charged by the Government will be borne by the Organisation. He has also mentioned that the earlier Chairman has mentioned that he would try to get an accommodation for the Commissioner from Government of Maharashtra. The Chairman then said that he would also try his best to get a tenament if possible. Dr. Barnes mentioned that the interest of Rs.16 lakhs would amount to Rs.16,000/- p.m. and even if the Government charges a very high market rate which would not be Rs.10,000/- the organisation can afford to bear the charges. While summing up the Chairman mentioned that the Commissioner may continue to stay in the present accomodation and the Organisation may bear the excess rent if charged and also mentioned that the Commissioner may as far as possible see that his staying in the Government accommodation does not come to the adverse notice of the Government.

Item No.8: Investment in the public sector financial Institutions - request from SCICI Ltd.

Secretary explained that the investment is done as per the Government Notification on the subject and it is entrusted to the Reserve Bank of India and accordingly the Reserve Bank of India is investing the Provident Fund amount in the Government and other securities. The Chairman mentioned since Reserve Bank of India is dealing with the investment, we have nothing to do in this matter.

Item No.9: Proposal for review of the rate of Administrative Charges.

Cdr. Sharma expressed the view that the present rate of Administrative Charges needs to be reviewed in the context of receipts and expenditure of the Organisation. He stated that since the seamen's wages have registered a substantial increase in the recent past, the receipts of the Organisation on account of Administrative Charges have also shown considerable increase. He said that the organisation has enough reserve and will have no financial crunch if there is a reduction in the rate of Administrative Charges. In reply to a qnestion from the Chairman it was clarified by Secretary that the earliest retirements from his office will be only in 1995.

After detailed discussions the Board agreed that there may be a reduction upto 0.5% for the present. Hence the Administrative charges will be reduced from 3.5% to 3% w.e.f. 1-1-1994.

Item No.10: Proposal for review of the vacant posts in the Organisation. (Item suggested by Cdr. L. K. Sharma)

The Commissioner explained the functions of the organisation suffer due to lack of suffiaient staff members and there are arrears of work in various spheres. He stated that the work study conducted has already recommended for a strength of 37 staff members in addition to two officers. Cdr. Sharma on the other hand mentioned that in view of the computerisation, the organisation should be in a position to manage within the existing strength of 32. The Commissioner explained that the computerisation may ultimately increase the efficiency only after sufficient staff are there to operate the computer. In this context he said that the induction of new blood with aptitude for computer is required to keep up with the work load. He also mentioned that if additional staff are recruited now, the organisation can later on reduce the strength as and when people retire. Accordingly, he mentioned though the requirement is the full strength of 37 as suggested by the work study, there should be atleast 34 staff members. Cdr. Sharma appreciated the problem faced by the organisation with high of average age profile and the need for young blood with required aptitude for computer and he mentioned that the organisation may recruit 2 staff members.

Item No.11. Computer training to the Staff. (Item suggested by Cdr. L. K. Sharma)

Cdr. Sharma mentioned that all the staff should be trained in the computer programming so that the expenditure can be reduced. In this connection the Commissioner mentioned that initially all staff of the organisation were given computer training and out of them only three are upto the mark and the organisation is incurring only the essential expenditure on computer. He added that the staff with high age profile is unlikely to have aptitude for computer and it is in this context only that he made the suggestion of induction of new blood in the organisation which may not require very high expertise in programming. What is required is, that the staff should be able to feed the information to the computer as per the programme devised. In this context Cdr. Sharma appreciated the point of view of the Commissioner and also suggested that the programming in the organisation should be properly studied through an expert. Dr. Barnes also mentioned that he would assist the organisation in computer programming. The Chairman observed that both Cdr. Sharma and Dr. Barnes would be assisting in the computer programming of the organisation.

Item No.12: Items suggested by Dr. Leo Barnes.

(a) On account payment of Provident Fund dues.

After due deliberations it was decided that there

was no provision for receipt of advance payment of Provident Fund by the organisation as per the Act and Scheme.

(b) Single Ledger Folio.

Mr. Barnes explained that a ledger for each seaman from the time of his initial contribution to Provident Fund should be available in the organisation. In this connection the Commissioner mentioned that the organisation has already programmed to keep 5 years' records only in the computer as per the earlier decision of the Board and that if the computer has to store 25 years of record at a time the computer has to be up-graded. The Commissioner mentioned that the present computer with 3 terminals cannot cope up with the work load and also suggested for one more terminal for feeding information and two terminals for retrieval of information, one at the end of the Commissioner and other at the Reception Counter. Cdr Sharma mentioned that the full matter has to be re-viewed by an expert on the field. Mr. Barnes also suggested that we should get the expert's view in the matter so that the organisation should keep all record at one time so as to enable the Seamen's Provident Fund payments are expedited.

It was finally decided that views of some experts may be obtained in this regard and put up in the next meeting.

(c) Advance preparation of final accounts.

Mr. Barnes mentioned that the union has started submitting the voyage particulars of seamen in advance which is being verified by the organisation. Thus it helps to expedite payments. The Chairman appreciated the action in this regard.

Item No.13: (a) Enhancement of Medical Allowance to the Staff Members.

The Commissioner mentioned that the staff of the organisation is being given Rs.100/- p.m. towards medical expenses and this amount is too meagre for them to meet the medical expenses of the family members. After due deliberations it was finally agreed by the Board that the medical allowance may be enhanced to Rs.200/- p.m. from the present Rs.100/- per month w.e.f. 1-1-1994.

(b) Increased Festival Advance to all staff members including officers of the Organisation.

After discussion, it was noted that the present advance of Rs.600/- is as per the Government rates and therefore no change is necessary in the quantum of Festival Advance.

The meeting 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 70th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 31st January, 1994 at 11.00 a.m. in the Board Room of Seamen's Provident Fund Organisation, 'Kengaravidhi' 3rd Floor, 9 Waldhand Hiradhand Marg, Ballard Estate, Bombay-400038.

The following were present:

Shri R. Vasudevan	Chairman
Shri A.K. Gautam	Member
Cdr. L.K. Sharma	Member
Shri J.E. D'souza	Member
Dr. Leo Barnes	Member
Shri V.M. Almeida	Member
Shri Anil Baran Das	Member
Capt. C.R. Neelakantan	Secretary.

The Chairman welcomed the members.

The Board was informed that a telep message had been received from the Ministry of Surface Transport informing that Shri Dharamvir Gupta, Assistant Financial Adviser has left the Ministry.

The Board thereafter took up the Agenda items.

Item No.1: Confirmation of Minutes of the 69th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 20th September, 1993 at 3.00 p.m. in Mormugao Port Trust's Guest House at Mormugao, Goa.

The amendments suggested by Cdr. L. K. Sharma by his letter dated 4-11-1993 to the minutes of the 69th meeting of the Board of Trustees were accepted and the corrections in the minutes were carried out as follows:-

Page 1 - Para 1.

The sentence "on behalf of the shipowners, Cdr. Sharma also welcomed the Chairman and assured all his co-operation in the noble cause of seamen's welfare" may be substituted as "On behalf of the Shipowners, Cdr. Sharma welcomed the new Chairman and assured him of active participation and support by the shipowners representatives in the deliberations of the Board."

Page 1 - Resolution indicated under Para 2.

1st line - the word "Chairman" be replaced by the word "Board".

3rd line - the words "coming out" be replaced by the words "by virtue of"

4th line - The words "by the Board" may be deleted.

Page 2 - Re. No. 5.

The word "on" in line 6 be substituted as "into".

Page 3 - line 3.

The word "cases" be replaced by the word "work".

Page 3 - Item 3.

i) "The Chairman mentioned that the Annual Report should also have the audit observations for the Board to approve the same". The above sentence be substituted to read as "The Chairman mentioned that the Annual Report should also have the audit report together with auditor's observations for the Board to approve the same".

ii) The word "certificate" be substituted by the word "Report".

The Chairman observed that in view of the above observations the last sentence may be deleted.

Page 4 - Item 5.

After the words "are paid on credits" the remaining portion of the para should be deleted and substituted as separate paragraphs as follows:

"Cdr. Sharma stated that while he had no objection to the calculation of interest on 6 monthly basis, the same should be done on a different basis. He outlined that first of all, the credit balance in the Provident Fund

Accounts may be calculated on a month to month basis after taking into account the carry forward balance from the previous month and adjusting for the credits and debits made during the month. Thereafter, the average balance per month may be worked out for a period of 6 months and the interest calculated on this amount and credited into the member's account on 6 monthly basis.

As the method of calculating interest envisaged in the amendment proposed by Dr. Barnes differed in detail from the proposal outlined above by Cdr. Sharma, it was decided to examine the matter further and discuss it again at the next meeting.

Whilst on the subject, the Secretary mentioned that due to investment of money into low yielding securities, there are limitations to pay high rate of interest to the seamen members. Dr. Barnes agreed with the view expressed by the Secretary."

Page 5 - Item 9.

The Board having noted the amendment suggested by Cdr. Sharma decided to amend the minutes as follows:

"Cdr. Sharma expressed the view that the present rate of Administrative Charges needs to be reviewed in the context of receipts and expenditure of the Organisation. He stated that since the seamen's wages have registered a

substantial increase in the recent past, the receipts of the Organisation on account of Administrative Charges have also shown considerable increase. He said that the organisation has enough reserve and will have no financial crunch if there is a reduction in the rate of Administrative Charges. In reply to a question from the Chairman it was clarified by Secretary that the earliest retirements from his office would be only in 1995. After detailed discussions the Board agreed that there may be a reduction upto 0.5% for the present. Hence the Administrative Charges will be reduced from 3.5% to 3% w.e.f. 1-1-1994."

Item No. 10 of the draft minutes amended as under:

(a) In lines 5 and 17 the figure "38" be corrected to read as 37.

(b) In line 18 the figure "36" be corrected to read as 34.

(c) The figures/words "3 or 4 staff members" in line 22 be corrected to read as "2 staff members."

The remaining portion "initially and thereafter another work study be conducted..... ..... suitable terms of reference for the work study to be conducted" be deleted.

With the above amendments the draft minutes were confirmed.

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

Sr. No. 2: The Chairman enquired from the Secretary as to how the Accounts Officer's post was vacant for more than 7-8 years. The Secretary informed that inspite of the organisation's effort by advertisement twice in 'Employment News' and even after circulation to other offices no officer was willing to join the organisation because of the lower pay scale besides also due to non availability of Government accommodation to such officers. The Chairman, having seen the Recruitment Rules, then suggested that we should atleast try for appointment of a retired officer on contract basis. The Secretary mentioned that such proposal may be feasible and the Chairman directed the Secretary to come up with a concrete proposal specifically mentioning that the incumbant should have his own accomodation and the deputation would be for two years only.

The Secretary mentioned that he is burdened with the entire work of the office without any assistance of an officer and he is doing the work of three officers. The Chairman enquired about filling up of the vacancy of junior level officer. At this juncture Shri. Sharma and Dr. Barnes expressed the view that a junior level post should be made available to the staff of the organisation as a promotional avenue. The Secretary mentioned that he would come with a proposal shortly for promotion of a staff member on being eligible. The Chairman directed the Secretary to come up with a specific proposal for the appointment of Administrative/Asst. Accounts officer from amongst the eligible departmental candidates on the basis of merit cum seniority and not on the basis of seniority alone.

Sr. Nos. 3, 4, 5 and 6: Noted by the Board.

Sr. No 7: On this item, the Board had a long discussion. The Secretary expressed that after retirement of a few staff members the organisation has not recruited any staff members and that certain areas of work do not receive adequate attention for want of hands. He also explained that the work study team had stated this fact earlier and that they had recommended additional strength of three on the basis of work evaluation. However, Shri. Sharma mentioned that consequent on computerisation the organisation should review its demand for additional staff recommended by the work study. After a long discussion it was decided by the Board to continue the staff strength as it existed before the work study report. The Secretary mentioned that this would amount to a reduction of 7 staff

members from the earlier sanctioned strength. Cdr. Sharma stated that it was necessary to identify the potential of the existing staff and rationalise their work load in order to take full advantage of computerisation. It was not necessary to increase the staff to the sanctioned strength since there was a substantial reduction in the No. of PF accounts of the seamen and Govt. sanction did not take into account the computerisation aspect. Hence status quo should be maintained and we should not rush to fill up the vacant posts, as desired by the Secretary of the Board. In this connection, the Secretary mentioned that he has already evolved norms for the work and it is on this basis only, he wanted to keep the strength as it was at the time of work study with the addition of one to the staff strength. Dr. Barnes further added that the suggestion to reduce the strength was made only with a view that the existing staff are utilised to the optimum level. The Board agreed with the suggestion of Cdr. Sharma and Dr. Barnes and directed the Secretary to take action accordingly. The Secretary mentioned that this would amount to a reduction of 6 staff members than the earlier strength sanctioned by the Board. The Chairman directed that necessary action would be taken as per the views of the Board.

Sr. No. 8: Cdr. Sharma expressed that Computer Programmer is not at all required when a proper programme has already been evolved. He also expressed that the maximum staff members should be trained in computer. Secretary stated that training was already given to the maximum staff members. The Secretary also stated that to expedite the feeding of data and retrieval of information two additional terminals are required. However, he mentioned that he has suggested for the present one terminal in the budget.

The Board agreed with the Secretary.

Sr. No. 9: Dr. Barnes suggested that the Organisation should keep the records for 25 years of the seamen. In this connection the Secretary suggested that we may go back for 4-5 years so that 10 years account could be retrieved at one time which may be sufficient. In reply to a query by the Chairman about the cost involved in feeding the past information the Secretary mentioned that it would cost around Rs. 25,000/- for feeding one year's past record.

Cdr. Sharma mentioned that the organisation should store information in floppies instead of ledger which would occupy a lot of space.

After discussions, the Chairman directed the Secretary to put up this item in the next meeting in detail.

Item No.3: Revised Estimates for the year 1993-94
Budget Proposals for the year 1994-95.

The Board desired to know how this organisation was giving pension and gratuity to its staff. In this connection the Secretary mentioned that the staff of this organisation are getting the same facilities akin to Government servants on retirement i.e. pension and gratuity as per the approval of this Board on the basis of Government orders on the subject. The Chairman observed that the adoption of Govt. pay scales, pension and gratuity scheme, leave encashment and leave rules, Bonus, 5 days week etc., for the staff of Seamen's Provident Fund Organisation is quite irrelevant in view of the fact that the income of the organisation is of a fluctuating nature. Therefore it was not proper to create permanent liabilities for the organisation which it would not be able to meet in the event of discontinuance of recruitment of Indian seamen by Foreign employers. As the Govt. is not providing any financial assistance to the organisation which is an autonomous body and not a Govt. or semi Govt. Organisation, there is no point in following the Govt. pattern of pay scales etc., for the organisation's staff.

The Chairman opined that the present system should continue till the new Recruitment Rules are framed bringing pay scales, pension, gratuity scheme, leave encashment, leave rules, bonus etc., in line with those existing in other similar organisations. The Board felt that there was no obligation on the part of the Seamen's Provident Fund Office to adopt all facilities, benefits and other conditions available to Government servants mutatis mutandis.

The Chairman also asked the Secretary as to why a budget provision has been made for Honolaria etc. The Secretary stated that this has been done with a view to encourage the computer staff to get additional benefit, though this has not been utilised in the past and this year he may like to give certain incentive to the computer staff.

Cdr. Sharma mentioned that in general the staff should not be encouraged to take encashment of leave for pecuniary benefit only. They should be encouraged to go on leave for change, recreation and recuperation so that their efficiency may improve.

After a detailed discussion on the Budget, the Board unanimously approved the Revised Estimates for 1993-94 and Budget Estimates for 1994-95.

Item No. 4: Fixation of rate of interest for credit to the members' accounts for the year 1993-94.

The Chairman enquired with the Secretary the reasons for recommending only 11.75% interest to the members account for the year 1993-94. The Secretary mentioned that our investment pattern is as per the directives of the Government of India and the over all fund available on interest account is around Rs. 18.79 crores and that interest works out to 11.75%. Dr. Barnes mentioned that we could make up the shortage of 0.25% from the Forfeiture Account. The Secretary stated that the requirement would be around Rs. 40 lakhs even taking into account the balance amount available in Interest Suspense Account the requirement would be around Rs. 30 lakhs. Dr. Barnes stated that this amount could be taken as loan from Forfeiture Account and it can be recouped at later years. In this connection, the Secretary stated that inflow to the Forfeiture Accounts is limited and as such there may not be possibility of recouping in the near future. Besides the Secretary also mentioned that in the earlier years the low-yielding securities have been liquidated and the loss due to that being recouped by adjusting about Rs. 12 lakhs every year. On this subject the Chairman finally said that utilising Forfeiture amount

towards interest payment could not be considered as a welfare activity. He has however, suggested certain other measures such as giving scholarship or study assistance to the seamen could be considered.

The Board decided not to utilise the Forfeiture amount towards the shortfall and approved the rate of interest @ 11.75% for the year 1993-94.

Item No. 5: Audit Report on the Accounts of the Seamen's Provident Fund Organisation, Bombay for the year 1992-93.

The Chairman enquired as to how there are number of unposted items. The Secretary replied that the unposted items are mainly due to wrong CDC Nos. which takes time to the organisation to write back to the companies to obtain the correct CDC Nos. and to rectify the defects and this is a continuous process. The Chairman also asked whether the Organisation is getting excess amount from the companies. The Secretary replied in affirmative and added that the excess amounts are refunded as and when the concerned employers come forward with their claims. Cdr. Sharma mentioned that now that the Organisation has computerised the accounts it should be easy to verify and refund the excess amount.

The Chairman enquired about the uncashed cheques. The Secretary replied that these cheques were issued to the seamen which have not been encashed at the time of Audit and normally there is a time lag of 2-3 months between the issue of cheques and encashment of cheques due to the banking procedure. This is common and routine in nature.

The audit report was then noted by the Board.

Item No.6: Amendments to Seamen's Provident Fund Act, 1966.

The Chairman mentioned that he had gone through the various amendments suggested and accordingly he has forwarded them to the Ministry. The Board recommended the proposed amendments sent to the Ministry.

Item No.7: Mode and periodicity of payment of contributions.

While on this point Cdr. Sharma mentioned that certain foreign flag ship agents are finding it difficult to pay the provident fund contributions within the stipulated period of 15 days. The Secretary also mentioned that they required certain grace period over and above 15 days, Cdr. Sharma mentioned that Board

may allow the Secretary to use his discretion in such cases. The Board agreed with the request of Cdr. Sharma.

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

16/1/75

Minutes of the 71st Meeting of the Board of Trustees, Seamen's Provident Fund held on Wednesday, the 14th September, 1994, at 11.00 A.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay - 400 038.

The following were present :-

Shri R. Vasudevan	Chairman
Shri B.S. Chauhan	Member
Shri Madan Mohan	Member
Shri Praveen Agarwal	Member
Cdr. L.K. Sharma	Member
Shri R. Ananthakrishnan	Member
Dr. Leo Barnes	Member
Shri Anil Baran Das	Member
Shri Laxmi Narain	Secretary

Secretary introduced newly nominated Government representatives Shri B.S. Chauhan, Dy Secretary, Ministry of Surface Transport and Shri Madan Mohan, Asst. Financial Adviser of Ministry of Surface Transport. The Chairman welcomed the members.

The following were present as Special invitees.

Capt. A. P. Kothurkar
Shri A. V. Ketkar
Shri S. R. Rao.

The Board appreciated the services rendered by the former Secretary, Shri C. R. Neelakantan and welcomed the new Secretary, Shri Laxmi Narain.

The Board thereafter took up the Agenda items.

Item No. 1 : Confirmation of the minutes of the 70th Meeting of the Board of Trustees, Seamen's Provident Fund held on 31st January, 1994.

The amendments suggested by Cdr. L. K Sharma by his letter dated 7th March, 1994 and also amendments suggested by Dr. Leo Barnes to the minutes of the 70th meeting of the Board of Trustees were accepted with the following modifications in the minutes.

Item No. 1 of Minutes of 70th meeting will now read as under :

The Amendments suggested by Cdr. L. K. Sharma by his letter dated 4-11-1993 to the

minutes of the 69th meeting of the Board of Trustees were accepted and the corrections in the minutes were carried out as follows :-

Page No. 3 Item No. 2 Sr. No. 2 of Minutes of 70th Meeting.

The word "from" may be inserted between the words "enquired" and "the" in line 1.

Page No. 4 Para 1

The following may be added at the end of the para i.e after "Administrative/Asstt. Accounts Officer."

"from amongst the eligible departmental candidates on the basis of merit cum seniority and not on the basis of seniority alone"

Para No. 4, Sr. No. 7, lines 15 to 19

In lieu of the draft minutes "Cdr. Sharma once again mentioned ..... related work", the following may be substituted.

"Cdr Sharma stated that it was necessary to identify the potentional of the existing staff and rationalise their work load in order to take full advantage of Computerisation It was not necessary to increase the staff to the sanctioned strength since there was a substantial

reduction in the No. of PF accounts of the seamen and Govt. sanction did not take into account the computerisation aspect. Hence status quo should be maintained and we should not rush to fill up the vacant posts, as desired by the Secretary of the Board."

Page No.5, Item No. 3 :

The following may be added after line 6

"The Chairman observed that the adoption of Govt. pay scales, pension and gratuity scheme, leave encashment and leave rules, Bonus, 5 days week etc., for the staff of Seamen's Provident Fund Organisation is quite irrelevant in view of the fact that the income of the organisation is of a fluctuating nature. Therefore it was not proper to create permanent liabilities for the organisation which it would not be able to meet in the event of discontinuance of recruitment of Indian seamen by Foreign employers. As the Govt. is not providing any financial assistance to the organisation which is an autonomous body and not a Govt. or semi Govt. Organisation, there is no point in following the Govt. pattern of pay scales etc. for the organisation's staff."

The Chairman opined that the present

system should continue till the new Recruitment Rules are framed bringing pay scales, pension, gratuity scheme, leave encashment, leave rules, Bonus etc., in line with those existing in other similar organisations.

Dr. Leo Barnes suggested the amendments on item No. 3 by his letter dated 23.2.1994 as follows :

Item 3 - Revised Estimates for 1993-94
Budget Proposals for 1994-95

In the 8th line, the sentence beginning with "The Board felt ..... mutatis mutandis" should be amended to read as follows - "The Board felt that there was no obligation on the part of the Seamen's Provident Fund Office to adopt all facilities, benefits and other conditions available to Government servants mutatis mutandis."

The minutes were then taken as read and confirmed by carrying out the corrections as above.

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

Sr. No. 1 (i): The Chairman enquired with Secretary about what happened to the application from a retired person who was willing to join the Seamen's Provident Fund as Accounts Officer. Secretary replied that the lone applicant was not found suitable and hence no appointment could be made. The Chairman directed Secretary to try again for appointment of a suitable retired person on contract basis for two years preferably some one who is having his own accommodation in Bombay. Chairman directed Secretary to issue a suitable advertisement inviting applications.

On a query from the Board about the permissible HRA for the post of Accounts Officer, Secretary stated that as per Fourth Pay Commissin Report the HRA for the post of Accounts Officer in the scale of Rs. 2200 - 4000 is Rs. 600/-. The Board was of the Opinion that the amount was too low and it was not possible for any person to arrange a suitable accommodation within the admissible amount. It was decided that either Seamen's Provident Fund should provide accommodation or raise the HRA to at least Rs. 1200/- P.M.

Sr. No. (ii): The Chairman desired that the Confidential Report dossiers along with the proposal for promotion of Shri Lalchand

Ram, Administrative / Asst. Accounts officer, who is on ad-hoc basis should be put up to the Board for approval.

Sr. No. 2 : Dr Leo Barnes stated that the post should be filled up with the minimum qualification of graduates in commerce / economics with computer experience. The Chairman suggested that we may absorb surplus staff from the Seamen's Employment Office, Bombay. Dr Leo Barnes further stated that by absorbing surplus staff of Seamen's Employment Office will not be of any use. Shri Praveen Agarwal stated that if the Seamen's Employment Office surplus staff is absorbed they have to resign from the Government. Further suggestion was made by the Chairman that the Seamen's Employment Office surplus staff can be absorbed on deputation. Dr. Leo Barnes stated that he agreed with the suggestion made by Shri Praveen Agarwal that on the lower post, deputation is not possible. Finally, it was agreed that the post may be filled by a graduate with computer experience to cope up the increased work load and back log of data feeding.

The Board decided that three persons could be appointed as Junior Assistants on

regular basis. They should be graduates in Commerce / Economics with Computer knowledge. An advertisement may be given in daily News papers.

Additional point taken up for discussion.

Cdr. Sharma was of the view that the staff should be well conversant with the use of computers and there should be one senior EDP Supervisor. Secretary stated that 12 staff members have already been trained in use of Computers. It was decided to ask the remaining staff members to undergo computer training within 6 month. The Board decided to give an advertisement in daily News Papers for appointment of one senior person who is having thorough knowledge in Electronic Data Processing. Further the Board decided to store the data about seamen in floppies so that this information can be quickly made available to shipping companies as and when they required the same as back up security measure printout would also be kept separately by way of records, the floppies are to be stored in fire proof safe which will be kept in the Office of the Director, Seamen's Employment Office, Bombay. The Board also decided to replace PC/AT/286 computer by the superior PC/AT/486 computer.

Sr No 4 : The Board noted that there is a separate agenda item for discussing this issue.

Sr Nos 5, 6 and 7 are noted by the Board

Item No. 3 : Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1993-94

Cdr Sharma pointed out, one correction on page No. 25, Para No. 7.1, Sub-para 2, the figure shown in the column 2 under the heading Amount Rs. 35,51,691·18 to be corrected as Rs. 33.51,691·18. The Board directed that the correction be carried out.

While perusing the Annual Report submitted by the Secretary, it was observed from Paras 10.3 and 10.4 that an amount of Rs 4.16 Lakhs and Rs. 4.53 Lakhs respectively was outstanding from the various shipping companies, which were not in existence and have gone into liquidation. The Board therefore, decided to write off Rs. 4.16 lakhs and Rs. 4.53 lakhs as the chances of recovery of the same are very remote.

After due deliberations the Board approved the Draft Annual Report.

Item No. 4: Budget Re-appropriation 1993-94

Under the heading 'Savings from the Sanctioned Budget' Cdr. L.K. Sharma enquired whether there is any Pension Scheme for the employees in the Organisation. He said that it would be incorrect to call this Pension Scheme since that would involve payment of Dearness Allowance to pensioners. While such a Scheme could be administered by Govt., which is a permanent body, the Scheme administered by Seamen's Provident Fund for its employees could be called at best 'Annuity Scheme'. The Board agreed with this view.

After this observation the Board approved Budget Re-appropriation for the year 1993-94.

Item No 5 : Transfer of work relating to the investments of monies accruing to the Provident Fund from the Reserve Bank of India.

Secretary informed the member that Reserve Bank of India had written to Seamen's Provident Fund that it could no longer manage the portfolio of Investment. Board enquired as to how Employees' Provident Fund is investing their money. Secretary clarified that

they were also finding it difficult like Seamen's Provident Fund Organisation. He also said that the Commissioner, Employees' Provident Fund, New Delhi, has informed him that the Ministry of Finance have suggested them to approach public sector banks for the purpose and hence have made a request to State Bank of India to give them a complete proposal of the investment portfolio. Secretary also stated that he had also approached the State Bank of India, Punjab National Bank, Bank of Baroda and State Bank of Bikaner and Jaipur, but there is no response from them. The Board directed him to write to General Managers of the Banks and the Chairman and seek the assistance of Deputy Director General Shri Agarwal in this regard.

The Chairman was of the opinion that if the Organisation approaches private brokers they would charge some commission and would maintain the accounts. In this connection in reply to a query from the Chairman Secretary clarified that for fresh investments in securities the Reserve Bank of India is charging commission at 1/16 per cent.

Taking into consideration the deadline of 30.9.94 after which Reserve Bank of India will not handle investments, the Chairman directed Secretary to write letters to the General Managers of Grindlays Bank, Hongkong Bank, Canara Bank

and seek assistance of Shri Praveen Agarwal, Dy Director General of Shipping, in sorting out the matter.

Shri Praveen Agarwal pointed out that care should be taken to ensure that Provident Fund amounts are invested as per the pattern of investment prescribed by the Government from time to time.

Item No. 6: Pension/Annuity Scheme for Seamen.

Dr Leo Barnes drew attention to the joint meeting held between INSA, MAASA, NUSI and commissioner on 6-9-1994, wherein it was agreed by the shipowners and Commissioner, Seamen's Provident Fund to accept the Additional Voluntary contribution from the employers. The Board observed the points of the joint meeting as follows:

"In terms of the recent NMB Agreement, employers are required to contribute into a seamen's indivdual account maintained by the Provident Fund Commissioner, an amount of Rs 350/- per month and prorata as his additional voluntary contribution for the articled period on voyage to voyage basis.

Further, in respect of those seamen who sign Articles on or after 1.7.1994, the shipowners shall deduct 25% of the ex-gratia amount, if any payable to a seaman and deposit the same with the Commissioner, Seamen's Provident Fund, as his additional Voluntary contribution.

The amounts after the seaman signs off, will be deducted by the employer and deposited with the Commissioner, Seamen's Provident Fund.

Such contributions would be subject to tax liability, if any.

The Commissioner, Seamen's Provident Fund has agreed to accept such Additional Voluntary contribution as there is no bar for accepting such payments.

All such payments would be kept into the account of individual seaman, until such time an Annuity Scheme is evolved. However, in respect of those seamen who retire

prior to evolving such a scheme, the amount so collected, would be paid to him on retirement or to his nominee on his death as the case may be.
The shipowners will not be liable to pay Administrative Charges on this Additional Voluntary Contribution".

The Chairman stated that when the above burden of work is cast on the Seamen's Provident Fund Commissioner's Office the shipowners should pay Administrative Charges also. Cdr. Sharma clarified that provident fund contributions shall not include the additional voluntary contributions as provided for in Section 8 (1) of the Act or Paragraph 26 of the Seamen's Provident Fund Scheme for the purpose of calculation of Administrative Charges. Then the Board decided that after the accumulations of Additional Voluntary contributions, the Board could consider enhancing the Administrative Charges from 3% to 3.5% or even more.

Item No. 7: Single Ledger Folio.
(Item suggested by Dr. Leo Barnes).

The Board noted the expert's opinion

on this matter which is reproduced in the Item of Agenda as follows:

"The expert is of the opinion that building 25 years of old records will be a strain on the existing computer, besides it will effect the on-going process of current data feeding and utilising the help of outside agency will amount to incurring heavy expenditure. At the most his view is that we should go back 4 to 5 years of past record so that 10 years account can be retrieved at a stretch. Utilising the service of outside agency for this purpose may cost roughly around Rs. 25,000/- for feeding one year's record."

The Secretary stated that the in house computer has started giving 5 years' accounts i.e. 1990 onwards of the individual seaman. For further addition of another 5 years' accounts it would cost around Rs. 25000/-. Hence the total amount would come to Rs. 1 lakh approximately if data for 20 years more has to be stored.

"The Board decided to store the 20 years old records and the work should be done by the Seamen's Provident Fund Commissioner's staff by giving them incentives.

Item No. 8 : Inspection Report on the Accounts of the Seamen's Provident Fund Organisation, Bombay, for the year 1993-94.

The Board went through the Inspection Report on the Accounts of the Seamen's Provident Fund Organisation, Bombay, for the year 1993-94.

The Inspection Report was noted by the Board.

Item No. 9 : Opening of Regional Office of the Seamen's Provident Fund Organisation at Calcutta.

Dr Leo Barnes stated that the Director, Seamen's Employment Office is working as Liaison Officer at Calcutta to look after the settlement of Provident Fund dues, supplying forms for withdrawals, whether it is final withdrawal or non-refundable withdrawals. He said that they should solve the seamen's problems by approaching Seamen's Provident Fund office in Bombay and Forward Seamen's Union of Seafarers'

of Calcutta could co-ordinate the work for assessment of the work load involved in the establishment of a liaison officer.

Shri A.B. Das expressed his opinion that this system is not functioning well. He said that sometimes the seamen do not know whom they have to contact for their problems and that often they get their cheques very late for months together. He further stated that there is no solution to get their cheques early and the delay occurs in transferring cheques from Bank branches from Bombay to Calcutta.

The Chairman directed Secretary to take immediate steps for opening a Bank Account in Calcutta and to send all the payments by Demand Drafts to Calcutta and not by cheques. Demand Drafts are to be sent by courier. The Board also directed Shri A.B. Das to advise the seamen to contact the Liaison Officer at Calcutta for solving their problems.

Cdr Sharma suggested that possibility of linking Seamen's Provident Fund Office, Bombay with Calcutta by computer terminal either by satellite or by telephone lines may be explored.

Item No. 10 : Any other item with permission of the Chair.

Additional Item No. 1 : Re-examination of reduced rate of Administrative Charges from 3.5% to 3% w.e.f. 1-4-1994.

Cdr. Sharma requested for comparison of receipts and expenditure of Administrative Charges for 1992-93, 1993-94 and 1994-95 from 1-4-1992 onwards upto September, 1995 for taking a final decision in the matter. The Chairman opined that work load of Seamen's Provident Fund office had increased without any corresponding increase in man power. The Seamen's Provident Fund should be allowed to have 3.5% Administrative Charges. However, after elaborate discussions, Chairman asked the Secretary to put up comparative statement as suggested by Cdr. Sharma.

Additional Item No 2 : Encashment of Special Deposits lying with Reserve Bank of India.

The Secretary with the permission of the Chair, mentioned that 200 cases of withdrawal amounting to Rs. 1,39,64,548.00 are pending for want of funds. In reply to a query from the Chairman the Secretary explained that due to withdrawals of ships from FOSMA by their Principals and reduction in Indian fleet, the receipts are less and withdrawals are more. He suggested that to overcome this problem the Board may consider withdrawing the amount of Rs. 2 crores from Reserve Bank of India. After prolonged discussions it was decided that Secretary should pay from Forfeiture Account to seamen whose applications are pending for withdrawals from Provident Fund. If the balance in Forfeiture Account is not sufficient then, to tide over the immediate crisis the balance in the Seamen's Provident Fund Special Deposit Account could be utilised for making payments of the Provident Fund amounts to the seamen. The amounts withdrawn from the Forfeiture Account and Special Deposit Accounts should be replenished on maturity of fixed deposits with Reserve Bank of India and other banks.

Additional Item No. 3 : Shri R Ananthakrishnan Member, Board of Trustees from INSA, Bombay with the permission of the Chair mentioned that the Home Trade seamen of the Shipping Corporation of India Ltd., are applying for House Building Advance to the Shipping Corporation of India. They have represented to the Commissioner of Seamen's Provident Fund that if these seamen apply for final withdrawal with the consent of nominees in favour of the Shipping Corporation of India such amount

should be transferred to the Shipping Corporation of India on demand by the Shipping Corporation of India.

Dr. Barnes stated that as per the provisions of Section 12 of Seamen's Provident Fund Act, 1966 the balance in Seamen's Provident Fund Account cannot be assigned or charged nor can it be attached under any court decree. He, however, suggested that if the Shipping Corporation of India so desire they may apply for exemption under Section 20 of the Seamen's Provident Fund Act, 1966.

The Board directed that a detailed proposal in this regard be put up in the next meeting.

The meeting ended 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 72nd Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 16th January, 1995 at 11.00 A.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 9 Walchand Hirachand Marg, Ballard Estate, Bombay-400 038.

The following were present:-

Shri. R. Vasudevan.	Chairman.
Shri. B.S. Chauhan.	Member.
Shri. Praveen Agarwal.	Member.
Cdr. L.K. Sharma.	Member.
Shri. R. Ananthakrishnan.	Member.
Capt. K.K. Kohli	Member.
Dr. Leo Barnes.	Member.
Shri. Anil Baran Das.	Member.
Shri. Laxmi Narain.	Secretary.

Secretary introduced the new Trustee, Capt. K.K. Kohli, Shipowners' representative from INSA Sub-Committee (Floating Staff), Calcutta. The Chairman welcomed the new member.

Leave of absence was granted to Shri. Madan Mohan, Asst. Financial Adviser of Ministry of Surface Transport and Shri. U.M. Almeida, Seafarers representative from Bombay.

The following were present as special invitees.

Capt. A. P. Kothurkar.

Shri. A. V. Ketkar.

The Board thereafter took up the Agenda items.

Item No.1 : Confirmation of the Minutes of the 71st Meeting of the Board of Trustees, Seamen's Provident Fund held on 14th September, 1994.

The amendments suggested by Cdr. L. K. Sharma vide his letter dated 21-11-1994 to the minutes of the 71st Meeting were discussed and accepted with the following modifications in the minutes.

Page 5 - Line 3 : The following sentence should be added after the word 'Computers'.

"It was decided to ask the remaining staff members to undergo computer training within 6 months."

Page 5 - Line 12 : The following sentence should be added after the word 'Bombay'.

"The Board also decided to replace PC/80/286 computer by the superior PC/80/486 computer."

Page 5 - Item 3 : The following paragraph should be added after first paragraph.

"While perusing the Annual Report submitted by the Secretary, it was observed from Paras 10.3 and 10.4 that an amount of Rs. 4.16 Lakhs and Rs. 4.53 Lakhs respectively was outstanding from the various shipping companies, which were not in existence and have gone into liquidation. The Board therefore, decided to write off Rs. 4.16 lakhs and Rs. 4.53 lakhs as the chances of recovery of the same are very remote."

Page 8 - Para 2 : The following para should be added after the word 'stored'.

"The Board decided to store the 20 years old records and the work should be done by the Seamen's Provident Fund Commissioner's staff by giving them incentives."

Page 8 - Para 3 : To be deleted. (The Board agreed _ _ _ _ _ _ _ _ _ _ _ not to record further 20 years' accounts.)

With the above amendments the draft minutes were confirmed.

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

Sr. No 1 (i) : The Chairman enquired with Secretary about the applications received with reference to the advertisement in daily news papers. Secretary stated that only 3 applications had been received, of which the only eligible application was from a bank employee having computer knowledge. He said that applications so received are being forwarded to the Chairman for consideration.

Sr. No. 1 (ii) : The Chairman enquired whether Administrative/Asst. Accounts Officer has completed 3 years service in lower grade. The Secretary replied that he had put in only 2½ years service. The Board rejected the request as the prescribed period had not been completed. However, it was decided that Shri. Lalchand Ram can continue till the Accounts Officer is appointed.

Sr. No. 2 : The position reported by the Secretary in the Agenda was noted by the Board.

Sr. No. 2-Addl. Item : After discussions it was decided to hire the services of a EDP Supervisor for temporary period.

Sr.No.3 : Noted by the Board.

Sr.No.4 : Secretary reported Reserve Bank of India has agreed to look after the work of investment port folio till end of March, 1995 and State Bank of India were expected to inform their terms & conditions for looking after the work in the near future. Secretary also mentioned that it is learnt unofficially that they will be charging 2·5% commission, for the said work. Further, the possibility of assigning the work to any private institutions like Unit Trust of India, Industrial Credit and Investment Corporation of India, Tatas or any financial institutions was also discussed and the Commissioner was requested to explore the possibility.

Sr. No.5 : During the discussions, it was pointed out that considerable hardships is caused to the seamen in Calcutta under the existing arrangement because the processing of applications is delayed and the seamen do not receive their cheques or drafts on time. It was pointed out by Shri. Anil. Baran. Das, Vice President, Forward Seamen's Union of India, who represents the Forward Seamen's Union of India, Calcutta on the Board of Trustees, that the payment of Rs.500/- or so as honorarium to the staff for processing the applications of seafarers is distributed among three or four clerks. He said that there is no accountability for the delay caused as more than one person is dealing with this matter. He also stated that the Shipping Master, Calcutta, had abdicated his responsibility in the matter. He stressed that an Assistant Provident Fund Commissioner be posted in Calcutta. The Trustees generally agreed that the system needs to be revamped and the existing procedure should be modified and that the delay in sending the draft and cheques should be taken care of by opening

a bank account in Calcutta in the name of the Seamen's Provident Fund Commissioner. Further, the Shipping Master should be made accountable for the payment of provident fund dues and other payments to seamen and he should effectively liaise with the Seamen's Provident Fund Commissioner. It was also decided that the Commissioner, Seamen's Provident Fund should undertake visits once every three months to Calcutta, to monitor the situation and for redressal of the grievances of seamen at Calcutta.

The following Resolution was passed for opening of an account with State Bank of India, Calcutta.

"Resolved that consequent upon the decisions of the Board at its 72nd Meeting the Commissioner Seamen's Provident Fund is hereby authorised to open Saving Bank Account with State Bank of India, Calcutta Main Branch and empowered to operate the same."

Further, it was also decided that the Shipping Master, Calcutta should be called for the next Board Meeting to discuss and solve the problems faced by him in connection with seamen's provident fund and other things, as well as to set up computer terminal so that the balance statements can be regularly transmitted to Calcutta from Bombay office. It was also decided to provide UPS at both the ends. Cdr. Sharma stated that the manufacturing company can be directly asked to provide a hard disc for the P.C. In his opinion the hard disc should not cost more than Rs.15,000/- to Rs.18,000/-. The expenditure of Rs.2.15 lakhs for a computer link between Bombay and Calcutta was also approved. However, the Board desired that direct suppliers should be contacted, as they will also provide training free of cost and the

actual cost should be brought down to a minimum. The anticipated cost would be of the order of Rs.1 lakh with printer.

It was also decided to keep the records of back up floppies in a fire proof safe, outside the Seamen's Provident Fund office premises, preferably the Director, Seamen's Employment Office, Bombay.

Sr. No. 6: The Board noted that there is a seperate Agenda Item for discussing this issue.

Sr. No. 7: Noted by the Board.

Item No. 3: Revised Estimates for the year 1994-95 & Budget Proposals for the year 1995-96.

Secretary explained due to fall in Provident Fund receipts the Administrative Charges receipts have also been reduced considerably. Cdr. Sharma explained that after January, 1995 the funds will start flowing as per the last NMB & CB Agreements of the seamen who were signed on from March, 1994 onwards, hence it will be better if the Board waits and monitors the receipts before taking a decision on revision of rate of Administrative Charges from 3% to 3.5%. The Chairman enquired about how the expenditure was to be met in the meantime Cdr. Sharma mentioned that it can be met from surplus. It was, however, explained to the Board that there was no seperate account for the earlier years surplus which had been merged with the corpus funds. Cdr. Sharma drew attention to some discrepancies in expenditure for furnishing visitors room, wooden panel in the Board Room which had been shown under the head Recurring as well as Non-recurring expenses.

Secretary explained that the Airconditioners for Computer terminals are to be installed and purchase of computer terminals etc. is under Non-recurring and repairs to Board Room and Officers toilet etc. are under recurring. Cdr. Sharma further pointed out that separate provisions has been made for payment of Pension & Gratuity Fund whereas these are one and the same thing. Secretary explained that this is due to inadequate Funds under the respective heads through which the payments of pension and gratuity could have been met, but since the building up of Funds is under process, two separate provisions have been made. Members agreed to the system proposed by Secretary. As regards, Administrative Charges the Board decided that such charges would be recovered @ 3.5% for the time being and the situation would be reviewed after 6 months.

After a detailed discussion on the Budget the Board unanimously approved the Revised Estimates for the year 1994-95 and Budget proposals for the year 1995-96.

Item No. 4: Fixation of rate of interest for credit to the members' accounts for the year 1994-95.

Considering the balance in Interest Suspense Account for future the Board approved the rate of interest of 12% for the year 1994-95 to be credited to seamen members' account as suggested by Secretary.

Item No. 5: Settlement of claims of Missing seamen.

Cdr. Sharma stated in cases of missing seamen who have filed a nomination, Provident Fund dues could be paid to the nominee based on Shipping Master's report and on

cancellation of Registration of the missing seaman. The Chairman was also of the view that payment of provident fund money after 7 years defeats the very purpose of provident fund, since the money gets devalued. However, it was noted that under Section 108 of the Indian Evidence Act, Board may not have any powers to reduce the time period. The Chairman requested Secretary to submit number of such pending cases and legal provisions of Declaration/Nomination in the next Board Meeting.

Item No. 6 : Installation of two Airconditioners for Computer Terminals in the Office of the Seamen's Provident Fund.

The Secretary explained that in the summer season due to high temperature the computer terminals may give faulty information/results. Some other members were also of the view that to protect the system from possible damage due to extreme heat and dust it would be desirable to have airconditioners for computer terminals in the Seamen's Provident Fund office.

After detailed discussions it was decided to install two airconditioners, one at Inquiry Counter and other in the Accounts Section where computer terminals are functioning.

Item No. 7 : The proposed Seamen's Provident Fund (Staff & Conditions of Service) Promotion Rules 1994.

The Chairman stated that the proposed rules were to be examined in detail which would take some time and hence this item should be resubmitted for consideration in the next Board meeting.

Item No. 8 : Re-examination of reduced rate of Administrative Charges from 3.5% to 3% w.e.f. 1-4-1994.

The item was discussed in detail with the earlier item No. 3 before approval of Budget and finally it was decided that the Administrative Charges rate should remain at 3.5%.

Item No. 9 : Encashment of Special Deposits lying with Reserve Bank of India.

Secretary informed the members that about 800 seamen have already retired on 31st December, 1994 and for paying their final withdrawal an amount of Rs. 8 crores will be required in addition to Rs. 1.5 crores which was approved in the 71st Board meeting. The Board agreed to encash further deposits of Rs. 8 crores also.

The following resolution was passed.

"Resolved that consequent upon the decisions of the Board at its 72nd Meeting the Commissioner Seamen's Provident Fund is hereby authorised and empowered to withdraw upto a maximum amount of Rs. 9.5 crores from Special Deposits Scheme Account from Reserve Bank of India, Bombay to meet the requirement of disbursing Final/Non-refundable withdrawals of the seamen member's who have retired on 31-12-94."

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

R. Vasudeva
CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 73rd Meeting of the Board of Trustees, Seamen's Provident Fund held on Friday, the 29th September, 1995 at 10.00 A.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 9 Walchand Hirachand Marg, Ballard Estate, Bombay-400038.

The following were present:

Shri R. Vasudevan	Chairman
Shri. O. P. Mahey	Member.
Shri. H. P. Sharma	Member.
Cdr. L. K. Sharma	Member.
Shri. R. Ananthakrishnan	Member.
Dr. Leo Barnes	Member.
Shri. Anil Baran Das	Member.
Shri. Laxmi Narain	Secretary.

Leave of absence was granted to Assistant Financial Adviser of Ministry of Surface Transport, Shri. M.T. Joseph, Seafarers Representative from Bombay and Shri. T.K. Choudhury, Representative of INSA Sub-Committee, Floating Staff, Calcutta.

The following were present as special invitees.

Capt. A.P. Kothurkar.

Shri. A.V. Ketkar.

The Board thereafter took up the Agenda items.

Item No. 1: Confirmation of the Minutes of the 72nd Meeting of the Board of Trustees, Seamen's Provident Fund held on 16th January, 1995.

The amendment suggested by Cdr. L.K. Sharma vide his letter dated 28-2-1995 were discussed in detail and finally the minutes were approved without any modification in the minutes.

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

Sr.No.1 (i): The Chairman directed the Secretary to short list the applications received for the post of Accounts Officer in response to the Circular No. 33(1)/CR/93 dated 16-8-1995 issued by Directorate General of Shipping and a Board for selecting Accounts Officer should be constituted comprising of Cdr. L.K. Sharma, Dr. Leo Barnes, Commissioner, Seamen's Provident Fund and Dy. Director General of Shipping (Crews).

Sr.No. 1 (ii): Noted by the Board.

Sr.No. 2: It was decided to pay a salary of 10% extra to the EDP Supervisor than the Data Entry Operator w.e.f. date of joining till the link between Bombay & Calcutta is established.

Sr. No. 3: This was discussed in detail under item No. 5.

Sr.No. 4: The Chairman opined that even after opening a bank account with Kidderpore Branch of State Bank of India, Calcutta, no improvement has been felt in disposing of Provident Fund claims of Calcutta based seamen. Shri. A.B. Das stated that the

present system of engaging three staff members from Shipping Office, Calcutta to deal with Provident Fund claims of Calcutta based seamen is not satisfactory, either due to frequent absence of the concerned staff or forwarding the Provident Fund withdrawal applications to the Commissioner, Seamen's Provident Fund Office, Bombay after 15 days, defeates the very purpose of early settlement of Provident Fund claims. Shri. O. P. Maheg suggested that once in a month three to four officials of Seamen's Provident Fund Organisation should visit Calcutta to settle the Provident Fund claims and Shipping Master, Calcutta can issue the cheques then and there who has been authorised by the Board for this purpose. Dr. Leo. Barnes suggested that by keeping a sum of Rs.1 Crore in Saving Bank Account, we are losing heavy interest and therefore, the Commissioner should ascertain from the records the number of likely withdrawals during a particular period and accordingly a sizeable amount say Rs.50 Lakhs be kept in Fixed Deposit for 46 days. He suggested that the amount be kept in sets of Rs.10 Lakhs each to meet any unforseen eventualities for prematured encashment if required.

Sr No.5&6 : Noted by the Board.

Sr.No.7 : Dr. Leo Barnes opined that in case of seaman missing on shore can be paid by obtaining Indemnity Bond from the next of kin. As far as the seamen missing on high seas are deemed to be dead, these cases should be decided in usual manner like retired/deceased seaman.

Sr No. 8 : Noted by the Board.

Sr. No. 9 : This was discussed vide Item No. 7.

Sr. No. 10 : The Chairman opined that in the light of Ministry of Surface Transport's letter dated 6/7th March, 1995 wherein rate of Administrative Charges continues to be 3.5%, the rate of Administrative Charges will be effective from 1-4-1994 @ 3.5% because office modernisation cost is increasing day by day and reduced Administrative Charges will not be sufficient to overcome such Administrative expenditure.

Sr. No. 11 : Noted by the Board.

Item No. 3 : Draft Annual Report on the working of the Seamen's Provident Fund Scheme 1966 for the year 1994-95.

Noted by the Board with the observation that by the next Board meeting, if nothing is heard from District Collector/ Official Liquidators in respect of companies which have gone into liquidation, the Board may consider to waive of these outstanding amounts. However, Commissioner, Seamen's Provident Fund should make concrete efforts by contacting District Collector/Official Liquidator for recovery of these amounts.

Item No. 4 : Budget Re-appropriation for the year 1994-95.

Noted by the Board.

Item No.5 : Transfer of work relating to the investments of monies accruing to the Provident Fund from Reserve Bank of India.

It was discussed and unanimously decided to entrust the work relating to the investment of moneys accruing to the provident fund to State Bank of India for a initial period of 6 months. The Board also passed the following Resolutions for this purpose.

1). Resolution for authorising Commissioner, Seamen's Provident Fund Organisation, to communicate with State Bank of India.

Resolved that in pursuance of decision taken by the Board of Trustees, in its 73rd Meeting to handover the investment management of the Fund to State Bank of India, the Commissioner, Seamen's Provident Fund is hereby authorised to communicate with State Bank of India, Bombay on day to day affairs of investment and the communication signed by the Commissioner will be binding on the Trustees.

2) Resolution for Opening a Current Account (Investment Account) with the Securities Service Branch, State Bank of India, Bombay.

Resolved that in pursuance of decision taken by the Board of Trustees, in its 73rd meeting, it is hereby decided to open new investment account as Current Account with the Securities Service Branch, State Bank of India, Bombay. Further resolved that the said account will be operated in the manner as provided in the

Agreement entered into between Seamen's Provident Fund and State Bank of India for management of investment portfolio.

3) Resolution for Transfer of Accounts maintained under Special Deposit Scheme, 1975 with Reserve Bank of India to State Bank of India.

Resolved that following accounts under the Special Deposit Scheme, 1975 in the name of Seamen's Provident Fund which are presently being maintained with Reserve Bank of India, Bombay be transferred to State Bank of India, Securities Service Branch, Bombay and that the said bank be and is hereby authorised to accept all cheques, bills of exchange promissory notes, other receipts and drafts and negotiable instrument drawn and made for and on behalf of the fund by any of the two officials of the State Bank of India acting jointly.

Item No.6: Re-examination of reduced rate of Administrative Charges from 3-5% to 3% w.e.f. 1-4-1994.

This item was discussed vide Sr. No.10, Item No.2, and the rate of Administrative Charge will be 3-5% w.e.f. 1-4-1994.

Item No.7: The Proposed Seamen's Provident Fund (Staff and Conditions of service) Promotions, Rules, 1994.

This item was discussed in detail and the Chairman directed the Commissioner to constitute a Board of Officers compising Shri O.P. Mahey, Under Secretary, Ministry of Surface Transport, Deputy Director General of Shipping (Crew), Commissioner, Seamen's Provident Fund and Capt. Kothurkar to go in detail for restructuring the staffing of

Seamen's Provident Fund keeping in view of the promotional avenue to almost all the staff by creating one extra post of Office Superintendent, two extra posts of Deputy Superintendent, upgrading the post of Cashier, Stenographer and Hindi Translator.

Item No.8: Arrangements for expeditious Payments to seamen members (suggested by Dr. Leo. Barnes).

The Board decided to pay overtime to the concerned staff members working beyond office hours and on holidays in clearing the final withdrawal claims.

Additional Item No.9: Amendments to Seamen's Provident Fund Act, 1966.

The Chairman apprised the members regarding proposed amendments to Seamen's Provident Fund Act, 1966 which has since been approved by the Cabinet. Shri. O.P. Mahey requested the Chairman to depute Commissioner Seamen's Provident Fund, Bombay to New Delhi to discuss with Law Ministry for finalising the Bill to be placed before Parliament. Chairman agreed to the suggestion made by Shri. O. P. Mahey.

Additional Item No.10: Computerisation of Accounts.

This item was discussed under Item No.2, vide Sr. No.2 and the Board decided to pay a salary of 10% extra to the EDP Supervisor than the data entry operator.

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

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

23/9/96

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 74th Meeting of the Board of Trustees Seamen's Provident Fund held on Monday the 22nd January, 1996, at 3.00 P.M. in the Board Room of Seamen's Provident Fund Organisation, "Krupanidhi", 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Bombay – 400 001.

The following were present:

Shri. R. Vasudevan	Chairman
Cdr. L. K. Sharma	Member
Dr. Leo. Barnes	Member
Shri. M. T. Joseph.	Member
Shri. Anil. Baran. Das.	Member
Shri. Laxmi. Narain.	Secretary

Leave of absence was granted to Shri. P. K. Dubey, Director, Ministry of Surface Transport, Assistant Financial Adviser of Ministry of Surface Transport, Shri. H. P. Sharma, Dy. Director General of Shipping, Shri. R. Ananthakrishnan, Representative of Indian National Shipowners' Association, Bombay and Shri. T. K. Choudhury, Representative, INSA Sub-Committee, Floating Staff, Calcutta.

The following were present as special invitees.

Capt. Sen. Gupta.
Capt. V. K. Gupta
Capt. A. P. Kothurkar
Shri. A. V. Ketkar

The Board thereafter took up the Agenda items.

Item No.1: Confirmation of the minutes of the 73rd Meeting of the Board of Trustees, Seamen's Provident Fund held on 29th September, 1995.

The amendment suggested by Cdr. L.K. Sharma regarding payment to the EDP Supervisor was accepted and it was decided to pay 10% extra of the basic pay over and above of the pay admissible to the Data Entry Operator. The Minutes were then approved without any further modifications.

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

Sr.No.1: The Chairman apprised the members, that for filling up the post of Accounts Officer in the Seamen's Provident Fund Organisation, Confidential Report and Vigilance Clearance has since been received for the incumbants. The same is being processed and offer of appointment will be issued to the candidate who has been selected for the post of Accounts Officer, shortly.

Sr.No.2: In view of the amendment suggested by Cdr. L.K. Sharma to the Minutes of 73rd meeting of the Board of Trustees, regarding payment of salary to the EDP Supervisor and as accepted by the Board pay will be revised from February onwards and EDP Supervisor will continue in service on regular basis.

Sr.No.3: It was decided to assign the portfolio management to State Bank of India for 1 year and following resolution was passed:-

"In supersession of resolution passed at the 73rd Meeting, it is Resolved that the work relating to the investment of moneys accruing to the Seamen's Provident Fund shall be entrusted

to State Bank of India, Bombay for a period of one year."

Sr.No.4: It was decided to depute somebody to train the staff of the Shipping Master's Office at Calcutta to get access with main terminal at Mumbai for required information. Dr. Leo. Barnes suggested that Rs.10,00,000/- each in sets should be deposited in fix deposit for minimam period of forty-six days.

Item No.5: Noted by the Board

Item No.6: It was decided that in case of seaman missing from shore, payment can be made to the nominee by obtaining Indemnity Bond after a lapse of 3 years' period. As regards seamen missing at high seas, such seamen should be presumed dead and their cases should be decided in usual manner like retired/deceased seamen.

Sr.No.7: The Chairman, however, directed Capt. Kothurkar to re-submit report afresh in consultation with the Secretary.

Sr.No.8: Noted by the Board.

Item No.3: Revised Estimates for the year 1995-96, Budget Proposals for the year 1996-97.

The Revised Estimates for the year 1995-96 and Budget Estimates for 1996-97 were approved.

The Secretary explained that increase in expenditure was due to unforeseen expenditure like purchase of computer/printer

modern and steep hike in electricity tariffs, telephone charges (STD) and Stationery/Printing etc. Secretary further assured that the organisation will make all steps to keep the expenditure within limits of receipts and if necessary it will be met from surplus funds available.

Item No.4 : Fixation of Interest for credit to the members accounts for the year 1995-96.

After considering the comparative receipts of interest during the last 3 years and the balance after crediting the interest is Rs. 49.72 lakhs, it was agreed to approve the rate at 12% for the year 1995-96. However, Secretary explained to the Members that anticipated balance in the Interest Suspense Account as on 31-3-96 would be Rs. 16.19 lakhs and not Rs. 49.72 lakhs as pointed out by Capt. Gupta, since Rs. 33,51,691.18 has been included in the amount of Rs. 21,64,43,083.03 shown as interest income for the year 1994-95 as detailed :—

Balance as on 31-3-94		Rs. 33,51,691.18
Interest income during the year 1994-95	Rs. 21,26,26,354.85	
Add: Damages.	Rs 4,65,037.00	Rs. 21,30,91,391.85
		Rs. 21,64,43,083.03

Item No.5 : Audit Report/Inspection Report on the Accounts of the Seamen's Provident Fund Organisation, Bombay for the year 1994-95.

The position of the Report submitted to the Board has been noted by the Board.

Item No. 6 : i) Enhancement of Medical Allowance

After detailed discussions it was decided that the Sub-Committee will consider the issue of enhancement of medical allowance alongwith the issue of promotions and report to the Board for its approval at its next meeting.

ii) Ex-gratia payment in lieu of Bonus to the Staff and Officers of this Organisation.

After detailed discussions on this issue it was unanimously agreed by the Board to pay Ex-gratia at the rate of 8.33% or Rs. 2,500/- whichever is less every year from 1995-96 onwards for the good services rendered by the staff of the Organisation.

The Secretary thanked all the Members for their co-operation he has received during his tenure as Secretary to the Board.

The Chairman appreciated the services rendered by Shri. Laxmi Narain during his short period.

Cdr. Sharma and Dr. Leo Barnes on behalf of the Members of the Board of Trustees also appreciated the services rendered by Shri. Laxmi Narain as Commissioner, Seamen's Provident Fund and the Secretary to the Board as well.

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

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

28/11/96
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 75th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 23rd September, 1996 at 3.00 P.M. in the Board Room of Seamen's Provident Fund Organisation, Krupanidhi, 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

The following were present :-

Shri M. P. Pinto	Chairman
Capt. N. A. Hiranandani	Member
Shri I. K. Choudhury	Member
Shri R. Ananthakrishnan	Member
Dr. Leo Barnes	Member
Shri M. I. Joseph	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

Leave of absence was granted to Shri P. K. Dubey, Director, Ministry of Surface Transport, Shri P. R. Acharya, Asst. Financial Adviser of Ministry of Surface Transport, Shri H. P. Sharma, Dy. Director General of Shipping.

Shri V. S. Gangurde attended the meeting as an Observer.

Dr. Barnes welcomed the new Chairman and introduced the Trustees present. He also welcomed the new member Capt N. A. Hiranandani and new Secretary and all other members present. The Chairman expressed the hope

that as usual the members would extend their co-operation in conducting the proceedings of the meeting in a cordial manner.

The Board thereafter took up the Agenda items.

Item No 1 Confirmation of the minutes of the 74th Meeting of the Board of Trustees, Seamen's Provident Fund held on 22nd January, 1996.

The Minutes of the 74th meeting were confirmed without any amendments / comments.

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

Sr. No. 1 Secretary explained that one person was Selected for the post of Accounts Officer by the Director General of Shipping. However, Ministry of Surface Transports' approval is still awaited as required under Para 20(1) of Seamen's Provident Fund Scheme, 1966. He further stated that this office has received a Memorandum from the Ministry of Finance, Department of Expenditure which stipulates that if a post is held in abeyance or remains unfilled for a period of one year or more it would be deemed to be abolished. The Accounts Officer's post is lying vacant since 1985 and there is one Administrative / Asst. Accounts Officer who has been managing the job of Accounts Officer since then.

Dr. Barnes opined that the organisation does not

require an Accounts Officer since the accounts of the organisation has been computerised by the in-house computer and the post of Accounts Officer is on ad-hoc basis.

The Chairman expressed that the post of Accounts Officer should exist and opined that one post of Chartered Accountant be created as this organisation maintains vital accounts involving a large amount of money. He also expressed that the person who has got accommodation in Mumbai should be appointed for the post of Accounts Officer.

He directed the Secretary to find out the pay scales for Chartered Accountant and feasibility for its creation for consideration of the Board.

Sr. No. 2 The Chairman enquired why the services of EDP Supervisor was terminated. Secretary explained that after he took charge as Commissioner, in February, 1996 he observed that the accounts slips for the year 1994-95 were printed in August, 1995, inspite of having an EDP Supervisor. The feeding of 1995-96 accounts was left unattended and a problem occurred in the software programme could not be solved by the EDP Supervisor and outside help was taken to solve the problem. Since there is no sufficient work for the EDP Supervisor, her continuation on regular basis was considered a financial burden to the organisation. The existing staff are capable of managing the job smoothly and whenever required we could hire the services of EDP Supervisor.

Shri A.B. Das stated that after a long persuation a computer was installed at Calcutta which is lying idle since

1995, as link between Calcutta and Mumbai not established. The seamen are facing hardships. Secretary stated that by the end of March, 1997 the link between Calcutta and Mumbai will be established, and staff of Seamen's Provident Fund will be deputed to train the staff at Calcutta.

Sr. No. 4 The Chairman asked Secretary as to why Rs. 1 crore was kept in State Bank of India, Calcutta. Dr. Barnes stated that the seamen could get their payment without any delay. He further stated that the amount of Rupees one crore was kept in a set of Rs 10 Lacs each in 46 days term deposit. This money has been utilised to pay Final and Non-Refundable Withdrawal cases for Calcutta based seamen. Shri A.B. Das stated that some more money on regular basis to be transferred to State Bank of India, Calcutta for payment of Calcutta based seamen. Secretary stated that Rs. 50 Lacs would be adequate amount to be kept at Calcutta. Chairman agreed for Rs. 50 Lacs to be maintained in State Bank of India at Calcutta. He also suggested that this money to be kept in a set of Rs 10 Lacs each for 30 days term deposits and as and when required this term deposit may be prematurely broken.

After some discussion the Chairman directed the Secretary to visit Calcutta to assess the situation and put up the detail to the Board.

Sr. Nos 3, 5, 6, 7, and 8 have been noted by the Board.

Item No 3 Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1995-96.

After some discussion regarding pattern of investment, levy of damages on delayed payments by shipping companies the Board approved the Annual Report for the year 1995-96.

Item No 4. Budget Re-appropriation for the year 1995-96

Noted by the Board.

Item No. 5 Transfer and Management of Home Trade Seamen's Provident Fund from the Office of the Commissioner to the Provident Fund for the Crew (Non-CDC Holders) of the Shipping Corporation of India Ltd - Request from the Shipping Corporation of India Ltd.

Shri R. Ananthakrishnan stated that at present the provident fund dues of Home Trade seamen are remitted to the Seamen's Provident Fund Commissioner and the Shipping Corporation of India is requesting for transfer of this amount to hold as security for granting House Building Advance to these seamen. Dr Barnes stated that Seamen's Provident Fund Scheme also provides Housing Loan as Non-Refundable Withdrawals.

The Chairman opined that Advance and Non-Refundable Withdrawal are two different terms and the Shipping Corporation of India Ltd, is giving refundable advances holding seamen's money which is naturally beneficial to the seamen. Dr. Barnes then suggested that in that case, the Shipping Corporation

of India may seek exemption under Section 20(1) of Seamen's Provident Fund Act, 1966.

The Chairman enquired what are the relevant rules for transferring the provident fund amount Dr. Barnes read out Section 20(1) of Seamen's Provident Fund Act, 1966.

Ultimately the Board endorsed the views expressed by Dr. Barnes and directed Shri Ananthakrishnan to apply for exemption with complete justification.

Item No 6. Transfer of work relating to the Investments of monies accruing to the Provident Fund from Reserve Bank of India.

While initiating the discussion on this item, the Chairman enquired as to why State Bank of India was selected for port folio management. Secretary explained the reasons in detail for entrusting this work to State Bank of India. The Chairman further asked whether this work can be given to any other banks or any non-banking financial institutions such as HDFC, Sicom, Alpic Finance, Kothak Mahindra etc. for which the Secretary stated that almost all nationalised banks were approached in addition to State Bank of India and except State Bank of India and one private financial institution M/s Tibord Financial services no one has come forward to take over this job. Considering the security point of view and being nationalised one it was decided by the Board of Trustees at their 73rd meeting to entrust this work to State Bank of India for a period of 6 months. However, State Bank of India informed their

inability to undertake the work for a period of 6 months due to SEBI/Reserve Bank of India restrictions, the Board of Trustees, at their 74th meeting decided to entrust this work to State Bank of India for a period of one year. However, as the charges were considered very high this work was not entrusted to them.

The Board then directed the Secretary to explore the possibilities to hand over this work to non-banking financial institutions and report to the Board at its next meeting. They also directed the Secretary to write to Reserve Bank of India for collection of interest due on securities or to hand over securities to this organisation for this purpose.

Item No. 7 : Housing Accommodation for the Commissioner.

Dr. Barnes explained that with an amount of Rs. 22 Lacs we could purchase a flat on outright basis or on rental basis for Rs. 20 to 25 thousand per month. Capt Hiranandani stated that at present, flat measuring nearly 1000 sq. ft. may cost around Rs. 30 to 40 Lacs.

The Chairman directed Secretary to explore the possibilities for purchasing a flat either on outright purchase or on rental basis.

Item No. 8 : The proposed Seamen's Provident Fund Staff and Conditions of Services, promotions Rules, 1994 and enhancement of Medical Allowances.

This item was deferred and the Board decided to

discuss the same at the next meeting.

Item No. 9 : Review of the rate of Administrative Charges.

Capt. Hiranandani stated that due to revision in the NMB Agreement the wages of the seamen will increase which will have a corresponding increase in the Administrative Charges, Hence, he suggested to reduce the rate of Administrative Charges from 3.5% to 3%.

After some discussion in detail it was decided that the rate of Administrative Charges should remain at 3.5% and will be reviewed in the next financial year.

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

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

31/1/97
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 76th Meeting of the Board of Trustees Seamen's Provident Fund held on Thursday, the 28th November, 1996 at 3.30 P.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai 400001.

The following were present :

Shri M.P. Pinto	Chairman
Capt. N.A. Hiranandani	Member
Shri R. Ananthakrisnan	Member
Dr. Leo Barnes	Member
Shri M.J. Joseph	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary.

Chairman welcomed the members.

Leave of absence was granted to :-

(i) The Director, Ministry of Surface Transport, New Delhi,

(ii) Deputy Financial Adviser, Ministry of Surface Transport, New Delhi,

(iii) Dy. Director General of Shipping (dealing with Seamen's Welfare) Mumbai,

(iv) Shri T.K. Choudhury, Chairman, Indian National Shipowner's Association (Floating Staff) Calcutta.

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

Item No. 1 Confirmation of the minutes of the 75th Meeting of the Board of Trustees, Seamen's Provident Fund held on 23rd September, 1996.

Secretary stated that the Minutes of the 75th 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 75th Meeting as confirmed.

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

Sr. No. 1 Secretary stated that on enquiry with institute of Chartered Accountant of India, Mumbai, revealed that there is no prescribed pay scales for employment on permanent basis and it is left to the Organisation and/or the Chartered Accountants to fix the pay scales. The Chairman enquired about the pay scale and housing facilities for Accounts Officer in this Organisation. Secretary stated that the total emolument is around Rs. 8000/- and there is no facilities of accommodation for Accounts Officer. The Chairman also inquired about the incumbant who has been selected last year for the post of Accounts Officer, while replying Secretary stated that the incumbent was not

a Chartered Accountant but he is working in Government offices as an Asstt. Accounts Officer.

Board finally agreed to persue the matter with the Ministry for giving approval for the Accounts Officer who has already been selected since getting a Chartered Accountant on such a low remuneration i.e. around Rs. 8000/- to Rs. 10000/- is very difficult and more over there is no post of Chartered Accountant sanctioned by the Ministry.

Sr. No. 2: Secretary stated that due to paucity of funds it was not possible to transfer Rs. 50 lacs to State Bank of India, Calcutta. At present only Rs. 20 lacs could be transferred and whenever funds are available further amount would be transferred at regular intervals.

While the Chairman enquired about the Commissioner's visit to Calcutta, Secretary stated that due to his ill-health he could not visit Calcutta and before the next meeting he would visit Calcutta. The Board agreed.

Sr. No. 5: The Board agreed for a flat on rental basis at Rs. 12000/- to Rs. 15000/- The Commissioner stated that he would solve his housing problem at his own. At present there is no need for leased flat.

Item No. 3: The proposed Seamen's Provident Fund Staff and Conditions of Services, promotion Rules, 1994 and enhancement of Medical Allowance - Report of the Sub-Committee.

(i) The proposed Seamen's Provident Fund Staff and Conditions of Services, promotion Rules, 1994.

Secretary stated that there exist a need for upgradation as almost seventy percent of the Staff members even after completion of 12 to 15 years of service remain in the same grade. Since, there were no promotional avenues and considering the age profile, there is no possibility of getting any promotion during next seven years as there is no retirement on superannuation during this period. In order to avoid stagnation of the senior staff members Secretary recommended upgradation of two posts of Senior Assistants to that of Deputy Superintendents and one post of a peon to that of a Daftary resulting in promotion prospects for one peon to daftary, two junior assistants to senior assistants and two senior assistants to deputy superintendents.

After some discussions, the Board approved the proposals for promotions. The staff strength of the Organisation shall be as under after introduction of the promotion proposal put up by sub-committee.

Sr. No	Post	Pay Scale	No. of Posts (Existing)	After Recommendation
1	Commissioner	Rs. 3700 - 5000	1	1
2.	Accounts Officer	Rs. 2200 - 4000	1	1
3.	Adm/Asst/Accounts Off.	Rs. 2000 - 3200	1	1
4.	Off. Superintendent	Rs. 1640 - 2900	1	1
5.	Dy. Superintendent	Rs. 1600 - 2660	2	4
6.	Sr. Assistants	Rs. 1400 - 2300	7	7
7.	Stenographer	Rs. 1400 - 2300	1	1
8.	Hindi Translator	Rs. 1400 - 2300	1	1
9.	Cashier	Rs. 1200 - 1800	1	1
10.	Jr. Asst.	Rs. 1200 - 1800	14	12 *
11.	Hindi Typist	Rs. 1200 - 1800	1	1
12	Daftary	Rs. 775 - 1025	—	1
13.	Peon	Rs. 750 - 940	4	3 #
14	Cleaner	Rs. 750 - 940	1	1
			36	36

* Resultant vacancy of two post of junior assistants to be abolished

\# Resultant vacancy of one post of peon to be abolished.

(ii) Enhancement of Medical Allowance.

The Board agreed to enhance Medical Allowance from Rs. 200/- P.M. to Rs. 300/- P.M. to the staff and officers of the Seamen's Provident Fund Organisation w.e.f. 1.1.1997 as proposed by the sub-committee.

Item No. 4 :- Transfer of work relating to the investments of monies accruing to the provident fund from Reserve Bank of India.

It was made clear to the Board that over 92% of money had been invested in Special Deposit Scheme, on which we are getting 12% interest per annum. It is not possible to get back this amount before 30th June, 1998 for further investment in higher yielding returns. The remaining amount available for investment is not very large and therefore, professionals were not keen to offer their services for portfolio management.

The details of total investments as on 31.3.96 are as under :-

Sr. No	Type of Investment	Amounts	Percentage of Total investment
1	Special Deposits A/c	2020767000.00	92.49
2 A.	Central Govt Loans	108457278.29	4.96
B.	State Govt Loans (Interest collection is direct credit to our account as and when due	29248145.69	1.34
C.	State Guaranteed Bonds PSFI Bonds held in physical form (Interest is collected through Correspondence)	26469585.82	1.21
		2184942009.80	100

The Board then directed the Commissioner to take over the investment work from Reserve Bank of India immediately to avoid loss of interest earning to the fund.

It was also decided by the Board to transfer and keep

(i) Special Deposit Scheme amount in any nationalised bank,

(ii) Central / State Govt. securities in physical and/or in SGL form and,

(iii) Bonds in physical form,

for collection of the interest as and when it becomes due.

The Board adopted a resolution for taking over of investment work from Reserve Bank of India as under.

"In supersession of unanimous decision taken at

73rd meeting of the Board of Trustees held on 29.09.95, it has been resolved that the work of Investment (i.e. to sell, purchase, transfer, endorse negotiate, sign, letter of indemnity and receive interest and principal) of Seamen's Provident Fund monies shall be done by the Commissioner, Seamen's Provident Fund Organisation, Mumbai."

The Board directed Secretary to submit detailed report on investment in the next Board meeting for the information of all the members of the Board.

Item No.5 : Mode and periodicity of payment of Contributions.

Due to paucity of time this item could not be discussed in detail. Therefore, the Board took the decision to discuss this item in the next meeting.

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

CHAIRMAN
BOARD OF TRUSTEES
SEA... PROVIDENT FUND
BOMBAY

07/10/97
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 77th Meeting of the Board of Trustees, Seamen's Provident Fund held on Friday, the 31st January, 1997 at 3.30 P.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 2, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

The following were present :-

Shri M. P. Pinto	Chairman
Capt. N. A. Hiranandani	Member
Shri R. Ravichandran	Member
Dr. Leo Barnes	Member
Shri M J. Joseph	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

Chairman welcomed the members.

Leave of absence was granted to :-

(i) The Director, Ministry of Surface Transport New Delhi.
(ii) Deputy Financial Adviser, Ministry of Surface Transport, New Delhi.
(iii) Shri R. Ananthakrishnan, Indian National Shipowners' Association, Mumbai
(iv) Shri T.K. Choudhury, Chairman, Indian National Shipowners' Association (Floating Staff), Calcutta.

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

Item No. 1 : Confirmation of the minutes of the 76th Meeting of the Board of Trustees, Seamen's Provident Fund held on 28th November, 1996.

Secretary stated that the Minutes of the 76th Meeting were circulated among the members of the Board for amendments/comments and except Capt. Hiranandani, who certified that the minutes were in order, no other members have sent in their amendments/comments. Chairman asked the members present whether they have any suggestions/ comments to the draft minutes. Shri M. J. Joseph stated that no direct recruitment should be made to the recently upgraded posts of Deputy Superintendent/Senior Assistants when they fall vacant. Chairman and Secretary clarified the position that Recruitment Rules do not permit for such direct appointment to the higher grades and it will be made by promotion from Junior Level only.

The Board then approved the draft Minutes of the 76th Meeting as confirmed

Item No. 2 : Action taken on the decisions of the Board.
Sr. No. 1 : The Board noted the position.
Sr. No. 2 : The Board noted the position.

Item No. 3 : Revised Estimates for the year 1996-97 and Budget Proposals for the Year -1997-98.

The Revised Estimates for the year 1996-97 and Budget Estimates for the year 1997-98 were approved by the Board subject to clarification sought by the Chairman with regard to the interest earnings. The Secretary was directed to go into the matter in detail and clarify it to the Chairman. Secretary assured the Board that persistent efforts would be made to prune the expenditure wherever possible.

Item No. 4 : Fixation of rate of interest for credit to the members accounts for the year 1996-97.

Dr. Barnes complimented the Secretary for declaring enhanced rate of interest at 12.25% to the seamen members. The Chairman and other members also joined with Dr. Barnes, and approved the rate of interest at 12.25% for the year 1996-97 for credit to the seamen members account.

Item No. 5. : Mode and periodicity of payment of contributions (deferred item)

Capt. Hiranandani, stated the Provident Fund contributions in respect of crew members signed off at Mumbai were being paid immediately and in any case within the stipulated period of 15 days. But delay did occur due to certain inevitable difficulties in cases of the seamen members paid off at out ports including ports abroad inspite of the best efforts of the Employers. He therefore requested that grace period of 15 days should be allowed to the Employers. However, Dr. Barnes, Shri M. J. Joseph,

and Shri Anil Baran Das, while appreciating the views expressed by Capt. Hiranandani, reiterated that when the shipowners were required to pay the wages to the seamen members within 4 days from the date of their discharge and they were required to submit the Provident Fund returns to the Shipping Masters concerned at the time of pay off, there was no reason as to why they could not deposit the Provident Fund Contributions within the stipulated period of 15 days. As such, there is no valid ground to allow 15 days grace period over and above the stipulated period of 15 days. The Chairman requested Capt. Hiranandani, to come out with a specific proposal for consideration of the Board.

Item No. 6. : Audit Report / Inspection Certificate on the Accounts of Seamen's Provident Fund for the year 1995-96.

The position of the Report / Certificate submitted to the Board was noted by the Board.

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

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

23/01/98
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 78th Meeting of the Board of Trustees, Seamen's Provident Fund held on Tuesday, the 7th October 1997 at 3.00 P.M. in the Board Room of Seamen's Provident Fund Organisation "Krupanidhi", 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001

The following were present :-

Shri M. P. Pinto	Chairman
Shri R. Ravichandran	Member
Smt. Bharati Das	Member
Shri R. D. Meena	Member
Shri P. R. Mudras	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

Leave of absence was granted to

(i) Capt N. A. Hiranandani
(ii) Shri J. K. Choudhury
(iii) Dr. Leo Barnes
(iv) Shri M. J. Joseph.

Shri V. S. Gangurde attended the meeting as an observer.

Secretary introduced new member Shri P. R. Mudras, INSA representative. The Chairman while

welcoming the new members also introduced Smt. Bharati Das and Shri R. D. Meena, representing the Government and expressed his conviction that the Board would benefit immensely from the experience and talent of the new members.

The Board then took up the Agenda.

Item No. 1. Confirmation of the 77th Meeting of the Board of Trustees, Seamen's Provident Fund held on 31st January, 1997 at 3.30 P.M., in the Board Room of this office.

Secretary stated that Minutes were circulated to all the members but no comments/suggestions received from the members. Since no comments were forthcoming the Board confirmed the Minutes of the 77th meeting.

Item No. 2. Action taken on the recommendations made by Board of Trustees, Seamen's Provident Fund at their 77th Meeting held on 31-01-1997 in the Board Room of this office.

Sr. No. 1. The Board noted the position.

Sr. No. 2. The position explained in the Agenda was noted by the Board.

Sr. No. 3. Secretary informed that the proposal which was received in this regard is placed under Any

Other Item.

Item No. 3 Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966, for the year 1996-97

While discussing this item the Chairman complimented the Commissioner for holding the Administrative Expenditure at an appreciably low level, though marginally higher than the previous year despite frequent and steep increase in electricity tariff, telephone bills and postage charges etc.

As regards final and non-refundable withdrawals the Chairman enquired as to why the number of cases has gone down compared to the last year. Secretary explained the position in detail.

The Chairman asked the Secretary to describe the procedure followed for grant of non-refundable withdrawals, specially for sickness and housing. The Board observed that the procedure required to be revamped and made easier to avoid delay. With this had in view it was decided that Shri Ravichandran and Mrs Bharati Das, Member of the Board would go into the procedures for obtaining all withdrawals and recommend ways of streamlining them.

Shri A. B. Das stated that the outstanding recoveries of provident Fund Contributions from the companies which have either gone into liquidation or could not be recovered despite best efforts made by the organisation, has been appearing in the Annual Report

for quite sometime. He also stated that some of the companies have become defunct. Shri R. Ravichandran and Smt. Bharati Das suggested that these amounts can be written off. However, the Chairman opined that merely on the basis of non recovery, it would not be proper to write off these amounts as otherwise, the companies involved may come to the conclusion that they are no more required to pay the dues. He suggested that, these amounts can be written off from the accounts but the Commissioner should retain them in control account till recovery.

While discussing computerisation of accounts /unposted items Shri A.B. Das, complimented the Commissioner for his sustained efforts in achieving computer link between Mumbai and Calcutta, which was a long pending issue. He also expressed satisfaction over its functioning and requested the Board to provide one part time computer man for better functioning of the system. The Chairman suggested that Mr R. Ravichandran, Dy. Director General of Shipping and member Secretary SPF will look into the matter. After some further discussion, the Annual Report for the year 1996-97 was approved by the Board.

Item No. 4 Budget Re-appropriation for the year 1996-97

The Board noted the position and approved the budget Re-appropriation for the year 1996-97

Item No. 5 Revision of Pay Scales as recommended by the 5th Pay Commission for the Officers and Staff of the Organisation.

While initiating discussion on this item the Secretary stated that there would be an additional burden of Rs. 1 lac approximately per month. Shri A.B. Das stated that at present Administrative Charges of 3.5% is not levied on Ex-gratia and Annuity Fund even though these funds are managed by this Organisation and also interest at the rate of 12% is paid on these amounts. If we levy Administrative Charge at the rate of 3.5% on Ex-gratia and Annuity Fund also, this organisation could easily manage the additional burden. However, Shri Gangurde suggested that the issue of Administrative Charge could be discussed in the next meeting when the Budget Proposal will be submitted. The Board agreed to this suggestion and approved the proposal to revise the pay scales of the employees of Seamen's Provident Fund Organisation as per the recommendations of the Fifth Pay Commission as accepted by the Central Government. The Board also directed the Secretary to utilise the surplus fund if need arises on account of implementation of Fifth Pay Commission recommendations to the staff of this organisation.

Item No. 6 : Any other Item : Item No. 1. Mode and Periodicity of Payment of Contributions
<Please read with Agenda Item No. 2. Sr. No. 3>

This item was deferred to the next meeting as it was felt by the Board that it would be appropriate to discuss it when Capt Hiranandani was present.

Any other Item : Item No.2 : Amendment to Seamen's Provident Fund Act, 1966.

Secretary apprised the members that the Government Notification regarding Amendment to various sections of the Act has been received from the Ministry. In view of this the definition of the seaman has been amended to include the Master, navigating or engineering officer, radio officer, medical officer who were heitherto excluded under the Act/Scheme. The Board authorised Commissioner to collect the Provident Fund contributions in respect of above categories also from all the shipping companies w.e.f. 28.05.1997 together with Administrative Charges.

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

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

29/13
12/10/98
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 79th Meeting of the Board of Trustees, Seamen's Provident Fund held on Friday, the 23rd January, 1998, at 3.00 P.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

The following were present :-

Shri M.P. Pinto	Chairman
Shri R. Ravichandran	Member
Shri R.D. Meena	Member
Capt N.A. Hiranandani	Member
Shri P.R. Mudras	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

Leave of absence was granted to :

(i) Smt Bharati Das
(ii) Shri T.K. Choudhury
(iii) Dr. Leo Barnes
(iv) Shri M.T. Joseph

Shri V.S. Gangwide and Shri K.R. Varadarajan attended the meeting as observers.

The Board then took up the Agenda.

Item No. 1 Confirmation of the Minutes of the 78th Meeting of the Board of Trustees, Seamen's Provident Fund held on 7th October, 1997 at 3.00 P.M. in the Board Room of this office.

Minutes were circulated to all the members for amendments/comments. Shri A. B. Das suggested the following amendments to the minutes :

"Page 4 - Item 3 to be added after last line of the Para 3." and requested the Board to Provide one part time computer man for better functioning of the system. The Chairman suggested that Mr. R. Ravichandran Dy. Director General of Shipping and the member Secretary Seamen's Provident Fund will look into the matter." In para 1 on Page 3 the words "the vice Chairman" should be substituted the words" Shri Ravichandran" since there is no Vice Chairman of the Trustee Board.

The Board accepted the amendment as above and approved the draft Minutes of 78th Meeting as confirmed.

Item No. 2 : Action taken on the recommendations made by the Board of Trustees, Seamen's Provident Fund.

Sr. No. 1 : The Chairman asked Shri R. Ravichandran about the recommendations to revamp the procedure for

grant of all withdrawals. Shri R. Ravichandran stated that the Committee had a meeting at Delhi recently and one more meeting will be held shortly to finalise the recommendations. The report will be submitted to the Board before its next meeting.

Sr. No. 2 : Any Other Item : Item No. 1 : Noted by the Board.
Item No. 2 Noted by the Board.

Item No. 3 : Progress of work in Seamen's Provident Fund Organisation.

Secretary informed that claims in respect of Final Withdrawals and Non-Refundable Withdrawals are settled within 15 working days and 4 working days respectively which used to take more than 45 working days and 7 working days earlier. In reply to Shri P. R. Mudras question on the percentage of settlement, Secretary stated that almost 90% of claims are settled and remaining could not be settled due to improper documentation. As regards computer link between Mumbai and Calcutta Shri A. B. Das stated that the system is working very satisfactorily and the required informations are available. Secretary further expressed the hope that by the next meeting the number of days will be brought down to 10 days or so. The Board unanimously appreciated the Commissioner and staff of the organisation for the good work being done.

Item No. 4 : Fixation of rate of interest for credit to the

members accounts for the year 1997-98.

After detailed discussion, the Board approved the rate of interest at 12% per annum to be credited to the member's accounts for the year 1997-98.

Item No. 5: Proposal to revise rate of Administrative Charges.

While discussing this item, Secretary stated that it has become inevitable to levy Administrative Charges as proposed mainly due to revised pay scales as recommended by Vth Pay Commission.

However, Capt. N. A. Hiranandani and Shri P. R. Mudras representing employers expressed concern on the proposed increase of levy of Administrative Charges. Considering the views expressed by the Shipowners representatives and after having a detailed discussion on account of increasing expenditure mainly due to revision of pay scales, it was finally decided by the Board to increase the rate of Administrative Charges from 3.5% to 4.5% w.e.f. 1st April, 1998, and to review the same after assessing the availability of fund at the revised rate of 4.5% periodically.

Item No. 6. Revised Estimates for the year 1997-98 and Budget proposals for the year 1998-99

The Board approved the Revised Estimates for the year 1997-98 and Budget proposals for the year 1998-99 after detailed discussion.

Item No. 7: Amendment to seamen's Provident Fund (Staff and Conditions of Service) Regulations, 1972.

After some discussion, it was decided by the Board that Shri R. Ravichandran should examine this issue and put up a report to the Board in the next meeting.

Item No. 8: Crediting of Interest on Monthly bearing balance.

The Commissioner explained the procedure followed at present. The Board after hearing the views expressed by other members agreed with the proposal to credit interest on monthly bearing balance basis at the end of the year to the seamen members account and passed the following resolution so as to amend Para 51(2)(a) of the Seamen's Provident Fund Scheme, 1966. The Board also complimented the Commissioner for the good proposal which is for the benefit of the seamen members.

"RESOLVED that consequent upon the decision taken by the Board of Trustees, Seamen's Provident Fund at their 79th Meeting interest for the period of currency of the account shall be credited on monthly bearing basis at the credit of member's account on the last day of the currency of the year."

However, it shall be implemented only after the approval by the Government.

Item No. 9: Amendment of Seamen's Provident Fund Act, 1966 and request from Companies to grant exemption consequent upon Amendment to Seamen's Provident Fund Act.

The Board considered this item and after detailed discussions the following decisions were taken:

i) Grant of Exemption (a) Request from individual shipping companies should be put up to the Board in the next meeting for consideration for exemption under Section 20(1).

(b) Individual seaman may be advised to approach their employer to seek exemption.

ii) Legal opinion may be obtained and submitted to the Board in its next meeting.

iii) Collection of contributions already made may be handed over either by cheque or through transfer of securities on their face value to this organisation. Future contributions may be paid through cheques as per normal procedure.

Item No. 10: Items suggested by Shri A.B. Das, Member, Board of Trustees, Seamen's Provident Fund.

The Board considered the items suggested by Shri A.B. Das and decided as under after detailed discussion.

1) To appoint one P.C. Operator for the Computer in the Shipping Office, Calcutta on contract basis w.e.f. 01.04.1998 and on payment upto Rs. 3000/- per month.

2) The Commissioner informed that the Shipping Corporation of India Ltd. has already started remitting the contributions at the rate of 12%. However, the remaining companies will be advised by way of circular in this regard.

3) The Chairman requested Shri A.B. Das to contact Shri P.R. Mudras to sort out the problems put forth before the next Board meeting.

Item No. 11: Mode and Periodicity of Payment of Contributions.

While initiating the discussion Capt. Hiranandani and Shri P.R. Mudras representing employers requested restoration of grace period of 15 days over and above the stipulated period. After some discussions it was finally decided by the Board to grant another 15 days grace period. The Board also made it very clear that if the payments are not deposited within a period of 30 days from the date of sign off, the Commissioner is authorised to levy damages on total contributions including Administrative Charges as under on an experimental basis.

Scale of levy of damages on total contributions and Administrative Charges (effective from 01.04.98

Sr. No.	Period of delay after sign off	Rate of levy of damages.
1.	Delay upto 30 days	NIL
2.	Delays over 30 days but less than 60 days	15%
3.	Delays over 60 days but less than 90 days	20%
4.	Delays over 90 days	25%

Item No. 12: Audit Report / Inspection Certificate on the Accounts of Seamen's Provident Fund for the year 1996-97

The position was noted by the Board.

Item No. 13: Nomination of Maritime Union of India Member on Board of Trustees, Seamen's Provident Fund - request from Maritime Union of India.

The Board decided to refer this matter to the Government.

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

Bijan Saha 28.1.99

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

28/01/99

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 80th Meeting of the Board of Trustees, Seamen's Provident Fund held on Monday, the 12th October, 1998 at 3.00 P.M. in the Board Room of Seamen's Provident Fund Organisation, Krupanidhi, 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

The following were present :-

Capt. S. S. Naphade	Chairman
Shri R. Ravichandran	Member
Capt N. A. Hiranandani	Member
Shri M. J. Joseph	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

Secretary introduced members present to the Chairman and stated that the following Members informed about their inability to attend the Meeting due to their pre-occupations.

Leave of absence was therefore granted to them.

i) Shri R. D. Meena
ii) Smt Bharati Das.
iii) Shri P. R. Mudras.
iv) Shri D. K. Mukherjee
v) Dr Leo Barnes.

In reciprocation the Chairman expressed the hope that the members present would as usual extend their full co-operation in conducting the business.

The Board then took up the Agenda.

Item No.1. Confirmation of the 79th meeting of the Board of Trustees, Seamen's Provident Fund held on 23rd January, 1998, at 3.00 P.M. In the Board Room of this office.

Minutes were circulated to all the members for amendments/comments. Capt Hiranandani suggested the following amendments to item No.5 and item No.11.

Item No.5 : It was finally decided to increase the rate of Administrative Charges from 3.5% to 4.5% and to review the same after assessing the availability of fund at the revised rate of 4.5% for a period of six months.

Item No.11 : Sr. No.5 should be deleted.

As regards item No.5, Capt Hiranandani stated that there is no period fixed or decided for review of the enhancement of Administrative Charges and therefore it was decided unanimously to delete

the review after six months and substitute the same with periodical review.

The Board agreed to delete the entire word at Sr. No.5 under Item No. 11 and then approved the draft minutes of the 79th meeting as confirmed with the amendments as above.

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

Sr. No.1 : The position explained in the Agenda was noted by the Board and requested Shri R. Ravichandran to expedite the Report before the next meeting.

Sr. No.2. : The position noted by the Board.

Sr. No.3&4: The Board noted the position as explained in the Agenda and directed the Secretary to pursue the matter with the Government regularly.

Sr. No.5 : The Board noted the position and also requested Shri R. Ravichandran to submit the report before the next meeting.

Sr. No.6&7: Discussed under Agenda Item No.7&8.

Sr. No. 8 : Board noted the position Shri A. B. Das expressed satisfaction over the functioning of Computer installed at Calcutta and again thanked the Commissioner who took personal interest in this regard.

Item No. 3 : Progress of work and future plans in the Seamen's Provident Fund Organisation.

The Board while noting down the remarkable progress made by the Officers and Staff of the Organisation expressed unanimously its appreciation for the good services being rendered. The Board agreed to extend its full support for implementation of future plans of the Organisation as brought out. The Board also appreciated the Commissioner for his immense involvement to bring improvement in Seamen's Provident Fund Organisation. As regards Shipping Company Provident Fund modules, Capt. Hiranandani appreciated the Commissioner for the good proposal and offered to extend full co-operation in this regard when introduced.

Item No. 4 : Permanent absorption of Shri Anup Kumar Gond as Commissioner in the Seamen's Provident Fund Organisation.

The Board after having gone into the proposal in detail decided to defer this item as it

would be premature to take decision in view of the deputation term which would expire in 2000. Besides, the present incumbent also informed the Board that as he is having a second thought over the proposal requested the Board not to pursue further. The Board agreed with the request.

Item No. 5 : Draft Annual Report on the working of the Seamen's Provident Fund Scheme, 1966, for the year 1997-98.

The Board after a detailed discussions approved the Annual Report for the year 1997-98. Shri M. J. Joseph desired to know the Scheme for welfare of the seamen and their family members as provided in the Scheme. The Commissioner stated that at present the amount from forfeiture account is used for payment of contributions to the members of those companies gone into liquidation after establishing evidence. The Member further desired to know whether the seamen members would get back interest in such cases and also on delayed contributions. The Commissioner stated that back interest is not given on delayed contribution. When Shri M. J. Joseph insisted that seamen members should get back interest, the Board while endorsing the views of the Member, directed the Commissioner to examine this aspect with reference to the Scheme and report to the Board at its next meeting.

Item No. 6: Budget Re-appropriation

The Board noted the position of budget Re-appropriation for the year 1997-98.

Item No. 7: Crediting of Interest on monthly bearing balance basis.

While initiating discussion on this item the Secretary stated that the proposal to calculate interest on monthly bearing balance and credit the same on the last day of the currency of the year was approved by the Board and passed a Resolution in this regard to amend Para 51(2)(a) of the Scheme. However, the Government suggested to credit the interest each month instead of at the end of the year which amounts to giving compound interest and no Provident Fund Organisation is crediting interest on monthly basis. After having a detailed discussion the Board finally approved the proposal and passed the following Resolution to amend Para 51(2)(a) of the Seamen's Provident Fund Scheme.

RESOLUTION

"In supersession of the earlier resolution passed at the 79th meeting of Board of Trustees, Seamen's Provident Fund, it is resolved that the interest for the period of currency of the account shall be calculated

on monthly bearing balance basis and be credited on the member's account of the last day of the currency of the year."

Item No. 8: Amendment of Seamen's Provident Fund Act, 1966 and request from Companies to grant exemption consequent upon Amendment to Seamen's Provident Fund Act.

The Board after having a detailed discussion felt that in the absence of any guidelines on superiority of Seamen's Provident Fund viz Companies Provident Fund Schemes, the request received from the employers for grant of exemption could not be considered at this stage. The Board, therefore, directed the Commissioner to formulate guidelines in consultation with the Branch Secretariate, Ministry of Law, Mumbai and place it before the Board for approval.

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

1) Request for ad-hoc promotion as Accounts Officer received from Shri Lalchand Ram, Administrative/Assistant Accounts Officer.

The Board considered this item in detail and decided that in the absence of regular Accounts

Officer which has been lying vacant since for a quite long time, the incumbent who has been shouldering higher responsibilities i.e. of Accounts Officer should be considered for promotion on permanent basis and not on ad-hoc basis. However, in view of the proposed amendments to the Seamen's Provident Fund (Staff and Conditions of Service) Regulations which is to be notified shortly it was decided by the Board to consider his request after issue of the notification. Till such time the Board considered the grant of monetary benefit to the incumbent and directed the Commissioner to submit a proposal with full justification to consider the quantum of benefit at the next meeting.

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

Bijon Saha
26.10.99
CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

26/10/99
SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 81st Meeting of the Board of Trustees, Seamen's Provident Fund held on Thursday, the 28th January, 1999 at 3.30 P.M. in the Board Room of Seamen's Provident Fund Organisation, 'Krupanidhi', 3rd Floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

The following were present :-

Shri B. K. Saha	Chairman
Shri R. D. Meena	Member
Shri R. Ravichandran	Member
Capt N. A. Hiranandani	Member
Shri M. J. Joseph	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

The meeting started with the introduction of every member present to the Chairman. Before taking of the agenda for discussion, the Chairman desired to know the set up of the Organisation and its objectives. Shri R. Ravichandran gave a brief description of the Organisation and its functions. Shri A. B. Das, while welcoming the Chairman mentioned that this Board has a very good tradition of arriving at unanimous decisions and the decisions taken were objective. On behalf of the shipowners, Capt. N. A. Hiranandani welcomed the Chairman and assured him of active participation and support by the shipowners' representatives in the deliberations of the Board. Reciprocating to the gesture the Chairman thanked all the members present and expressed his happiness over the association with

the Board and assured that he would endeavour his best to make the deliberations meaningful. He also urged the members to extend co-operation as usual in conducting the proceedings of the meeting in a spirit of cordiality and goodwill.

Secretary informed that the following Members have expressed their inability to attend the Meeting due to their pre-occupations :

i) Smt Bharati Das.
ii) Shri P.R. Mudras.
iii) Shri D.K. Mukherjee.
iv) Dr Leo Barnes.

Leave of absence was granted to them.

The Board then took up the Agenda.

Item No. 1 : Confirmation of the Minutes of 80th meeting of the Board of Trustees, Seamen's Provident Fund held on 12th October, 1998 at 3.00 P.M. in the Board Room of this office.

The Chairman asked the members present whether they have any amendments/suggestions to the draft minutes and as the members stated that the minutes were in order, the Board confirmed the minutes.

Item No. 2 : Action taken on the recommendations of the Board of Trustees, Seamen's Provident Fund at their 80th Meeting held on 12.10.1998 in the Board Room of this office.

Sr. No. 1 : The Board after having a detailed discussion on the report

submitted by the Committee on streamlining of the existing rules for grant of Non-Refundable Withdrawals/Final Withdrawals accepted the recommendations of the Committee and directed the Commissioner to take steps for its implementation.

Sr. No. 2 : The Board noted the position. However, Capt N.A. Hiranandani requested the Board to review the rate of Administrative Charges in the next meeting.

Sr. No. 3 : The Board noted the position.

Sr. No. 4 : The Board noted the position.

Sr. No. 5 : Shri M.J. Joseph, Member, desired to know whether seamen members are getting interest in respect of delayed contributions recovered from the shipping companies. The Commissioner stated that this issue is being examined and a report would be submitted in the next meeting.

Sr No. 6, 7 & 8 : The position noted by the Board.

Item No. 3 Progress of work and Future plans in the Seamen's Provident Fund Organisation.

The Board while noting the position explained in the Agenda unanimously complimented the staff of the Organisation in general and the Commissioner in particular for his efforts to computerise the entire work of the Organisation with his deep involvement and innovative plans for the future as emphasized in the Agenda. Shri A.B. Das once again complimented the Commissioner for the

establishment of a computer link between Mumbai and Calcutta and with the introduction of this link, the hardships heitherto experienced by the member seamen at Calcutta, have been alleviated to a great extent. Capt. N.A. Hiranandani also agreed to make use of Provident Fund valuation Module for trial by his company.

Item No.4: Fixation of rate of interest for credit to the member's accounts for the year 1998-99.

After discussing the matter the Board approved the rate of interest at 12% p.a. for credit to the member's accounts for the year 1998-99.

Item No.5: Revised Estimates for the year 1998-99 and Budget proposals for the year 1999-2000.

After having a detailed discussion the Board approved the Revised Estimates for the year 1998-99 and Budget proposal for the year 1999-2000.

Item No.6: Amendment to Seamen's Provident Fund (Staff and Conditions of Service) Regulations, 1972.

The Board discussed this item together with the report on the Amendment to Seamen's Provident Fund (Staff and Conditions of Service) Regulations, 1972 submitted by Shri R Ravichandran. After having gone through the agenda, the Board did not agree to the proposal to modify the Recruitment Rules for the post of Accounts Officer since it is to be filled by deputation of officers from the Audit and Accounts Department. Therefore the Board agreed that a special pay may be granted to the person

who handles the Accounts Officer's job. On this the Chairman observed that the Government rules and guidelines may be followed for guidance in the matter to fix the quantum of special pay. In view of this, the Board directed the Commissioner to take up the matter with the Government for filling the post of Accounts Officer by deputation on priority basis and in the meantime agreed to grant monetary benefits to the officer who is at present discharging the functions of Accounts Officer as admissible under Government rules. The Board also approved the amendments to the Seamen's Provident Fund (Staff and Conditions of Service) Regulations, 1972 with modifications suggested by the Committee to the Recruitment Rules and directed the Commissioner to request the Ministry for issuing a Notification.

Item No.7 Audit Report/Certificate on the Accounts of the Seamen's Provident Fund Organisation, Mumbai, for the year 1997-98.

The position explained in the Agenda was noted by the Board.

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

28.1.2000

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

28/01/2000

SECRETARY
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

Minutes of the 82nd Meeting of the Board of Trustees, Seamen's Provident Fund held on Tuesday the 26th October, 1999, at 11.30 a.m. in the Board Room of Seamen's Provident Fund Organisation, "Krupanidhi" 3rd floor, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400001.

The following were present :-

Shri B. K. Saha	Chairman
Shri Joy Valentine	Member
Capt. N. A. Hiranandani	Member
Shri D. P. Revawala	Member
Shri Anil Baran Das	Member
Shri Anup Kumar Gond	Secretary

2. Capt Hiranandani introduced the new Members to the Chairman and Members present. Leave of absence was granted to the following Members who expressed their inability to attend the Meeting due to other pre-occupations.

(i) Shri R. D. Meena
(ii) Smt. Bharti Das
(iii) Shri D. K. Mukherjee
(iv) Dr. Leo Barnes
(v) Shri M. J. Joseph

3. The Chairman welcomed the new members and expressed the hope that all the members would extend their full cooperation in conducting the proceedings of the meeting in a spirit of cordiality and goodwill.

The Board then took up the Agenda.

Item No. 1: Confirmation of the Minutes of the 81st Meeting of the Board of Trustees, Seamen's Provident Fund held on 28.1.1999 at 3.30 P.M. in the Board Room of Seamen's Provident Fund Organisation, Mumbai.

The Chairman asked the members present whether they had any amendments/suggestions to make to the draft minutes and as the members stated that the minutes were in order, the Board confirmed the minutes.

Item No. 2. Action taken on the recommendations of the Board of Trustees Seamen's Provident Fund at their 81st meeting held on 28.1.1999 in the Board Room of Seamen's Provident Fund Organisation, Mumbai.

Sr. No. 1 : The Board noted the position.

Sr. No. 2 : The position was noted by the Board. Shri A. B. Das, however, mentioned that the balance in the interest suspense account had increased substantially during the tenure of the present Commissioner, from rupees twenty two lakhs as on 31.3.1996 to rupees nine crores forty three lakhs as on 31.03.1999. He, therefore, proposed that the Board may consider giving bonus to the members from the surplus amount as a higher rate of interest cannot be given. Capt Hiranandani and Shri Revawala mentioned that any payment other than what was approved by the Government will be liable for income tax and as such the suggestion made by the member required detailed examination before arriving at a decision. After some discussion, the Board directed the Commissioner to study the suggestion in detail from all aspects and submit his report to the Board at its next meeting. The Board also complimented the Commissioner for his efforts in building up the balance for the benefit of the members.

Sr. No. 3&4 : The position was noted by the Board.

Item No. 3 Annual Report on the working of the Seamen's Provident Fund Scheme, 1966 for the year 1998-99.

While initiating the discussion on this item, the Chairman mentioned that the Organisation has made remarkable achievements in settlement of claims in particular and the overall performance in general had improved as may be observed from the Annual Report. The other members also joined the Chairman in complimenting the Commissioner on the fine performance. The Chairman, further, suggested that the format in which the Annual Report is submitted should be modified to the extent that the Achievements should be listed in the form of Chapters and related statistical information should be shown in Annexer. Further, Shri Revawala suggested that the Receipt column may contain the details of individual receipts instead of clubbing of other receipts with the Provident Fund Receipts so as to give a clearer picture. There being no other comments, the Board approved the Annual Report for the year 1998-99 and accepted the modification suggested as above for future compliance.

Item No. 4 : Budget Re-appropriation for the year 1998-99.

The Chairman enquired about the details of recurring expenditure. The Secretary gave a brief explanation of the expenditure incurred under this head. Shri Revawala suggested that there is no need to mention the amount in the second line at the bottom. The Board noted the position and directed the Commissioner to take necessary steps to reduce the administrative expenditure to the maximum extent possible.

Item No 5 : (1) Review of Administrative Charges and
(2) Scale of Levy of Damages on delayed contributions.

While initiating the discussion on item No. 1 the Chairman observed that an increase of 0.5% in the scale of administrative charges was proposed by the Organisation in view of increasing expenditure as explained in the Agenda. However, the employers' representative maintained that there is a need to reduce the rate from 4.5% to 4% due to the revision of seamen's wages as per the recent NMB agreement which would result in a corresponding increase in the receipts of Administrative charges. He further stated that the shipping industry is passing through an unprecedented recession and therefore the Board may consider reduction in the rate of Administrative Charges. However, Shri A.B. Das pointed out that the administration charges are levied only on the Provident Fund and these charges cannot be levied on the other receipts. The Chairman opined that the Board may have to again consider an increase in the near future in case of any reduction at this stage which may not be easily achieved.

After some discussion it was decided by the Board to retain the rate of administrative charges at 4.5% and directed the Commissioner to maintain utmost economy in expenditure.

Sr. No. 2 While initiating the discussion the Chairman mentioned that the Shipping Corporation of India has submitted a proposal to ensure timely payment of contributions and to avoid any payment of damages. He stated that the SCI had proposed maintaining an imprest account with the Seamen's Provident Fund Organisation where advance payments will be deposited and a minimum balance maintained which can be debited against contributions due from it so as to ensure timely payment of SCI's contributions and to avoid any penalties etc. for late payment. The Commissioner informed that this would require changes in the computer software. The Board discussed this in detail and directed the Commissioner to implement the system manually first immediately and

subsequently make necessary changes in the computer software. Capt Hiranandani stated that the rate at which the damages are levied by the Organisation seem to be rather high and gave an example of the rate of levy of damages charged by the Central Provident Fund Commissioner. To a query by the Chairman as to the delay in remittances of contributions, Shri Revawala explained difficulties experienced mainly in respect of the members of the crew who were signed off at Calcutta. Besides some crew members, who sign off in between a voyage due to illness or other reasons, report for final settlement after a lapse of considerable time and delays occur due to non receipt of account of wages in time. He, therefore, suggested, that to avoid delays in such circumstances, the Organisation can accept advance amounts for future adjustment in the form of an imprest system as is being done in other Organisations. Shri A.B.Das suggested that the Shipping Companies should supply a list of the seamen with the joining date and amount on which P.F. contribution would be deducted which could be recorded in the SPFO Computer which will ensure collection of correct contributions and other deductions along with the return received from the employer after signing off. The Secretary, however mentioned that due to administrative inconvenience and in the absence of any specific provision in this regard, it could not be considered. The Chairman opined that due to computerisation of the accounting system there should not be any difficulty in accepting an appropriate amount in advance as suggested by the employer's representatives. As regards damages charged by the Central Provident Fund Commissioner as pointed out by Capt. N.A. Hiranandani. In reply, the Secretary stated that in lieu of the present scale of damages, the Board may consider levying of damages at a fixed rate for delay in remittances beyond the stipulated time. The Board agreed with the suggestion, and directed the Commissioner, to put up a proposal in this regard after detailed examination. Shri A.B. Das, further suggested that arrangements may be made with the Shipping

Master, Calcutta, for acceptance of payment of provident fund contributions for onward transmission to the SPFO, Mumbai in respect of crew members signed off at Calcutta and if necessary a person can be appointed on permanent basis at Calcutta in this regard. The Chairman, enquired with the Secretary regarding the possibility of appointing a person and the Board unanimously decided to transfer one post of Junior Assistant to Calcutta.

Shri A.B. Das, further mentioned that the Organisation maintained a Bank Account with the State Bank of India at Calcutta for the benefit of Calcutta based member seamen. However, the account remained inoperative till the present Commissioner took over. In addition, a demand for a computer link was also approved by the Board and all accessories were installed at the Shipping Office which remained idle. However, the present Commissioner has taken necessary action to activate the computer link. He stated that during the tenure of the present Commissioner, there has been an all round improvement in the activities of the organisation and proposed that the tenure of the present Commissioner, may be extended. Capt. N.A. Hiranandani, and Shri D.P. Revawala also supported this proposal. After hearing the views expressed by the members, the Chairman, enquired with the Commissioner who expressed his willingness to continue as requested by the members, and the Chairman therefore directed Shri Joy Valentine, Dy. Director General of Shipping Directorate General of Shipping, to explore the possibilities and write to the Ministry of Surface Transport to extend the tenure of the present Commissioner for some more time keeping in view the relevant rules. The Members also expressed their appreciation of the work of renovation of the Office under the present Commissioner.

Item No.6: Enhancement of Medical Allowance.

After having considered all other options the Board unanimously agreed to enhance the Medical Allowance from Rs.300/- per month to Rs. 450/- per month with effect from the 1st October, 1999.

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

22.9.2000

CHAIRMAN
BOARD OF TRUSTEES
SEAMEN'S PROVIDENT FUND
BOMBAY

22/09/2000

SECRETARY
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