

**CONSOLIDATED ANNUAL ACCOUNTS
WITH AUDIT REPORT
FOR THE YEAR 1985-86**



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

C O N T E N T S

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

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

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

<i>Previous year</i>	<i>S. No.</i>	<i>EXPENDITURE</i>	<i>Amount</i>
(1)	(2)	(3)	(4)
14,70,17,140.54	1.	Salaries of Officers & Staff	16,93,24,393.38
2,59,31,152.32	2.	Allowances & Honoraria	2,52,57,612.31
49,47,620.62	3.	T.A & L.T.C.	55,06,772.01
81,53,525.79	4.	Pension/Family Pension/Death-Cum Retirement Gratuity	1,11,22,873.35
4,044.09	5. (a)	Staff Provident Fund (Board's- Share)	11,798.03
12,136.60	(b)	S.P.F., D.L.I. Benefits	53,193.00
4,03,42,571.98	6. (a)	Other Charges (Recurring/non recurring)	4,29,13,254.00
18,36,407.03	(b)	Maintenance of the Building/ Staff Quarters.	15,54,901.51
6,80,693.82	7.	Grants	7,10,414.91
<u>22,89,25,292.79</u>		Total Expenditure incurred on E.P.F. Scheme.	<u>25,64,55,212.50</u>
	8.	Expenditure incurred on Administration of :	
2,42,71,205.54	(a)	F.P.F. Scheme	2,64,83,224.63
57,61,952.83	(b)	E.D.L.I. Scheme	62,93,534.85
6,66,145.50	(c)	A.E.C.D. Scheme	4,10,060.24
2,06,47,553.61	9.	Excess of Income over Expenditure	7,66,97,023.85
<u>28,02,72,150.27</u>	TOTAL		<u>36,63,39,056.07</u>

**FUND OR GANISATION
FOR THE YEAR 1985-86
FUND SCHEME 1952)**

<i>Previous year</i>	<i>S. No.</i>	<i>INCOME</i>	<i>Sch. No.</i>	<i>Amount</i>
(5)	(6)	(7)	(8)	(9)
20,68,28,586.14	1.	Receipt by way of Administrative Charges, Inspection Charges, and Penal Damages.	(I)	23,00,55,511.28
4,10,06,039.17	2.	Interest earned on Investment of surplus Administration Fund		4,11,18,107.15
2,56,74,733.02	3.	Receipt from Govt. and other Accounts.	(II)	8,60,55,525.11
67,62,791.94	4.	Misc. Receipts		91,09,912.53
—	5.	Excess of Expenditure over Income		—
28,02,72,150.27		TOTAL		36,63,39,056.07

INCOME & EXPENDITURE

<i>Previous Year</i>	<i>S.No.</i>	<i>EXPENDITURE</i>	<i>Amount</i>
—	1.	Excess of Expenditure over Income	—
1,00,00,000.00	2.	Provision for Building Construction Fund	1,00,00,000.00
6,63,592.97	3.	Provision for Maintenance (Repair, renewal & replacement) Fund.	9,45,098.49
99,83,960.64	4.	Balance carried down to Balance Sheet	6,57,51,925.36
2,06,47,553.61	TOTAL		7,66,97,023.85

APPROPRIATION ACCOUNT

<i>Previous Year</i>	<i>S. No.</i>	<i>INCOME</i>	<i>Amount</i>
2,06,47,553.61	1.	Excess of Income over Expenditure	7,66,97,023.85
—	2.	Balance carried down to Balance Sheet	—
2,06,47,553.61	TOTAL		7,66,97,023.85

Foot Note :

Previous Year			
	(i)	The accounts have been compiled on actual basis.	
Rs. 194.44 lakh	(ii)	Interest earned on investment of Surplus Adm. Fund of previous years included in the current year.	Rs. 181.39 lakhs
Rs. 483.71 lakhs	(iii)	Expenditure incurred for Administration of F.P.F. Scheme due from the Government	Rs. 55.00 lakhs
Rs. 6.66 lakhs	(iv)	Expenditure incurred for admn. of AECD Scheme	Rs. 4.10 lakhs
	(v)	Estimated amount in arrear due from the employers but not received.	
Rs. 144.42 lakhs	(a)	Administrative Charges }	Rs. 179.00 lakhs
Rs. 4.69 lakhs	(b)	Inspection Charges }	
Rs. 78.21 lakhs	(c)	Penal Damages on Adm. Account.	Rs. 81.85 lakhs

Sd/-

(Mrs. USHA SAHAJPAL)

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

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

<i>Previous Year</i>	<i>S No.</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
3926,57,64,401.92	1.	Employees' Provident Fund Account	III	4422,28,59,079.85
14,44,16,018.83	2.	Unclaimed Deposit Account	IV	16,28,58,732.86
55,06,22,936.57	3.	Forfeiture Account	V	65,66,56,642.97
1,85,00,000.00	4.	Special Reserve Fund Account		1,85,00,000.00
10,66,172.90	5.	Death Relief Fund Account	VI	32,61,378.80
	6.	<i>Interest Suspense Account</i>	VII	
779,38,07,878.53	(a)	Balance in the Account to be credited to members upto 31.3.1985		943,86,14 163.13
445,91,00,542.66	(b)	Amount received during the year and to be credited to members account next year		529,01,50,114.96
5,13,84,080.27	7.	(a) Staff Provident Fund Account	VIII	6,17,05,377.92
24,91,481.60		(b) Staff Provident Fund Interest Account	IX	5,06,662.20
8,60,15,733.77	8.	Pension-cum-Gratuity Account (Staff)	X	10,14,62,394.96
2,19,63,524.07	9.	Investment Fluctuation Account	XI	16,23,39,306.18
3,82,348.51	10.	Security Deposits		3,98,994.76
5239,55,15,119.63		TOTAL C/O		6011,93,12,848.59

**FUND ORGANISATION
31ST MARCH 1986
FUND SCHEME 1952)**

<i>Previous Year</i>	<i>S. No.</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
	1.	<i>Investment account</i>		
5239,53,33,965.29	(a)	Employees' Provident Fund	XVI	5995,85,15,512.69
5,70,26,530.41	(b)	Staff Provident Fund	XVII	6,46,54,644.90
8,54,13,189.05	(c)	Pension-cum. Gratuity Fund	XVIII	10,02,91,171.65
24,13,74,438.66	(d)	Administration Fund	XIX	25,86,18,162.66
13,56,52,020.64	2.	Land and Building		15,82,95,443.23
2,64,45,841.33	3.	Recoverable Advance (Staff)	XX	3,28,81,915.30
1,39,40,391.84	4.	Special Reserve Fund (Recoverable)		1,48,57,881.94
15,51,403.20	5.	Security Deposits (Advance to parties)		15,51,603.20
5295,67,37,780.42		TOTAL C/O		6058,96,66,335.57

<i>Previous Year</i>	<i>S. No.</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
5239,55,15,119.63		Total B/F	6011,93,12,848.59	
18,58,07,507.80	11.	Building Construction Fund	XII	20,08,48,392.03
21,37,794.80	12.	Building Maintenance (repair, renewal & replacement) Fund	XIII	33,83,082.85
20,74,70,531.32	13.	Revenue Surplus	XIV	27,32,30,779.75
32,35,486.18	14.	Group Insurance Scheme		46,69,333.35
24,81,29,318.98	15.	Sundry Credits	XV	16,44,20,897.48
5304,22,95,758.71		TOTAL	6076,58,65,334.05	

<i>Previous Year</i>	<i>S. No.</i>	<i>ASSETS</i>	<i>Sch No.</i>	<i>Amount</i>
5295,67,37,780.42		Total B/F		6058,96,66,334.57
8,13,72,525.29	6.	Remittance in transit	XXI	7,46,70,589.27
18,351.95	7.	Cash in Hand		16,063.06
(—) 6,38,76,398.77	8.	Cash at Bank (Both SBI & RBI)	XXII	1,18,59,324.28
6,80,43,499.82	9.	Sundry Debits	XXIII	8,96,53,021.87
5304,22,95,758.71		TOTAL		6076,58,65,334.05

Foot Note :

- (i) The accounts have been compiled on actual basis
- Previous Year (ii) Estimated amount due from the employers but not received
- Rs. 5229.83 Lakhs (a) E.P.F. Contribution 5830.00 Lakhs
- Rs. 2835.01 Lakhs (b) Penal Damages on Contribution, Adm. charges and
Inspection charges 3132.77 Lakhs
- (iii) The investment of E.P.F. S.P.F. & Pension-cum-Gratuity
Fund are shown in the Balance Sheet at Cost Price
- (iv) Out of the Building Construction Fund of Rs. 20,08,48,392.03,
the cost of Land & Building acquired as on 31.3.86 is
Rs. 15,82,95,443.23 and the balance of Rs. 4,25,52,948.80 is
invested alongwith Administration Fund.

Sd/-

(Mrs. USHA SAHAJPAL)

FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

SCHEDULE No. 1

1984-85

1985-86

Details of Income

(1) Adm. Charges	16,95,69,240.93	18,87,81,736.43
(2) Inspn. Charges	3,70,04,915.68	4,08,89,147.02
(3) Penal Damages	2,54,429.53	3,84,627.83
	<u>20,68,28,586.14</u>	<u>23,00,55,511.28</u>

SCHEDULE No. II

Receipt from Government and other Accounts

(1) From Government for Admn. of Family Pension Scheme. A.E. (C.D.) Scheme	1,41,90,000.00 —	7,00,97,345.00 —
(2) From other Accounts	1,14,84,733.02	1,59,58,180.11
	<u>2,56,74,733.02</u>	<u>8,60,55,525.11</u>

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

1. From Administration A/c of DLI Scheme	1,49,84,439.88	1,30,84,254.25
2. From other Accounts	2,28,926.89	—
Total	<u>1,52,13,366.77</u>	<u>1,30,84,254.25</u>

Less :

1. Amount transferred to other A/cs in Adjustment.	3,28,919.28	18,87,867.80
2. Transfers from A/c. No. 2 to A/c No. 4 and Vice versa as per Regl Offices Accts. ana Central Office Accts.	33,99,714.47	(—) 47,61,793.66
Total	<u>37,28,633.75</u>	(—) <u>28,73,925.86</u>
Net Total;	1,14,84,733.02	1,59,58,180.11

SCHEDULE NO. III

1984-85

1985-86

Employees' Provident Fund Account

Balance as per last Balance Sheet.	3514,82,09,063.30	3926,57,64,401.92
Add:		
Contribution (including refund of withdrawal and transferred securities) received during the year	586,26,47,116.51	665,42,13,188.02
Contribution received by way of transferred securities (H.Q. Office contra)	-----	22,54,13,700.29
Interest credited to members Account.	220,84,71,790.92	272,51,22,888.89
Other Receipts	5,77,58,197.63	7,92,89,691.44
		58,036.08
	<u>4327,70,86,168.36</u>	<u>4894,98,61,906.64</u>
Less:		
Payment made during the year to out going members on final settlement.	292,55,70,430.14	349,53,46,693.57
Premia paid during the year on members Life Insurance Policies.	69,12,944.90	73,10,254.38
Loan paid during the year to the members.	83,64,18,875.01	99,90,37,012.77
Employer's share forfeited during the year.	9,55,23,957.13	10,90,01,590.50
Unclaimed Deposit Account	1,91,01,403.51	1,99,60,503.80
Miscellaneous Payment	11,47,35,644.75	7,83,40,371.77
Amount of securities transferred back to exempted Ests.	1,30,58,511.00	1,80,06,400.00
	<u>401,13,21,766.44</u>	<u>472,70,02,826.79</u>
Balance as on 31.3.86	3926,57,64,401.92	4422,28,59,079.85

SCHEDULE No. IV

Unclaimed Deposit Account

Balance as per last Balance Sheet.	12,79,54,914.65	14,44,16,018.83
Add:		
Amount transferred during the year.	1,91,01,403.51	1,99,60,503.80
Total	<u>14,70,56,318.16</u>	<u>16,43,76,522.63</u>

Less :	1984-85	1985-86
Amount paid during the year.	26,40,299.33	15,17,789.77
Balance as on 31.3.1986	14,44,16,018.83	16,28,58,732.86

SCHEDULE No. V

Forfeiture Account

Balance as per last Balance Sheet	46,13,63,845.57	55,06,22,936.57
Add:		
Employer's Share forfeited during the year.	9,55,24,757.13	10,90,01,590.50
	<u>55,68,88,602.70</u>	<u>65,96,24,527.07</u>
Less:		
(1) Amount transferred to Special Reserve Fund during the year.	50,00,000.00	---
(2) Amount transferred to Death Relief Fund.	---	27,00,000.00
(3) Amount paid from forfeiture A/c. during the year.	12,65,666.13	2,67,884.10
	<u>62,65,666.13</u>	<u>29,67,884.10</u>
Balance as on 31.3.1986	55,06,22,936.57	65,66,56,642.97

SCHEDULE No. VI

Death Relief Fund

Balance as per last Balance Sheet.	15,97,121.18	10,66,172.90
Amount received from Forfeiture Account.	---	27,00,000.00
Amount recouped during the year	1,64,998.67	60,275.50
	<u>17,62,119.85</u>	<u>38,26,448.40</u>
Less:		
Payments made during the year	6,95,946.95	5,65,069.60
Balance as on 31.3.1986	10,66,172.90	32,61,378.80

SCHEDULE No. VII

	<i>1984-85</i>	<i>1985-86</i>
Interest Suspense Account	1000,63,14,928.90	1225,29,08,421.19
Balance as per last Balance Sheet		
Less:		
(i) Interest credited to members account during the year.	220,87,36,883.37	272,74,38,258.89
(ii) Interest paid on deposits refunded to exempted estts.	37,70,167.00	12,20,290.00
(iii) Loss on sale of securities	-----	5,04,06,328.80
(iv) Interest paid to vendors	-----	3,52,29,380.37
	<u>221,25,07,050.37</u>	<u>281,42,94,258.06</u>
Balance in the Accounts to be credited to the subscribers/ members a/c. upto 31.3.1985	779,38,07,878.53	943,86,14,163.13
Add:		
(i) Interest realised on investment of securities	443,16,66,801.22	527,60,81,528.78
(ii) Interest on S.B. Accounts (Central)	6,95,875.25	3,87,379.00
(iii) Interest on S.B. A/c. (Regl.)	23,11,117.02	20,96,932.16
(iv) Interest on securities received from the estts.	16,29,586.73	43,461.80
(v) Interest realised from members on loans.	42,91,170.13	37,66,394.64
(vi) Penal damages on belated contributions received during the year	68,14,075.86	77,74,418.58
(vii) Adjustment of previous year by Haryana Region	1,16,91,916.95	-----
	<u>445,91,00,542.66</u>	<u>529,01,50,114.96</u>
Balance as on 31.3.1986	<u>1225,29,08,421.19</u>	<u>1472,87,64,278.09</u>

SCHEDULE No. VIII

	1984-85	1985-86
Staff Provident Fund Account		
Balance as per last Balance Sheet.	4,31,44,230.59	5,08,81,374.04
Add :		
Contribution (including refund of withdrawal) received during the year.	2,03,82,672.20	2,52,62,991.52
Interest credited to members' Account	48,34,793.47	75,23,806.22
Other receipts	---	---
	<u>6,83,61,696.26</u>	<u>8,36,68,171.78</u>
Less :		
Payments made during the year to outgoing members on final settlement.	20,39,405.43	28,66,957.93
Premia paid during the year on members life insurance policies.	2,88,868.45	2,78,199.64
Loan paid during the year to the members	1,43,62,084.28	1,80,70,184.70
Other payments.	7,89,964.06	16,05,100.09
	<u>1,74,80,322.22</u>	<u>2,28,20,442.36</u>
Balance as on 31.3.1986	5,08,81,374.04	6,08,47,729.42
B. S.P.F. A/c transferred from other Regions		
Balance as on 1.4.1985	6,21,190.88	5,02,706.23
Add :		
Amount transferred out to the regions.	7,89,964.06	15,69,939.29
	<u>14,11,154.94</u>	<u>20,72,645.52</u>
Less :		
Amount received from other regions	9,08,448.71	12,14,997.02
	<u>5,02,706.23</u>	<u>8,57,648.50</u>
Balance as on 31.3.1986	5,02,706.23	8,57,648.50
Total (A + B)	5,13,84,080.27	6,17,05,377.92

SCHEDULE No. IX

	1984-85	1985-86
Staff Provident Fund Interest Account		
Balance as per last Balance Sheet.	26,83,414.06	24,91,481.60
Add:		
(i) Interest realised on Investment of securities	46,68,045.79	55,79,822.97
(ii) Interest on S.B. Account	7,042.57	130.00
	<u>73,58,502.42</u>	<u>80,71,434.57</u>
Less:		
(i) Interest credited to members Account during the year	48,34,793.47	75,23,806.22
(ii) Interest paid to vendors	32,227.35	40,966.15
	<u>48,67,020.82</u>	<u>75,64,772.37</u>
Balance as on 31.3.1986	24,91,481.60	5,06,662.20

SCHEDULE NO. X**Pension-cum-Gratuity Account:**

Balance as per last Balance Sheet.	7,34,23,049.19	8,60,15,733.77
Add:		
Amount transferred during the year from A/c. No. 4	66,00,000.00	78,00,000.00
Interest realised on S.B. Account and Securities during the year.	60,65,323.72 } 5,000.00 }	77,48,129.70 — —
	<u>8,60,93,372.91</u>	<u>10,15,63,863.47</u>
Less:		
Payments made by the regions	— —	38,093.80
Interest paid to vendors during the year	77,639.14	63,374.71
Balance as on 31.3.1986	8,60,15,733.77	10,14,62,394.96

SCHEDULE NO. XI

1984-85

Investment Fluctuation Account

(A) Redemption value of

Securities held by the Orgn. as on 31.3.64	178,48,48,390.00
---	------------------

(B) Cost price of

securities held by the Orgn. as on 31.3.64	176,02,07,925.21
---	------------------

Total of Gain (A)-(B)	2,46,40,464.79
-----------------------	----------------

Less:

**GAIN ON REDEMPTION ALREADY
ACCOUNTED IN SUBSEQUENT
YEARS' BALANCE SHEET.**

1964-65	6,85,865.73	
1965-66	1,74,961.82	
1966-67	17,17,470.34	
1967-68	98,642.83	26,76,940.72

Gain on redemption of
securities accounted
during the year 1984-85

2,19,63,524.07

1985-86

2,19,63,524.07

**NET GAIN ON REDEMPTION OF
SECURITIES DURING :--**

1969-70	34,68,086.38
1977-78	64,63,518.55
1979-80	34,98,030.91
1984-85	8,55,96,963.40
1985-86	4,13,49,182.87

Accounted during 1985-86

14,03,75,782.11

Total :

16,23,39,306.18

Note :--

Records for the period 1968-69, 1970-71 to 1976-77, 1978-79 and 1980-81 to 1983-84 are under scrutiny to calculate the gain/loss on account of sale/redemption of securities.

SCHEDULE NO. XII

1984-85

1985-86

Building Construction FundBalance as per last
Balance Sheet.

16,93,82,845.66

18,58,07,507.80

Add:

1. Provision made during
-
- the year

1,00,00,000.00

1,00,00,000.00

2. Interest credited
-
- in the fund.

64,24,662.14

50,40,884.23

18,58,07,507.8020,08,48,392.03

Note : The cost of building acquired as on 31.3.1986 is Rs. 15,82,95,443.23 and the amount available for construction purposes as on 31.3.86 is Rs. 4,25,52,948.80

SCHEDULE No. XIII**Building Maintenance (Repair,
renewal, replacement) Fund**Balance as per last
Balance Sheet.

12,87,932.93

21,37,794.80

Add :

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

6,63,592.97

9,45,098.49

2. Interest credited

1,86,268.90

3,00,189.56

Balance as on 31.3.86

21,37,794.8033,83,082.85**SCHEDULE No. XIV****Revenue Surplus**Balance as per last
Balance Sheet.

19,82,78,348.24

20,74,70,531.32

Less :

1. Amount adjusted by
-
- the Regional Office

7,91,777.56

(—) 8,323.07

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

19,74,86,570.6820,74,78,854.39

	1984-85	1985-86
Add :		
Excess of Income over Expenditure during the year as transferred from Income & Expendi- ture Appropriation Account	99,83,960.64	6,57,51,925.36
Balance as on 31.3.86	<u>20,74,70,531.32</u>	<u>27,32,30,779.75</u>

SCHEDULE No. XV

SUNDRY CREDITS

(A) Suspense Account (Unclassified)	1,39,21,201.42	1,34,91,319.44
(B) Erroneous Receipt	-----	16,07,947.50
(C) Irregular Payments	8,10,956.89	9,01,324.49
(D) Over Payments	2,19,954.55	1,99,322.93
(E) A.E. C.D. (D.A.) Account	40,416.72	40,578.32
(F) Amount repayable to EDLI Account	2,38,30,469.33 } 35,78,898.65 }	7.00
(G) Pension Fund Inv. A/c and S.P.F. Fund. Investment A/c amount invested in EPF A/c	-----	6,36,100.00
(H) Erroneous Credit to A/c No. 5		
(a) Amount not accounted for by the Regions though received in A/c No. 5 from A/c No. 1	87,58,011.65	80,29,050.69
(b) Extra credit given by Bank to Account No. 3 without any corresponding debit to A/c No. 5	58,00,000.00	38,00,000.00
(c) Amount credited to A/c No. 3 during 1985-86 but debited to A/c No. 5 during 1986-87	17,15,40,000.00	9,91,85,000.00
(d) Erroneous credit to A/c No. 5	1,92,78,672.34	3,61,24,759.86
(I) Erroneous/Excess Credit to A/c No. 8	3,50,737.43	4,05,487.25
	<u>24,81,29,318.98</u>	<u>16,44,20,897.48</u>

SCHEDULE No. XVI

1984-85

1985-86

**Investment Account of
Employees Provident Fund**

(a) Securities Purchased Centrally (Cost Price) Balance as per last Balance Sheet	4524,98,40,428.10	5179,84,28,887.98
Add :		
(1) Amount invested centrally during the year	1077,12,91,235.81	1312,66,56,025.00
(2) Gain on the purchase of Securities for the year 1969-70,77-78,1979-80 & 84-85 & 85-86 adjusted	2,19,63,524.07	14,03,75,782.11
	<u>5604,30,95,187.98</u>	<u>6506,54,60,695.09</u>
Less :		
Value of securities redeemed during the year	424,46,66,300.00	591,12,57,560.00
Balance (a) as on 31.3.1986	<u>5179,84,28,887.98</u>	<u>5915,42,03,135.09</u>
(B) Securities transferred by regions Balance as per last Balance Sheet (Accepted value)	57,29,12,653.26	59,69,05,077.31
Add :		
Securities received during the year (Accep- ted value)	3,70,50,935.05	22,54,13,700.29
	<u>60,99,63,588.31</u>	<u>82,23,18,777.60</u>
Less :		
Securities returned back to Estts (Accepted value)	1,30,58,511.00	1,80,06,400.00
Balance (b) as on 31.3.1986	<u>59,69,05,077.31</u>	<u>80,43,12,377.60</u>
TOTAL (a) & (b)	<u>5239,53,33,965.29</u>	<u>5995,85,15,512.69</u>

SCHEDULE NO. XVII

1984-85

1985-86

Investment Account of
Staff Provident Fund

Balance as per last
Balance Sheet.

4,92,91,609.69

5,70,26,530.41

Add :

Amount invested centrally
during the year (Purchase

Price)

1,02,35,520.72

1,34,78,364.49

5,95,27,130.41

7,05,04,894.90

Less :

Value of securities
redeemed during the year

25,00,600.00

58,50,250.00

Balance as on 31.3.86

5,70,26,530.41

6,46,54,644.90

SCHEDULE NO. XVIII

Investment Account of
Pension-cum-Gratuity
Fund (Staff)

Balance as per last
Balance Sheet.

7,01,42,633.21

8,54,13,189.05

Add :

Amount invested centrally
during the year (Purchase

Price)

1,81,21,055.84

2,11,41,682.60

8,82,63,689.05

10,65,54,871.65

Less :

Value of securities
redeemed during the year

28,50,500.00

62,63,700.00

Balance as on 31.3.86

8,54,13,189.05

10,02,91,171.65

SCHEDULE NO. XIX

1984-85

1985-86

Investment Account of
Administration Fund.Balance as per last
Balance Sheet.

25,10,82,638.66

24,13,74,438.66

Add :

Amount invested in F.D.R.

7,47,90,000.00

17,10,00,000.00

32,58,72,638.6641,23,74,438.66**Less :**Securities redeemed
during the year

8,44,98,200.00

15,37,56,276.00

Balance as on 31.3.86

24,13,74,438.6625,86,18,162.66**SCHEDULE NO XX**Recoverable Advance
(Staff) as on 31.3.86

(a) Coveyance Advance

25,44,117.51

29,20,998.26

(b) House Building
Advance

2,12,47,233.62

2,28,35,805.29

(c) Fan Advance

5,575.20

54,667.35

(d) Warm Clothing Advance

2,032.25

1,345.35

(e) Festival Advance

8,19,417.40

20,41,953.20

(f) Natural Calamity
Advance

11,41,470.85

10,35,264.15

(g) Advance of Pay/DA/TA

5,66,028.07

6,20,201.87

(h) Food Grain Advance

11,269.55

3,969.55

(i) Advance to Staff
Co-op, Canteen/Stores

1,000.00

1,000.00

(j) Misc Payment

1,07,696.88

33,66,710.28

TOTAL2,64,45,841.333,28,81,915.30

SCHEDULE NO. XXI

1984-85

1985-86

Amount in Transit

(a) E.P.F. A/c. No. 4	13,14,194.30	6,92,085.80
(b) E.P.F. A/c No. 5	7,92,16,383.07	7,23,62,302.14
(c) S.P.F. A/c. No. 8	8,41,947.92	9,80,101.33
(d) S.P.F. Investment A/c	-----	36,100.00
(e) Pension-cum-Gratuity fund Investment A/c	-----	6,00,000.00
	-----	-----
	8,13,72,525.29	7,46,70,589.27

SCHEDULE NO. XXII

Cash Balance as on

31st March

(a) State Bank of Indra.

E.P.E. A/c. No. 1	2,32,23,867.60	(—) 3,61,62,858.32
E.P.F. A/c. No. 2	1,04,77,023.40	1,16,29,075.10
E.P.F. A/c. No. 3	(—) 13,18,98,002.53	(—) 18,05,78,499.01
E.P.F. A/c. No. 4	1,40,52,869.00	2,31,97,861.29
E.P.F. A/c. No. 5	1,94,20,756.42	19,30,77,133.80
E.P.F. A/c. No. 8	1,91,908.45	5,81,933.31
E.P.F. A/c. No. 9	6,00,004.93	4.93
	-----	-----
(—)	6,39,31,572.73	1,17,44,651.10

(b) Reserve Bank of India.

E. P. F. Investment Account	138.89	523.39
S. P. F. Investment Account	23,474.59	75,816.92
Pension-cum-Gratuity Investment Account	31,560.48	38,332.87
	-----	-----
	55,173.96	1,14,673.18
Total (a) + (b)	(—) 6,38,76,398.77	1,18,59,324.28

SCHEDULE No. XXIII

1984-85

1985-86

Sundry Debits.

A. Suspense Account (Unclassified)	32,59,975.84	52,26,927.20
B. Irregular Payments	8,10,956.89	9,01,324.49
C. Over Payments	2,10,850.30	1,90,218.68
D. Erroneous debit to A/c No. 5		
a. Excess accounted for by Regional office as transfer to A/c No. 5 from A/c No. 1	7,80,416.29	7,63,051.50
b. Transfer of funds to A/c No. 3	1,04,000.00	1,04,000.00
c. Extra Debit made to A/c No. 5 by bank	6,28,77,300.50	8,24,67,500.00
	<u>6,80,43,499.82</u>	<u>8,96,53,021.87</u>

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

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

<i>S. No.</i>	<i>R E C E I P T</i>	<i>Amount</i>
1.	Opening Balance as on 1st April 1985	1219,32,70,094.46
2.	(i) Contribution of Employees and Employers.	153,88,17,651.96
	(ii) Contribution of Govt. (85-86)	70,22,00,000.00
	(iii) Arrears of contributions of Govt. up to the year 83-84.	16,44,00,000.00
3.	Interest on the balance in the Public Account.	105,46,00,000.00
4.	Interest on Savings Bank Account	1,62,997.23
5.	<i>Other Receipts</i>	
	(a) Regional Contribution Account No. 10.	62,16,363.99
	(b) Central Contribution Account No. 11	5,13,324.46
TOTAL		1566,01,80,432.10

SCHEME 1971
FOR THE YEAR 1985-86
Account)

<i>S. No.</i>	<i>P A Y M E N T</i>	<i>Amount</i>
1.	<i>Amount paid to outgoing members/beneficiaries.</i>	
(a)	Amount of Employees' share with interest.	1,48,38,290.55
(b)	Withdrawal/Retirement Benefits	8,62,78,806.83
(c)	Life Assurance Benefit	1,32,26,126.85
(d)	Family Pension	6,57,70,785.33
2.	<i>Other Payments</i>	
(a)	Regional Contribution Account No. 10	1,56,78,743.15
(b)	Central Contribution Account No. 11.	7.00
3	Closing Balance	1546,43,87,672.39
TOTAL		1566,01,80,432.10

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

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

<i>S. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Amount received from Government towards cost of Administration	7,01,01,215.00
2.	Misc Receipt	37.34
3.	Amount received from EPF Administration Account c/f	55,30,855.58
TOTAL		7,56,32,107.92

**SCHEME 1971
FOR THE YEAR 1985-86
Account)**

<i>S No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Balance amount incurred from EPF Administration Account B/P as on 1 4.1985	4,83,71,106.56
2.	Payment on Administration	
(i)	Revenue expenditure :	
(a)	Salaries	1,77,58,308.70
(b)	Allowance and Honararia	33,60,512.13
(c)	Travelling Allowance	5,57,891.49
(d)	Pension/Gratuity (Staff)	5,98,144.54
(e)	S.P.F. (Board's share)	3,142.30
(f)	Other Charges	38,94,237.14
(g)	Grants	66,038.45
(h)	Charges on maintenance and repairs of Office Buildings	2,44,949.88
(ii)	Capital expenses ; Construction (Office Building etc.)	7,77,776.73
TOTAL		7,56,32,107.92

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

**EMPLOYEES' FAMILY PENSION
BALANCE SHEET AS**

<i>Balance as at 31st March Previous Year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
1219,32,70.094.46	1. Employees Family Pension Fund Contribution Account		1546,43,87,672.39
4,83,71,106.56	2. Family Pension Fund Adm. Account Amount incurred from EPF Administration Account		55,30,855.58
1,51,88,101.42	3. Sundry Credits	1	2,44,40,228,88
1225,68,29,302.44	TOTAL		1549,43,58,756,85

**SCHEME 1971
AT 31ST MARCH 1986**

<i>Balance as at 31st March Previous Year</i>	<i>ASSETS</i>	<i>Sch. No.</i>	<i>Amount</i>
1218,19,46,751.33	1. Family Pension Fund Contribution Investment Amount kept in Deposit with Public Account	II	1547,21,81,467.40
4,83,71,106.56	2. Family Pension Adminis- tration Account Amount recoverable from Central Government		55,30,855.58
(—) 17,03,566.57	3. Case Book Balance FPF Contribution Account	III	(—) 2,28,96,589.92
2,24,61,579.82	4. Remittance in transit		3,38,66,474.88
57,53,431.30	5. Sudry Debits	IV	56,76,548.91
1225,68,29,302.44	TOTAL		1549,43,58,756.85

Note :—

- i) Family Pension Contribution due from Govt. as on 31.3.1986
(Claim for Rs. 6.72 crores upto 31.3.1985 had been preferred with Govt. and amount of Rs. 1,31,42,100/- received from Govt. in 86-87) Rs. 73.69 crores
- ii) Family Pension Administration cost due from Govt. as on 31.3.1986 Rs. 0.55 crores

Sd/-

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

SCHEDULE No. 1	1984-85	1985-86
Sundry Credits :		
1. Account No. 10	7,93,134.68	14,81,796.91
2. Account No. 11	1,43,94,966.74	2,29,58,431.97
Balance as at 31st March.	1,51,88,101.42	2,44,40,228.88

SCHEDULE II

Amount kept in Public Accounts

Balance as per last Balance Sheet	945,71,51,017.75	1218,19,46,751.33
--------------------------------------	------------------	-------------------

ADD :

(i) Amount Deposited in Public Account during the year	117,32,95,733.58	136,90,34,716.07
(ii) Govt. share of contribution	32,39,10,000.00 46,60,90,000.00	70,22,00,000.00 16,44,00,000.00
(iii) Interest	76,15,00,000.00	105,46,00,000.00
	1218,19,46,751.33	1547,21,81,467.40

SCHEDULE III

Cash Book Balance

Account No. 10	(—) 57,66,166.57	(—) 228,96,589.92
Account No. 11	40,62,600.00	—
	(—) 17,03,566.57	(—) 228,96,589.92

SCHEDULE IV

Sundry Debits :

1. Account No. 10	2,89,713.22	(—) 66,979.39
2. Account No. 11	54,63,718.08	57,43,528.30
	57,53,431.30	56,76,548.91

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

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

<i>S. No.</i>	<i>RECEIPT</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 85	2,64,76,22,275.34
2	(i) Contribution of employers	28,59,77,048.63
	(ii) Contribution of Government (1985-86)	13,87,00,000.00
	(iii) Arrears of contributions of Govt. upto 1984-85	1,87,94,910.00 } 2,24,08,889.78 }
3.	Interest on investment in Public A/c.	22,59,00,000.00
4.	Interest on investment in securities	5,04,84,556.48 } 26,65,406.05 }
5.	Interest on S.B. Account	1,59,250.92
6.	Penal Damages	1,75,179.06
7.	Other receipts in :	
	Account No. 21	19,91,089.31
	Account No. 25	-----
		----- 19,91,089.31
TOTAL		3,39,48,78,605.57

**INSURANCE SCHEME, 1976
FOR THE YEAR, 1985-86
Account)**

<i>S. No.</i>	<i>PAYMENT</i>	<i>Amount</i>
1.	Assurance Benefit	11,92,37,089.86
2.	Amount refunded to employers on grant of exemption	---
3.	Other payment in :	
	Account No. 21	24,64,332.77
	Account No 25	51,69,233.28
		<u>76,33,566.05</u>
4.	Closing Balance	3,26,80,07,949.66
TOTAL		3,39,48,78,605.57

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

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

<i>S. No.</i>	<i>Receipt</i>	<i>Amount</i>
1.	Opening Balance as on 1st April, 1985.	57,57,85,253.15
2.	Administrative charges received from the employers during the year.	6,26,72,366.23
3.	Inspection charges received	64,47,015.87
4.	Penal Damages	90,010.97
5.	(a) Amount received from Govt. towards cost of Administration of the Fund	5,24,00,000.00
	(b) Amount received from Govt. towards arrears of cost of Administration of the Fund.	—
6.	(a) Interest received on investment from Administration Account.	7,75,63,576.00
	(b) Interest on S.B. Account	5,01,306.36
	(c) Interest on Advances	15,941.85
7.	Other Receipts.	17,65,403.60
TOTAL		77,72,40,874.03

**INSURANCE SCHEME, 1976
ACCOUNT FOR THE YEAR, 1985-86
Account)**

<i>S. No.</i>	<i>Payment</i>	<i>Amount</i>
1	Payment on Administration	
	(a) Revenue Expenditure :	
1.	Salaries	48,21,169.96
2.	Allowances & Honoraria	8,65,447.75
3.	T.A. & L.T.C.	1,80,495.52
4.	Pension/Gratuity (Staff)	2,47,020.97
5.	Staff Provident Fund (Board's share)	926.19
6.	Other charges (Recurring and non-recurring)	13,36,593.42
7.	Grants	16,309.00
8.	(a) Maintenance and repairs of Office Building etc.	35,496.02
		<hr/>
		75,03,458.83
	(b) Capital Expenditure- Construction of Office Building/Staff quarters etc.	1,27,917.99
		76,31,376.82
2.	Other Payments :	
	Account No. 22	11,72,398.86
	Account No. 24	30,07,302.24
		41,79,701.10
3.	Closing Balance	76,54,29,796.11
	TOTAL	77,72,40,874.03

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

**EMPLOYEES' DEPOSIT LINKED
BALANCE SHEET AS**

<i>Balance as at 31st March Previous year</i>	<i>LIABILITIES</i>	<i>Sch. No.</i>	<i>Amount</i>
264,76,22,275.34	1. Employees Deposit Linked Insurance Fund Account.		326,80,07,949.66
57,57,85,253.15	2. Employee' Deposit Linked Insurance Fund Adm A/c.		76,54,29,796.11
2,36,07,187.03	3. Sundry Credits.	I	2,77,04,756.64
324,70,14,715.52	Total		406,11,42,502.41

**INSURANCE SCHEME, 1976
AT 31ST MARCH, 1986**

<i>Balance as at 31st March Previous year</i>	<i>Assets</i>	<i>Sch. No.</i>	<i>Amount</i>
	1. Investment Account		
	(a) Employees' Deposit Linked Insurance Fund Account		
60,72,84,765.83	i) Investmeat in Securities	II	40,98,26,415.83
205,53,30,938.12	ii) Deposit in Public A/c.	III	288,56,86,252.48
	(b) Employeces' Deposit Linked Insurance Adm. Fund A/c.		
53,45,14,000.00	i) Amount invested in Term Deposits	IV	70,65,25,000.00
3,42,60,541.81	ii) Amount due from EPF Adm. Account	V	78,68,910.99
10,22,762.84	2. Cash Balance	VI	3,07,32,502.73
1,06,27,151.61	3. Remittance in Transit	VII	1,85,99,869.26
39,74,555.31	4. Sundry Debits	VIII	19,03,551.12
324,70,14,715.52	TOTAL :-		406,11,42,502.41

Previous year Foot Note :-

Rs. 209.74 Lakhs	1. E.D.L.I. contribution due from employers as on 31.3.86	Rs. 205.00 Lakhs
Rs. 63.15 "	2. E.D.L.I. Adm. charges due from employers as on 31.3.86	Rs. 150.00 Lakhs
Rs. 402.88 "	3. E.D.L.I. Contn. (Govt) share due as on 31.3.86	Rs. 33.85 "
Rs. 203.71 "	4. E.D.L.I. Adm. charges (Govt. share) due as on 31.3.86	Rs. --

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

SCHEDULE I

1984-85

1985-86

Sundry Credits :

1. Excess Credit in A/c No. 21	14,96,183.92	2,34,122.20
2. Excess Credit in A/c No. 25	81,98,858.31	1,98,84,862.89
3. Excess Credits in R.B.I A/c	85,90,089.19	1,03,226.17
4. Excess Credits in A/c No. 22	11,05,304.19	14,65,085.48
5. Excess Credits in A/c No. 24	36,02,100.55	60,17,459.90
6. Suspense (Contra)	6,14,650.87	—
Balance as on 31 st March :	<u>2,36,07,187.03</u>	<u>2,77,04,756.64</u>

SCHEDULE II**Investment in Securities :**

Balance as per last Balance Sheet	78,63,84,515.83	60,72,84,765.83
Less :		
Securities redeemed during the year	17,90,99,750.00	19,74,58,350.00
Balance as on 31st March	<u>60,72,84,765.83</u>	<u>40,98,26,415.83</u>

SCHEDULE III**Amount Deposited in Public
Account.**

Balance as per last Balance Sheet	136,10,61,824.12	205,53,30,938.12
Add :		
1. Deposits made during the year	40,77,69,114.00	42,45,51,514.58
2. Govt. share of contribution for 1985-86	11,00,00,000.00	13,87,00,000.00
3. Govt. share Arrears upto 83-84	6,92,00,000.00	2,24,08,889.78
4. Govt. share Arrears upto 84-85	—	1,87,94,910.00
5. Interest on balance in Public Account.	10,73,00,000.00	22,59,00,000.00
Balance as on 31st March	<u>205,53,30,938.12</u>	<u>288,56,86,252.48</u>

SCHEDULE IV

1984-85

1985-86

Amount Invested in Fixed

Deposits :

Balance as per last
Balance Sheet

38,98,81,100.00

53,45,14,000.00

Add :

Amount deposited during
the year

23,80,00,000.00

41,30,00,000.00

62,78,81,100.00

94,75,14,000.00

Less :

Amount Redeemed during
the year.

9,33,67,100.00

23,81,43,500.00

Amount redeemed to be
received.

—

28,45,500.00

9,33,67,100.00

24,09,89,000.00

Balance as at 31st March

53,45,14,000.00

70,65,25,000.00

SCHEDULE V :	1984-85	1985-86
Amount due from EPF Adm. Account.		
(a) Transaction in A/c No. 24		
Balance as per last Balance Sheet	2,09,96,166.78	2,38,30,462.33
Add :		
during the year	3,07,50,000.00	—
Total :-	<u>5,17,46,166.78</u>	<u>2,38,30,462.33</u>
Loss :		
Amount received back	2,79,15,704.45	2,38,30,462.33
Balance as at 31st March	<u>2,38,30,462.33</u>	—
(b) Transaction's in regard to Account No. 22		
Amount transferred to EPF A/c. No. 2	1,04,30,079.48	78,68,910.99
Balance as on 31st March (a+b)	<u>3,42,60,541.81</u>	<u>78,68,910.99</u>

SCHEDULE VI :

Cash Book Balance :

1. A/c No. 21	(—) 81,80,806.67	(—) 70,35,801.86
2. A/c No. 25	7,07,957.19	37.58
3. A/c No. 22	66,65,206.01	74,82,399.90
4. A/c No. 24	<u>18,30,406.31</u>	<u>3,02,85,867.11</u>
5. Balance as at 31st March	<u>10,22,762.84</u>	<u>3,07,32,502.73</u>

SCHEDULE VII

	1984-85	1985-86
Remittance in Transit :		
1. From A/c. No. 21 to 25	72,90,841.40	66,04,726.20
2. From RBI A/c. to A/c. No. 25	3,43,631.00	24,74,330.55
3. From A/c. No. 22 to 24	29,92,679.21	66,75,312.51
4. From F.D.R. to 24	—	28,45,500.00
	<hr/>	<hr/>
Balance as at 31st March	1,06,27,151.61	1,85,99,869.26

SCHEDULE VIII**Sundry Debits :**

1. A/c. No. 21	14,09,379.89	61,651.55
2. A/c. No. 25	17,20,700.00	11,63,406.83
3. A/c. No. 22	2,15,090.55	6,78,492.74
4. A/c. No. 24	14,734.00	—
5. Suspense (Contra)	6,14,650.87	—
	<hr/>	<hr/>
Balance as at 31st March	39,74,555.31	19,03,551.12

Audit Certificate

I have examined the Accounts and the Balance Sheet of the Employees Provident Fund Scheme, 1952, Employees Family Pension Scheme, 1971 and Employees Deposit Linked Insurance Scheme 1976 for the year ending 31st March, 1986. I have obtained all the information and explanations that I have required, and subject to the observations in the appended Audit Report, I certify as a result of my audit that in my opinion these Accounts and Balance Sheet are properly drawn up so as to exhibit a true and fair view of the state of affairs of these Schemes according to the best of my information and explanations given to me and as shown by the books of the organisation.

New Delhi
Dated : 4th Dec. 1986

Sd/-
Director of Audit
Central Revenues-I

**AUDIT REPORT
ON THE CONSOLIDATED ACCOUNTS OF THE
EMPLOYEES' PROVIDENT FUND ORGANISATION
FOR THE YEAR 1985-86**

Audit Report on the Employees' Provident Fund Organisation for the Year 1985-86

1. Introductory :

The Employees' Provident Fund Organisation is a statutory body established under the Employees' Provident Fund and Miscellaneous Provisions Act of 1952.

The annual accounts of the Organisation are audited under section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) Act, 1971.

Apart from the Employees' Provident Fund (EPF) Scheme, 1952, the Organisation had been entrusted with the Administration of the Employees' Family Pension (FPF) Scheme, 1971, the Additional Emoluments (Compulsory Deposit) (AECD) Scheme, 1974 and the Employees' Deposit Linked Insurance (EDLI) Scheme, 1976. The administrative expenses of Employees' Provident Fund Scheme are met out of separate contribution levied on employers for the purpose, the Employees' Deposit Linked Insurance Scheme is administered out of contribution both from the employers and the Central Government at certain specific rates. Expenditure on the administration of Employees' Family Pension and Additional Emoluments (Compulsory Deposit) Scheme is initially incurred by the Organisation which is later reimbursed by the Central Government. The Organisation is required to maintain separate sets of accounts for each of these schemes. Expenditure on the administration of Additional Emoluments (Compulsory Deposit) Scheme is also exhibited in the Income and Expenditure Account of Employees' Provident Fund Scheme.

An analysis of the Income and Expenditure of the Employees' Provident Fund for 1984-85 and 1985-86 is as under :

<i>Income</i>	<i>1984-85</i>	<i>1985-86</i>
	(Rs. in lakhs)	
1. Receipt by way of Administrative charges, Inspection charges and Penal damages	2068.29	2300.55
2. Interest earned on investment of surplus Administration Funds	410.06	411.18
3. Receipt from Government and other Accounts	256.75	860.56
4. Miscellaneous Receipts	67.63	91.10
<i>Expenditure</i>		
1. Salaries of Officers and Staff	1470.17	1693.24
2. Allowances and Honoraria	259.31	252.38

	1984-85	1985-86
3. T.A. & L.T.C.	49.48	55.07
4. Pension/Family Pension/Death-cum-Retirement Gratuity	81.54	111.23
5. <i>Staff Provident Fund</i>		
(a) Board's share	0.04	0.12
(b) Staff Provident Fund-Employees' Deposit Linked Insurance Scheme benefits	0.12	0.53
6. <i>Other Charges</i>		
(a) Recurring/non-recurring	403.43	429.13
(b) Maintenance of Office building and Staff quarters	18.36	15.55
7. <i>Grants</i>	6.81	7.10
8. Expenditure incurred on the administration of		
(a) Family Pension Fund Scheme	242.71	264.83
(b) E.D.L.I. Scheme	57.62	62.94
(c) A.E.C.D. Scheme	6.66	4.10

2. Comments on accounts :

2.1. *Income and Expenditure Account of Employees' Provident Fund Scheme*

The Income and Expenditure Account of the Organisation for the year 1985-86 showed an excess of income over expenditure amounting to Rs. 7.67 crores. A scrutiny of accounts revealed that an amount of Rs. 130.84 lakhs was diverted from the Employees' Deposit Linked Insurance Scheme Administration Account during 1985-86 and this was shown as income under the head "Receipt from Government and other Accounts". However, the expenditure incurred by the Organisation on the administration of the E.D.L.I. Scheme was Rs. 62.94 lakhs thus leaving an unspent transferred amount of Rs. 67.90 lakhs, which was to be paid back to the E.D.L.I. Scheme Administration Account. The Balance Sheet of the E.D.L.I. Scheme Administration Account showed an amount of Rs. 78.69 lakhs as recoverable from the E.P.F. Account. Thus there was a difference of Rs. 10.79 lakhs which needed to be reconciled.

The diversion of funds (Rs. 130.84 lakhs) resulted in inflating the figures of excess of income over expenditure to Rs. 7.67 crores. The Organisation stated (November 1986) that the regional offices had already been addressed to reconcile the differences.

2.2. Balance Sheet of Employees' Provident Fund Scheme

(i) Investment Fluctuation Account

Till 1983-84, the investments of various funds were being shown at net value in the Balance Sheet, i.e. actual cost reduced by the redemption value of investments redeemed. Thus the cost of investment shown in consolidated Balance Sheet was not at par with the actual cost of securities held by the Organisation as it included the loss or gain on redemption of securities till date. Corrective measures were taken in 1984-85 and 1985-86 accounts and an amount of Rs. 16.23 crores pertaining to the period upto 1967-68 and for the years 1969-70, 1977-78, 1979-80, 1984-85 and 1985-86 was shown in the Balance Sheet under Investment Fluctuation Account. The figures for the years 1968-69 and 1970-71 to 1976-77, 1978-79 and 1980-81 to 1983-84 were not incorporated in accounts as they were stated to be under finalisation in consultation with the Reserve Bank of India. Accordingly the Balance Sheet as at 31st March, 1986 did not reflect the correct picture of value of investment.

(ii) The credit balances under the heads (1) Employees' Provident Fund, (2) Staff Provident Fund, (3) Pension-cum-Gratuity Fund and (4) Central Administration Fund, shown on the liability side of the Balance Sheet should tally with the investments, cash balances and other assets created there from, but this was not so as shown below :—

	<i>Liability</i>	<i>Assets</i>
1. Employees' Provident Fund	60,10,57,63,502.54	60,10,64,98,091.30
2. Staff Provident Fund	6,26,17,527.37	6,63,28,596.46
3. Pension-cum-Gratuity Fund	10,14,62,394.96	10,09,29,509.45
4. Central Admn. Fund	48,25,30,589.74	48,68,82,209.64

The Organisation stated (October 1986) that upto 1966-67 the accumulations of various funds of the Organisation were transferred to the Employees' Provident Fund Investment Account from which all investments were made. Further, there were several amounts involved in intermixing of funds in Bank Account which ultimately led to misclassification of investments and to variation as stated above. This was also mentioned in the Audit Reports for 1983-84 and 1984-85.

The Organisation stated (November 1986) that every effort was being made to arrive at the correct balance under each head.

(iii) Special Reserve Fund (Rs. 148.58 lakhs)

A Special Reserve Fund was created for making payments to outgoing members or their nominees in cases where employers of unexempted establishments, failed to deposit the whole or part of the contribution deducted from the wages of the subscribers to the Employees' Provident Fund. The amount so paid was subsequently recoverable from the employers of the defaulting establishments concerned. A sum of Rs. 191.41 lakhs had been paid to outgoing members or their nominees from 1960-61 to 1985-86, out of which Rs. 42.23 lakhs had been recovered from the employers upto the end of March 1986, leaving a balance of Rs. 149.18 lakhs as recoverable as on 31st March 1986. The progress

of recoveries was very slow considering the amount of payment made. Year-wise break-up of recoverable amount was as under :—

<i>Years</i>	<i>Amounts</i> (Rs. in lakhs)
1960-61 to 1975-76	76.05
1976-77	4.37
1977-78	4.76
1978-79	3.32
1979-80	2.33
1980-81	2.56
1981-82	3.10
1982-83	4.15
1983-84	16.31
1984-85	22.75
1985-86	9.48
Total .	149.18

Though as per year wise break up a sum of Rs. 149.18 lakhs was recoverable from the defaulting establishments the amount recoverable as per Balance Sheet was Rs. 148.58 lakhs. The difference of Rs. 0.60 lakh was stated to be due to taking credit of Rs. 30,000/- on account of allotment money as minus credit in Rajasthan region during 1984-85.

(iv) *Balance under Provident Fund Account (Rs. 4422.28 crores) and Interest Suspense Account Rs. 1472.87 crores)*

The interest earned on investment was initially credited to the 'Interest Suspense' Account from which debit was afforded on the basis of total interest credited to individual accounts of the subscribers. The credit balance of Rs. 1472.87 crores under this head was very heavy considering that interest earned during 1985-86 was only Rs. 529.01 crores).

According to the Organisation the reasons for such a huge surplus were that there were certain irregularities (such as non-maintenance of registers of interest in some regions and incorrect posting in some other regions) in the system of compiling the interest suspense account returns. Instructions about proper maintenance and reporting of Interest Suspense items were stated (November 1986) to have been issued to the Regional Commissioners in May, 1984 and May 1985 by the Organisation but accumulations of interest payable to the subscribers were increasing every year.

(v) *Sundry credits (Rs. 16.44 crores)*
Sundry debits (Rs. 8.97 crores)

(a) The balance sheet as at 31st March 1986 depicted sundry credits as Rs. 16.44 crores and sundry debits as Rs. 8.97 crores which included Rs. 134.91 lakhs and Rs. 52.27 lakhs on account of unclassified receipts and payments respectively which were earlier booked under Suspense Accounts. The year-wise breakup of the balances outstanding was not available with the Central Office.

(b) The figures of sundry debtors included also sum of Rs. 9.01 lakhs on account of irregular payments and Rs. 1.90 lakhs on account of overpayments. These amounts were also included in the figures of sundry creditors as they were payable to the rightful subscribers. It was observed that a sum of Rs. 5.20 lakhs on account of irregular payments had been lying unsettled since 1975-76 despite the fact having been pointed out in the Audit Reports for the years 1983-84 and 1984-85. The amount was stated to be under litigation. The Organisation stated (November 1986) that action had already been initiated against the delinquent officers and where necessary cases had also been filed against them in the courts, and watch was stated to have been kept on their progress at the headquarters office of the Organisation.

(c) The sundry debits also included an amount of Rs. 824.67 lakhs being extra debit made by the bank between 1979-80 to 1985-86. Year-wise details are given below:—

<i>Year</i>	<i>Amount of Extra debit (Rs. in lakhs)</i>
1979-80	6.00
1980-81	14.00
1981-82	2.00
1982-83	39.00
1983-84	74.77
1984-85	234.81
1985-86	454.09
	Total :— 824.67

Extra debits upto the year 1981-82 were mainly attributable to the debiting of the amount twice by the State Bank of India Bombay once on the basis of telegraphic communication and again on the basis of post copy of the telegram. The remaining extra debits were stated to be due to misclassification of payments by the bank and they were not being properly linked in the Central Office. Instructions were stated (November 1986) to have been issued to the Bank as well as the Regional Commissioners to identify the cases and ensure that the excess debit is set right.

(vi) *Amount due for settlement between EPF Account and EOLI Account.*

The Balance Sheet of the Employees' Deposit Linked Insurance Scheme depicted Rs. 78.69 lakhs as amount due from EPF Administration Account. Though the amount due was shown as an asset in the

balance sheet of EDLI, there was no corresponding liability shown in the balance sheet of Employees' Provident Fund Scheme. With a view to bring uniformity in accounting, the Organisation may consider revision of format of EPF accounts. The organisation however, stated (November 1986) that they had no objection in modifying the format of accounts which was originally approved by audit.

2.3 Annual Accounts of Employees' Family Pension Scheme and Employees' Deposit Linked Insurance Scheme Arrears of Central Government Contributions.

The Employees' Family Pension Scheme is financed by diverting funds out of contributions to the Employees' Provident Fund: the employees share of contribution at the rate of 1 1/6% of their wages with an equal amount of employers contribution. The Central Government also contributes at the same rate. Under the Employees' Deposit Linked Insurance Scheme, the employers contribution is at the rate of 0.5 percent of wages of the workers. The Central Government contributes one half of this contribution.

As on 31st March 1986, an amount of Rs. 73.69 crores towards family pension contributions and Rs. 0.34 crore towards EDLI contributions were due from the Central Government which were shown in the foot notes in the respective balance sheets.

The year wise arrears of dues were as under :—

<i>Year</i>	<i>Family Pension Contributions due from Central Govt.</i>	<i>Employees' Deposit Linked Insurance contributions due from Central Govt.</i>
		(Rupees in Crores)
1982-83	6.08	—
1983-84	28.12	—
1984-85	32.77	—
1985-86	6.72	0.34
	<u>Total : 73.69</u>	<u>0.34</u>

However, it was stated by the Organisation (October 1986) that a sum of Rs. 1.31 crores out of Rs. 73.69 crores on account of family pension contribution had already been recovered in 1986-87.

2.4 Arrears in reconciliation of Establishments records with annual accounts figures.

As per provisions of paragraphs 196-199 of Manual of Accounting Procedure, the Organisation should maintain establishment wise records showing transactions of contributions, refund, interest, withdrawals, etc. in respect of employees of, respective establishments and the totals of these records are required to be reconciled with the figures in the Cash Book and ultimately with the annual accounts figures.

The reconciliation had been in arrears in most of the Regions for several years and was also commented upon in the various Inspections Reports of the regions concerned and also mentioned in Audit Reports for the year 1983-84 and 1984-85. The Organisation stated (November 1986) that efforts were already in progress to issue all pending annual accounts so that reconciliation as provided for in the Manual was carried out.

3. Other topics of interest

3.1 Arrears of Annual Statements of Accounts to subscribers

The Employees' Provident Fund Scheme, 1952 provided for the issue of annual statements of accounts to the members at the close of every financial year. However, as on 31st March 1986, the number of pending annual statements of accounts was 90.92 lakhs out of which 60.20 lakhs statements of accounts were stated to be not issued due to employers default. As regards the remaining 30.72 lakhs the Organisation stated (November 1986) that they could not be issued due to other reasons which were not clearly spelt out.

Accounts statements pending for more than four years.	6,24,697
Three to four years	5,97,202
Two to three years	10,22,660
One to two years	20,69,857
Less than one year	47,77,654
	Total : 90,92,070

3.2 Arrears of Provident Fund dues from employers.

The dues on account of Provident Fund in respect of un-exempted establishment, both of employers and employees, Administration/Inspection charges and penal damages in respect of exempted and un-exempted establishments had increased from Rs. 51.38 crores in 1981-82 to Rs. 91.42 crores as on 31st March, 1986 as detailed below. The dues on account of Administration and Inspection charges are shown in foot notes of the Income and Expenditure Accounts and dues on account of contribution and penal damages are shown in foot note in the Balance Sheet.

	1981-82	1982-83	1983-84	1984-85	1985-86
	(in crores of rupees)				
Provident Fund Contributions	31.37	42.83	41.82	52.30	58.30
Administration/Inspection charges.	0.94	1.09	1.47	1.49	1.79
Penal damages	19.07	21.80	26.57	29.13	31.33
Total :	51.38	65.72	69.86	82.92	91.42

The Organisation stated (Nov. 1986) that there were 22,997 cases pending as on 31st March 1986 against whom revenue recovery certificates had already been issued and prosecution proceedings under section 14 of the Act had been launched against 39,990 establishments on various Courts all over India. 1104 cases under section 406/409 of the Indian Penal Code were stated (November 1986) to have been filed with the police authorities in different regions. These cases were under investigation by the police.

3.3 (A) *Claims pending settlement under Employees' Provident Fund Scheme*

As on 31st March 1986, 66,373 claims relating to Employees' Provident Fund Scheme were pending with the Organisation. The position of claims compared to previous years was as under :

Year	Opening Balance	Claims received during the year	Total	Claims returned for rectification	Claims settled.	Balance
1.	2.	3.	4.	5.	6.	7.
1983-84	47,711	5,70,525	6,18,236	1,09,818	4,44,581	63,837
1984-85	63,837	6,00,665	6,64,502	1,02,381	5,02,269	59,852
1985-86	59,852	6,26,251	6,86,103	1,01,233	5,18,497	66,373

The Organisation informed that out of 66,373 EPF claims pending settlement as on 31st March, 1986, 51,279 claims were pending for less than two months.

(B) *Employees' Family Pension Scheme*

As on 31st March 1986, 70,834 claims (inclusive of all benefits, i.e. life assurance, retirement and withdrawal benefits etc.) relating to EFP Scheme were pending as against 71,561 claims pending as on 31st March, 1986.

Similarly, out of 18,992 monthly family pension claims received and pending with the Organisation upto 1985-86 6,833 cases had been returned/rejected during the year and 8,045 cases settled thus leaving a balance of 4,114 cases still pending settlement as on 31st March 1986.

(C) *Employees Deposit Linked Insurance Scheme*

As on 31st March 1986, 6,969 claims relating to Employees' Deposit Linked Insurance Scheme were pending as against 6,826 cases pending as on 31st March, 1985.

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

As provided in para 163 of Chapter VII of Manual of Accounting Procedure Vol.I, the dues payable by the employers under Employees Provident Fund, Family Pension Fund, Employees Deposit Linked Insurance etc. are required to be deposited with the State Bank of India on or before 15th of the month following the month to which the dues relate. However, five days grace period is allowed to the employers for the remittance and thus any remittance made beyond 20th of the following month will be treated as delayed remittances and damages under Section 14-B of the Act are leviable on all such delayed remittances.

It was observed that levy of damages was much in arrears and there were 11,916 cases as on 31st March, 1986 in respect of which damages were leviable but not yet levied. Region-wise break up of number of cases on which damages were yet to be levied as on 31st March 1986 were as under :

Sr. No.	Region	Number of cases
1.	North Eastern Region	92
2.	Bihar	65
3.	Delhi	748
4.	Haryana	5
5.	Karnataka	187
6.	Kerala	1027
7.	Maharashtra	2049
8.	Orissa	115
9.	Punjab	253
10.	Rajasthan	2
11.	Tamil Nadu	6689
12.	Uttar Pradesh	629
13.	West Bengal	55
	Total	11916

The Organisation stated (November 1986) that the Regional Commissioners concerned had been instructed to issue expeditiously orders of levy of damages in all pending cases.

3.5 Internal Audit

The Internal Audit wing of the Orgn. was set up in 1966 to conduct internal check of accounts of regional/sub-regional offices. The periodicity of internal check was annual and checks were exercised as prescribed by the Organisation for various types of cases/transactions etc. It was observed that internal audit was in arrears in all the four zones for a period ranging from 1 to 4 years as detailed below :

<i>Arrears in terms of time Interval</i>	<i>Regions</i>
1. 4 years (1982-83 to 1985-86)	Gujarat, Maharashtra and Punjab
2. 3 years (1983-84 to 1985-86)	Madhya Pradesh, Tamilnadu, Central Office.
3. 2 years (1984-85 to 1985-86)	Karnataka, Rajasthan, Andhra Pradesh, Assam, Delhi Uttar Pradesh, Orissa and Haryana.
4. 1 year (1985-86)	West Bengal.

The Organisation informed (November 1986) that by the end of March 1987, there would be substantial progress in clearance of arrears of internal audit.

Place New Delhi
Dated : 4.12.1986

Sd/-
Director of Audit
Central Revenue—I