

Re(Chairman)

EMPLOYEES' PROVIDENT FUND
ORGANISATION
NEW DELHI

9TH MEETING OF THE
PENSION IMPLEMENTATION COMMITTEE
(EMPLOYEES' PROVIDENT FUND)

ON

14th FEBRUARY, 1997 AT 10.00 A.M.

VENUE : CONFERENCE HALL

ORGANISATION
NEW DELHI

9TH MEETING OF THE

Re(Pension)

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ON

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VENUE :

CONFERENCE HALL
1ST FLOOR,
C-WING,
SHRAM SHAKTI BHAWAN
NEW DELHI - 110 001.

A G E N D A

9TH M E E T I N G

PENSION IMPLEMENTATION COMMITTEE, EMPLOYEES' PROVIDENT FUND

Date of the Meeting : 14.2.1997
Time : 10.00 A.M.
Venue : Committee Room,
'C' Wing
Shram Shakti Bhawan,
New Delhi - 110 001.

S.No.

ITEM

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1. Confirmation of the minutes of the 8th Meeting held on 30.9.96.
 2. Action Taken Report on outstanding decisions.
 3. Review of the performance in the implementation of Employees' Pension Scheme'95 as on 31.12.96.
 4. Actuarial Valuation Report as on 15.11.95 recommending to increase benefit to the Pensioners under Employees' Family Pension Scheme'1971.
 5. Any other item with the permission of the Chair.
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EMPLOYEES' PROVIDENT FUND ORGANISATION

REVISED MINUTES OF THE 8TH MEETING OF THE
PENSION IMPLEMENTATION COMMITTEE

Date : 30.9.96

Time : 3.00 P.M.

Venue : Conference Room,
Shram Shakti Bhawan,
New Delhi.

The 8th meeting of the Pension Implementation Committee on the Employees' Pension Scheme, 1995 was held on 30.9.96 under the Chairmanship of Dr. L. Mishra, Secretary, Labour and Vice-Chairman, C.B.T., E.P.f. The following members attended the meeting:-

Sh. Parduman Singh, Employees' Representative

Sh. B.B. Naik, Employees' Representative

Sh. P.B. Duggal, Employers' Representative

Sh. R.S. Kaushik, Central P.F. Commissioner

Sh. R.K. Saini, Joint Secretary, Ministry of Labour

Sh. Bhudev Chatterjee, Special Invitee

Sh. A.N. Roy, Addl. C.P.F.C.(Pension), Special Invitee

Sh. A.K. Kasliwal, Employers' Representative and

Sh. Kanwal Nath, PA, Ministry of Labour could not attend the meeting. A list of officers of the Employees' Provident Fund Organisation who were present during the meeting is enclosed.

At the outset, the Chairman welcomed the members. Thereafter, the Committee took up the agenda items for discussion.

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ITEM (1): CONFIRMATION OF THE MINUTES OF THE 7TH MEETING HELD ON 24.7.1996.

Draft minutes of the 7th meeting dated 24.7.96 as circulated were confirmed subject to deletion of clarification part contained under para after item V page 3 reading as "With regard to the above amendments suggested by Sh. Parduman Singh, it was clarified as under already been supplied to the members" on page 5.

ITEM (2): ACTION TAKEN REPORT ON OUTSTANDING DECISIONS:

The Committee perused the detailed action taken statement appended with the agenda note and made the following observations:-

(A) COLLECTION OF DETAILS OF MEMBERS AND THEIR FAMILY:

The Committee perused the upto-date report on collection position of relevant details in form 2 and form 9 and creation of data base. Progress was reported as below:

Date: 30.9.96

Employees' Pension Scheme, 1995 - Collection of information in form 2 / form 9/ form 3(PS).

TOTAL NO. OF ESTTS.	FORM 2 ISSUED	FORM 9/3(PS) ISSUED	FORM 2 RECEIVED	FORM 9/3(PS) RECEIVED
(EXEMPTED+ UN EXEMPTED AS ON 31.3.96)	NO. OF ESTTS. SUBSC-RIBERS	NO. OF ESTTS. SUBSC-RIBERS	NO. OF ESTTS. SUBSC-RIBERS	NO. OF ESTTS. SUBSC-RIBERS
264848	49497	2971622	64008	4501691
			9303	339007
			47864	3225763

The members of the Committee made the following observations:

- i) the regions which have made low progress may be identified and special efforts may be made to improve performance.
- ii) Addl. CPFC (Pension) may be deputed to visit Regional Offices according to a well drawn up schedule and review their position in detail. The position emanating from the field visits and reviews may be reported to Secretary, Labour and Chairman, Pension Implementation Committee.
- iii) It was pointed out that many of the employers of the establishments and members are not in a position to understand the format and fill it correctly. It will, therefore, be desirable that officers of the EPF Organisation personally visit such establishments, help and guide filling the requisite details and obtaining the forms in an organised manner.
- iv) The Pending pension claims at various offices should be settled expeditiously.
- v) Statistics relating to receipt, rejection, settlement and pendency particulars about

Pension claims should be collected. The Committee should be apprised of the monthly progress beginning from October, 1996.

- vi) Considering the urgency, form 2 details in respect of members who are likely to retire during next two years may be arranged to be collected on priority so that their pension claim settlements may not be delayed.
- vii) Regional P.F. Commissioners should take steps in obtaining the compliance under the Employees' Pension Scheme from all the establishments specially in regard to exempted establishments.
- viii) Position of P.F. money deposited in Pension Fund after 15.11.95 should be documented and monitored. Statement may be put up on this subject before the Committee.
- ix) Regional P.F. Commissioners may get in touch with employers' organisations like Federation of Chamber of Commerce & Industry/Organisations of Employers and avail of their cooperation in impressing upon their member units to report compliance.

(B) DEVELOPMENT OF PENSION SOFTWARE:

- (i) Work relating to remaining 4 software programmes should be completed by 31.12.96.
- (ii) The programme relating to Actuarial Valuation of the Pension fund should be developed by the Actuary, according to his requirement and put in use.
- (iii) In regard to capturing the details obtained through form 2/form 9 and creating the data base, the Committee took note of the enormous volume of work involved in the process initially for about 2 crore members. considering the volume of work and this being a one time exercise, the Committee felt and agreed in principle to get this work done entirely through some qualified outside agencies. It was suggested in this regard that apart from obtaining quotations from dependable and reputed computer professionals on competitive basis, effort should also be made and possibilities explored in availing services of local engineering colleges, polytechnics, IITs and other similar institutions having computer facility and capability to undertake the job.

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(iv) The Committee agreed to augment the need based hardware capacity of the existing systems.

(v) One additional dotmatrix heavy duty printer may be provided for all the EDP Centres.

(vi) The computer system between various offices i.e. Sub-Regional Offices, Regional Offices, Central Office should be interconnected through NIC nic-net system in a time bound manner.

(C) MANPOWER:

(i) 16 Posts of Regional Controller of Pension have been sanctioned. Pending finalisation of the recruitment rules, action should be initiated to fill up these posts at the earliest.

(ii) • Other posts sanctioned for pension work should be filled expeditiously. Care should be taken to select suitable persons.

(D) PUBLICITY:

Booklets on Pension Scheme may be printed in vernacular language and made available to the subscribers to educate them. It was clarified that the respective RPFCS have already got the booklets printed in regional languages and are being distributed.

(E) TRAINING:

The Committee noted that NATRSS and ZTIs organised training courses on Pension Scheme to train the staff and supervisory officials in the Regional and Sub-Regional Offices. The Committee further desired that the officers who were trained by the NATRSS, in their turn, should train other staff in their offices.

(F) BANKING ARRANGEMENT:

It was felt that present arrangement having been entered with one bank for every Region is proving inadequate. It was, therefore, desired that the banking arrangement may be suitably enlarged and strengthened.

It was informed that the State Bank of India should also take up this work to supplement the arrangements. Secretary, Labour and Chairman, Pension Implementation Committee agreed to take up the matter with the Secretary, Banking.

Regional Offices should ensure timely despatch of the monthly cheques of the intervening period prior to operationalising the banking arrangement.

(G) VALUATION OF THE FUND:

The Committee desired to know the time schedule about first annual valuation falling due in mid November, 1996. It was informed that preliminary steps have already been initiated. The actuary has furnished

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four formats to collect data from various offices and provide the information duly processed to the Actuary by 30.11.96. Actuary would take about a month time thereafter to finalise the process and submit his valuation report.

ITEM 3 PROPOSAL FOR MAKING PROVISION RELATING TO MEDICAL EXAMINATION FOR PAYMENT OF DISABLED PENSION:

The committee approved the proposal for issue of Medical Certificate through Medical Board of the area constituted either by the Central Government or State Government or the E.S.I. Authorities or any other local authority competent to constitute such Medical Board.

ITEM 4: MANUAL ON PENSION DISBURSEMENT THROUGH NATIONALISED BANKS:

The Committee approved the draft manual and advised to put it in operation in consultation with Indian Banks Association and participating banks.

ITEM 5: PROPOSALS RELATING TO SUGGESTIONS FOR AMENDMENT TO THE EMPLOYEES' PENSION SCHEME' 1995:

(a) ALLOWING PENSION TO DISABLED CHILDREN IRRESPECTIVE OF THEIR AGE AND NUMBER OF CHILDREN:

The Committee endorsed the proposal as

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contained in the memorandum and desired that a reference in this regard be sent to the Ministry of Labour, Government of India to take necessary action in bringing out appropriate amendment to the Pension Scheme.

(b) PRESCRIBING TIME LIMIT FOR ALLOWING PENSION,
PAYMENT TO NOMINEE:

The Committee felt that the proposal is premature. The actual performance position may be watched for sometime and in the event of any abuse being noticed, appropriate proposal may be formulated and put up.

(c) ALLOWING PENSION PAYMENT TO DEPENDENT PARENTS
IN THE ABSENCE OF FAMILY MEMBERS:

The Committee endorsed the proposal and desired that a reference may be sent to the Ministry of Labour, Government of India to effect necessary amendment in the Scheme.

ITEM 6: BENEFITS TO THE FAMILY ON THE DEATH OF A
MEMBER WHILE IN SERVICE, WITHOUT COMPLETING
ONE FULL MONTH PERIOD [PARA 16(1)(a)]:

The Committee endorsed the proposal and authorised that clarification in this regard may be issued to respective RPFs for regulating the cases in accordance therewith.

ITEM 7: MISCELLANEOUS:

The Committee was informed that on 12.9.96, there had been an incident in a Fire Works factory in Shivakasi resulting in death of 10 workers. RPFC, Tamilnadu has documented, processed and distributed sanctioned pension to their family members on 24.9.96. The Committee appreciated the work done by RPFC, Tamilnadu and desired that a letter of appreciation may be sent to the RPFC, Tamilnadu and through him to the concerned staff members of the Regional Office, Madras.

The Committee expressed that good work has been done by the Organisation in defending the writ petitions before Courts and recorded their appreciation in favour of concerned officials in the organisation and Ministry of Labour.

Secretary Labour and Chairman, Pension Implementation Committee desired that the newsletter which was being published by the E.P.F. Organisation be printed and issued covering the Pension Scheme features. Articles may be invited from pensioners through RPFCs & success stories narrated by them will entail lot of confidence about the working of the Scheme.

The Committee also desired that appropriate measures may be taken for future publicity of the Scheme.

The Committee approved to provide plain paper fax machines to all ROs & SROs for effective communication channel specially with reference to implementation of Pension Scheme.

Necessary steps should be taken to computerise all ROs, SROs, NATRSS & ZTIs in a time bound manner so as to complete before 31.3.97. Shri Parduman Singh made following further suggestions:-

- (i) A permanent Account No. should be allotted to each member of the Scheme to help facilitate settlement of such members who migrate from one part of the country to another very frequently.
- (ii) A permanent pass book and identity card should be issued to each pension fund member. Such cards should have details of family members along with their ages, permanent home address, photographs and identification mark etc.
- (iii). All the SROs should be computerised and should be inter-linked as has been in Airlines and Railways.

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

LIST OF OFFICERS OF EMPLOYEES' PROVIDENT FUND ORGANISATION WHO WERE PRESENT AT THE 8TH MEETING OF THE IMPLEMENTATION COMMITTEE OF PENSION SCHEME, HELD ON 30.9.96.

1.	Sh. A. Vishwanathan	Addl.CPFC (P&T)
2.	Sh. S. Vishwanathan	Director (MIS)
3.	Sh. A.J. Rao	Director (Computer)
4.	Sh. M.M. Nair	R.C.(F&A)
5.	Sh. V.P. Ramaiah	R.C.(Pension)
6.	Sh. A.K. Sood	Supdt. (Pension)

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PENSION IMPLEMENTATION COMMITTEE
8TH MEETING HELD ON 30.9.96

ACTION TAKEN REPORT OUTSTANDING DECISION

ITEM	ACTION TAKEN
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ITEM NO. 2(a)

COLLECTION OF DETAILS OF MEMBERS AND THEIR FAMILY:

(i) The regions which have made low progress may be identified and special efforts may be made to improve performance.

Seven regions viz. Bihar, Haryana, Kerala, North Eastern Region, Orissa, Rajasthan and Punjab have been identified as having low progress compared to their resource position.

Addl.CPFC (Pension) has taken up detailed review of these regions on priority. Review work in regard to four regions viz. Bihar, Haryana, Rajasthan and Punjab has already been made and detailed observation note submitted advising the Regional P.F. Commissioner for remedial action. Similar review programme for remaining three regions viz. Orissa, North Eastern Region and Kerala has

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been formulated and is being taken up in the month of January, 97.

Also that the shortcomings of these offices have been pointed out and deliberated, in detail, in the quarterly review meeting of Regional P.F. Commissioners held on 16.12.96 advising them to take appropriate corrective action.

(ii) Addl. CPFC (Pension) may be deputed to visit Regional Offices according to a well drawn up schedule and review their position in detail. The position emanating from the field visits and reviews may be reported to Secretary, Labour and Chairman, Pension Implementation Committee.

Requisite inspection programme of the Regional Offices has already been taken up in the manner desired. So far the review of 7 Regional offices viz. West Bengal, Bihar, Haryana, Punjab, Rajasthan, Gujarat and Delhi have already been taken up while the inspection programme for Uttar Pradesh, Orissa, North Eastern Region and Kerala has been formulated and being taken up in the month of January, 97. Observation note

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on inspection has been submitted to the Secretary & Chairman, Pension Implementation Committee in respect of inspections already done and appropriate follow up action in monitoring the progress is being undertaken.

(iii) It was pointed out that many of the employers of the establishments and members are not in a position to understand the format and fill it correctly. It will, therefore, be desirable that officers of the E.P.F. organisation personally visit such establishments, help and guide filling the requisite details and obtaining the forms in an organised manner.

Detailed circular instructions have been issued on 31.10.96 to all Regional P.F. Commissioners in arranging to help the establishments and collecting the forms in an organised manner. Further instructions have been issued on 12th December, 1996 asking the Regional Commissioners to deploy the Enforcement Officers exclusively for this purpose upto 31.3.97 to visit the establishments in person and obtain these forms by helping and guiding the employers and the employees.

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(iv) The pending pension claims at various offices should be settled expeditiously.

(v) Statistics relating to receipt, rejection, settlement and pendency particulars about pension claims should be collected. The Committee should be apprised of the monthly progress beginning from October, 1996.

(vi) Considering the urgency, form-2 details in respect of members who are likely to retire during next two years may be arranged to be collected on priority so that their pension claim settlements may not be delayed.

Detailed circular instructions have been issued on 31.10.96 to all Regional P.F. Commissioners prescribing two formats for reporting the compliance position in regard to receipt, disposal of pension claims and compliance by the exempted establishments under Employees' Pension Scheme, 1995. Follow up circular on 19.12.96 for compliance in the matter has been issued. Details are being collected from all the regions and the statement containing the particulars will be placed before the meeting.

Decision has been conveyed to Regional P.F. Commissioners vide letter dated 31.10.96. Latest information is being collected from the regions and will be placed before the meeting.

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(vii) Regional Provident Fund Commissioners should take steps in obtaining the compliance under the Employees' Pension Scheme from all the establishments specially in regard to exempted establishments.

(viii) Position of P.F. money deposited in Pension Fund after 15.11.95 should be documented and monitored. Statement may be put up on this subject before the Committee.

(ix) Regional Provident Fund Commissioners may get in touch with employers' organisations like Federation of Chamber of Commerce & Industry/Organisation in impressing upon their member units to report compliance.

Necessary instructions in the form of circular has been issued to all Regional P.F. Commissioners. The position is also being looked into in the course of ongoing review programme. Uptodate position in this regard is being compiled and will be placed before the Committee.

Noted for compliance. Position will be placed before the Committee.

Circular has been issued to all Regional Provident Fund Commissioners on 31.10.96 and feed back position will be apprised during the meeting.

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ITEM NO. 2(B):
DEVELOPMENT OF PENSION
SOFTWARE:

(i) Work relating to remaining 4 software programmes should be completed by 31.12.96.

(ii) The programme relating to actuarial valuation of the Pension Fund should be developed by the Actuary, according to his requirement and put in use.

Out of remaining 4 programmes, the programme relating to the Actuarial valuation has been entrusted to the Actuary. He is developing the same for performing the first valuation work of the Pension Fund entrusted to him.

In respect of the remaining 3 programmes, the required input/output reports with detailed note has been supplied to NIC in the first week of September, 96. Later on detailed discussions have been held with NIC officials and clarifications provided. As per the feedback given by Shri Goyal, NIC two software programmes are in the final stage and likely to be completed by the date line. The third programme relating to control and audit input will be taken up on completion of these two programmes.

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(iii) In regard to capturing the details obtained through Form 2/Form 9 and creating the data base, the Committee took note of the enormous volume of work involved in the process initially for about 2 crore members. Considering the volume of work and this being a one time exercise, the Committee felt and agreed in principle to get this work done entirely through some qualified outside agencies. It was suggested in this regard that apart from obtaining quotations from dependable and reputed computer professionals on competitive basis, efforts should also be made and possibilities explored in availing services of local engineering colleges, polytechnics, IITs and other similar institutions having computer facility and capability to undertake the job.

Necessary instructions to accomplish the task have already been issued to Regional P.F. Commissioners. Follow up reminder has again been issued vide D.O. letter dated 24.12.96 to take necessary action for engaging the outside agencies including local engineering colleges, polytechnics, IITs and other similar institutions having computer facility for the purpose of data entry work to create data base.

Monitoring of progress in this regard has of late been intensified.

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(iv) The Committee agreed to augment the need based hardware capacity of the existing systems.

(v) One additional dotmatrix heavy duty printer may be provided for all the EDP Centres.

(vi) The Computer system between various offices i.e. Sub-Regional Offices, Central Office should be interconnected through NIC nic-net system in a time bound manner.

(iv) & (v)

In the Nodal Group meeting on computerisation held on 23.10.96 detailed analysis was made regarding requirement of hardware, printer and other equipments for each Regional/ Sub-Regional Office and accordingly arrangement is being made through NIC. It is expected that by 31.3.97 the entire requirement of hardware will be possible to be put in position.

Computer Division has obtained the necessary administrative and financial approval for the project and the details have been worked out in consultation with NIC/NICSI. Formal proposal for completing the project of inter-connectivity has been given to NIC. Amount has been deposited with NICSI in this regard. Action is under progress.

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ITEM NO. 2(C) - MANPOWER

(i) 16 posts of Regional Controller of Pension have been sanctioned. Pending finalisation of the recruitment rules, action should be initiated to fill up these posts at the earliest.

(ii) N.P.C. had recommended creation of two Sections in Central Office. It was decided in its 5th meeting of P.I.C. on 1.3.96 that the Pension Section in the Central Office should be appropriately strengthened by posting required level of officers and supporting staff.

(iii) Other posts sanctioned for pension work should be filled expeditiously. Care should be taken to select suitable persons.

Recruitment rules for the post of Controller of Pension have been approved by the Executive Committee in its meeting held on 3rd December, 1996. Applications for these posts have been scrutinised by the Screening Committee. The recruitment action is in progress.

Necessary action to strengthen Pension Cell in Central Office is being taken.

Number of posts sanctioned for each region has been communicated to the respective Regional Offices for taking necessary action for filling the posts.

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ITEM NO. 2(D)PUBLICITY

Booklets on Pension Scheme may be printed in vernacular language and made available to the subscribers to educate them. It was clarified that the respective Regional P.F. Commissioners have already got the booklets printed in regional languages and are being distributed.

Respective Regional P.F. Commissioners were advised to get the booklets printed in local language and get it distributed. Regional Commissioners of Andhra Pradesh, Tamil Nadu, Bihar, West Bengal, Haryana, Karnataka, Punjab and Orissa Regions have forwarded the booklets on the Pension Scheme printed in vernacular language. Other regions have also reportedly printed and booklets in their respective languages and have supplied to the Subscribers. Booklets from these regions are being obtained and will be shown during meeting.

ITEM NO. 2(E)TRAINING

The Committee noted that NATRSS and ZTIs organised training courses on Pension Scheme to train the staff and

Regional Provident Fund Commissioners have been advised to arrange for training of all the staff concerned through the

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supervisory officials in the Regional and Sub-Regional Offices. The Committee further desired that the officers who were trained by the NATRSS, in their turn, should train other staff in their offices.

ITEM NO. 2(F)

BANKING ARRANGEMENT:

It was felt that present arrangement having been entered with one bank for every Region is providing inadequate. It was, therefore, desired that the banking arrangement may be suitably enlarged and strengthened.

It was informed that the State Bank of India should also take up this work to supplement the arrangements. Secretary, Labour and Chairman, Pension Implementation Committee agreed to take up the matter with the Secretary, Banking.

officers who have been trained at NATRSS/ZTI and also by utilising the video cassettes on the salient features and work procedure on Employees' Pension Scheme, 1995.

The point is also being looked into and stressed in the course of ongoing review.

On persuasion made with State Bank of India, Chief General Manager, State Bank of India Central Office, vide their letter dated 3.10.96 have informed that they are advising their local head offices to discuss and negotiate with the Regional Provident Fund Commissioners of Regional Offices for finalising the agreement. Accordingly Regional Provident Fund Commissioners have been advised to get in touch with the local head offices of State Bank of

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Regional Offices should ensure timely despatch of the monthly cheques of the intervening period prior to operationalising the banking arrangement.

India and take appropriate action to supplement. Feedback from Regional Provident Fund Commissioners is awaited.

ITEM NO. 2(G)

VALUATION OF THE FUND

The Committee desired to know the time schedule about first annual valuation falling due in mid November, 1996. It was informed that preliminary steps have already been initiated. The actuary has furnished four formats to collect data from various offices and provide the information duly processed to the Actuary by 30.12.96. Actuary would take about a month time thereafter to finalise the process and submit his valuation report.

Detailed circular to all Regional P.F. Commissioners have been issued on 4.10.96 enclosing the formats EPM, EPP and EPE prescribed by the Actuary for compiling the data and to capture the same through a computerised floppy. An inhouse computer programme to capture the said data has also been developed and sent to all the Regional Offices for completing the task.

To help accomplish this important task involving additional adhoc work load in a fixed time frame. Compensation package of way of Honorarium

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@ .60 paise per card, on *line* it was allowed on earlier valuation programme has been allowed in principle to be paid on actual basis on completion of the job. Total about 18 lacs cards need be completed & provided to actuary involving financial implication of Rs. 16 approximately. It is expected that the work relating to collection of data will be completed by the middle of January' 97 and thereafter Actuary will take about one month time for carrying out and completing the valuation work of the Pension Fund.

ITEM NO. 3

PROPOSAL FOR MAKING
PROVISION RELATING TO
MEDICAL EXAMINATION FOR
PAYMENT OF DISABLED
PENSION

The Committee approved the proposal for issue of Medical Certificate through Medical

After obtaining the approval of the Pension Implementation Committee, a

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Board of the area constituted either by the Central Government or State Government or the E.S.I. Authorities or any other local authority competent to constitute such Medical Board.

detailed memoranda was placed in the Central Board of Trustees meeting held on 3.12.96. CBT have since approved the proposal. Circular instructions to all Regional P.F. Commissioners prescribing the Medical Examination procedure is being issued on receipt of approved minutes of CBT.

ITEM NO. 4

MANUAL ON PENSION
DISBURSEMENT THROUGH
NATIONALISED BANKS:

The Committee approved the draft manual and advised to put in operation in consultation with Indian Banks Association and participating banks.

Banking Manual as approved has been circulated to all Regional Offices and Sub-Regional Offices/ I.B.A./ participating Banks for guidance and use.

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ITEM NO. 5:

PROPOSALS RELATING TO
SUGGESTIONS FOR AMENDMENT
TO THE EMPLOYEES' PENSION
SCHEME' 1995.

ITEM NO. 5(a) & (c):

- (a) ALLOWING PENSION TO
DISABLED CHILDREN
IRRESPECTIVE OF THEIR AGE
AND NUMBER OF CHILDREN

The Committee endorsed the proposal as contained in the memorandum and desired that a reference in this regard be sent to the Ministry of Labour, Government of India to take necessary action in bringing out appropriate amendment to the Pension Scheme.

A reference was made to the Ministry of Labour on 1.11.96 suggesting the amendment. However, the Ministry advised to obtain the approval of the Central Board of Trustees. Accordingly, Memoranda was placed in the 144th Meeting of CBT held on 3.12.96. The proposal has since been approved and the draft amendment is being resubmitted to the Ministry for further necessary action.

- (c) ALLOWING PENSION PAYMENT
TO DEPENDENT PARENTS IN
THE ABSENCE OF FAMILY
MEMBERS:

The Committee endorsed the proposal and desired that a reference may be sent to the Ministry of Labour, Government—

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of India to effect necessary amendment in the Scheme.

ITEM NO. 6

BENEFITS TO THE FAMILY ON THE DEATH OF A MEMBER WHILE IN SERVICE, WITHOUT COMPLETING ONE FULL MONTH PERIOD (PARA 16(1)(A):

The Committee endorsed the proposal and authorised that clarification in this regard may be issued to respective Regional P.F. Commissioners for regulating the cases in accordance therewith.

ITEM NO. 7

MISCELLANEOUS

The Committee was informed that on 12.9.96, there had been an incident in a Fire Works Factory in Shivakasi resulting in death of 10 workers. Regional P.F. Commissioner, Tamilnadu has documented, processed and distributed sanctioned pension to their family members on 24.9.96. The Committee appreciated the work done by Regional P.F.

As approved, a circular has been issued on 9.12.96 to all the Regional P.F. Commissioners clarifying the matter.

As desired, an appreciation letter was sent to the Regional Provident Fund Commissioner, Tamilnadu vide reference No. Pension/PIC/96/17926 Dated 7.11.96.

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Commissioner, Tamilnadu and desired that a letter of appreciation may be sent to the Regional P.F. Commissioner, Tamilnadu and through him to the concerned staff members of the Regional Office, Madras.

The Committee expressed that good work has been done by the Organisation in defending the writ petitions before Courts and recorded their appreciation in favour of concerned officials in the organisation and Ministry of Labour.

Secretary Labour and Chairman, Pension Implementation Committee desired that the newsletter which was being published by the E.P.F. Organisation be printed and issued covering the Pension Scheme features. Articles may be invited from pensioners through Regional P.F. Commissioners & success

E.P.F. Newsletter for quarter ending September, 1996 containing the important clarification on the Pension Scheme has been printed and circulated to all concerned. Action has also been initiated inviting features & success stories etc. as desired.

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stories narrated by them will entail lot of confidence about the working of the Scheme.

The Committee also desired that appropriate measures may be taken for future publicity of the Scheme.

- i) Radio Serial-Naya Zamana-Naya Tarana for 13 episodes has been released to Akashwani and its broadcasting has already started over Vivid Bharat Kendras in various regional languages on every Friday at 9.00 p.m. from 13.12.96.
- ii) It has been decided to organise few round table meetings on pension scheme at various places in collaboration with Social Security Association of India.

The Committee approved to provide plain fax machines to all Regional Offices & Sub-regional Offices for effective communication channel specially with reference to the implementation of Pension Scheme.

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Necessary steps should be taken to computerise all Regional Offices, Sub-regional Offices, NATRSS & ZTIs in a time bound manner so as to complete before 31.3.97. Shri Parduman Singh made following further suggestions:-

- i) A permanent Account No. should be allotted to each member of the Scheme to help facilitate settlement of such members who migrate from one part of the country to another very frequently.
- ii) A permanent pass book and identity card should be issued to each pension fund member. Such cards should have details of family members alongwith their ages, permanent home address, photographs and identification mark etc.

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Appropriate steps are being taken for implementation of these suggestions.

Item No. 4: Actuarial Valuation Report as on 15.11.1995 recommending to increase the benefit to the pensioners under Employees' Family Pension Scheme, 1971.

Para 34 D of the erstwhile Employees' Family Pension scheme' 1971 provide for valuation of the Family Pension Fund by a valuer appointed by Central Government at interval of 3 years.

2. The valuation of the erstwhile Family Pension Fund was last carried out and benefits revised effective from 1.4.1992. Accordingly, the next valuation fell due by March, 1995.

3. Shri Bhudev Chatterjee, Actuary has been retained as a Consultant Actuary for the Organisation with the approval of Government and the competent Authority viz. the Hon'ble Minister for Labour and Chairman, C.B.I.

4. The Actuary, Shri Bhudev Chatterjee has accordingly undertaken the valuation work of the erstwhile Family Pension Scheme, 1971. During the course of valuation the new Pension Scheme was introduced by the Govt. effective from 16.11.1995. Accordingly the Employees' Family Pension Scheme, 1971, on introduction of the new Employees' Pension Scheme, 1995 ceased its operation and stood merged with all its assets and liabilities with the new Scheme. Accordingly, the Actuary has completed the valuation of the erstwhile Family Pension Fund till its existence upto 15.11.1995.

5. The Actuary, upon completion of the valuation work, has submitted his report dated 31.10.1996. The report contains various schedules in details and calculation parameters based on which valuation of the Fund has been undertaken and recommendation for revision in the pensionary benefits made. The summary of the recommendation suggesting increase in the pension payable to existing pensioners under the erstwhile Employees' Family Pension Scheme, 1971 are precisely as under:-

- (i) Notional Fund of Rs. 1,605/- crores to be created for payment of pension to existing Family Pension Scheme Pensioner/eligible survivors, thereof.
- (ii) Employees' Family Pension Scheme schedule for salary levels upto Rs. 3500/- remains un-amended.
- (iii) Employees' Family Pension Scheme schedule for salary levels beyond Rs. 3500/- has been annexed to schedule.

- (iv) Pension increase to vested pensioner as per schedule below effective 31.3.1995 is recommended

Date of death of member	% Increase	Minimum increase	Maximum increase
Before 1.4.1992	15	Rs. 75	Rs. 300
1.4.1992 to 31.3.1993	12	Rs. 60	Rs. 240
1.4.1993 to 31.3.1994	9	Rs. 45	Rs. 180
1.4.1994 to 31.3.1995	6	Rs. 30	Rs. 120

(Subject to a minimum of Rs. 300/- per month as Widow Pension)

6. The reports submitted by the Actuary and the recommendation made for revising the pensionary benefits for the erstwhile Family Pension Fund beneficiaries is placed for consideration of the Board and for recommending to the Govt. for appropriate follow up action and carrying out necessary revision.

(FP/15(4)77/Actuary/95)

EMPLOYERS FAMILY PENSION SCHEME, 1971
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ACTUARIAL VALUATION
AS AT 15.11.95

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BHUDEV CHATTERJEE, M.Sc., F.I.A. (UK)
FELLOW INSTITUTE OF ACTUARIES (UK)
ACTUARY

22B, PARK MANSIONS
57A, PARK STREET
CALCUTTA 700 016

THIRTY-FIRST DAY OF OCTOBER,
ONE THOUSAND NINE HUNDRED
AND NINETY SIX

EMPLOYEES FAMILY PENSION - 1971
ACTUARIAL VALUATION CERTIFICATE
AS AT
15.11.1995

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BHUDEV CHATTERJEE M. Sc. (Mathe)

Member Institute of Actuaries (U. K.)
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ACTUARY

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October 31, 1996

TO WHOM IT MAY CONCERN

EMPLOYEES FAMILY PENSION SCHEME - 1995

ACTUARIAL VALUATION AS AT 15.11.95

This is to certify that :

1. Data for valuation was supplied by Employees Provident Fund Organisation by way of Floppies as well as print-outs.

2. This data was subjected to consistency test of -

- 2.1 Age - Pension
- 2.2 Service - Pension
- 2.3 Tenure - Enhanced period
- 2.4 Age - Beneficiary type

Such tests have not shown any inconsistency thereon. Accordingly, data has been accepted for valuation without amendment.

3. Actuarial bases of valuation as detailed in the "Report" are appropriate to those classes of pensioners.

4. Liability of the Fund will be limited to payment of Family Pension to -

- 4.1 Existing Widow Pensioners
- 4.2 Eligible Children on death of widow pensioner
- 4.3 Existing Children pensioner
- 4.4 Eligible Children on death of existing children Pensioner

5. Result of the valuation is :

- 5.1 Employees Family Pension Scheme schedule upto salary limit of Rs. 3500/- per month remains unamended.
- 5.2 Family Pension for salary limits beyond Rs.3500/- per month annexed to the Schedule.
- 5.3 Existing pensioner will be granted pension increase effective 01.3.95 as per schedule below :-

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2.

Date of Death of Member	% increase	Min. increase	Max. Increase
Before 1.4.92	15	Rs.75	Rs.300
1.4.92 to 31.3.93	12	Rs.60	Rs.240
1.4.93 to 31.3.94	9	Rs.45	Rs.180
1.4.94 to 31.3.95	6	Rs.30	Rs.120

Subject to a minimum amount of Rs.300/- p.m. as Widow Pension.

- 5.4 Actuarial Liability of Employers Family Pension Scheme (ceased) is Rs.1605/- crores as at 15.11.95. This amount along with interest will be adequate to meet Pension payment to all Family Pensioners/eligible survivors together with increase of pension as per basis of schedule 5.3, until the death of last such Pensioner.


 BHUDEV CHATTERJEE
 ACTUARY



SCHEDULE OF WIDOW PENSION

SALARY AT DAY OF DEATH NOT MORE THAN	NORMAL WIDOW PENSION	ENHANCED WIDOW PENSION
100	235	255
150	245	275
200	255	295
300	265	315
350	275	335
400	285	355
450	295	375
500	315	415
550	325	435
600	336	456
650	347	477
700	358	498
750	369	519
800	380	540
850	391	561
900	402	582
950	413	603
1000	424	624
1050	435	645
1100	446	666
1150	457	687
1200	468	708
1250	479	729
1300	490	750
1350	502	772
1400	514	794
1450	526	816
1500	538	838
1550	550	860
1600	562	882
1650	574	904
1700	586	926
1750	598	948
1800	610	970
1850	622	992

SCHEDULE OF WIDOW PENSION (CONTINUED)

BALARY AT DAY OF DEATH NOT MORE THAN	NORMAL WIDOW PENSION	ENHANCED WIDOW PENSION
1900	634	1014
1950	646	1036
2000	658	1058
2050	670	1080
2100	683	1103
2150	696	1126
2200	709	1149
2250	722	1172
2300	735	1195
2350	748	1218
2400	761	1241
2450	774	1264
2500	787	1287
2550	800	1310
2600	813	1333
2650	826	1356
2700	839	1379
2750	852	1402
2800	865	1425
2850	879	1449
2900	893	1473
2950	907	1497
3000	921	1521
3050	935	1545
3100	949	1569
3150	963	1593
3200	977	1617
3250	991	1641
3300	1005	1665
3350	1019	1689
3400	1033	1713
3450	1047	1737
3500	1050	1750
3550	1060	1770
3600	1070	1790

SCHEDULE OF WIDOW PENSION (CONTINUED)

SALARY AT DAY OF DEATH NOT MORE THAN	NORMAL WIDOW PENSION	ENHANCED WIDOW PENSION
3650	1080	1810
3700	1090	1830
3750	1100	1850
3800	1104	1864
3850	1113	1883
3900	1122	1902
3950	1131	1921
4000	1140	1940
4050	1138	1948
4100	1146	1966
4150	1154	1984
4200	1162	2002
4250	1170	2020
4300	1162	2022
4350	1169	2039
4400	1176	2056
4450	1183	2073
4500	1190	2090
4550	1176	2086
4600	1182	2102
4650	1188	2118
4700	1194	2134
4750	1200	2150
4800	1180	2140
4850	1185	2155
4900	1190	2170
4950	1195	2185
5000	1200	2200

Bhuvan
BHUVAN CHATTERJEE
ACTUARY