

REPORT

ON THE
WORKING OF THE EMPLOYEES' PROVIDENT FUNDS SCHEME
1955-56



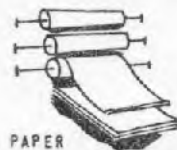
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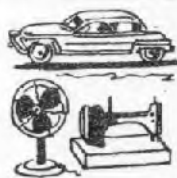
IRON & STEEL



CIGARETTES



PAPER



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GOVERNMENT OF INDIA • MINISTRY OF LABOUR

ISSUED BY THE CENTRAL BOARD OF TRUSTEES, EMPLOYEES' PROVIDENT FUNDS SCHEME

Office of the Central Provident Fund Commissioner, Gurdwara Road, New Delhi.

From

Shri S. N. Mubayi,
Secretary, Central Board of Trustees and
Central Commissioner,
Employees' Provident Fund.

To

The Secretary to the Government of India,
Ministry of Labour,
New Delhi.

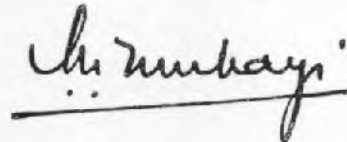
SUBJECT:—Annual Report on the working of the Employees' Provident Funds Scheme,
1952 for the year ending the 31st March, 1956.

Sir,

I am directed by the Central Board of Trustees, Employees' Provident Fund to submit the enclosed report on the working of the Employees' Provident Funds Scheme, 1952 for the year ending the 31st March, 1956 as required under para 74 of the Scheme. A classified summary of the assets of the Fund as on the 31st March, 1956 is given in Appendix 'A' of this report.

2. An attempt has been made in the report to bring out some of the difficulties experienced in the administration of the Scheme and how they were dealt with. As the report is being submitted in February, 1957, opportunity has been taken to make it upto date by incorporating certain important decisions of High Courts and changes effected after the end of the year 1955-56, especially the extension of the Employees' Provident Funds Act to several factory industries and the amendment of the Act to enable its extension to non-factory industries.

Yours faithfully,



(S. N. MUBAYI)

Secretary,

Central Board of Trustees,

ANNUAL REPORT ON THE WORKING OF THE EMPLOYEES'
PROVIDENT FUNDS SCHEME FOR THE YEAR 1955-56.

1. The period under report witnessed steady progress in the implementation of the Scheme in the six industries initially brought under the Act, *viz.*, (i) Cement, (ii) Cigarettes, (iii) Electrical, Mechanical or General Engineering Products, (iv) Iron and Steel, (v) Paper and (vi) Textiles. Since then, the Scheme has been extended to many other industries—an account of which will be found in Section XI of this report.

2. The collection of provident fund contributions remained stable and there were fewer cases of recoveries by "certificate" proceedings. The employers generally remained conscious of their obligations and the workers also showed increasing awareness of their rights and watched their interest zealously.

3. Some of the employers disputed their liability under the Act and approached High Courts in their States with writ petitions against the decisions of the Regional commissioners concerned or the Central Commissioner. Almost in all cases the decisions of the High Courts upheld the position taken by this organisation and more than one High Court stated that this beneficent measure of social security should receive a benevolent interpretation in the interest of the workers. It is needless to state that these decisions were of immense value to the organisation and resulted in appreciable reduction of contraventions. The more important of these decisions have been summarised in para 55 and Appendix 'B' of this report.

4. *Augmentation of the amount realised as interest on investments*

(i) *Revision of the existing pattern*

The investment of the amount in the Fund was being made exclusively in Central Government securities according to the following pattern decided upon after careful consideration, by Government of India including the Ministry of Finance in consultation with the Reserve Bank of India :—

(1) National Savings Certificates	. . .	10 per cent
(2) Short-term securities	. . .	10 per cent
(3) Medium-term securities	. . .	30 per cent
(4) Long-term securities	. . .	50 per cent

Long-term securities generally give a higher yield than medium or short-term securities. It was also observed that the amount of normal refunds of provident fund to outgoing members or their nominees formed a small proportion of the amounts realised every month as provident fund contributions. The Fund was, thus in the happy position of being able to meet several times this liability from current provident fund contributions without resort to premature sale of securities. It was, therefore, in the interest of the members that the investments of the Fund should be made in long-term securities. As Government of India were firm in not permitting investments of a

larger proportion than 10 per cent in National Savings Certificates, it was proposed by the Central Commissioner that most of the remaining 90 per cent might be invested in long-term securities. At first, Government of India and the Reserve Bank of India did not wish to make any change in the pattern of investment but after considerable correspondence they were persuaded to accept the need for larger investments in long term securities and to change the pattern. Accordingly, the previous pattern was substituted by the following :—

- | | |
|---|-------------|
| (1) National Savings Certificates . . . | 10 per cent |
| (2) Medium-term securities . . . | 20 per cent |
| (3) Long-term securities . . . | 70 per cent |

(ii) *An additional mid-week investment*

As employers are required to pay into the Fund the amount of provident fund contributions by the 15th of the month following that to which they relate, it was observed that the major portion of the contributions was received on the 15th or if that happened to be a holiday, on the next working day. This was only natural as, while the employers were in no hurry to deposit the provident fund monies earlier than the last date, further delay involved payment of damages. It was, therefore, arranged with the State Bank of India that in addition to the normal weekly transfer of accumulations by its branches to the State Bank of India, Bombay for being pooled and transferred to the Reserve Bank of India for immediate investment, another transfer would be made by the branches of the Bank at the close of the 15th day of the month or the next working day, as the case might be. It was so arranged that the amount of provident fund from various branches should reach the State Bank of India, Bombay by the 18th of the month when the entire amount would be transferred to the Reserve Bank of India. It was agreed by the latter Bank to make an immediate investment of this mid-week transfer in addition to the normal weekly investments. This arrangement is working satisfactorily and is effective in reducing the loss of interest due to delay in investment.

5. *Investment by exempted factories*

Cases of abnormal delay in investment of provident fund by a number of exempted factories were noticed and where warnings failed to effect improvement, the exemption granted under section 17 of the Employees' Provident Funds Act, 1952 was cancelled and the factory directed not only to pay the uninvested amount to the statutory Fund but also to transfer to it the investments already made. There were 13 such cancellations during the year.

6. The administrative set-up of the organisation remained more or less unaltered. With effect from the 13th August, 1955 Shri S. Neelakantam was appointed Joint Secretary, Government of India and the present incumbent, Shri S. N. Mubayi was appointed as Central Commissioner.

7. The draft amendments to the Scheme have now almost reached a final stage and are expected shortly to be notified in the Government of India Gazette.

8. There was no addition to the Regional Committees mentioned in the last report. It is expected that some more State Governments would form such Committees in their States, as one of the reasons for not constituting such Committees was stated by the State Governments to be the then impending re-organisation of the States.

9. *Rendition of Members' Accounts*

There was considerable improvement in rendering the annual statements of accounts to the members during the year under report. The failure of employers to pay up provident fund contributions has naturally prevented the posting of the individual ledgers and of the issue of annual statements of accounts to employees of such defaulters. Legal action was taken to obtain payment from such employers.

10. *Refund of provident fund to outgoing members*

Steps were taken to ensure speedier settlement of claims for refund of accumulations to outgoing members or to their nominees. There has generally been an appreciable improvement in this matter. This is gratifying as prompt refund of provident fund avoids or relieves distress and too much attention cannot be given to this most important function of the organisation.

11. The Comptroller and Auditor General of India has taken over the direct responsibility of the audit of the Fund accounts in the central as well as in the regional offices except in Bombay region, the audit of which has been entrusted by the Central Government at his instance, to a firm of Chartered Accountants. This firm will, however, work under the instructions and guidance of the Comptroller and Auditor General of India and submit its report to him. Thus, even for the Bombay region, audit would remain the responsibility of the Comptroller and Auditor General of India. Although the accounts of nearly all regional offices have been audited, a consolidated report from the audit authorities is awaited.

II

Administration of the Scheme

12. *Central Office*

The Central Commissioner was assisted by a Deputy Provident Fund Commissioner and four Assistant Commissioners. The post of Deputy Provident Fund Commissioner, however, remained vacant since the appointment of Shri Mubayi as Central Commissioner. The staff position of the central office at the end of the period under report is shown in Part I of Appendix 'D'.

13. As Employees' Provident Funds Organisation is not a Government formation, it is found difficult to attract or retain the best talent and the officers and the staff have generally been seeking appointment in Government departments, even where the pay scales were not more attractive. This trouble has been felt very acutely in the central office as Delhi offers almost unlimited scope for employment of educated

youngmen. The difficulty has been felt in some regional offices also. Apart from better status, Government service secures the employees the benefit of pension, of residential accommodation at a maximum of 10 per cent of their salary and of much better scope for advancement. It is needless to state that a heavy exodus of trained personnel makes it difficult to run an organisation efficiently. It is therefore vital to make appointments in this Organisation at least as attractive as those in the corresponding posts in the Central or State Government departments by providing collateral benefits. For similar reasons, a large number of deputationists have reverted to their parent departments.

14. The Scheme was being administered through 20 regional offices under Regional Commissioners whose names are given in Appendix 'F'—Part I.

The work relating to the administration of the Scheme in the States of Himachal Pradesh and Assam was being looked after by the Regional Provident Fund Commissioners, Punjab and West Bengal respectively. Regions other than Bombay, Madras and West Bengal were in the charge of part-time Regional Commissioners. Most of them were mainly employed as Labour Commissioners under the State Government concerned.

15. *Organisation of the Regional Offices*

The general set up of the regional offices remained the same as before. There were in all ten Accounts Officers of whom four were superannuated officers of the Indian Defence Accounts Service. Of these, three have since been replaced by the nominees of the Union Public Service Commission, while one post was abolished on the reorganisation of the States.

The names of the Accounts Officers and Inspectors have been shown in Parts II and III of Appendix 'F'.

16. The detailed staff position in the regional offices together with an organisational chart showing the officer strength has been given in the statement under Part II of Appendix 'D' and Appendix 'E' respectively.

17. *Central Board of Trustees.*

Shri P. M. Menon, I.C.S., Joint Secretary to the Government of India, Ministry of Labour, New Delhi was appointed as the Chairman of the Board on the 4th January, 1956 *vice* Shri Vishnu Sahay, I.C.S., Secretary to the Government of India, Ministry of Labour, New Delhi. On the 31st March, 1956 the Board consisted of the following trustees :—

Chairman

1. Shri P. M. Menon, I. C.S., Joint Secretary to the Government of India, Ministry of Labour, New Delhi.

Nominees of the Central Government.

2. Shri N. S. Mankikar, Chief Adviser of Factories, Ministry of Labour, Government of India, New Delhi.

3. Shri N. V. Venkataraman, Deputy Secretary to the Government of India, Ministry of Finance, New Delhi.
4. Shri B. B. Saxena, Joint Secretary to the Government of India, Ministry of Commerce and Industry, New Delhi.

Nominees of the State Governments.

5. Shri J. D. Kapadia, I.C.S., Secretary to the Government of Bombay, Development Department, Sachivalaya, Bombay.
6. Shri K. R. Das Sarkar, Deputy Secretary to the Government of West Bengal, Labour Department, Calcutta.
7. Shri V. Balasundram, I.A.S., Labour Commissioner, Government of Madras, Fort St. George, Madras.
8. Shri Radha Kant, I. A. S., Secretary to the Government of Uttar Pradesh, Labour Department, Lucknow.
9. Shri B. P. Singh, I. A. S., Secretary to the Government of Bihar, Labour Department, Patna.

Employers' representatives.

10. Shri J. H. Patel, Director, The Associated Cement Companies Ltd., Queen's Road, Bombay—1.
11. Shri A. Rajagopalan, Agent, The Tata Iron & Steel Co., Ltd., 23-B, Netaji Subhas Road, Calcutta—1.
12. Shri B. K. Rohatgi, 45—Armenian Street, Calcutta.
13. Shri M. L. Bagla, Swadeshi Cotton Mills Ltd., Kanpur.
14. Shri Shital Prasad Jain, 11, Clive Row, Calcutta.
15. Shri M. L. Tapuria, Kamala Mills Ltd., Bombay.

Employees' representatives.

16. Shri Michael John, M. P., President, Tata Workers' Union, 17-K Road, Jamshedpur.
17. Shri G. D. Ambekar, President, I. N. T. U. C., Mazdoor Manzil, Parel, Bombay.
18. Shri Kali Mukherjee, M. L. A., 32B, Girish Mukherjee Road, Calcutta.
19. Shri B. S. Mahadeo Singh, C/o. Hyderabad State Mazdoor Sabha, Old Jail Market Street, Secunderabad (Dn).
20. Shri Tushar Chatterjee, M. P., P. O. Baro Sibtala, Chinsurah, West Bengal.
21. Shri Vimal Mehrotra, 109/221, Jawahar Nagar, Kanpur.

18. *Meetings of the Central Board of Trustees*

During the period under review, the Board held two meetings, one on the 18th July, 1955 under the chairmanship of Shri Vishnu Sahay and the other on the 27th February, 1956 under Shri P. M. Menon's chairmanship. In the former meeting certain important amendments to the Employees' Provident Funds Scheme, 1952 were discussed and approved. At the latter meeting the Board approved the revised budget estimates of the organisation for the year 1955-56, the annual Budget estimates for the year 1956-57 and the draft annual report on the working of the Employees' Provident Funds Scheme for the year ending the 31st March, 1955. Other important decisions/recommendations of the Board included declaration of interest @ 3-1/2 per cent for the year 1956-57 for credit to the subscribers' accounts, discontinuance of the departmental audit of the accounts of one region by the accounts offi-

cer of another region in view of the Comptroller and Auditor General of India having undertaken the work of audit and immediate payment of provident fund dues in deserving cases in addition to cases of mass—retrenchment. The Board also recommended to the Central Government that a provision should be made in the Employees' Provident Funds Scheme for granting loans to members of the Fund for the marriage of their daughters or in cases of serious illness in their family, subject to the condition prescribed for this purpose under the income tax law and payment of interest at 5 per cent on such loans.

19. *Regional Committees*

Six Regional Committees formed in 1954 with reference to para 4 of the Scheme functioned during the year under review. While Committees for Bombay, West Bengal and Madras regions held one meeting each during the year, those for Bihar, Uttar Pradesh and Madhya Bharat remained dormant. At the instance of the Union Deputy Labour Minister, more frequent meetings of the Regional Committees have been suggested. The constitution of the Regional Committees for the six States is shown in Appendix 'I'. A brief account of the important recommendations of the Regional Committees is given below :—

- (1) The Regional Committee, Bombay recommended that
 - (i) the possibility of opening a branch accounts office at Ahmedabad might be considered ;
 - (ii) the Scheme should be extended to contract labour ; and
 - (iii) draft model rules for factories to be granted exemption should be prepared and that exemption should not be granted on the basis only of the rules but the employers' capacity to observe such rules should be one of the main criteria.
- (2) The Regional Committee, West Bengal recommended that
 - (i) the administration of the Fund should be decentralised ;
 - (ii) if a revised pay scale for the staff be adopted it should be seen that the existing staff is not adversely affected ; and
 - (iii) some percentage of the staff should immediately be declared permanent.
- (3) The Regional Committee for Madras was inaugurated by the State Labour Minister on the 23rd January, 1956 but had to be adjourned for want of quorum. The Committee later met on the 30th January, 1956 and resolved that
 - (i) the service conditions of the staff of the Provident Fund Organisation should be the same as those of the staff under the State Government, the service should be pensionable and that all other benefits and concessions enjoyed by the State Government servants be extended to the staff of the Provident Fund Organisation and the expenses involved on that account be met from the Fund ; and

- (ii) the Employees' Provident Funds Organisation should be made permanent and all the posts of officers and 60 per cent of the remaining staff be made permanent with immediate effect;
- (iii) administration of the Fund should be decentralised ;
- (iv) manual accounting be encouraged in preference to machine accounting ; and
- (v) action may be taken to bring out a pamphlet giving the salient features of the Act and the Scheme in the vernaculars as soon as the proposed amendments to the Act and the Scheme are notified.

20. With the approval of the Government of India, a branch Accounts Office was opened on the 6th December, 1956 at Ahmedabad. The extension of the benefits of the Scheme to contract labour directly connected with the manufacturing process was also desired earlier by the Board and necessary amendment to the Scheme is being notified shortly by Central Government. Draft model rules for the factories to be granted exemption were framed in the initial stages but in view of the divergent conditions prevailing in different factories, difficulty was experienced in their universal adoption. The statutory Scheme serves as a good model so far as benefits are concerned. Conditions for exemption are comprehensively defined. Before recommending exemption, Regional Provident Fund Commissioners are required to satisfy themselves about the soundness of the financial position of the factory and also about the existence of good relations between the employer and the employees.

21. The question of decentralisation of the administration of the Employees' Provident Funds Scheme was considered by the Government of India. Taking into account the fact that decentralisation of the administration of the Scheme was envisaged as a preliminary to the decentralisation of the Fund itself, and the Fund was not now being decentralised, it was felt that there would be no particular advantage in proceeding with the decentralisation of the administration of the Scheme. Many of the State Governments have agreed with this view, though some of the States are pressing for decentralisation of administration. The matter is being examined further by the Government of India. The question of introducing a uniform scale of pay for the staff had previously been considered by the Board. In arriving at a decision about the scale to be prescribed, Government rules regarding protection to staff already in employ are borne in mind. Government of India are considering the question of confirming the senior and supervisory posts and 80 per cent of the other posts, which have existed for a period of three years. The question of service conditions of the staff of the organisation and their pay, allowances and other concessions is connected with the decision on decentralization of administration. Decision not to replace the existing Remington Accounting Machines on their becoming unserviceable was taken long ago by Central Government and already a large number of accounts is being maintained manually in most of the regions. Government of India have already initiated action to bring out translation of the Act in Hindi.

III

Coverage

22. During the year under report, the Employees' Provident Funds Act, 1952 and the Scheme framed thereunder applied to all factories engaged in six scheduled industries in which 50 or more persons were employed, provided three years of their establishment had elapsed. Only the employees who had completed one year's "continuous service" or worked for 240 days during a period of twelve months and were not in receipt of more than Rs. 300 per month as basic wages were admitted to the membership of the Fund. 313 additional factories were brought under the purview of the Act and the Scheme for the first time during the year. Of these, 147 were covered with retrospective effect as a result of a drive started in January, 1956. The following comparative statement shows the number of factories and employees covered by the Employees' Provident Funds Scheme as on the 31st March, 1955 and 1956 :—

TABLE No. 1

Name of Industry	No. of factories*		No. of members*	
	31-3-55	31-3-56	31-3-55	31-3-56
1. Cement	19	20	27,713	24,298
2. Cigarettes	9	11	10,742	12,856
3. Electrical, Mechanical or General Engineering Products	599	762	38,096	60,865
4. Iron and Steel	81	110	10,719	10,495
5. Paper	20	23	5,807	16,833
6. Textiles	626	740	3,60,819	4,31,367
Non-scheduled factory		1		208
TOTAL	1,354	1,667	4,53,896	5,56,922

* These figures relate only to non-exempted factories, *i.e.*, factories of which the members' accounts were maintained by the Regional Commissioners and not by the employers themselves.

These 1,667 factories had a total employment of 6,20,412 persons, of whom 5,56,922 *i.e.*, 90.0 per cent were members of the Fund. The corresponding figures for the previous year were 5,26,071 workers, 4,53,896 members and 86 per cent. The Bombay region had the maximum number of factories covered by the Employees' Provident Funds Scheme, *viz.*, 540 factories with 2,22,22,071 members of the Fund, while Kutch was the smallest region with only 3 factories and 291 members.

23. *Exemption of charitable institutions*

Section 16(2) of the Employees' Provident Funds Act 1952 provides for grant of exemption to a class of factories on financial or other grounds. During the year, the Central Government by notification, exempted from the operation of the Act for a period of five years such factories as are owned or controlled by charitable institutions and are working exclusively for the benefit of their employees.

24. Similarly in a notification issued in July, 1956 the Central Government "exempted all handloom factories organised as industrial co-operatives, as a class, from the provisions of the Act for a period of five years from the 1st January, 1955".

25. *Contributions*

During the year 1955-56 the total amount of provident fund contributions due to be received from the factories covered under the Employees' Provident Funds Scheme 1952 was Rs. 6.37 crores. A sum of Rs. 37.97 lakhs was outstanding from the defaulting employers on the 31st March, 1956.

26. *Transfer of accumulations in provident funds of factories on their being brought under the statutory Scheme*

During the year, Government securities of the face value of Rs. 88.47 lakhs were received from the covered factories on account of past accumulations of the subscribers in the private funds of factories on their coverage under the Employees' Provident Funds Scheme, 1952.

IV

Administrative and Inspection charges

27. The expenses of administration of the Fund are met from the levy of administrative and inspection charges from employers of unexempted and exempted factories at 3 per cent and 3/4 per cent respectively of the total amount of provident fund contributions subscribed both by employees and employers during a month. A sum of Rs. 17.95 lakhs was received during the year by way of administrative charges from unexempted factories and a sum of Rs. 9.50 lakhs as inspection charges from exempted factories.

28. *Income and Expenditure of the Fund*

Of the administrative and inspection charges received by the regions, one-sixth is credited to the Central Administration Account for expenses of the central office and for financing deficit regions. Proper check is exercised by the central office through periodical returns from the regional offices to see that expenditure does not exceed the budget grant without sanction of the central office which re-allots funds subject to the approval of the Central Board of Trustees, where necessary. The

income and expenditure of the organisation during the year 1955-56 were as under :—

Income	Expenditure	
	Rs. lakhs	Rs. lakhs
(a) Administration and Inspection charges	27.45	19.10
(b) Interest on investment	0.55	
(c) Penal interest	0.06	
	28.06	

Of the total administrative/inspection charges, a sum of Rs. 8.37 lakhs was invested in Central Government securities during the year under review.

V

Banking Arrangements

29. The State Bank of India continued to function as Bankers for the organisation, except for the Pepsu region where the Bank of Patiala was entrusted with this work. The accounts of the Fund maintained by them are discussed hereunder —

(1) *Account No. 1* (Provident Fund Account)

The balance in this account as on the 31st March, 1956 was about Rs. 69,634.

(2) *Account No. 2* (State Administration Account)

The balance in this account in all regions at the end of the financial year was Rs. 6.23 lakhs.

(3) *Account No. 3* (Refund Account)

The balance in all regions as on the 31st March, 1956 was Rs. 2.87 lakhs. This account is replenished by the Central Commissioner on an "as required" basis from Account No. 5 or 1.

Accounts No. 1 to 3 are maintained in the Bank at the headquarters of each regional office.

(4) *Account No. 4* (Central Administration Account)

The balance as on the 31st March, 1956 was Rs. 1.89 lakhs. This account is maintained at New Delhi.

(5) *Account No. 5* (Investment Account)

The balance as on the 31st March, 1956 was Rs. 80,337.

30. In addition to the accounts maintained by the State Bank of India, the central office maintains two proforma accounts which are indicated below :—

(i) *Account No. 6* (Interest Suspense Account)

The total amount as at the close of the financial year in this account was Rs. 51.53 lakhs.

(ii) *Account No. 7 (Forfeiture Account)*

The total amount in this account as on the 31st March, 1956 was Rs. 10.24 lakhs.

31. The Account Nos. 1, 4, and 5 are operated only by the Central Commissioner and Nos. 2 and 3 by the Regional Commissioners.

32. *Bank Charges*

There was no change in the rate of bank charges which remained as follows :—

(i) State Bank of India, 1/32% on the first two crores of rupees and 1/64% on the remaining amount.

(ii) Reserve Bank of India, 1/16% on the first two crores and 1/32% on the balance. During the year a sum of Rs. 9,680 was paid to the State Bank of India and Rs. 23,942 to the Reserve Bank of India.

33. The rates of commission of the Reserve Bank being double of those of the State Bank, the total commission of the two should normally be in the ratio of 2:1. For the following reasons, however, the actual charges reflected in the year's account do not maintain the above proportion :—

(i) the State Bank charges are based on the calendar year whereas the Reserve Bank charges are based on the financial year;

(ii) the Reserve Bank charges include commission on amounts of interest on securities collected and re-invested;

(iii) difference between the higher and the lower rates of bank charges in respect of the first two crores for 1955 was not charged by the State Bank in 1955-56 but in 1956-57.

VI

Declaration of Interest

34. Interest is payable to the subscribers' accounts on the opening balances at their credit; the accounting period is the official financial year.

35. At their meeting on the 28th March, 1955 the Board recommended to the Central Government that members of the Fund be allowed interest @3-1/2% on their accumulations for the year 1956-57. This rate was approved by Government.

36. The increase of half per cent in the rate of interest during the year was feasible due to the speeding up of the investment.

VII

Forfeitures of employer's contribution

37. The question of utilisation of the amount forfeited to the Fund in terms of sub-para (3) of para 69 and sub-para (1) of para 71 of the Scheme was referred to the Regional Provident Fund Commissioners and also to select exempted factories and various employers' organisations for eliciting their suggestions.

Considering the availability of fund, the following two proposals received the approval of the Board and the Government of India :—

- (i) Payment of money order commission on remittance of provident fund accumulation to outgoing members of the Fund or to their nominees/heirs, and
- (ii) Grant of financial assistance in emergent cases where no deposits have been made or deposits made are inadequate, to the outgoing members of the Fund or their nominees or heirs upto a limit of 25% of opening balance in the Reserve Account of the Fund provided that the amount so advanced in any individual case shall not exceed 25% of the members' own contributions to the Fund.

38. A sum of Rs. 10.24 lakhs stood to the credit of Forfeiture Account on the 31st March, 1956. The interest realised from this investment is pooled with interest on provident fund for distribution to members. It has to be examined whether the corpus of this fund, or any part thereof, can be utilised further in the general interest of the members. It may, however, be added that with the imminent liberalisation of the rules regarding payment of employers' contributions, in whole or in part, the amounts forfeited in future will be substantially reduced.

VIII

Final Payments and Refunds

39. Settlement of claims for refund is given high priority. Normally, claims are being settled in one to two weeks except in the case of defective or irregular claims. In these cases also, instructions are promptly given to the claimants indicating the correct procedure.

The total number of claims received during the year was 31, 297; adding thereto a carry over of 921 outstanding claims for the year 1954-55, the total number of claims for settlement was 32,218, of which 31,513 claims were settled leaving balance of 705 claims at the end of the year. The amount paid to outgoing members or their nominees/heirs in settlement of claims for refund was 55.13 lakhs.

IX

Maintenance of Accounts

40. The maintenance of members' accounts and issuing to each member an annual statement of accounts are the responsibility of the regional offices. Annual accounts for the year 1954-55 were completed and issued in almost all cases, except in respect of a few factories which had defaulted in the payment of provident fund contributions and submission of returns. Appropriate legal action was taken where necessary.

41. The last dates for the receipt of provident fund contributions for the month of March, 1956 and for the returns of contributions were the 15th April, 1956 and the 25th April, 1956 respectively. Accordingly, posting in the Ledger Cards for 1955-56 could be taken up only after the 25th April, 1956. About 62% annual accounts for the period had been completed and despatched by November, 1956.

42. *Automatic payment of insurance premia*

Instructions were issued for the regular payment of premia to the insurance companies by the Fund in respect of members who authorized the Regional Commissioners to do so without further reference to them and had assigned their insurance policies to the Board of Trustees. Thus, delays in payment of premia were obviated.

X

Inspections

43. During the year the number of inspections was not quite adequate although practically all the factories were inspected at least once. The inspecting staff along with a number of office clerks was mostly occupied with vigorous survey of practically all industries including factories, mines, plantations, commercial establishments, etc. The Regional Commissioners were also instructed to utilise the Inspectors mainly for the work of inspection of factories and other outdoor work. The inspecting staff had to be augmented in most of the regions in order to enforce a more effective implementation of the Scheme.

44. *Prosecutions and recovery proceedings.*

Prosecutions were launched against 54 factories during the year. Of these, 19 resulted in conviction, 2 acquittal and 33 were pending at the end of the year. A sum of Rs. 8,166/-/- was awarded as fine in the cases resulting in conviction.

45. Recovery proceedings were instituted against 242 factories. Rs. 25,37,347 as provident fund contributions and Rs. 61,826 as administrative charges respectively were due from these factories. Of these, Rs. 11,62,850 and Rs. 29,244 were recovered as provident fund contributions and administrative charges respectively during the year. At the end of the year, 120 certificate cases were still pending.

46. It was noticed that in West Bengal amounts realised through recovery proceedings were being credited to the State Government on the ground that the State Government was the certificate holder under section 8 of the Employees' Provident Funds Act. This matter was taken up with that Government, which issued instructions to Collectors. It has been reported that the amounts are now being credited directly to the Fund as in other regions. The Regional Commissioner is arranging for the realisation of the amounts already credited to the State Government as speedily as possible. This difficulty was not reported from any other region.

Extension of the Employees' Provident Funds Act to additional Industries

47. *Factory Industries.*—During the year under review, the extra curricular activity of the organisation was intensified in the field of survey commenced late in the year 1954-55. The surveys have been completed and as a result thereof the Act is gradually being extended to other industries. Thus, thirteen additional industries were brought under the Act from the 31st July, 1956, four from the 30th September, 1956 and one each from the 31st December, 1956 and 31st January, 1957 respectively. The industries affected by this extension are shown in Appendix 'G'.

48. The Indian Labour Conference held in May, 1955 recommended that the Act should be extended to all industries with a total employment strength of 10,000 persons throughout India in factories employing 50 or more persons. Pursuant to this recommendation, a survey of all the remaining industries was taken up during the year. Thirty-six industries were involved in this survey. A list of these industries is given in Appendix 'H'. The survey was finally completed about the middle of 1956 and a detailed report thereon was sent to Central Government which circulated it to State Governments and employees' and employers' organisations to elicit their views as to the feasibility of extension of the Act to workers in those industries.

49. *Extension to plantations, mines and commercial establishments.*—The proposal for extending the provisions of the Act to plantations which was circulated to members of the Board, State Governments and all-India employers' and employees' associations was finalised on the basis of the comments received from the various interests concerned. It has been decided by the Government of India to extend the Act to the five classes of plantations *viz.* tea (except in Assam where a State Act is already in force), coffee, rubber, cardamom and pepper with effect from the 30th April 1957. Reports on the survey of mines and commercial establishments submitted to Government of India in 1955-56 are also under Central Government's consideration.

50. *Amendment of the Act.*—The Act was applicable only to factory industries and accordingly an amendment thereof was necessary to enable its application to non-factory establishments to which Central Government may decide to extend it. This amendment was passed by Parliament in December, 1956 and received the President's assent on the 28th December, 1956.

The Central Government has now the power to extend the provisions of the Act to non-factory establishments also.

51. *Extension of the Act to newspaper establishments.*—The provisions of the Act were extended with effect from the 20th December, 1955 by virtue of section 15 of the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act,

1955 to newspaper establishments employing 20 persons or more. With a view to ascertaining the extent of coverage for effective enforcement of the Act and the Scheme in newspaper establishments a survey was conducted in all the regions. As the Scheme in its existing form could not be applied in its entirety to newspaper establishments, a new Chapter, *viz.*, Chapter X has been added to the Employees' Provident Funds Scheme for newspaper establishments which have been covered with effect from the 31st December, 1956.

52. *Extension to Public Undertakings.*—The Planning Commission have recommended in the Second Five Year Plan that in view of the fact that the public sector will grow rapidly, in its capacity as employer, the State should set appropriate standards. The management of a public undertaking should not seek exemption from laws or ask for concessions not available to the private sector.

The salient features of the provident fund rules obtaining in the various public undertakings were accordingly examined and Government of India were requested to approach the various interests concerned for bringing the deficient provisions in provident funds maintained by them in line with the provisions of the Employees' Provident Funds Scheme. The Government of India have also requested the State Governments to level up the deficient provisions in the provident fund rules of public undertakings under their control, wherever necessary.

XII

Recommendation under the Second Five Year Plan

53. Under the Second Five Year Plan it has been proposed that the question of enhancement of the rate of contribution from 6-1/4% to 8-1/3% should be further studied. The proposal for enhancement of the rate of contribution to 8-1/3% of basic wages and dearness allowance was discussed at the Labour Ministers' Conference held at Delhi on the 27th/28th December, 1956. The matter is now under the consideration of Government of India.

XIII

Decentralisation

54. The question of decentralisation of the Funds available in the Employees' Provident Funds Scheme was considered by the Planning Commission in the light of the Second Five Year Plan. It was considered that these funds had been taken into account on the resources side for the formulation of the Second Five Year Plan and their exclusion would necessitate reductions in the size of the Plan. Further, the resources of the Centre and of the States had to be viewed as a whole for purposes of the Plan; otherwise the Centre would find it difficult to render the present pattern of assistance to States. For these reasons the Government of India have decided that the Employees' Provident Fund should not be decentralised. As already stated in paragraph 21 the question whether there is any scope for decentralisation of the administration of the Scheme is under Central Government's consideration.

Important High Court decisions

55. It is hardly to be expected that the implementation of the Scheme in several thousands of factories would be uniformly smooth. While the organisation was fortunate in securing cooperation of an overwhelming majority of employers, serious difficulties were encountered in several other factories which persisted in the contraventions of the Scheme ; almost invariably, these contraventions involved non-payment of prescribed dues. In some cases Inspectors were refused entry into the premises, or not shown records. Where persuasion failed, legal action by prosecution as well as through proceedings for the recovery of the outstanding amounts as arrears of land revenue had to be taken. In some cases, the payment of arrears of provident fund in instalments was allowed. In some such cases employers obtained writs from the High Courts where the cases were defended by the organisation. It is gratifying to note that in almost all cases the High Courts upheld the decisions of the officers of the organisation regarding interpretation of the provisions of the Act and the Scheme and directed employers to implement them. Of the issues so decided in High Courts, the more important are summarised below :—

- (i) Whether the Employees' Provident Funds Act and the Scheme should apply to a factory if only one or more of its components and not necessarily the entire factory is engaged in one of the Scheduled industries provided the factory as a whole employs 50 or more persons.....Yes.
- (ii) Whether a factory engaged in one process only and not in all the processes of manufacture of textiles should come within the purview of the Employees' Provident Funds Act and the Scheme.....Yes.
- (iii) Whether change of ownership constitutes a change in the date of establishment of a factory..... No.
- (iv) Whether a factory, originated from the division of an existing factory and engaged in the same manufacturing process as its parent unit can be treated as a newly established factory.....No.
- (v) Whether a factory closed for some time and subsequently acquired by a new management can be treated as a new established factory from the date it restarts functioning.....No.
- (vi) Whether a factory already covered can go out of the operation of the Act and the Scheme by reason of its employment strength falling below fiftyNo.

Relevant extracts from the judgments of the High Courts are given in Appendix 'B' of this report.

Important Instructions issued for the benefit of the workers

56. During the year under review several questions of importance affecting employees' interest arose for which no direct answer could be found in the Scheme and, therefore para 78 of the Scheme was invoked for issue of administrative instructions. Some of the instances in which such instructions were issued are given in Appendix 'C'.

XVI

Publicity

57. A documentary film entitled "A FUND IN NEED" was exhibited in all cinema houses in the country. This depicted the benefits of prolonged membership of the Schemes of contributory provident fund. The organisation has been taking advantage of the opportunity afforded by a series of exhibitions in various important towns to display pictorial blocks, posters, etc., emphasising the salient features of the Scheme. In particular, pictorial-cum-statistical exhibit at the All India Industrial Exhibition held at New Delhi from October, 1955 to February, 1956 was found both interesting and instructive by visitors. Among others the President of the Republic of India and their Majesties the King and Queen of Nepal evinced interest in the exhibits.

58. The need for extending the scope of contributory provident fund for industrial workers to ensure for them a care-free old age or to save their dependents from destitution was stressed by Sri Khandubhai K. Desai, Union Labour Minister, in a talk from the New Delhi Station of the All-India Radio on the 31st July, 1956. The Minister attributed the success of this Scheme of Social Welfare to the cooperation generally received from employers and employees and appealed for the continuance thereof.

XVII

Conclusion

59. At the end of the year under report the Employees' Provident Funds Organisation was still an infant, barely 3-1/2 years old. Its initial troubles are by no means over. Further, many difficulties are inherent in the Scheme and will always continue, for, unlike Government provident fund institutions, the organisation has to realise month after month amounts of provident fund and administrative charges from several thousands of employers. While many of these employers pay the amounts regularly to the Fund, many others become defaulters either because of a feeling of complacency or a desire to evade payment or due to financial difficulties. In respect of exempted

factories and other establishments the organisation has to watch that investments in Central Government securities are made regularly, that employers do not reduce the benefits already available to the employees and that proper accounts are maintained. So early in its life, the organisation was called upon to conduct comprehensive surveys in practically all industries with a view to determining the scope for extension of the Act to them. Extension of the Act to eighteen other industries during the last five months of the year 1956 and to one in January, 1957 has considerably increased the responsibilities of the organisation, as not all these industries are so well organised or concentrated in important centres as the previous six industries. Implementation of the Scheme is thus becoming an increasingly difficult problem. It is, therefore, gratifying that the organisation has been able to make the scheme of compulsory contributory provident fund popular among its beneficiaries which comprise many lakhs of industrial workers. This has resulted in persistent demand from workers in other industries for early extension of the Act. The organisation will spare no effort to cope with these increasing responsibilities. The Board takes this opportunity of recording its appreciation of the loyal and efficient service rendered to the Fund by the officers and staff of the organisation. The Board wishes to place on record its thanks to Shri Khandubhai K. Desai, Union Labour Minister and Shri Abid Ali, Deputy Labour Minister, for the keen personal interest they have been taking in furthering the activities of the Fund. The Board considers that the success achieved by the Fund would not have been possible but for the able guidance given by Shri Vishnu Sahay, I.C.S., Secretary, Ministry of Labour, Government of India during his Chairmanship of the Board and by the present Chairman Shri P. M. Menon, I.C.S., Joint Secretary, Ministry of Labour, Government of India. For this, the Board is grateful to them.

APPENDIX A

The Employees' Provident Funds Scheme, 1952 [Paragraph 52(3)]

Classified summary of the assets of the Employees' Provident Fund for the period ended the 31st March, 1956.

Class of Assets	Book value as per (a) below	Market value upto 31st March, 1956 as per (b) below	Remarks as per (c) below
1	2	3	4
1. (i) Government of India securities. . .	17,07,04,533-4-6	17,29,43,790-3-0	(X)
(ii) Past accumulations received in the shape of Government of India securities from all the regions (face value)	(Face Value) 2,46,77,500-0-0	2,26,30,715-1-0 ⁹ / ₂	(X)
(iii) Past accumulations received in the shape of debentures of companies (face value)	1,30,700-0-0	1,30,700-0-0	(M)
(iv) Investment in 3½% National Plan loan of 1964 from Administration Account.	21,67,469-4-6	21,67,809-10-0	(X)
2. State Government Securities	3,55,600-0-0	3,51,092-13-0	(X)
3. Indian Municipal, Port and Improvement Trust Securities including debentures (face value)	3,00,000-0-0	3,00,000-0-0	(N)
4. Debentures of Indian Railways	Nil		
5. Guaranteed and Preference shares of Indian Railways	Nil		
6. Annuities of Indian Railways.	Nil		
7. Ordinary shares of Railways in India	Nil		
8. Other debentures of concerns in India	Nil		
9. Other guaranteed and preference shares of concerns in India	Nil		
10. Other ordinary shares of concerns in India	Nil		
11. Cash on deposit in Banks.	Nil		
12. Cash in hand and on current account in Banks	12,49,662-9-10	12,49,662-9-10 (Book Value)	(Y)
13. Other assets	6,64,687-2-3	4,75,371-9-10	(Z)
TOTAL	20,02,50,152-5-1	20,02,49,141-14-8	

(S. N. MUBAYI)

Central Provident Fund Commissioner.

(X) Based on the quotations obtained from Reserve Bank of India, Bombay

(Y) Cash in current accounts in Banks	} E.P. F. Account No.	I	69,634-7-10
		III	2,87,474-13-5
		V	80,337-0-0
		II	6,23,324-6-11
		IV	1,88,660-2-1
With Reserve Bank of India:			231-11-7

12,49,662-9-10

(Z) Classified Summary attached.

(M) Quotations not available.

(N) Do.

SUMMARY OF THE LIST OF ASSETS

S. No.	Name of Assets	Life in years	Purchase Price	Depreciation	Total amount of Depreciation including broken, lost or discarded assets upto 31st March, 1956	Book value as on 31st March, 1956
1	2	3	4	5	6	7
1.	Office Equipment, i.e. R.A. Machines, Typewriters, Duplicators Plus Adders, etc.	9	5,39,982-6-9	59,998-0-9	1,65,774-14-3	3,74,207-8-6
2.	Furniture & Fixtures	8	51,042-11-6	6,380-5-5	14,880-5-6	36,162-6-0
3.	Steel Almirahs, Cabinets & Other Steel Equipments	20	59,910-6-6	2,995-8-4	6,393-1-10	53,517-4-8
4.	Electrical Equipments viz. Electric Fans, etc.	15	11,405-5-9	760-5-9	1,577-14-9	9,827-7-0
5.	Bicycles	9	2,346-3-9	260-11-1	689-4-1	1,656-15-8
	Total		6,64,687-2-3	70,394-15-4	1,89,315-8-5	4,75,371-9-10

APPENDIX B

Relevant Extracts from judgments of some High Courts.

"A"

The Employees' Provident Funds Act applies even to a factory if any of its component parts is engaged in one of the industries mentioned in Schedule I to the Act and the factory as a whole employs 50 or more persons. It is not necessary that 50 or more persons should be employed in the Scheduled industry itself.

In *Kokkalai Rice & Oil Mills Foundry & Engineering Works and Mills Stores etc. vs. the Regional Provident Fund Commissioner, Travancore-Cochin*, the Hon'ble Mr Justice M S. Menon held, "Subject to the provision contained in Section 16, the Employees' Provident Funds Act applies in the first instance to all factories engaged in any industry specified in Schedule I in which 50 or more persons are employed. I see no ambiguity in the provision and to my mind it is quite clear that the unit for determining the application of the Act is the factory and not any component part thereof. On the wording of the section as it stands the clause in which 50 or more persons are employed must necessarily apply to factories and not to industry.

"As I read the section the questions to be posed in order to decide whether the Act is applicable to a factory are :—

- (i) Is the factory engaged, either wholly or in part, in one or more of the scheduled industries? and
- (ii) Does the factory employ, not necessarily in a scheduled industry, 50 persons or more?

And if the answer to both the questions is "Yes" and the factory does not come within Section 16....., there can be no doubt that the Act is applicable and that no exemption is available on the ground that the persons employed in that portion of the factory which is engaged in a scheduled industry, are less than 50."

"B"

A factory engaged in one process only and not in all the processes of manufacture of textile comes within the purview of the Employees' Provident Funds Act and the Scheme even before the Employees' Provident Funds Act was amended on the 14th October, 1953.

In *Central Provident Fund Commissioner and another vs. Ganesh Dyeing and Printing Works, Bombay and others*, Chief Justice Chagla and Justice Desai of the Bombay High Court observed as follows :—

“To the extent that this (Employees’ Provident Funds Act) is social legislation and caters for the social good it must receive a benevolent interpretation at our hands. But in giving a benevolent interpretation to the Act we must not also overlook the fact that it constitutes a levy or a charge upon the employers and to that extent we must be careful in seeing that the liability of the employer is not increased beyond what Parliament clearly intended. Subject to the provisions contained in Section 16, the Employees’ Provident Funds Act applies to all factories engaged in any industry specified in Schedule 1 in which 50 or more persons are employed.”

In Schedule 1 to the Employees’ Provident Funds Act the industries mentioned were :—“Any industry engaged in the manufacture or production of any of the following, namely :—Cement, Cigarettes, Electrical, mechanical or general engineering products, Iron and Steel, Paper, and Textiles (made wholly or in part of cotton or wool or jute or silk, whether natural or artificial.)”

Their Lordships held “that sub-section 3 (of the Employees’ Provident Funds Act) does not provide that the Act applies to factories engaged in the manufacture or production of textiles. But the expression used by the Legislature is that the Act applies to a factory engaged in an industry which is engaged in the manufacture or production of textiles. Clearly, the expression “Industry engaged in the manufacture or production of textiles” is wider than the expression “factory engaged in the manufacture or production of textiles.” If the expression was “a factory engaged in the manufacture or production of textiles,” it may have been contended with some force that the factory (*Ganesh Dyeing and Printing Works, Bombay*) does not manufacture or produce textiles in the sense that the factory does not make or produce woven fabric or cloth. All that it does is to give, as it were, a finishing touch to the cloth which has already been produced by other agencies: But when we are confronted with a different expression which must have wider connotation than the expression which we have just considered, we must give to the other expression used by Legislature a different meaning and content. An industry engaged in the manufacture or production of textiles must in our opinion mean an industry not merely engaged in the manufacture of actual woven fabric or cloth, but the industry must embrace every process connected with the manufacture or production of textiles.”

In *Kapur Textile Finishing Mills vs. Regional Provident Fund Commissioner, Punjab*, reported in A.I.R. 1955 Punjab 130, Mr Justice Kapur and Mr Justice Dulat of the Punjab High Court have given the same interpretation to the expression ‘manufacture or production of textiles’ used in the Schedule as in the preceding decision of Bombay High Court.

“C”

Change of ownership does not constitute a change in the date of establishment of a factory. In the case of *M/s Bharat Barrel & Drum Manufacturing Co. Ltd., versus Regional Provident Fund Commissioner, Bombay*, Mr Justice Coyajee, of the Bombay High Court held that for the purposes of Section 16 of the Employees' Provident Funds Act, the date on which the factory was established was material and not the date on which a company acquiring the factory was incorporated. His Lordship has held, “It is true that the petitioners' company was incorporated in 1951, but that makes no difference to the situation—Any other answer to such a situation, to my mind, would be disastrous, because, it would come to this that a new company can be incorporated to-day to take over a factory established for years together and then under Section 16 of the Act deprive the employees of their Provident Fund, pension etc. by the device of re-employing them from the date of the incorporation of the new company and it is to guard against this that the word “factory” has been used instead of the word “company” in Section 16 of the above Act.”

“An argument was attempted to be advanced that really the petitioners were put into that position by the respondent who took up the earlier position, namely, that the petitioners were entitled to exemption as stated by them. There can be no estoppel as regards a statute and therefore it is no answer even if the facts were otherwise to say that in fact the petitioners were put off their guard by the respondent. The further argument is that really speaking there was a contract between Allen Berry & Co. & Jalan Trading Co., where-by the vendors were liable for all dues and other payments and expenses including payment to labour which was taken over by the petitioners and therefore they are not liable, is hardly tenable in law, because, no one can contract himself out of his liability which is cast on him under a statute and especially so against a third party namely the working class.”

“D”

A factory, originated from the division of an existing factory and engaged in the same manufacturing process as its parent factory cannot be treated as a newly established factory. In the case of *M/s J. G. Vakharia of Standard Silk Mills, Surat Vs. Central Board of Trustees etc.*, the petition disclosed a rather glaring attempt at resorting to a subterfuge in order to defeat the law and the question that their Lordships had to consider was whether the subterfuge had succeeded and whether the subterfuge should be permitted, in order to circumvent the law of the land. The facts of the case were : In October, 1949, there was a partnership between the petitioner and his father in the name of Standard Silk Mills and this partnership was doing business of manufacturing silk and dealing in silk yarn and silk cloth. The manufacturing started from the 13th November, 1950. In 1950 the father

died and there was a new partnership, some-time in November, 1951 consisting of the petitioner and his two major sons. On the 22nd October, 1953, this partnership was closed. Subsequently five units were started by the father and four sons which did same manufacturing processes which were being originally done by the Standard Silk Mills. The petitioner contended that those units were new factories and were entitled to protection as infant factories under Section 16 of the Employees' Provident Funds Act, 1952. The premises in which these so-called factories were being run continued to belong to the partnership firm of the Standard Silk Mills and even the machinery for the different processes also belonged to the partnership. The Standard Silk Mills originally did the work of the various processes which resulted in the manufacture of silk and it also sold yarn and cloth. These very processes in identical condition and in identical location were being carried by the new units with only this difference that instead of these processes being carried on by the Standard Silk Mills, they were now allowed to be carried on by five separate units.

Their Lordships, C. J. Mr Chagla and Justice Mr Dixit held, "It is well settled canon of taxation laws that a subject is entitled to avoid paying tax if legally he can do so. Even that canon is looked at rather askance in the context of times that we are living in, but the Act (Employees' Provident Funds Act) that we are dealing with is not a taxation law. It is a social legislation and the canon of construing a social legislation is very different from the canon of taxation law. The Court must not countenance any subterfuge which would defeat the provisions of a social legislation and the Court must even if necessary strain the language of the Act in order to achieve the purpose which the legislature had in placing this legislation on the statute book. Therefore, not only the Court must disapprove all subterfuges to defeat a social legislation but must actively try to prevent such subterfuges succeeding in their object. In our opinion, this is a clear case of a subterfuge and this subterfuge cannot be permitted to succeed, so as to defeat the rights of the employees who are benefited by the Employees' Provident Funds Act."

The result was that the petition failed and was dismissed with costs.

"E"

A factory closed for some time and subsequently acquired by a new management cannot be treated as a newly established factory from the date it restarts functioning. Referring to Section 1(3) of the Employees' Provident Funds Act, 1952, Mr Justice Tendolkar in the *Chhaganlal Textile Mills Private Ltd., Vs. Shri P. A. Bhaskar, Regional Provident Fund Commissioner, Bombay and others* held, "The important point to notice about this provision is that the Act is made applicable to factories and not to the owners thereof, or in other words, it applies to factories irrespective of who the owners from time to time may be. Section 2(g) defines a "Factory" as meaning "any premises in any part of which a manufacturing process is being carried on or is ordinarily so carried on....."

“As I have stated before, the Employees’ Provident Funds Act applies to factories and not to the owners thereof, and if that is so, starting from the admitted fact that the Chalisgaon Shri Laxminarayan Mills were being worked by the limited company for some years prior to the Company going into liquidation, there cannot be any doubt, and indeed it is conceded, that the Mills as a factory were established some time prior to 1951. The question is whether the order of liquidation and the consequent temporary discontinuance of business until a lease was granted to Kotak and Co. has the consequence of making the factory which was established cease to be established. In my opinion the answer to this question must be in the negative. A temporary cessation of the activities of an established factory cannot lead to the result that the factory ceases to be established for the purposes of the Employees’ Provident Funds Act, for if it did, the class of employers who spare no ingenuity in seeking to deprive the employees of all the benefits conferred upon them by a statute would have a convenient handle where-by the activities of an established factory have to be discontinued for a few months in order to deprive the employees of the benefits under the Employees’ Provident Funds Act. I take it that the establishment of a factory involves that the factory has gone into production and no more. It may conceivably not be sufficient that a factory had been erected because there may be a time lag between the erection of a factory and its going into production and the factory can only be considered established when it goes into production and not till then; but once it goes into production a temporary cessation of its activities, for whatever reasons that cessation takes place, cannot, in my opinion, take the factory out of the categories of an established factory for the purposes of Employees’ Provident Funds Act.”

His Lordship has further remarked, “The Employees’ Provident Funds Act is beneficial legislation for the benefit of the employees and every construction of its provisions which would defeat the object of the legislation and lead to an evasion must be rejected, unless the clear language of the Act leaves no option to the Court but to accept such an interpretation.”

“F”

A factory already covered under the Employees’ Provident Funds Act cannot go out of the operation of the Act by reason of its employment strength having fallen below fifty. On an appeal by the State, Justice Dixit and Justice Gokhale, of the Bombay High Court set aside the case in which the Hathiwala Textile Mills, its occupier and manager were charged with failure to remit contributions to the provident fund of the employees as required by Section 1(3) of the Employees’ Provident Funds Act and remanded the case to the Lower Court for disposal, according to law.

At the time when the Act was applied to the Mills’ factory it had 184 members under the Employees’ Provident Funds Scheme. In April, 1954, the mill closed its weaving department and consequently the number of employees was reduced to 40,

The mill, therefore, applied for exemption from making contributions to the Employees' Provident Fund on the ground that the number of employees was less than 50 and that the Act applied only to factories with 50 or more hands. The Central Government did not grant exemption and as the management failed to remit contributions to the provident fund, the mill, its occupier, and manager were charged before a Surat Magistrate, who, however, acquitted them. The State Government of Bombay appealed.

In allowing the appeal, their Lordships said that Section 1(3) of the Employees' Provident Funds Act dealt with the initial application of the Act and it had nothing to do with the continuance of the Act. As their Lordships took the view that they should give to the section an interpretation which would be beneficial to the employees, they thought that the decision of the magistrate was erroneous. They, therefore, set aside the order of acquittal and directed the magistrate to dispose of the case according to law. ⁴

APPENDIX C

Instances in which administrative instructions have been issued for the benefit of workers.

(i) The Central Board of Trustees, Employees' Provident Fund at their meeting held on the 8th November, 1954 decided that immediate payment of provident fund dues might also be made in exceptionally deserving cases. As at times it was very difficult for the employees to get medical certificates, instructions were issued that the immediate payment of provident fund dues might be made to the members without insisting upon the submission of medical certificate, where there were adequate reasons to dispense with the production of the medical certificate.

Similar powers were also given to the trustees of the exempted funds to deal with the cases of their members similarly situated.

(ii) In order to give the maximum benefits of the employers' share of contribution to the members, the Central Government issued directions that the membership of the Fund for determining entitlement to employers' share should be treated to have been terminated from the date the payment is authorised by the Accounts Officers of the Fund and the interest should cease from the end of the month preceding the date of authorizing the payment.

(iii) The Central Government had directed in 1954 that the member suffering from T. B. and Leprosy would get employers' full share of contribution. This was given retrospective application.

(iv) The members of the Fund were allowed to finance two policies of life insurance from their provident fund accumulations by making one withdrawal only within a period of six months. Previously, the members could finance only one policy.

(v) As the position of the Hindu widow who remarries after the death of her husband was not clear in the matter of receipt of provident fund accumulations of her deceased husband, the Central Government clarified that a Hindu widow on her remarriage will not forfeit her claim for provident fund amount that has been nominated in her favour, under the Employees' Provident Funds Scheme, 1952.

(vi) In the third quarter of the year 1955, several representations were received from the members of both the exempted and unexempted funds afflicted by flood devastation in Orissa and elsewhere for grant of loans from their accumu-

lations to enable them to reconstruct or repair their houses damaged or destroyed. It was decided by the Central Government that while a total relaxation of the existing conditions for the grant of loans on this account could not be allowed, loans could be issued provided that transitory enactment in the relevant provident fund rules is made to remain in force only for the emergency period. Instructions were accordingly issued to the exempted factories to deal with the cases on the basis of the above instructions and for the unexempted factories action has been taken to amend the Scheme.

(vii) The Central Government have directed that in case a member of the Employees' Provident Fund is transferred to a factory or establishment where there is a private provident fund scheme recognised under the Indian Income Tax Act, 1922 (XI of 1922) or to which the Provident Fund Act, 1925 (XIX of 1925) applies, his accumulations in the Fund should be transferred without any forfeiture under para 69(3) of the Employees' Provident Funds Scheme, 1952, provided the employee asks for and the employer agrees to accept such transfers. Similarly, where an employee, who was member of any provident fund joins service in a factory covered under the Employees' Provident Funds Scheme, 1952 his past accumulations should, on an application being made by him to the Commissioner in this behalf, be accepted by the Regional Provident Fund Commissioner, if his previous employer is willing to transfer the accumulations and the present employer agrees to enrol him as a member of the Employees' Provident Fund immediately and pay his share of contribution. The membership of such an employee in the Statutory Fund will be deemed to commence from the date he joined the employers' private fund.

(viii) Under the provisions of para 69(1) (b) of the Employees' Provident Funds Scheme, 1952 a member may withdraw the full amount standing to his credit in the Fund, *inter alia*, on retirement on account of permanent and total incapacity for work in any industry due to bodily or mental infirmity duly certified by a registered medical practitioner or the medical officer of the factory. It has been observed that it is mainly in cases of 'accidents' that a member of the Employees' Provident Fund retiring due to permanent and total incapacity for work is able to receive the benefits provided under para 69(1)(b) of the Employees' Provident Funds Scheme, 1952, *i.e.*, he is able to get in full the employer's contributions. In most other cases, particularly, where a 'disease' is the cause of 'permanent and total incapacity for work', the diagnosis is not immediate. For not only do the workers try various doctors, but even the medical practitioners would try different medicines, treatment and study specialists' reports, etc., before actually certifying permanent and total incapacity for work. A considerable time is thus spent at the end of which, the 'worker' finds that his meagre 'leave' is exhausted and as there is no provision for 'leave without pay' in most of the factories, his name is struck off the muster rolls with the remark 'left service'. The same is intimated to the Regional Provident Fund Commissioner in form 10 for the month in question, on the basis of which his claim, whenever received is settled.

In view of the position as stated above, an 'invalid' worker is placed in a very distressing position. It is necessary that the case of a worker, who is rendered incapable for work due to bodily or mental infirmity, should also be considered sympathetically in the same way as the 'death of a member after resignation from service, but before claiming the provident fund accumulations.' In latter case, his nominee gets in full the employers contribution. The mere technicality that an invalid worker is no longer on the muster roll of the factory when he is certified as 'totally incapable', or that he has obtained a later certificate should not deprive him of the full amount standing to his credit.

With a view to removing the difficulty in the settlement of Provident Fund dues in the case of such employees, the Central Government have issued a direction under the provisions of para 78 that a member of the Employees' Provident Fund may withdraw the full amount standing to his credit in the Fund on the termination of his membership of the Fund, on account of any permanent and total incapacity for work in any industry due to bodily or mental infirmity duly certified by a registered medical practitioner or the medical officer of the factory. This direction shall have effect from the 1st November, 1952.

APPENDIX 'D'

A statement showing the Ministerial staff of the Employees' Provident Funds Organisation

PART—I

Ministerial Staff in the Central Office

Superintendents	3
Stenographers	2
Upper Division Clerks	18
Lower Division Clerks	15
Daftries	4
Peons	10

PART—II

Ministerial Staff in Regional Offices

(i) Enforcement Section.

S. No.	Regions	Supervisors	Superintendents	Head Clerks	U.D.Cs.	Stenographers	L.D.Cs.	Peons
1	2	3	4	5	6	7	8	9
1.	Ajmer	..	..	..	1	..	1	2
2.	Andhra	..	..	..	1	..	2	1
3.	Bihar	..	..	..	2	1	4	3
4.	Bhopal	..	..	..	1*	..	1	1
5.	Bombay	1	3	..	18	2	21	13
6.	Delhi	..	..	..	1	..	2	2
7.	Hyderabad	..	..	..	1	..	3	2
8.	Kutch	..	..	..	..	..	..	..
9.	Madras	..	..	1	4	1	8	6
10.	Mysore	..	..	..	2	1	1	1
11.	Madhya Pradesh	..	..	..	1	..	3	2
12.	Madhya Bharat	..	..	..	2	1	2	2
13.	Orissa	..	..	..	1	..	1	1
14.	Punjab	..	..	..	..	1	5(a)	3
15.	Pepsu	..	..	..	1	..	1	1
16.	Rajasthan	..	..	..	1	..	2	1
17.	Saurashtra	..	..	..	2	..	4	2
18.	Travancore-Cochin	..	..	..	1	..	2	1
19.	Uttar Pradesh	..	..	1	4	1	6	4
20.	West Bengal	..	..	1	8	2	16	10
TOTAL		1	3	3	52	10	85	68

*Part time.

(a) In Punjab there is one clerical grade only.

(ii) *Accounts Section.*

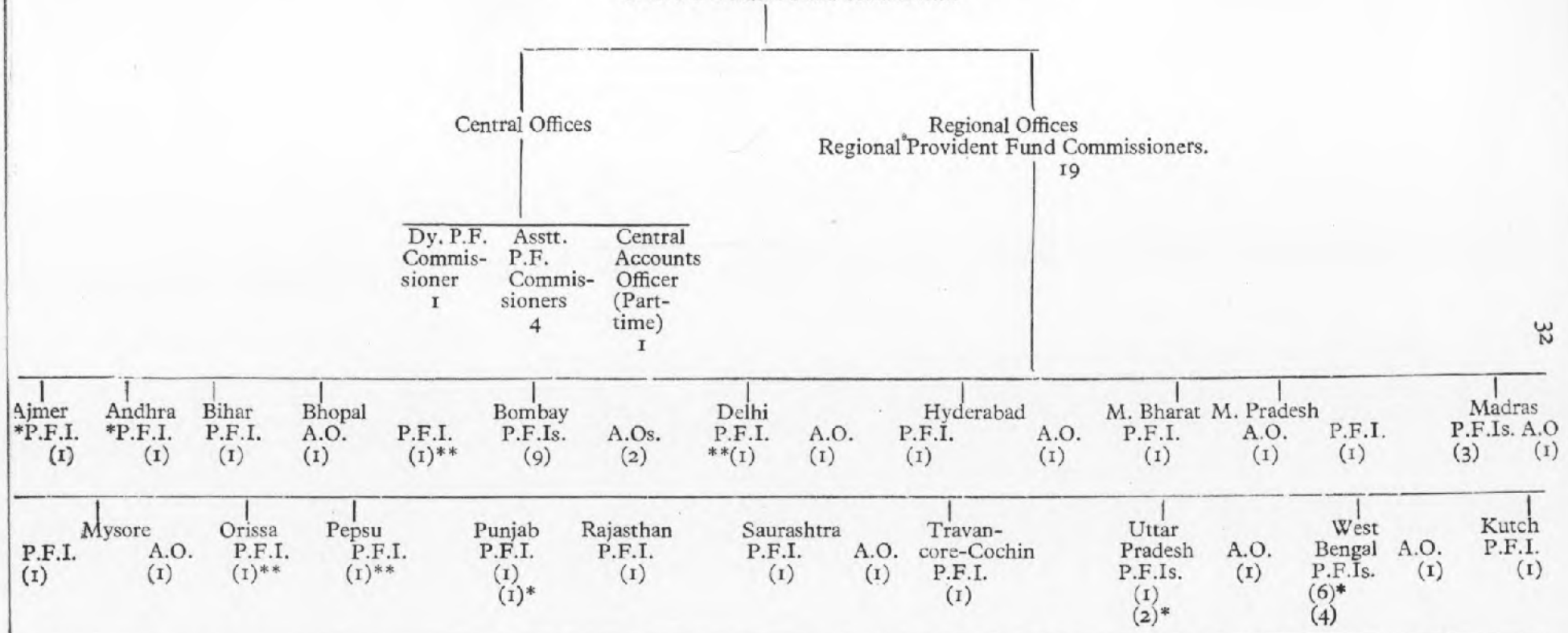
S. No.	Regions	Superintendents	Head Clerks	U.D.Cs.	L.D.Cs.	Peons
1.	Andhra . . . .	..	..	1	2	1
2.	Bombay	11	..	65	68	13
3.	Bihar . . . .	..	..	10	3	4
4.	Delhi . . . .	..	..	4	5	2
5.	Hyderabad . . . .	..	..	2	7	1
6.	Madras	5	..	34	28	9
7.	Mysore . . . .	..	..	4	9	1
8.	Madhya Pradesh	1	..	4	1	1
9.	Madhya Bharat	1	..	6	7	3
10.	Punjab	1	..	..	11(a)	1
11.	Saurashtra . . . .	..	..	3	5	1
12.	Travancore-Cochin . . . .	..	1	4	6	1
13.	Rajasthan . . . .	..	..	3	4	1
14.	Uttar Pradesh	4	..	21	17	8
15.	West Bengal	2	..	13	*15	5
TOTAL		25	1	174	188	52

*Including one Record Sorter.

(a) In Punjab there is one clerical grade only.

APPENDIX E

Employees' Provident Funds Organisation Chart (Officers) Central Provident Fund Commissioner



NOTE:—('P.F.I.' indicates Provident Fund Inspector and 'A.O.' Accounts Officer.)

* Provident Fund Inspectors Grade II

** Part time.

APPENDIX F

Statement showing the names of the Regional Provident Fund Commissioners, Accounts Officers and Provident Fund Inspectors in the Regional Offices.

PART I

Sl. No.	Regions	Names of the R.P.F.Cs.
1.	Ajmer	Shri O.N. Sharma
2.	Andhra	Shri A. Ramamurthi
3.	Bhopal	Shri Mamnoon Husan Khan
4.	Bihar	{ Shri B.P. Singh, I.A.S. upto 31-7-55 Shri S.K. Sinha upto 20-8-55 (A.N.) Shri R.N. Pande from 20-8-55 (A.N.)
5.	Bombay	{ Shri H.P. Bhatt upto 6-12-55 Shri P.A. Bhaskar from 7-12-55
6.	Delhi	Dr. B.R. Seth
7.	Hyderabad	Shri K.S. Naik
8.	Madhya Bharat	Shri B.S. Arora
9.	Madhya Pradesh	Shri R.P. Misra
10.	Madras	Shri J. Subbuswami, I.A.S.
11.	Mysore	Shri L. Kantha Raj Urs
12.	Orissa	Shri T. Mahapatro
13.	Pepsu	Shri Paramjit Singh
14.	Punjab	{ Shri D.N. Nigam upto 4-6-55 Shri H.R. Singh upto 9-10-55 Shri C.A. Ahuja from 10-10-55
15.	Rajasthan	{ Shri S.N. Shukla upto 26-8-55 Shri Chandradhar Issar from 27-8-55
16.	Saurashtra	Shri D.K. Badheka
17.	Travancore-Cochin	Shri A. Kunjukrishna Pillai
18.	Uttar Pradesh	Shri O.N. Misra, I.A.S.
19.	West Bengal	Shri D. Mallik
20.	Kutch	Shri R.P. Shukla (P.F. Inspector)

PART II

Sl. No.	Regions	Names of the Accounts Officers.
1.	Bihar	Shri E.V. Sivaraman
2.	Bombay	Shri V.K. Dandekar 2. Shri A.S. Lakshmanan
3.	Delhi	Shri N.C. Rudra
4.	Madhya Bharat	Shri S. Maulik
5.	Madras	Shri V. Hemachandra Rao
6.	Mysore	Shri T.B. Lakhanna
7.	Uttar Pradesh	Shri A.N. Wadhawan
8.	West Bengal	Shri S.K. Mazumdar
9.	Saurashtra	Shri R.M. Gandhi
10.	Hyderabad	Shri P. Haridasachar

PART III

Sl. No.	Regions	Names of the P.F. Inspectors.	
1.	Ajmer	Shri N.K. Kaushik	(Grade-II)
2.	Andhra	Shri J.V.K. Raju	"
3.	Bombay	Shri B.K. Deshmukh	(Grade-I)
		Shri A. Aziz	"
		Shri A. P. Desai	"
		Shri Y.G. Vaidya	"
		Shri B.N. Raval	"
		Shri V.G. Kesar	"
		Shri S.A. Vaidya	"
		Shri D.L. Desai	"
		1 Vacant	"
4.	Bihar	Shri P.K. Sen	"
5.	Bhopal	Shri Devi Dayal Verma	(Part-time)
6.	Delhi	Shri M.K. Bhatnagar	(Grade-II)
7.	Hyderabad	Shri K.S. Naik	(Grade-I)
8.	Kutch	Shri R.P. Shukla	"
9.	Madras	Shri M.V.S. Chowdhry	"
		Shri V.C. Chatu Menon	"
		Shri W.S. Sivasankar	"
10.	Mysore	Shri T. Sadasivaya	"
11.	Madhya Bharat	Shri B.P. Sitholay	"
12.	Madhya Pradesh	Shri R.K. Parihar	"
13.	Orissa	Shri N. Pati	"
14.	Punjab	Shri J.C. Batra	"
		Shri V.P. Mahajan	(Grade-II)
15.	Pepsu	Shri Sham Lal	(Part-time)
16.	Rajasthan	Shri U.M. Patni	(Grade-I)
17.	Saurashtra	Shri J.B. Shah	"
18.	Travancore-Cochin	Shri K.J. Mathew	"
19.	Uttar Pradesh	Shri P. Tewari	"
		Shri R.K. Rastogi	(Grade -II)
		Shri R.K.L. Gupta	"
20.	West Bengal	Smt. I. De	(Grade-I)
		Shri B.K. Roy	"
		Shri P.D. Datta	"
		Shri S.K. Basu Roy	"
		2 Vacant	"
		Shri M.L. Das Gupta	(Grade-II)
		Shri S.K. Sarkar	"
		Shri D. Chakravarti	"
		1 Vacant	"

35
APPENDIX G

List of factory Industries brought under the Employees' Provident Funds Act with effect from 31st July, 1956.

1. Matches having a production of over 5 lakhs gross boxes of match a year.
2. Edible oils and fats.
3. Sugar.
4. Rubber and rubber products.
5. Electricity including the generation, transmission and distribution thereof.
6. Tea.
7. Printing (other than printing industry relating to newspaper establishments as defined in the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955 (45 of 1955) including the process of composing types for printing, printing by letter press, lithography, photo-gravure or other similar process or book-binding.
8. Sheet glass factories, glass shell factories and other glass factories having an installed capacity of over 600 tons per month.
9. Stone-ware pipes.
10. Sanitary Wares.
11. Electrical Porcelain Insulators of high and low tension.
12. Refractories.
13. Tiles.

LIST OF FACTORY INDUSTRIES BROUGHT UNDER THE EMPLOYEES' PROVIDENT FUNDS ACT WITH EFFECT FROM 30TH SEPTEMBER, 1956.

1. Heavy and Fine Chemicals, including—
 - (i) Fertilizers
 - (ii) Turpentine
 - (iii) Rosin
 - (iv) Medical and pharmaceutical preparations
 - (v) Toilet preparations
 - (vi) Soaps
 - (vii) Inks
 - (viii) Intermediates, dyes, colour lakes and toners, and
 - (ix) Fatty acids.
2. Indigo.
3. Lac including shellac.
4. Non-edible vegetable and animal oils and fats.

INDUSTRY BROUGHT UNDER THE EMPLOYEES' PROVIDENT FUNDS ACT WITH EFFECT FROM 31ST DECEMBER, 1956.

1. Newspaper establishments.
FACTORY(—)INDUSTRY BROUGHT UNDER THE EMPLOYEES, PROVIDENT FUNDS ACT WITH EFFECT FROM 31ST JANUARY, 1957.

1. Mineral Oil Refining industry.

NON-FACTORY INDUSTRIES TO BE BROUGHT UNDER THE E.P.F ACT WITH EFFECT FROM 30TH APRIL, 1957.

Plantations of :—

1. Tea (except in Assam where a State Provident Fund Act is already in force)
2. Coffee.
3. Rubber.
4. Cardamom and
5. Pepper.

APPENDIX

List of additional Industries Surveyed for possible co erage under Employees' Provident Funds Act, 1952.

1. Tobacco industry including beedies, cigar, zards and snuff and stemming, re-drying and operations connected with raw-leaf tobacco.
2. Canning and preserving of fruits and vegetables, including fruit and vegetable juices, preserves — jams, jellies, pickles, sauces and canned soups.
3. Bakery products.
4. Dairy products.
5. Cocoa, chocolate and sugar confectionery including crystallised fruits, sugar-coated nuts, salted nuts, stuffed dates and similar products.
6. Beverages including soft drinks, carborated water industries, distilling, rectifying and blending of spirits.
7. Breweries and incidental processes including malt.
8. Ice and its products.
9. Wood & cork-industry including saw mills, and manufacture of plywood, boxes and packing cases.
10. Furniture and fixtures.
11. Oil-well operations (including drilling) petroleum refineries, coke ovens and products of petroleum and coal.
12. Plastic and its products.
13. Stone quarries, stone dressing and crushing.
14. Non-metallic mineral products including asbestos products, concrete products, cut stone and stone products, gypsum, plaster products, talc, bricks, tiles, pipes and refractories.
15. Laundry and Laundry services.
16. Bone crushing.
17. Cold storage.
18. Katha (catechu) industry.
19. Mica factories.
20. Button making.
21. Articles of games and sports.
22. Water supply and sanitary services.
23. Smelting and refining of ferrous and non-ferrous alloys and non-ferrous metals.
24. Wearing appareal including clothing, raincoats and other water-proof outer garments, umbrellas and caps and gowns.
25. Starch.
26. Salt factories.
27. Brushes.
28. Isabgol.
29. Gum Karya and gum ghatty crushing and assorting into different grades.
30. Stoves, incandescent lamps and their accessories.
31. Sorting and baling of waste paper and rags.
32. Manufacture of watches and watch straps, clocks, time-pieces and their repair.
33. Manufacture of jewellery and related articles including sawing, cutting, polishing of diamonds.
34. Manufacture of stationery articles including pencils, erasers, carbon paper, type writer-ribbons, duplicating stencils, stamp pads, inks and envelopes.
35. Printing tin utensils etc.
36. Manufacture and distribution of gas.

APPENDIX I

(i) *List of the Members of the Regional Committee for the State of Bombay*

- | | |
|--|--|
| 1. Shri J.D. Kapadia, I.C.S., Secretary to the Government of Bombay, Development Department, Bombay. | Chairman nominated by the Central Government. |
| 2. Shri R.F. Boga I.A.S., Commissioner of Labour, Bombay. | } Two persons nominated by the Central Government on the recommendation of the State Government. |
| 3. Shri R.C. Joshi, I.C.S., Deputy Secretary to the Government of Bombay, Finance Department, Bombay. | |
| 4. Shri R.G. Gokhale, Labour Officer, Mill Owners' Association, Bombay. | } Three employers' representatives nominated by the Central Government in consultation with the organisations of employers in the State. |
| 5. Shri Nanddas Haridas, Managing Agent, Vijaya Mills Co. Ltd., Ahmedabad. | |
| 6. Shri V.S. Deshpande, A.C.A. (Lond.) Secretary, Sankey Electrical Stampings Ltd., Bhandup, Bombay-40. | |
| 7. Shri A.N. Buch, General Secretary, Textile Labour Association, Ahmedabad. | } Three employees' representatives nominated by the Central Government in consultation with the organisations of employees in the State. |
| 8. Shri H.R. Kolte, General Secretary Rashtrya Girni Kamgar Union, Amalner. | |
| 9. Shri P.R. Singh, General Secretary, The Central Mazdoor Sabha, Kharajabhaya Building, Laxmi Narayan Lane, Matunga, C.R. Bombay-12 | |
| 10. Shri J.H. Patel, Managing Director, The Associated Cement Co. Ltd., 1, Queens Road, Bombay-1 | } Non-official members of the Central Board of Trustees, ordinarily resident in the State. |
| 11. Shri G.D., Ambekar, President, I.N.T.U.C., Mozdoor Manzil 26, Government Gate Road, Parel, Bombay | |
| 12. Shri Moti Lal Tapuria, C/o. Kamala Mills Ltd., Kilachand Dev Chand Bldg., 45-47 Appollo Street, Fort, Bombay-1. | |

(ii) *List of the Members of the Regional Committee for the State of Bihar.*

- | | |
|--|--|
| 1. Shri R.S. Pande, I.A.S. Secretary to the Government of Bihar, Labour Department, Patna. | Chairman nominated by the Central Government. |
| 2. Shri B.P. Singh, I.A.S., Labour Commissioner, Bihar, Patna. | } Two persons nominated by the Central Government on the recommendation of the State Government. |
| 3. Shri H. Prasad, Deputy Secretary to the Government of Bihar, Finance Department, Patna. | |
| 4. Shri R.S. Modi, Director of Personnel, TISCO, Jamshedpur. | } Three employers' representatives nominated by the Central Government in consultation with the organisations of the employers in the State. |
| 5. Shri H.D. Vishnoi, General Secretary, Rohtas Industries, Dalmianagar. | |
| 6. Shri K.D. Phillips, Labour Liaison Manager, Imperial Tobacco Co. of India Ltd., Monghyr. | |
| 7. Shri Basawan Singh, M.L.A., President, Hind Mazdoor Sabha, Patna. | } Three employees' representatives nominated by the Central Government in consultation with the organisations of employees in the State. |
| 8. Shri Ranen Roy, United Trade Union Congress, Bihar Branch, Bharti Press Buildings, Patna. | |
| 9. Shri M. John, President of the Tata Workers Union, 17-K Road, Jamshedpur. | |

(iii) *List of Members of the Regional Committee for the State of Madhya Bharat*

- | | |
|--|--|
| 1. Shri S.S. Joshi, Commissioner of Labour Madhya Bharat, Indore. | Chairman nominated by the Central Government. |
| 2. Shri S.B. Rane, Deputy Secretary to the Govt. of Madhya Bharat, Development and Labour Department, Gwalior, Indore. | } Two persons nominated by the Central Government on the recommendation of the State Government. |
| 3. Shri Shital Sahai, Under Secretary to the Government of Madhya Bharat, Finance Department, Gwalior, Indore. | |
| 4. Shri G.B. Zalani, B. Com., Secretary, Madhya Bharat Mill-owners' Association, Indore | } Three employers' representatives nominated by the Central Government in consultation with the organisations of employers in the State. |
| 5. Shri V.N. Pai, Cement Factory, Banor | |
| 6. Capt. N.M. Bhandari, M.M.E.A. Workshop and Foundry Owners' Association, Shirinath Camp, Indore | |
| 7. Shri Gangaram Tiwari, Madhya Bharat Branch of I.N.T.U.C., Shram Shibir, Snehaltaganj, Indore City | } Three employees' representatives nominated by the Central Government in consultation with the organisations of employees in the State. |
| 8. Shri Ramsingh Bhai Verma, Bharat Branch of I.N.T.U.C., Shram Shibir, Snehaltaganj, Indore City | |
| 9. Shri Chhaganlalji Kataria, Madhya Bharat Branch of I.N.T.U.C., Shram Shibir, Snehaltaganj, Indore City | |

(iv) *List of the Members of the Regional Committee for the State of Madras.*

- | | |
|--|--|
| 1. Shri C. G. Reddi, I.A.S. Secretary to the Government Madras, Industries, Labour and Co-operation Department Madras. | Chairman nominated by the Central Government. |
| 2. Shri V. Balasundram, I.A.S., Commissioner of Labour, Madras | } Two persons nominated by the Central Government on the recommendation of the State Government. |
| 3. Shri M.G. Balasubramanian, I.A.S., Deputy Secretary to the Government of Madras, Finance Department, Madras | |
| 4. Shri V. Ramakrishna, M.L.C., I.C.S. (Retd.), Chairman, Andhra Cement Co. Ltd., Madras | } Three employers' representatives nominated by the Central Government in consultation with the organisations of employers in the State. |
| 5. Shri G.R. Damodaran, B. Sc., M.P., Principal, P.S.G. & Sons Charities School of Technology, Peelamanu, Coimbatore | |
| 6. Shri James A. Andrew, Manufacturing Director, Madura Mills Co. Ltd., Madurai | |
| 7. Shri G. Ramanujam, C/o The I.N.T.U.C., 28, Tamil Sangham Road, Madurai | } Three employees' representatives nominated by the Central Government in consultation with the organisations of employees in the State. |
| 8. Shri K.T.K. Thangamani, Bar-at-Law, General Secretary, Tamil Nad Committee of All India Trade Union Congress, Madras. | |
| 9. Shri S. C. C. Antony Pillai, M.L.A., General Secretary, Hind Mazdoor Sabha, Madras | |

(v) *List of the Members of the Regional Committee for the State of Uttar Pradesh*

- | | |
|---|---|
| 1. Shri Radha Kant, I.A.S., Secretary to the Government of Uttar Pradesh, Labour & Social Welfare Department, Lucknow | Chairman nominated by the Central Government. |
|---|---|

- | | | |
|---|---|--|
| 2. Shri H.S. Sharma, Under Secretary to the Government of Uttar Pradesh, Labour Department, Lucknow | } | Two persons nominated by the Central Government on the recommendation of the State Government. |
| 3. Shri Bharat Narain, I.A.S., Deputy Secretary to the Government of Uttar Pradesh, Finance Department, Lucknow | | |
| 4. Shri D.X. De Souza, M/s Elgin Mills Co. Ltd., Kanpur | } | Three employers' representatives nominated by the Central Government in consultation with the organisations of employers in the State. |
| 5. Sardar Inder Singh, M/s Singh Engineering Works, Kanpur | | |
| 6. Shri S.S.L. Bansal, Secretary, M/s Star Paper Mills Ltd., Bajoria Place, Saharanpur | | |
| 7. Shri Arjun Arora, 11/365, Suiterganj, Kanpur | } | Three employees' representatives nominated by the Central Government in consultation with the organisations of the employees in the State. |
| 8. Prof. Jagdish Chandra Dixit, Subhash College, Unnao | | |
| 9. Shri Virendra Bahadur Singh, C/o Praja Socialist Party, Pandariba, Lucknow | | |
| 10. Shri M.L. Bagla, Swadashi Cotton Mills' Co., Ltd. Kanpur | | Non-official member of the Central Board of Trustees, ordinarily resident in the State. |

(vi) *List of the Members of the Regional Committee for the State of West Bengal.*

- | | | |
|---|---|--|
| 1. Shri D.S.P. Mukherjee, M.A., I.A.S., Special Officer and ex-officio Joint Secretary to the Govt. of West Bengal, Labour Department, Calcutta | | Chairman nominated by the Central Government. |
| 2. Shri K.R. Dass Sarkar Deputy Secretary to the Government of West Bengal, Labour Department Calcutta | } | Two persons nominated by the Central Government on the recommendation of the State Government. |
| 3. Shri B. Sen Gupta, I.A.S., Deputy Secretary to the Government of West Bengal, Finance Department, Calcutta | | |
| 4. Shri Mohanlal L. Shah 22, Canning Street, Calcutta. | } | Three employers' representatives nominated by the Central Government in consultation with the organisations of the employers in the State. |
| 5. Shri D.K. Brown, C/o M/s Jardin Handerson, Ltd., 4, Clive Row, Calcutta | | |
| 6. Shri G. Basu, C/o M/s Basu & Co., 4, Hastings Street Calcutta | | |
| 7. Shri Bishnu Banerjee, C/o B.P. N.T.U.C., 59-B, Chowringhee Road, Calcutta | } | Three employees' representatives nominated by the Central Government in consultation with the organisations of employees in the State. |
| 8. Shri Haripada Mazumdar, 4, Nitydhan Banerjee Road, Calcutta | | |
| 9. Shri Hrishikesh Banerjee, Assistant Secretary, C/o A. I.T.U.C. (Bengal-Provincial Committee), 249, Bow-Bazar Street, Calcutta-12 | | |
| 10. Shri A. Rajagopalan, Agent, The Tata Iron and Steel Co. Ltd., 23-B, Netajee Subhas Road, Calcutta | } | Non-official members of the Central Board of Trustees ordinarily resident in the State. |
| 11. Shri B.K. Rohatgi, 45-Armenian Street, Calcutta | | |
| 12. Shri Shital Prasad Jain, 11, Clive Row, Calcutta | | |
| 13. Shri Kali Mukherji, M.L.A., 59-B, Chowringhee Road, (Ground floor), Calcutta | | |
| 14. Shri Tushar Chatterjee, M.P., P.O. Barshibatala, Chinsurah (West Bengal) | | |

TABLE OF CONVERSION OF ANNAS AND PIES INTO
 NAYE PAISE — INTRODUCTION OF DECIMAL COINAGE
 WITH EFFECT FROM THE 1ST APRIL, 1957

1 pie	-1 Naya Paisa	2 annas 1 pie	-13 Naye Paise
2 pies	-1 Naya Paisa	2 " 2 pies	-14 " "
3 "	-2 Naye Paise	2 " 3 "	-14 " "
4 "	-2 " "	2 " 4 "	-15 " "
5 "	-3 " "	2 " 5 "	-15 " "
6 "	-3 " "	2 " 6 "	-16 " "
7 "	-4 " "	2 " 7 "	-16 " "
8 "	-4 " "	2 " 8 "	-17 " "
9 "	-5 " "	2 " 9 "	-17 " "
10 "	-5 " "	2 " 10 "	-18 " "
11 "	-6 " "	2 " 11 "	-18 " "
1 anna	-6 " "	3 annas	-19 " "
1 " 1 pie	-7 " "	3 " 1 pie	-19 " "
1 " 2 pies	-7 " "	3 " 2 pies	-20 " "
1 " 3 "	-8 " "	3 " 3 "	-20 " "
1 " 4 "	-8 " "	3 " 4 "	-21 " "
1 " 5 "	-9 " "	3 " 5 "	-21 " "
1 " 6 "	-9 " "	3 " 6 "	-22 " "
1 " 7 "	-10 " "	3 " 7 "	-22 " "
1 " 8 "	-10 " "	3 " 8 "	-23 " "
1 " 9 "	-11 " "	3 " 9 "	-23 " "
1 " 10 "	-11 " "	3 " 10 "	-24 " "
1 " 11 "	-12 " "	3 " 11 "	-24 " "
2 annas	-12 " "	4 annas	-25 " "