

MINUTES OF THE 142ND MEETING OF THE BOARD OF TRUSTEES OF THE SEAMENS' PROVIDENT FUND ORGANIZATION (SPFO), MUMBAI, HELD ON MONDAY, THE 18TH JULY, 2022 AT 3.00 P.M. IN THE CONFERENCE ROOM OF SEAMEN'S PROVIDENT FUND ORGANISATION, 3RD FLOOR, 'KRUPANIDHI' BUILDING, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI-400 001.

The meeting was chaired by Shri.Amitabh Kumar, IRS, Director General of Shipping and Chairman of Board of Trustees, SPFO.

Following members were present in the Board:-

1. Shri.Amitabh Kumar, IRS	...	Chairman
2. Shri.Anil Kumar Dadhich (Attended online in virtual mode)	...	Member
3. Shri.Ashish Sinha	...	Member
4. Capt.Rajesh Tandon	...	Member
5. Capt.Mahendra Pal Bhasin	...	Member
6. Capt.Manish Verma	...	Member
7. Shri.Abdulgani Y Serang	...	Member
8. Shri.Amar Singh Thakur	...	Member
9. Shri. S Kalaikovan	...	Member
10. Shri.Surendra Kumar	...	Secretary

2. Shri.Vijay Kumar, representative of Additional Central Provident Fund Commissioner, EPFO vide email dated 15th July, 2022 informed that due to previous commitments he would not be able to attend the meeting. Chairman observed that Shri.Vijay Kumar, has not been attending the meeting and instructed to write a letter to representative of Additional Central Provident Fund Commissioner, EPFO. Accordingly, leave of absence was granted to the above member.

3. At the outset Commissioner welcomed the new member Shri.Ashish Sinha, Deputy Director General of Shipping, (Crew). Shri.Ashish Sinha introduced himself to the Committee. The Commissioner welcomed all the members of the Board and thereafter, the agenda items were taken up for discussion.

4. Shri. Ajit Dange, Vice President, SBIFM, Portfolio Management Services, Shri.Vaibhav Kedia, Internal auditor, SPFO, Shri.David Das and Shri.Piyush Goyal CRISIL, consultant were invited as special invitees for briefing on investment matters and performance evaluation report of Portfolio Manager.

5. The following Agenda Items were taken up for discussion.

Agenda Item No.01: Confirmation of the Minutes of the 141st Meeting of the Board of Trustees, Seamen's Provident Fund Organization, held on 9th March, 2022.

1.1 Shri.Abdulgani Y Serang stated that under Para 4.1 "Indian Seafarers have burned the midnight oil even during the Covid pandemic" should be replaced with "Dedicated

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passion and hard work of Indian Seafarers who kept the lifeline open during the challenging time of covid pandemic is appreciated."

1.2 Minutes of the 141st meeting of the Board of Trustees, Seamen's Provident Fund held on 09/03/2022 was confirmed with above modification.

Agenda item No.02 : Action Taken Report

(A) Pertaining to action points that had emerged in the 141st meeting held on 09/03/2022:-

Sr. No.	Agenda	Subject	Action taken	Decision taken
1.	Agenda item No.2, Sr.No.1 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	E-Banking & Development of New Application Software in Microsoft Visual Basic (latest version) / Microsoft VB Net or any other latest Software Development Platform and switchover from existing System with migration of existing data.	A demo was arranged on 14.06.2022 to all the stake holders.	Board noted the position
2.	Agenda item No.2, Sr.No.2 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Amendment in Recruitment Rules.	Commissioner informed that a letter dated 05.04.2022 was issued to DGS to send their recommendations on the suggestions received from the stake holders to this office. Reply is awaited.	Board noted the position.
3.	Agenda item No.2, Sr.No.3 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Settlement of unclaimed amount of 4483 seafarers of the unclaimed amount of Rs.47.19 crores.	Commissioner informed that Advertisement was published in 12 regional language newspaper on 28.06.2022 through DOB calling seafarer who are above 60 years, who has not claimed Provident Fund from SPFO should visit DG and SPFO's website for checking their CDC No and name and submit their details through link provided.	Board noted the position.
4	Agenda item No.2, Sr.No.4 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Internal Repair / Renovation of office premises of SPFO.	Action completed. A letter dated 11 th April 2022 and 11 th May 2022 were received from CPWD regarding completion of work of SPFO and handing over the possession of SPFO premises. Thereafter formal inauguration ceremony of SPFO was held on 23.05.2022.	Board noted the position.

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5	Agenda item No.2, Sr.No.5 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Non-settlement of PF dues, due to various reasons. Financial year from 1999-2000 to 2008-09. Out of 15 cases of Seafarers, 5 cases are settled.	Commissioner informed that reminder dated 15.06.2022 is again issued to all the remaining 9 cases.	Board noted the position.
6	Agenda item No.2, Sr.No.6 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Exemption under Section 20 of Seamen's Provident Fund Act 1966 to Shipping Companies	(1) Letter dated 23.03.2022 were issued to M/s.SCI, M/s,Great Eastern Shipping and M/s.Sanmar Shipping to deposit PF of officers with SPFO. No response received from the companies therefore a reminder letter dated 10.06.2022 is issued. (2) A virtual meeting of the exemption committee was held on 21.06.2022 to finalise the guidelines on the subject. It was decided by the committee to revisit and frame the draft guidelines as per Section 20 of SPF Act. Minutes of meeting is placed at Annexure - A	(1)Board noted the position. (2)Commissioner stated that in the exemption Committee meeting it was decided to frame guidelines as per Section 20 of SPF Act and scheme, 1966 and not in the lines of EPFO. Shri.Abdulgani Y Serang stated that it is excess and we may restrict up to SPF Act and Scheme. Capt.Rajesh Tandon stated that there are some companies who have been managing PF with better profits. The hon'ble Chairman stated that though it will be difficult task to wind up everything and transfer PF to SPFO, we may check whether measures are in place and then give exemption. Capt.Rajesh Tandon enquired whether seafarers can ask for exemption and accordingly the Chairman informed that companies can seek exemption but not seafarers as PF is mandatory. Board decided to frame guidelines as per SPF Act ensuring measures are in place, sufficient control, all risks covered, investment strategies etc.
7*	Agenda item No.2, Sr.No.7 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Seafarers Annuity Fund Scheme for Seafarers	(1) A meeting was held on 16.03.2022 and again on 06.04.2022 with BoT members and representatives of INSA, MASSA, FOSMA, NUSI and MUI. However, it was decided on 06.04.2022 that both the Employees union and Employer association shall decide about quantum of contributions	The discussion is placed as Annexure-I to ATR.

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			separately. 2) A memorandum received by PMO via CPGRAM submitted by SUI and Retired Merchant Navy Sailors' Association of India was placed before the Board wherein it was decided that a Sub-Committee consisting of the Finance Sub-Committee of SPFO, SWFS should decide after checking facts and figures. Commissioner informed that a letter dated 11.08.2021 and email dated 10.02.2022 and 03.06.2022 sent to SWFS to intimate date of their FSC members for convening virtual meeting. Reply awaited.	2) Board noted the position.
8	Agenda item No.2, Sr.No.08 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Filling of the vacant post in SPFO	Recruitment for the post of Junior Assistants:- Commissioner informed that a letter dated 26 th April 2022 received from Indian Maritime University regarding (IMU) stating that they accorded their approval to conduct the recruitment drive for the 4 posts of Junior Assistants and will charge a total amount of Rs.3,54,000/- inclusive of GST. Further, on approval for payment by the Hon'ble Chairman, an amount of Rs.1,59,000/- has been released to IMU on 20 th June, 2022 towards advance payment of fee as per the terms and conditions of IMU. Recruitment is in progress.	Board noted the position.
9	Agenda item No.2, Sr.No.10 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Fixation of rate of Interest for credit to the Members Account for the Financial year 2020-21 on accrual basis.	Action completed Fixation of rate of Interest for credit to the Members Account for the Financial year 2020-2021 @ 7% has approved by Ministry of Ports, Shipping and Waterways vide letter dated 19.08.2021. Data provided to the software vendor for interest calculation.	Board noted the position.
10	Agenda item No.2, Sr.No.11 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Deposit of PF of officer by Indian shipping companies	(1) Commissioner informed that in response to the circular dated 10.12.2021, three letters were received from M/s Goa Ore Carriers, M/s Nav Bharat Carriers and M/s Kan enterprises stating that they are depositing PF with EPFO and accordingly a letter dated 11 th April 2022 were issued to them to register with SPFO and start depositing PF with SPFO.	Board noted the position.

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			Response is awaited. (2) Also a letter is received from M/s. Reliance India Ltd stating that they are depositing PF of officers with their own trust which is exempted by EPFO. Accordingly, a letter dated 24.05.2022 is sent to register with SPFO and deposit PF. (3) M/s. Dredging Corporation of India (DCI) is depositing PF of their employees and seafarers with EPFO. Hence, various letters were issued to register with SPFO and deposit PF of seafarers with SPFO but DCI have failed to do so. Therefore, a notice dated 31/03/2022 was issued to DCI to attend the hearing on 13/05/2022. But as per their request to extend the date, a notice was issued on 11/05/2022 to attend the hearing on 31/05/2022 and order dated 02.06.2022 was passed that the company is required to register within 20 days of the order passed. In response a letter dated 21.06.22 is received stating that clearance from EPFO is awaited for registering with SPFO hence have requested for extension of one month time. Accordingly, a letter dated 06.07.2022 is issued to DCI to register with SPFO within one month. (4) Reminders to the 262 shipping companies for not registered, 95 shipping companies for not depositing PF and 28 shipping companies for not depositing PF of officers were sent vide letter dated 14.06.2022.	
11	Agenda item No.2, Sr.No.12 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	हिंदी अनुवादक के रिक्त पद को भरने संबंधी प्रस्ताव	The Commissioner informed that out of 28 applications received for the post of Hindi Translator only 6 applicants are eligible as per the criteria. However, it is difficult to select a suitable candidate out of 6 hence, it is decided to publish the advertisement in the employment news and regional newspaper of Hindi speaking regions i.e. 'क' क्षेत्र.	Board noted the position.

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12	Agenda item No.2, Sr.No.15 (under Action Taken Report) in the 141 st Board meeting held on 09.03.2022	Final settlement of Doubtful Investment in DHFL	Commissioner informed that provision for write off of Rs.30 crores has been made in the books of accounts for the financial year 2020-21. Further, the provision for the remaining balance amount has been made in the books of accounts and will be adjusted in the financial year 2021-22.	Board noted the position.
13	Agenda item No.03 in the 141 st Board meeting held on 09.03.2022	Annual Account for the financial year 2020-21	The Commissioner informed that Audit certificate is received from C&AG on 29.06.2022 and compiling & printing of Annual Accounts & Report is under process.	Commissioner informed that after printing the Annual Account for the FY 2020-21, it will be forwarded to the Ministry of Ports, Shipping and waterways. Board noted the position.
14	Agenda item No.04 in the 141 st Board meeting held on 09.03.2022	Annual Report on the working of Seamen's Provident Fund Scheme for the financial year 2020-21	1. Commissioner informed that audit certificate is received from C&AG on 29.06.2022 and compiling & printing of Annual Accounts & Report is under process. 2. Commissioner informed that The recommendation of the Parliamentary Committee will be incorporated in the Annual Report.	1. Shri.Abdulgani Y Serang suggested to change the paragraph in the Annual report from "Indian seafarers as well as shipping industries have burnt the midnight oil even during the Covid pandemic" to "The dedicated passion and hard work of Indian Seafarers who kept the lifeline open during the challenging time of Covid pandemic is appreciated." The Commissioner stated that changes will be made accordingly and after compiling and printing, will be forwarded to the Ministry of Ports, Shipping and waterways. 2) Board noted the position.
5	Agenda item No.06 in the 141 st Board meeting held on 09.03.2022	Revised Estimates for the Financial year 2021-22 and Budget Estimates for the financial year 2022-23	Action completed. Commissioner stated that a letter dated 19th May, 2022 received from Ministry of Ports, Shipping and waterways regarding approval of revised estimate for the financial year 2021-22 and Budget Estimates for the financial year 2022-23.	Board noted the position.

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16	Agenda item No.07 in the 141 st Board meeting held on 09.03.2022	Fixation of rate of interest for credit to the Members	Action completed. Commissioner informed that a letter dated 14th March 2022 issued to Ministry of Ports, Shipping and waterways to approve rate of interest @5.75%.	Commissioner informed that an email dated 14.07.2022 is received from the Ministry of Finance approving rate of interest @ 5.75% for the year 2021-22. Board noted the position.
17	Agenda item No.09 in the 141 st Board meeting held on 09.03.2022	Damages on late received of PF statement	Demo to all the shipping companies was held on 14.06.2022. A separate agenda item No.08 is placed for discussion.	The matter is discussed under agenda item No.08.
18	Agenda item No.11 in the 141 st Board meeting held on 09.03.2022	Draft Investment Policy of SPFO	Action completed. Commissioner informed that the Ministry of Ports, Shipping and waterways was forwarded the investment policy for information vide letter dated 21 st April 2022.	Board noted the position.
19	Agenda item No.12 in the 141 st Board meeting held on 09.03.2022	To avail Investment Advisory services from SBI Funds Management Ltd for managing the investments of the SPFO's Four Funds (other than main Account).	The matter is placed before the Finance Sub-Committee to discuss the pattern of investment in their 71 st meeting. A separate agenda item No.04 is placed to inform the recommendation of the Finance Sub-Committee and discuss the same	The matter is discussed under agenda item No.04.
20	Table Paper -1 in the 141 st Board meeting held on 09.03.2022	Minutes of the Audit Committee on the Internal Auditor's Report for the 3 rd quarter Period from 01/10/2020 to 31/12/2020 and 4 th quarter period 01/01/2021 to 31/03/2021.	A separate agenda is placed at agenda item No.05.	The matter is discussed under agenda item No.05.

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ATR (Item No.07).

I Capt. Rajesh Tandon informed the Board that constituent members of Board of Trustees i.e. FOSMA, MASSA, INSA, MUI & NUSI met to discuss the contributions towards Provident Fund, Annuity Fund & Gratuity Fund Schemes of Seafarers. It was decided the contributions shall be as detailed below:-

(1) In respect of Seafarers employed on board vessels of Indian Flag:-

a) Provident Fund:- As laid down in the SPF ACT / Scheme.

b) Gratuity Fund:- 8.33 % of wages

c) Annuity Fund:- 10 % of Wages.

(2) In respect of Seafarers employed on board vessels of Foreign Flag:-

(a) Provident Fund :- Employer's contribution shall be minimum of 12% of Rs15,000/- (As per the ceiling limit prescribed by EPFO and this shall get automatically revised as and when the same is revised by EPFO).

(b) Gratuity cum Annuity Fund :- 8.33 % of above mentioned amount which will be bifurcated in to 4% towards Gratuity Fund & 4.33 % towards Annuity Fund.

(3) The Seafarers will also contribute an equal amount as contributed by the employer towards Provident Fund only.

II. Chairman stated that social security available for seafarers on vessel of foreign flag would be very meagre to which Capt. Rajesh Tandon informed that the amounts mentioned above are the minimum. Additionally he stated that certain flag have their own social welfare benefits and Indian seafarers are also covered. It was also stated that present bilateral agreement have increased levels of social benefits and it is part of negotiations between parties to the agreement.

III. The Board discussed the matter and agreed to the above.

III. The gratuity amount lying in the seafarers account in the office of the Seamen's Welfare Fund Society (SWFS) shall be transferred to the SPFO after due procedures. The Board also agreed that the social benefits of seafarers stated in Act shall be minimum and it can be improved by the parties to CBA or individual agreements. Accordingly, a copy of the agreement shall be made available to SPFO to manage the contributions.

IV. Board also decided to draft the Act & Scheme and circulate among member trustees privately after the same being vetted by DDG (MSL) of Directorate General of Shipping, Mumbai.

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Agenda item No.03 : Minutes of the Audit Committee on the Internal Auditor's Report for the 1st quarter Period from 01/04/2021 to 30/06/2021 and 2nd quarter period 01/07/2021 to 30/09/2021.

3.1 Shri.Abdulgani Y Serang stated that in the Audit Committee meeting, Capt.Rajesh Tandon has pointed out that PF is not mandatory for shipping companies (foreign flags) hence 'Interest on delayed payment' should be mentioned instead of 'Damages on delayed payment'.

3.2 Board decided that 'charges on delayed payment' is suitable to be mentioned instead of 'interest or damages'.

3.3 The Chairman enquired whether there are any other adverse remarks / observations of the Internal Auditor. It was informed that the Audit Reports were satisfactory and without any adverse remarks.

3.4 The Board of Trustees accepted the same.

Agenda item No.04: To avail Investment Advisory services from SBI Funds Management Ltd for managing the investments of the SPFO's Four Funds (other than main Account).

4.1 The Commissioner stated that the Finance Sub-Committee has recommended that amount can be invested 75% in debt mutual funds / FD and 25% in equity mutual funds. Commissioner invited Shri.Dange to elaborate on the issue and accordingly Shri.Dange informed that the fund of SPFO is very small in size and the minimum amount of fund to be invested as per investment pattern is higher than the amount in fund for example as per category 1 in Government securities minimum amount to be invested is Rs.5 crores. Shri.Dange further stated that they are managing fund of Maritime Training Trust (MTT) of around Rs.28 to 35 crores in 60% debt mutual funds and 40% equity mutual funds and the yield expected is at par with the investment pattern for larger sized funds.

4.2 After prolonged discussion, the Board approved the recommendation of Finance Sub-Committee for investment of four funds at minimum 75% in debt mutual funds / FD and maximum 25% in equity mutual funds.

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Agenda Item No.05: Safe Custody of Sale of Agreement and share certificate of 'Krupanidhi Ltd', SPFO

5.1 Commissioner informed that Finance Sub-Committee recommended that the Agreement of sale deed and share certificate 'M/s.Krupanidhi Ltd' in respect of office premises is to be kept in safe custody i.e. bank locker, DG shipping or fire proof locker in SPFO. It was then decided that DG shipping will have to be approached every time the documents are required hence decided to discuss the matter in BoT meeting.

5.2 Board decided that the documents may be kept in Digilocker / D-mat format and meanwhile physical documents may be kept in bank locker.

Agenda Item No.06: Performance Evaluation Report of Portfolio Manager assessed by CRISIL, Consultant.

6.1 The Commissioner invited Shri.David Das to elaborate on the issue and accordingly Shri.David Das informed that performance is evaluated on quarterly basis but they have evaluated the entire portfolio for the financial year 2021-22. Shri.David Das stated that overall fund size (amount invested) as on 31st March 2022 is Rs.2,214.14 crores and Rs.2,042.10 crores is allocated to Debt and Rs. 166.98 crores is allocated to equities, while cash is Rs.3.05 crores. However, incremental investments since 1st April 2021 as on 31st March 2022 were Rs.406.00 crores and Credit Quality of overall portfolio is Tier 2 due to investments in 'Default' rated securities of ILFS and ILFS Financial services impacted the portfolio. Shri.David Das also stated that overall 2.19% corporate bonds are marked with 'Negative' / 'Watch Negative' / 'Watch Developing' credit outlook comprising of Piramal Capital & Housing Finance Ltd (securities received towards settlement of DHFL) to be watched and Indian Renewable Energy Development Agency Ltd may be downgraded further.

6.2 Shri.Ajit Dange stated that SEBI has come out with a notification which requires any purchase of Equity ETF for order size less than Rs.25cr to be routed through (i.e. bought) market makers in the stock exchanges. The AMCs will be able to manufacture the ETF units directly for the investors for the trade order size of higher than Rs.25cr only. The secondary market for ETFs is presently illiquid and there is lack of liquidity for purchase /sale of ETFs which is requiring trades to be executed over a longer period of time. The market makers are generally charging around 0.25%-0.30% spread for selling any ETF units to investors, which means that SPFO will be paying Rs.100.25 to Rs.100.30 for purchasing ETF units worth

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Rs.100 which is effectively an additional cost at the time of purchase. Also, the investor will need to open a trading account with one of the brokers who would be charging at least 0.02% brokerage for selling the ETF units. Hence, effectively, there would be an additional cost of 0.27% or 27 bps for buying the ETF units apart from any possible price disadvantage from the delay in execution of a larger size order should the market move in an adverse manner.

6.3 Shri.Ajit Dange also stated that in addition, there would not be any transparency in the actual execution price incurred by the brokers as they would not be getting time stamped contract notes reflecting the details of the execution prices which could lead to high hidden costs. Besides, the same costs will also be applicable while selling the ETF units for the profit booking purpose. In view of this, the lack of transparency and the operational difficulties in executing these transactions, it is recommended to consider investment in Nifty (or Sensex) Index Funds which would provide no other disadvantage apart from a little higher expense ratio. For SBI Nifty Index Fund, the expense ratio is presently 0.18% as compared to expense ratio of 0.06% for SBI Nifty ETF, which compares favourably when compared with the execution costs associated with the Nifty ETF purchase from the market makers.

6.4 Further Shri.David Das informed that overall return from equity investments during the period 01-April-2021 to 31-March-2022 is 6.63% (absolute return) vis-à-vis 6.79% of Benchmark. Shri.Piyush Gupta stated that purchase yield was outperformed by 7 bps as a result of allocation of high yielding G-Sec, PSU and private sector bonds and higher allocation to high yielding SDLs. Shri.Ajit Dange stated that they have selected long term securities because short term gets lower interest. He further stated that at the end of the financial year they have to comply with the investment pattern and hence has to purchase whatever is available in market of corporate bonds which affects the total portfolio. He stated that as per investment pattern they are required to purchase minimum 35% corporate bonds and if that percentage is less then they will not be forced to buy corporate bonds. He further stated that Ministry of Finance and Ministry of Labour has accepted the proposal of EPFO to minimize investing under Category (ii) i.e. 'Debt Instruments and related category' from 35% to 20% in respect of EPF investments.

6.5 Board decided that the proposal of minimizing investing under Category (ii) i.e. 'Debt Instruments and related category' from 35% to 20% in respect of SPFO investments will be examined by the Finance Sub-Committee and placed before the Board.

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6.6 Board also decided that a comparative study on the investment has to be done by the Finance Sub-Committee for the last one year with brokerage and without brokerage within one week time so that decision can be taken to switch over from SBI Nifty Fund to SBI Nifty Index Fund.

Agenda item No.07:- Return Cheque cases correspondence

7.1 The Commissioner informed that since 1990, 111 cases of FW return cheques of seafarers is lying in RCH module amounting to Rs.11.22 lakhs in SPFO old accounting system and correspondence is done to their beneficiaries various times with no results. Hence, it was proposed that SPFO may place the list in the websites of SPFO and DGS and correspondence may be stopped as it results in wastage of manpower and office resources to Finance Sub-Committee. Committee decided to send list to NUSI for obtaining information and uploading the list in the website of SPFO and DGS.

7.2 Board approved the recommendation of Finance Sub-Committee and also decided to continue with correspondence with the seafarers and their beneficiaries.

Agenda item No.08:-

Damages on late receipt of PF statement.

8.1 The Commissioner informed that as per decision of the Board, a demo was held on 14.06.2022 for all the stake holders and further stated that some of the shipping companies are remitting PF but are not sending PF statement due to which the PF contribution is not credited to seafarer account.

8.2 Capt.Rajesh Tandon explained that the PF for foreign flag vessels are deposited as per the bilateral agreement but is not mandatory. Chairman stated that once they have decided to participate for contributing PF, then will have to follow and if any glitches, SPFO is providing assistance to the shipping companies. Capt.Rajesh Tandon stated that at least two weeks' time should be given to upload data after 30 days.

8.3 Capt.Manish Verma stated that if the seafarer signed off on 5th of the month then his payment is released only in the next month due to which they have to pay penalty. Also, in a month two times payment cannot be released.

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8.4 Capt.Manish Verma also stated that the new software is not working properly and many times shipping companies are not able to upload data in the software. Capt.M P Bhasin enquired whether payment gateway will solve the problem of late submission of PF statement. Commissioner informed that payment gateway will directly direct you to deposit PF after submission of PF statement but the issue is still not resolved by M/s.STPL, software vendor. Commissioner further explained that M/s.STPL is at Bhubaneswar and it becomes difficult to interact though meeting is done through virtual platform. The Commissioner further stated that M/s.STPL was asked to complete the process of interest calculation in January 2022 which was further extended by NIC to March 2022 but still it is pending. Admn Asst Accounts Officer informed that the data of 2020-21 is still not uploaded in online system due to non-completion of interest calculation. However, currently online data of 2021-22 is also entered in offline. Further, while claiming final withdrawal / Non-refundable withdrawal by the seafarers both the systems are not tallying and it is becoming risky day by day to make payment. Chairman suggested that penalty may be levied and accordingly Commissioner informed that they are already informed about the same.

8.5 Board decided that since formal handing over software is inordinately delayed by the vendor M/s.STPL inspite of frequent follow ups / reminders, it may be strongly communicated to handover the software completely with all formalities as per NIC's procedure within 30 days. In case it fails in the same, NICS may be requested to recover and refund the cost / expenditure incurred (Re-engineering SPFO systems and maintaining for three years) by SPFO.

8.6 The Board decided that damages / penalty / charges on late receipt of PF contributions should be levied with effect from the end of succeeding calendar month in which seafarer has signed off. The rate of damages / penalty / charges remains unchanged.

8.7 The Board deliberated on the issue and decided to give 30 days' grace period as applicable to PF contribution to the shipping companies those who are depositing PF amount directly in the SPFO bank account but not uploading / submitting PF return statement in SPFO. Thereafter penalty should be levied on the defaulting companies for late submission of PF return statements @Rs.10,000/- per month for first three months and Rs.20,000/- per month after 3 months till submission of PF statements.

8.8 Damages charges are leviable at above rates separately for both PF contribution as well as PF return statement.

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Agenda item No.09: Extension of contract awarded to M/s.Goyal Parul & Co as Internal Auditor of Seamen's Provident Fund Organisation for one year i.e. FY 2022-23

9.1 The Commissioner informed that the current tenure of internal auditor will expire after audit of financial year 2021-22 which can be further extended to one more financial year after reviewing the performance and the performance found was satisfactory.

9.2 Board approved the recommendation of Finance Sub-Committee for extension of contract awarded to M/s.Goyal Parul & Co as internal auditor of SPFO for one year i.e. 2022-23 with the same terms and conditions and fee payable.

Agenda Item No.10: Extension of Tenure of Consultant, Portfolio Manager and Custodian

10.1 The Commissioner informed that tenures of Consultant, Portfolio Manager and Custodian is expiring on 31.03.2023 which can be further extended reviewing the performance. Shri.Abdulgani Y Serang stated that the performance of Consultant, Portfolio Manager and Custodian is appreciable as they are providing detailed information. Capt.Manish Verma and Capt.M P Bhasin seconded the opinion.

10.2 Board approved the recommendation of Finance Sub-Committee for extension of tenure of M/s.CRISIL Limited for one more term of two years i.e. 2023-25 with fee payable at @ Rs.25 lakhs per annum (Rs.50 lakhs for two years) as consultant, M/s.SBI Fund Management Limited for one year i.e. 2023-24 with fee payable @0.07 percent of the incremental investment per annum + applicable taxes as Portfolio manager and M/s.SBI SG Global Securities Services Pvt Ltd for one more year i.e. 2023-24 with fee payable @0.001 percent annually of Face value of the quarterly average assets held under custody for debt securities inclusive of all charges (excluding GST) as custodian.

Agenda Item No.11 : (For information):- Status of Court Cases (Including Doubtful Investment).

11.1 Commissioner informed that there is no other progress other than mentioned in agenda. Board noted the position.

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Agenda Item No.12 : (For information):-

**Clearance of Un-posted
Items.**

12.1 The Commissioner updated the position and Board noted the position.

Agenda Item No.13 Investment made for the period from 01.04.2021 to 30.09.2021

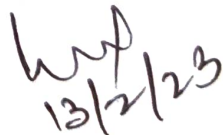
13.1 The Commissioner explained that this agenda is for information to the Board after the books of accounts audited by the internal auditor. Shri.Ajit Dange stated that he has PPT of investment made for the first quarter ending 30th June, 2022. Accordingly, Commissioner invited Shri.Ajit Dange to elaborate on the issue.

13.2. Shri.Ajit Dange stated that the market was very unstable hence they have been investing in SIPs on every 20th of every month in ETF Nifty and also focussing on SDL with the purchase yield of 7.83, 8.03 and 7.92.

13.3 Board noted the position.

6. Meeting ended with vote of thanks to the chair.


सचिव
न्यासी संडल
नाविक अधिष्ठा निधि
मुंबई


अध्यक्ष
न्यासी संडल
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