

AGENDA ITEM NO.9

Subject : Re-Amendment to Rule 15 of the Film & TV Institute of India Contributory Provident Fund - Interest Rate payable on the subscriptions of the employees in the Trust Fund.

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The Film and Television Institute of India, Pune, an Autonomous Society has maintained *Film & TV Institute of India, Contributory Provident Fund* for its employees recruited on or after 1/10/1974 and the employees are subscribing to this Trust Fund towards their provident fund accounts.

This fund is managed by the Trustees of the Provident Fund in accordance with the Film & Television Institute of India (Contributory Provident Fund) Regulations. These Rules were made specific to FTII and from time to time these rules are amended by Governing Council of FTII.

As regards to the payment of interest on the subscription of the employees (on his own and the Institute's share) as per Rule 15 of these Regulations "*Rate of interest shall not be linked up with the Government rate of interest and instead it will be determined on the basis of actual earning less the operational expenses. A minimum of Rs.25,000/- shall be kept in-tact to serve as buffer for wide fluctuations in earnings*".

However Rule 15 was amended *for the payment of interest as declared by Government from to time* as per the authorisation approved by the SFC in its Meeting held on 1st December, 1984.

As per the audited Statement of Accounts of the FTII Contributory Provident Fund for the year ending 31st March 2013 there is a deficit of Rs.20,09,996/- which is incremental during the last three years. It is mainly because of (1) wide difference between the of interest gained on the Trust Fund Deposits (income of the Trust) and the payment of interest on the subscriptions of the employees, (2) Large number of retirement of employees, (3) Due to implementation of New Pension Scheme from 1-1-2004 no new members are added to the FTII CPF, etc.

In order to insure a permanent stability of the fund it is necessary that –

- FTII may contribute Rs. 20,09,996/- from its own earnings to the FTII CPF

Trust to neutralized and

- The rate of interest payable to the employees on their subscription may be reverted to the back of Rule No.15's provisions in order to safeguard the FTII CPF Contributories.

As per the FTII CPF Fund Regulations, the funds shall consist of the contribution paid or hencefourth to be paid by the Governing Council and by the subscribers to the fund as specified in the Rules set forth in the Schedule hereto and of an accumulations thereof and of the interest (simple and compound) credited in respect of such contributions and accumulations and of securities.....

Further,As per rule 36 of the "FTII Rules", the Governing Council shall have powers for amendment of the financial regulations regarding investment of fund of the institute, sale or alternation of Accounts & Audit.

Governing Council, therefore, is empowered to take up this matter.

Submitted for consideration and approval.

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EXTRACT FROM THE MINUTES OF THE 127th MEETING OF THE GOVERNING COUNCIL OF THE FILM AND TELEVISION INSTITUTE OF INDIA HELD ON THURSDAY, THE 30TH JANUARY, 2014 AT 11.30 A.M. IN THE CONFERENCE HALL OF THE FILM AND TELEVISION INSTITUTE OF INDIA, PUNE.

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Approved.

However no additional demand will be made to the Ministry to achieve the objective.