



## **Rajasthan State Mines & Minerals Limited**

(A Government of Rajasthan Enterprise)

### **PROVIDENT FUND RULES**

#### **CHAPTER I - PRELIMINARY**

- Short Title: 1.** These Rules may be called the Rules of the Provident Fund of Rajasthan State Mines & Minerals Limited and shall come into force with effect from 20-12-1974. These shall apply to all offices/ branches and all mines functioning at present and which may come in future under the control and management of the Company.
- Definitions: 2** In these Rules, Unless there is anything repugnant in the subject or contents:
- a) 'Act' Means the Employee's Provident fund and Miscellaneous Provisions Act, 1952.
  - b) 'Appendix' means an appendix to these rules.
  - c) 'Apprentice means a learner or trainee who may be paid a salary or stipend during the period of training.
  - d) 'Board' means the Board of Trustees.
  - e) 'Basic wages' means all emoluments which are earned by a member from the company while on duty or on leave with leave salary or wages in accordance with the terms of any contract of employment, but does not include any commission, bonus, dearness allowance that is to say all cash payments by whatever name called paid to an employee on account of rise in the cost of living, house rent, allowance, overtime allowance, the cash value of any food concession, any present made by the company, special allowance, non-practicing allowance, travelling allowance or the value of travelling allowance or any other allowance, remuneration or profit including any contribution paid by the Company to any pension fund or provident fund or under these rules by whatsoever name they may be called.

**Explanation:-** If a member is sent out of India by the Company, emoluments which he would have drawn had he not been on such deputation, shall for the purpose of these rule, be deemed to be emoluments drawn on duty.

- f) 'The Company' means the Rajasthan State Mines & Minerals Limited having its registered office within the State of Rajasthan and shall where the context so admits include its successors, assigns.
- g) The 'Chairman' means the Chairman of the Board of Trustees.
- h) 'Commissioner' means a commissioner for the employees' provident fund appointed under the Employees provident fund & miscellaneous Provision Act and the Schemes, framed hereunder.
- i) 'Contribution' means a contribution payable in respect of a member of the fund.
- j) 'Continuous Service' means uninterrupted service under the company and includes service which is interrupted by sickness, accident, authorised leave, on deputation, strike which is not illegal, or cessation of work not due to the employee's fault.
- k) 'Children' means legitimate children and includes adopted children if the Trustees are satisfied that under the personal law of the Member, adoption of a child is legally recognised.
- l) 'Employee' means any person who is employed for wage for any kind of work, manual or otherwise, in or in connection with the work of the Company, and who gets his wages directly or indirectly from the employers and includes any person employed by or through a contractor in or in connection with the work of the company.
- m) 'Employer' means the "Rajasthan State Mines & Minerals Limited.
- n) 'Exempted employee' means an employee to whom these rule would, but for the exemption granted under section 17 of the Employees as Provident Fund & Miscellaneous Provisions Act, 1952, apply.
- o) 'Excluded Employee means:-

- a. an employee who having been a member of the fund, withdrew the full amount of his accumulations in the fund under clause 57 (1) (a) or (c) ;
- b. and apprentice/ trainee ;
- c. Persons recruited on a contract basis whose terms of contract do not specifically provide for the benefits of this fund;
- d. deputationists from other organizations and government departments;
- e. Such persons who join the company after attaining the age of superannuation i.e. after attaining the age of 58 years or more.
- p) 'Fund' means the provident fund of Rajasthan State Mines & Minerals Limited as defined in rule 3(ii)
- q) 'Financial Year' Means the year commencing on the first day of April.
- r) 'Family' means:-
  - i. In the case of a male member, his wife, his children whether married or unmarried, his dependent parents, and the widow and children of deceased son of the member,
  - ii. In the case of female member, her children whether married or unmarried, her dependent parents, and husband's dependent parents and the widow and children of a deceased son of the member.
- s) 'Foreign Service' an employee of the company will be treated as on foreign service if his services are temporarily placed by the company at the disposal of a Government Department or other Corporation, Body etc. and he is allowed to draw pay from a source other than the Company.
- t) 'Member' Means a member of the Fund.
- u) "Nominee or Nominees" shall mean any person or persons who may be appointed in writing by a member to receive the amount that may be payable from the Fund to the estate of member in the event of the member's death before or after the retirement or termination of his services with the Company.
- v) 'Scheme' means the Employee's Provident Fund Scheme, 1952

- w) 'Secretary' means the Secretary of the Board of Trustees.
- x) 'Trustee' means member of the Board of Trustees.
- y) All other expressions and words not defined in these rules shall have the same meaning as assigned to them in the Employees Provident Fund & Misc. Provisions. Act 1952, Memorandum & Articles of Association of the Company, Service Rules and the Standing orders applicable to the employees of the Company.
- z) Words in the masculine shall include the feminine and in the singular shall include the Plural and vice versa where the context so requires.
  - a) All headings of marginal notes to, these rules are solely for the purpose of giving a concise indication, and not a summary of the contents thereof, and they shall never be deemed to be a part thereof or be used in the interpretations or construction thereof.

## CHAPTER II- CONSTITUTION AND MANAGEMENT OF THE FUNDS

### **Institution of The Fund: 3**

- i) The Fund shall be constituted under a trust which shall be irrevocable under section 5 of the Indian Trust Act, 1882 for the benefit of the members thereof save with the consent of all the beneficiaries and save in the cases prescribed by section 58 (c) (i) of the Income Tax Act, 1961, no moneys belonging to the Fund shall be recoverable by the company under any pretext whatever nor the Company have any lien or charge of any description on the same save as herein provided.
- ii) The Fund shall be maintained in India and shall consist of :
  - a) Contribution to be made by the company and the members in terms of these rules;
  - b) Balance transferred from any other provident Fund where such transfers are permitted by these rules;
  - c) Interest and/or dividends which may accrue on such contribution and balance;
  - d) Sums forfeited to the Fund under these rules;

- e) Securities purchased with the fund;
- f) Capital gains arising from the transfer, sale or exchange of Capital assets or investment of the Fund;
- g) Donations received
- h) Accumulated balance and interest thereon due to an ex-employee but not paid to him.

**Management of the Fund 4.** The custody, control and management of the Fund shall be vested in the Board of Trustees which shall consist of the following:-

- a) Three representatives of the Company shall be nominated by its Board of Directors being the officers employed in managerial or administrative capacity only.
- b) Three representatives of the employees of the Company who shall be selected in the following way:-

If there is a representative union statutorily recognized, such union shall nominate representatives. If there is a single registered union, recognized statutorily or by a bipartite agreement, such union shall nominate the representatives. Where there are more than one union with an agreement among themselves inter-se and the employers as well, such agreement shall operate. If there are a number of unions, or in case there is no representative recognized union, election shall be conducted by the employer for selection of nominees from amongst the members of the Fund. A union representative, after being nominated as trustee ceases to be representative of that Union, he shall cease to be trustee. There shall be single vote, secret ballot and election on a working day, all candidates proposed should be accepted and the first three candidates getting highest votes should represent the employees on the Board.

- c) The F.A. & C.A.O. will be the ex-officio Chairman of the Board of Trustees. The Board of Trustees will appoint Secretary out of the trustees nominated by the Board of Directors.

- Terms of Offices: 5.** i) The Term of the Office of the Trustees shall be three years commencing from the date of their nomination.  
Provided that any such trustee shall, notwithstanding the expiry of the said period of three years, continue to hold office until the nomination of his successor is made, which shall, however, be done within a period of three months of the expiry of the term of three years.
- ii) Any trustee referred to in rule 5 (i) above nominated to fill a casual vacancy, arising out of resignation, removal or death of any ' Trustee, shall hold office for the remainder of the term of office of the trustee in whose place he is nominated.
- iii) An outgoing trustee shall be eligible for renomination and election.
- Resignation: 6.** A trustee may resign his office by letter in writing addressed to the Company and his office shall fall vacant from the date on which his resignation is accepted by the Company.
- Cessation and Restoration of Trusteeship: 7.** If a trustee fails to attend three consecutive meetings of the Board without obtaining leave of absence from the Chairman, he shall cease to be a trustee.  
Provided that the Company may restore him to trusteeship if the Company is satisfied that there were reasonable grounds for the absence.
- Disqualifications for Trusteeship: 8.** A person shall be disqualified for being nominated as, or for being a trustee:-
- a) If he is declared to be of unsound mind by a competent court: or
- b) If he is an undischarged insolvent: or
- c) If before or after the commencement of these rules he has been convicted of an offence involving moral turpitude.
- d) A representative of the employees or of the Company shall cease to be a trustee or his ceasing to be an employee of the company.
- Meetings: 9.** i) The Board of Trustees shall meet at such place and time as may be appointed by the Chairman.

- ii) The Chairman may wherever he thinks fit, and shall, within fifteen days of the receipt of a requisition in writing from not less than two members of the Board, call a meeting thereof.
- Notice of Meeting and list of Business: 10.** Notice of not less than 7 days, containing the date, time and place of every ordinary meeting together with a list of business to be conducted at the meeting, shall be sent to each trustee.
- Provided that when the secretary, with the approval of the Chairman, calls meeting for considering any matter which in his opinion is urgent, a notice giving such reasonable time as he may consider necessary, shall be deemed sufficient.
- Provided that if the chairman is of the opinion that a decisional in any particular matter can not be delayed till the next meeting of the Board, the matter may be circulated to the trustees, for decision, and any decisional by majority votes taken in the manner as above would have the same validity as that of a resolution passed in a meeting and shall be recorded in the minutes book
- Chairman to preside at meetings: 11.** The Chairman shall preside at every meeting of the Board at which he is present. If the Chairman is absent at any time, the trustees shall elect one of them to preside over the meeting and the trustee so elected shall exercise all powers of the Chairman at the meeting.
- Quorum: 12.**
- i) Two members of the Board shall form the quorum one representatives of the Company and one representative of the employees.
- ii) If at any meeting the number of trustees is less than the required quorum, the chairman of the Board shall adjourn the meeting to a date not later than 7 days from the date of the original meeting, informing the trustees of the date, time and place of the adjourned meeting and it shall thereupon be lawful to dispose of the business at such adjourned meeting irrespective of the number of trustees present.
- Disposal of Business: 13**
- i) Every question considered at a meeting of the Board shall be decided by a majority of the votes of the trustees present and participating in voting. In the

event of an equality of votes, the Chairman shall have a casting vote.

Provided that the Chairman may, if he thinks fit, direct that any question shall be decided by the circulation of necessary papers to trustees and by securing their opinion in writing. Any such question shall be decided in accordance with the opinion of the majority of trustees received within the time limit allowed and if the opinions are equally divided the opinion of Chairman shall prevail.

Provided further that any trustee may request that the question referred to trustees for written opinion be considered at a meeting of the Board and thereupon the Chairman may, and if the request is made by not less than two trustees, shall direct that it be so considered.

Provided further that where no casting vote is exercised and the opinion of trustees is equally divided, the matter shall be referred to the Commissioner whose decision shall be final.

ii) The Board shall have the entire control of the Fund and the funds thereof and shall decide all differences or disputes which may arise under these rules and regulations either as to the interpretation thereof or as to the rights and obligations of the employer and/ or of the members and the decision of the Board, as recorded in the minute book, shall in all cases be final and binding on all parties concerned, provided always that in disputes relating to Income tax matters the decision of the Commissioner of Income Tax concerned shall be final and all matters of dispute on which opinion is equally divided shall be referred to the Regional provident Fund Commissioner concerned whose decision in the matter shall be final and binding.

**Minutes of meetings:  
14.**

i) The minutes of a meeting of the Board showing interalia the names of the trustees present there shall be circulated to all the trustees not later than one month from the date of the meeting. The minutes shall thereafter be recorded in a minute book as a permanent record to be maintained by the Secretary.



Provided that if another meeting is held within a period of one month and ten days, the minutes shall be circulated so as to reach the trustees at least 10 days before such meeting.

- ii) The records of the minutes of each meeting shall be signed by the Chairman of the Board after confirmation with such modifications, if any, as may be considered necessary at the next meeting.
- iii) The Secretary shall take necessary steps for carrying out the decisions of the Board.

**Acts of the Board of trustees not invalid by reason of defect in the constitution etc. 15**

No act or proceeding of the Board shall be deemed to be invalid by reason merely of any vacancy in, or any defect in the constitution of the Board.

**Trustees indemnity: 16.**

No trustee shall be chargeable otherwise than in respect of money and securities actually received by him notwithstanding his signature to any receipt for the sake of conformity and he shall be answerable and accountable only for his own acts, neglects or defaults and not for those of any other trustee nor of any Banker, Broker or other person with whom any of the Fund or the investment representing the same may be deposited or upon whose advice or opinion the trustees may act nor shall be answerable for the insufficiency or deficiencies of any securities nor for any other loss, however, arising save such as happens through his own willful default.

**Fees & Allowances : 17**

No sitting fee shall be paid to any trustee for attending the meeting of the Board of trustees. A trustee shall, however, be entitled to be paid travelling allowance for attending the meetings of the Board of Trustees held at place(s) other than his headquarters at such rates as applicable to him for journeys performed in his official duties. The cost of the travelling allowance shall be borne by the Company.

#### **CHAPTER III- MEMBERSHIP**

**Employees entitled and required to join the fund: 18.**

Every employee other than excluded employee shall be entitled and required to become member of the fund from the beginning of the month following that in

which he completes 60 days of actual service including Sunday and other holidays intervening the days of actual work, or from the date of his confirmation, whichever is earlier.

Provided that an employee who was member of Contributory Provident Fund in another establishment recognized under the Employees Provident Fund & Misc. Provisions Act 1952 or under the Income Tax Act, 1961 prior to joining the service of the Company and his balance in such a provident Fund is transferred to this Fund, shall be entitled and required to become a member of the fund on the date of this scheme coming into force or the date of joining whichever is later.

**Retention of membership: 19.**

A member of the Fund shall continue to be a member until he withdraws under rule 57, the amount standing to his credit in the Fund.

**Explanation:-** In the case of claim for refund by a member under sub- rule (ii) of rule 57, the membership of the fund shall be deemed to have been terminated from the date the payment is authorised to him by the Secretary irrespective of the claim.

**Declaration by employees: 20.**

The employer shall before taking any person into employment ask him to state in writing particulars of his last employment and his membership of any contributory fund.

**nomination: 21.**

- i) Each member shall make his declaration in form No. 2 nomination conferring the right to receive the amount that may stand to his credit in the Fund in the event of his death before the amount standing to his credit has become payable, or where the amount has become payable before payment has been made.
- ii) A member may in his nomination distribute the amount that may stand to his credit in the fund amongst his nominees at his own discretion.
- iii) If member has a family at the time of making a nomination the nomination shall be in favour of one or more persons belonging to his family. Any nomination made by such member in favour of a person not belonging to his family shall be invalid.
- iv) If at the time of making a nomination the member

has no family, the nomination may be in favour of any person or persons but if the member subsequently acquires a family, such nomination shall forthwith be deemed to be invalid and the member shall make a fresh nomination in favour of one or more persons belonging to his family.

- v) A nomination made under sub rule (i) may at any time be modified by a member after giving a written notice of his intention of doing so in form-3. If the nominee predeceases the member, the interest of the nominee shall revert to the member who may make a fresh nomination in respect of such interest.
- vi) A nomination or its modification shall take effect to the extent that it is valid on the date on which the Secretary receives it.

#### CHAPTER IV- CONTRIBUTION, INVESTMENT & ACCOUNTS

##### **Contribution: 22.**

- i) The contribution payable by the Company to the Fund shall be @ 12% of the basic wages and the dearness allowance (Including cash value of any food concession) payable to each employee who is eligible for membership of the Fund.
- ii) The contribution payable by an employee under these rules shall be equal to the contribution payable by the Company in respect of such employee. However, employees eligible to become a member of the Fund, may at their option contribute to the provident fund up to a maximum limit of 20% of their basic wages and dearness allowance (Including cash value of any food concession, if any) The Company's contribution in such cases shall be limited to 12% as contained in rule 22(i) above
- iii) The amount of contribution shall be calculated to the nearest quarter of rupee; that is, 12.5 paise or more shall be counted as the next higher quarter of a rupee and fractions of a rupee less than 12.5 paise shall be ignored. The amounts of inspection charges and damages shall be rounded upto the nearest 5 paise; that is 2.5 paise or more shall be counted as 5 paise and any amount less than 2.5

**Recovery of a member's  
share of contribution:  
23.**

paise shall be ignored.

- i) The amount of member's contribution paid by the Company shall, notwithstanding the provisions in these Rules or any law for the time being in force or any contract to the contrary, be recoverable by means of deduction from the wages of the member and not otherwise provided that no such deduction may be made from any wages other than that which is paid in respect of the period of or part of the period in respect of which the contribution is payable.

Provided further that the employer shall be entitled to recover the employee's share from a wage other than that which is paid in respect of the period for which the contribution has been paid or is payable where the employee has in writing given a false declaration regarding his last employment and membership of contributory provident Funds in other establishments.

Provided further that where no such deduction has been made on account of an accidental mistake or a clerical error, such deduction may be made from the subsequent wages with the consent of the provident Fund Inspector.

- ii) Any sum deducted by the Company from the wages of an employee under these rules shall be deemed to have been entrusted to it for the purpose of paying the contribution in respect of which it was deducted.

**Payment of  
Contribution to  
trustees: 24.**

The employee shall transfer the monthly contribution to the Board of Trustees within fifteen days of the close of the month, failing which he shall pay interest to the above Board on the following rates:



## PERIOD OF DEFAULT

S.No. of the default	One Month or less	Over one month up to two month	Over two months upto three months	Over 3 months upto 4 months	Over 4 months upto 5 months	Over 5 months upto 6 months	Over 6 months upto 7 months	Over 7 months upto 8 months	Over 8 months upto 9 months	Over 9 months upto 10 months	Over 10 months upto 11 months	Over 11 months upto 12 months
Ist	2%	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%
2nd	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%
3rd	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%
4th	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%
5th	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%
6th	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%
7th	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%
8th	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%
9th	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%
10th	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%
11th	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%	100%
12th	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%	100%	100%

**At the following rates:**

**Period of defaults; Where number of default exceeds 12, the damages livable shall be an amount equal to the amount in arrears.**

**Trustees' Power to operate Bank A/c: 25.**

Two trustee appointed out of the trustees nominated by the Board of Directors acting jointly shall on behalf of the Board of Trustees, operate on the accounts of the Fund with Banks and discharge, receive, or otherwise dispose of, as may be necessary, Government promissory notes, securities, interest warrants etc. relating to the fund and shall, on behalf of the Board reassign to members in which the members might have assigned to the Board as security for payment of withdrawal from the Fund.

**Investment: 26.**

- i) All moneys contributed to the Fund whether by the employer or by the employees or accruing by way of interest or otherwise to the fund shall be invested in accordance with directions of the Central Govt. issued by the Regional Provident Fund Commissioner from time to time. So, however, that the securities in which the contributions made by the employees and the interest on the accumulated balance of such contributions are invested, are payable both in respect of capital and interest in India.
- ii) Brokerage and Bank Commission on the purchase and sale of securities and other investments shall be included in the purchase and the sale price as the case may be and all expenses incurred in connection with safe custody of securities (including life Insurance Policies assigned to the fund by the members) and collection of interest thereon may be charged to Company's A/c.
- iii) Any loss or diminution in value of the investment of the fund from whatever cause arising shall be borne by the fund and the Trustees shall incur no responsibility by reason or on account thereof.
- iv) The employer shall afford facilities for such inspection of the accounts of the fund as the regional Provident fund commissioner, may, from time to time, specify.

**Powers of trustees for sale and hypothecation etc. of the investments:**  
27.

The Board of Trustee may from time to time as and when necessary, raise such a sum or sums as may be required for the purpose of the Fund by sale, hypothecation or pledge of the investments held by them or of a sufficient part thereof.

**Receipt for money received by trustees:**  
28.

Receipts for money received by the trustees and endorsement on cheques, drafts and other documents, received by the trustee shall be made by the Secretary for and on behalf of the trustees.

**Allotment of Accounts Number:**  
29.

Each member of the fund shall be allotted an account number which will be communicated to him by the Secretary.

**Members Account 30**

- i) An account shall be opened in the office of the fund in the name of each member in which shall be credited:
  - a) his contribution;
  - b) Contribution made by the Company in respect of him;
  - c) Interest on his contribution
  - d) Interest on Company's Contribution; and
  - e) Any other amount approved by the Board.
- ii) All items of account shall be calculated to the nearest quarter of a rupee that / 12.5 paise or more shall be counted as the next higher quarter of a rupee and a fraction of rupee less than 12.5 paise will be ignored.

**Annual Statement member's Account**  
31.

As soon as possible, after accounts have been audited, the secretary shall furnish to each member a statement of the amount shown by the books of the fund as standing to the credit of his account as at the date of such Balance Sheet and such statement shall be accepted as correct and binding on the members save that if any manifest error shall be found therein and notified by a member to the Secretary in writing within six months after the receipt of such statement by the member, the same shall be rectified.

**Trustees' Power to accept transfer of Accumulations 32.**

In the event of any employee who was previously in the service of another establishment and was a member of any provident fund recognized under Employees'



Provident Funds and Miscellaneous provision Act, 1952 it shall be lawful for the trustees, under the Income Tax Act, 1961 to receive from such establishment the accumulated balance in his account of the Provident fund.

Provided that in case of an employee who was a member of a provident fund covered under the Employees' Provident funds and Miscellaneous Provisions Act, 1952, it shall be obligatory for the trustees to accept for credit to the members account his accumulations in such fund for which the member must submit an application within 3 months of his joining the Company, such an employee shall immediately be admitted as a member of the Fund.

**Transfer of Member's Account : 33.**

Where a member ceases to be employed in the Company and takes up employment in any other establishment to which the Employees' Provident funds and Miscellaneous Provisions Act, 1952 applies, the balance in his account shall be transferred to the Trustees of the Provident fund in such establishment within 6 months.

**Interest Suspense Account : 34.**

All interest, rent and other income realized or accrued shall be credited to an Account called the " Interest Suspense Account". Brokerage and commission on the Purchase and sale of securities and other investments shall be included in the purchase or sale price, as the case may be, and not separately charged to the "Interest Suspense Account."

**Interest : 35.**

i) Interest shall be credited to the account of each member at such rate as may be determined by the Board of trustees. Such interest shall be deemed to have been credited immediately on close of the year.

Provided further that the rate of interest to be allowed on claims for refund for the broken period shall be the rate fixed for the latest financial year for which interest has been determined by the Board.

ii) The amount of interest to be credited to member's account under sub-rule (i) shall be calculated to the nearest full rupee, that is 50 paise or more shall be counted as the next higher rupee and Fraction of a

rupee less than 50 paise shall be ignored.

- iii) The aggregate amount of interest credited to the account of the members shall be debited to 'Interest Suspense Account'.
- iv) In determining the rate of interest, the Board shall satisfy itself that there is no overdraw on the interest Suspense Account as a result of the debit thereto of the interest credited to the account of members.
- v) In respect of cases covered by rule 33, interest shall be allowed upto the month preceding that in which amount is paid/transferred to other establishment subject to maximum period of 6 months from the date of cessation.

**Cost of  
Administering the  
Fund: 36.**

The costs, charges and expenses of administering the Fund and of the determination of any question arising out of these rules or otherwise, including the inspection charges, administration charges etc. payable to the Commissioner and expenses incurred by trustees in the discharge of their duties shall be paid by the Company.

**Trustee Power to  
employ any person  
for management: 37.**

The Board of Trustees shall have the power to employ any person or person (including any one or more of their members) to do any secretariat, legal, accountancy or other work which they may consider necessary or expedient in connection with the management of the Fund or the funds thereof.

**Accounts and  
Audit: 38.**

- i) The Secretary shall cause the accounts of the Fund to be maintained in such a manner as the Board and the Commissioner may, from time to time decide. The Company or the Secretary shall furnish to the Commissioner such accounts relating to the Fund as the Commissioner may prescribe from time to time.
- ii) At the end of each financial year an Income and Expenditure Account together with a Balance Sheet of the Funds' Assets and Liabilities shall be laid before the Board, at a meeting to be held within six months of the close of the financial year.
- iii) Every year the Board shall appoint a Chartered Account or a firm of Chartered Accountants in practice as auditor and fix the remuneration for audit which will be borne by the Company.

iv) The Company shall submit an audited Balance Sheet of their Provident Fund every year to the Commissioner.

**Inspection of cards by members: 39.**

Any member making a written request in this behalf to the Secretary shall be permitted to inspect his account card himself or to have the same inspected by any other member duly authorised by him in writing to do so, within 72 hours of making such request, provided that no such request shall be entertained more than once in every two calendar months.

## CHAPTER V- TEMPORARY WITHDRAWALS

**Circumstances in which withdrawals may be permitted: 40**  
(Please see amendments)

Temporary withdrawal may be allowed by the Trustees in the following circumstances :-

- a) to pay expenses in connection with illness or disability, including where necessary, the travelling expense of the member or any member of his/her family;
- b) to meet the cost of higher education, including where necessary, the travelling expenses of the member or any member of his/her family in the following cases :
  - i) for education outside India for an academic, technical, professional and vocational course beyond the High School stage, and
  - ii) for any medical, engineering or other technical or specialisation course in India beyond the High School stage, provided that course of study is for not less than three years.
- c) to pay expenses in connection with marriages /funeral or ceremonies of his family members which by the religion of the employee it is incumbent upon him to perform.

**Note:** For purpose of this rule, 'Family' means employee's wife/husband, legitimate children, stepchildren parents, minor brothers and sisters who are wholly dependent upon him/her.

**conditions for withdrawal for**

- a) The withdrawals in connection with expenses on marriage as specified in clause (c) of rule 40 shall not

**various purpose :****41.****(Please see amendments)**

- exceed six months basic wages and dearness allowance or the member's total contributions with interest whichever is less. (Please see amendments)
- b) The withdrawal for any of the other purposes specified in 'rule' 40 shall not exceed three months basic wages and dearness allowance or half of the member's contribution with interest thereon, whichever is less. (Please see amendments)
- c) The amount withdrawn shall be repaid, by recovery from the pay of the employee, in not more than twenty-four equal monthly installments, provided that repayment up to forty-eight equal installments may be allowed if the sum withdrawn exceeds three months basic wages and dearness allowance of the member.
- d) i) Interest shall be charged on the amount withdrawn, at the rate which will be 1% above the rate determined by the Board for the preceeding financial year in accordance with rule 35(i).
- ii) After the principal of the advance has been repaid, interest at the rate provided in clause (i) above shall be paid on the amount outstanding from month to month.
- iii) On the temporary advance drawn during first fortnight of the month, interest for full month will be charged and if drawn during second fortnight, interest will be charged for 15 days only, During subsequent months interest will be charged on closing balance of each month. The interest amount will be calculated to the nearest quarter of rupee i.e. 12.5 paise or more shall be counted as next higher quarter of a rupee.
- iv) Interest shall ordinarily be paid in one installment in the month after complete repayment of the principal but if the period referred to in sub-clause (c) exceeds 24 months, interest may, if the member so desires, be recovered in two equal monthly installments.
- e) The Company shall recover the installments of advance and interest from member's wage, and pay them to the Fund. The recovery of advance shall commence from the month following that in which temporary advance is drawn.

**Second withdrawal: 42.**

A second withdrawal shall not be permitted until the sum first withdrawn has been fully repaid.

Provided that the Chairman may for special reasons permit a second withdrawal after at least half of the sum first withdrawn has been repaid. In such a case the unpaid amount of the sum first withdrawn and the interest accrued thereon shall be recovered from the second withdrawal so permitted.

**Utilisation of amount withdrawn: 43.**

If it comes to the knowledge of the Secretary and he is satisfied that the amount withdrawn has not been utilised for the specified purpose, then the Secretary shall order the recovery of the amount withdrawn in one or more installments with interest from the pay of the member to be credited to the members account.

**CHAPTER VI - WITHDRAWALS FROM THE FUND (Non-Refundable)****Withdrawals from the Fund for payment towards insurance policies: 44.**

- a) Any amount with interest there on standing to the credit of a member in the account of the Fund may be withdrawn not more than once in every six months to make a payment towards a policy of life insurance.

Provided that withdrawal shall not be permitted before the details of the proposed policy have been submitted to the secretary in such form as he may specify and accepted by him as suitable, nor shall the withdrawal be permitted in excess of the amount, required to pay a premium or subscription actually due for payment within six months of the date of withdrawal.

Provided further that no amount may be withdrawn to make any payment in respect of, or for the purpose of purchasing an educational endowment policy if that policy is due for payment in whole or part before the member attains the age of 58 years.

Provided further that the amount withdrawn shall not exceed the total contribution of the member upto the date of withdrawal.

Provided further that the policy holder has been a member of the Fund for at least three years, that he has enough money in the Fund to keep the policy alive till it attains surrender value and that his yearly contributions are sufficient to finance the

- policy.
- b) A member permitted to withdraw any amount under these rule shall send to the Secretary, within such period as he may require, a receipt in order to satisfy him that the amount withdrawn was duly utilized for the specified purpose.
  - c) The Secretary shall order the recovery of any amount withdrawn, in respect of which he is not satisfied that the amount withdrawn was actually spent for the specific purpose, with interest, there on at the rate which will be 1% above the rate determined by the Board for preceding Financial year in accordance with rule 35(i), from the pay of the member and credit it to his account in the Fund.
  - d) The Fund shall not make any payment on behalf of the members to Insurance Company direct or take steps to keep the policy alive. Withdrawal will be permitted only on specific request of the members, received well in advance.
  - e) Before any withdrawal is allowed to make a payment towards a policy of Life Insurance, the Secretary shall satisfy himself that the nominee under the policy is the same as the nominee to receive the balance in the Fund in accordance with rule 21
- i) The Life Insurance Policy, within six months after the first withdrawal in respect of it, shall be assigned to the Board as security for the payment of the amount withdrawn and shall be delivered to the Secretary.
  - ii) The Secretary shall, before allowing withdrawal in respect of old policies, satisfy himself by reference to Insurance Company that no prior assignment of the policy exists and the policy is free from all encumbrances.
  - iii) The term of the policy shall not be altered nor shall the policy be exchanged for another policy without the prior consent of the Secretary to whom the details of the alteration or of the new policy shall be furnished in such form as he may specify.
  - iv) If the policy is not assigned and delivered, the

**Assignment of  
Policies to the Fund:  
45.**

amount withdrawn from the Fund in respect of the policy shall, with interest thereon at the rate specified in rule 44(c) forthwith be repaid by the member to the Fund or in default be ordered by the Secretary to be recovered by deductions from the pay of the member in such installments as he may determine.

- v) A policy to be acceptable under this rule shall be effected by the member to his own life and shall be such as may be legally assigned by the member to the Board.

**Bonus to be adjusted against the withdrawal: 46.**

A member shall not during the currency of the life insurance policy draw any bouns the drawl of which during such currency is optional under the terms of the policy and the amount of any bonus which under the terms of policy the member has no option to refrain from drawing during its currency shall be paid by him forthwith into the fund to the adjusted against the amount withdrawn, or in default be recovered by deduction from his pay in such installments as the Secretary may determine.

**Re-assignment of policies : 47.**

- i) When the member -
- a) Permanently retires from service of the Company after the attainment of the age of superannuation, or
  - b) retires on account of permanent and total incapacity for work due to bodily or mental infirmity, or
  - c) is permitted by the trustees to withdraw the amount standing to his credit in the Fund, or
  - d) repays to the Fund the whole or any amount withdrawn from the Fund with interest thereon,
  - e) the Board shall re-assign the policy to the member and make it over to him together ,with a signed notice of the re-assignment addressed to the Insurance Company.
- ii) If the member dies before quitting service, the trustee shall re-assign the policy to the beneficiary or to such person as may be legally entitled to receive it and shall make over the policy to the beneficiary or to such person together with a signed notice of the reassignment addressed to the Insurance Company.

**Repayment of the amount withdrawn:**

**48.**

If a life insurance policy assigned to the Board matures or other wise falls due for payment before the member quits service, the Board shall-

- i) If the amount assured together with the amount of any accrued bonus is greater than the whole of the amount withdrawn from the Fund in respect of policy with interest thereon, re-assign the policy to the member and make it over to him who shall immediately on receipt of the policy moneys from the Insurance Company repay to the Fund the whole or any amount withdrawn with interest.
- ii) If the amount assured together with the amount of any accrued bonus is less than the whole of the amount withdrawn with interest, realize the amount assured together with any accrued bonus and shall place the amount so realized to the credit of the member in the Fund.

**49.**

**(Please see amendments)**

1) The Board may, on an application from a member, in such form as may be prescribed sanction from the amount standing to the credit of the member in the fund, an advance -

- i) for purchasing, a dwelling site or dwelling house/flat including flat in a building owned jointly with others (outright or on hire purchase basis) from the Central Govt., State Government, a registered Co-operative Society an Institution, a trust, A local body or a Housing Finance Corporation/Board (hereinafter called "Agency"); or
- ii) for purchasing a dwelling site or a ready built dwelling house/flat from any individual provided the said house/flat to be purchased is new and un-lived one; and/or
- iii) for construction of dwelling house on a site owned by the member or the spouse of, the member or jointly by the member and the spouse or for completing/continuing the construction or dwelling house already commenced by the member or the spouse : or
- iv) for the repayment, wholly or partly of any outstanding principal or interest of a loan obtain from the Central Govt., State Gov. Co-operative Society, Housing Board, Municipal corporation or a



Body similar to the Delhi development authority solely for the purposes specified in sub-para (1) (i) of para 49. No advance will be sanctioned for repayment of loan obtained from private party/parties or individual/s on the conditions prescribed here in under :-

- (i) The amount of advance shall not exceed the member's salary (basic wages and D.A. as is admissible on 1st of the month in which the Advance is sanctioned) for 24 months or the member's own share of contributions, together with that amount of the employer's share of contributions admissible under sub-paragraph (iii) of paragraph 57 had the member been allowed to withdraw his accumulations on the date of authorisation of payment, with both side interest thereon; or the actual cost (including registration fee, charges and cost of stamps) towards the purchase of the dwelling site or dwelling house/flat or the cost of construction of the dwelling house, whichever is the least. The amount of loan or advance already taken by the member for the acquisition and/or construction of such property from the Agency as mentioned above will be deducted out of total cost and balance amount will be paid. The amount once sanctioned will in no case be allowed to be increased as a result of increase in salary or membership period or due to refund of loan/advance already taken in past.

#### NOTE

- (i) Where the advance is for acquisition of dwelling site, the amount of advance will be limited to 12 months salary or cost of site whichever is less.
  - (ii) Where advance is taken for construction of house after more than a year of the purchase of dwelling site, then amount sanctioned for the purpose will be restricted to the salary for the remaining months (out of total 36 months).
- ii) No advance under this paragraph shall be granted unless
    1. the member has completed 5 year's membership of the Fund including membership with previous employers;

2. the dwelling site or the dwelling house/flat or the house under construction is free from encumbrance. However, following shall not be construed as encumbrance -
  - a) Land acquired on a perpetual lease or on lease for a period of not less than 30 years (the lease period should remain in force until retirement date) for constructing a dwelling house/flat or house/flat built on such leased land.
  - b) the site of the dwelling house/flat when held in the name of any agency referred to in sub-paragraph 1 of paragraph 49 and the allottee is precluded from transferring or otherwise disposing of the house/flat without the prior approval of such agency.
  - c) The dwelling house/flat or the site of the dwelling house including the dwelling house constructed is mortgaged to the Agency/Agencies solely for having obtained funds for the purpose of acquisition of dwelling site/house/flat or for construction of dwelling house as the case may be.
- (iii) No advance shall be granted for acquisition of or for construction of a property on a land which is meant for agriculture, commercial or industrial etc. use. The advance will be granted for acquisition of property solely for the residential purpose only.
- (iv) No advance shall be granted for purchasing a share in a joint property or for constructing a house on a site owned jointly except on a site owned jointly with the spouse.
- (v) Only one advance will be sanctioned for purchase of one Dwelling House/Flat or for dwelling site including construction of house / flat on it except for the purpose specified in para 51.
- (vi) Cases already decided will not be reopened. However, where the advance was taken only for purchase of dwelling site, the advance for construction of house will be made under these rules.

50. (Please see amendments) The advance shall be paid subject to the following limitations:

- (i) Where the advance is for purchasing a dwelling house/flat or a dwelling site from an agency as mentioned in sub-para (1) of para 49, the payment of advance shall be made direct to the agency in one or more installments as may be authorised by the member. Similarly payment of advance as mentioned in sub-para 1 (iv) of para 49 will be made direct to the authority from whom loan was obtained. In any case, payment shall not be made to the member.
- (2) Where the advance is for the construction of dwelling house it may be sanctioned in following minimum three installments:
  - a) 15% immediately on sanction;
  - b) 35% on constructing the house upto door level;
  - c) balance 50% after roof has been laid on.
- (3) Where the advance is for the acquisition of a dwelling site for the purpose of construction of a dwelling house thereon or for purchase of dwelling house from an individual (other than agency mentioned above) the amount shall be paid in not less than following two installments: -
  - a) 10% immediately on sanction to the member
  - b) 90% immediately on acquisition of the dwelling site to the agency or owner of the site/house as the case may be.
- (4) Where a member has already taken loan from an agency the mode and manner of payment will be decided in individual case.
- (5) Where an advance is sanctioned for construction of a dwelling house, the construction shall commence within six months of the withdrawal of the first installment and shall be completed within twelve months of the withdrawal of the final installment. Where the advance is sanctioned for the purchase of a dwelling house/flat or for the acquisition of a dwelling unit, the purchase or acquisition, as the case may be, shall be completed within six months of the first withdrawal of the amount:

Provided that this provision shall not be applicable in case of purchase of a dwelling house/flat on hire-

purchase basis and in cases where a dwelling site is to be acquired or house to be constructed by a co-operative society on behalf of its members with a view to their allotment to the members.

- (6) The member shall produce the following and such other documents as may be required for inspection scrutiny, enquiry etc. which shall except title deed not be returned to the member after the grant of advance :
- i) Agreement to purchase Dwelling site/house with title deed of the seller (in other cases only Title Deed).
  - ii) Estimate of construction cost or value of the dwelling house/site;
  - iii) Approved Plan;
  - iv) Proof that the site is for residential use only.
  - v) Non-encumbrance certificate
  - vi) Any other documents as may be necessary for the purpose.

**51.**

(Please see amendments)

An additional advance upto six months basic wages and dearness allowance or the member's own share of contributions with interest thereon, the account standing to his credit in the Fund whichever is less, may be granted once and in one installment only, for additions, substantial alterations or improvements necessary to the dwelling house owned by the member or by the spouse or jointly by the member and the spouse :

**52.**

Provided that the advance shall be admissible only after a period of five years from the date of completion of the dwelling house; whether purchased/ constructed out of P.F. advance or not.

- (a) If the advance granted under this paragraph exceeds the amount actually spent for the purpose for which it was sanctioned, the excess amount one lump sum within thirty days of the finalisation of the purchase, or the completion of the construction of, or necessary additions, alterations or improvements to a dwelling house, as the case may be.
- (b) In the event of the member not having been allotted a dwelling site/dwelling house/flat, or in the event of the cancellation of an allotment made to the

member and of the refund of the amount by the agency, referred to in sub-paragraph (1) of para 49 or in the event of the member not being able to acquire the dwelling site or to purchase the dwelling house, flat from any individual or to construct the dwelling house, the member shall be liable to refund to the Fund in one lump sum and in such manner, as may be specified by the chairman, the amount of advance remitted/paid under the paragraph to him, as the case may be, to the agency referred to in clause (a) of sub-paragraph (1) of Para 49.

- (c) If the Chairman is satisfied that the advance granted under this paragraph has been utilised for a purpose other than that for which it was granted or that the member refused to accept an allotment or to acquire a dwelling site or that the conditions of advances have not been fulfilled or that there is reasonable apprehension that they will not be fulfilled, wholly or partly, or that the excess amount will not be refunded in terms of clause (a) above or that the amount remitted back to the member by any agency referred to in clause (b), will not be refunded, the Chairman shall forthwith take steps to recover the amount due, with penal interest thereon at the rate of two percent per annum, from the wages of the member in such number of installments as the Chairman may determine for the purpose of such recovery, the Chairman may direct the employer to deduct such installment from the wages of the member and, on receipt of such direction the employer shall deduct accordingly. The amount so deducted shall be remitted by the employer to the P.F. Trust of the company within such time and in such manner as may be specified in this direction.

53. The amount so refunded shall be credited to the employer's share of contribution in the member's account in the Fund, to the extent of advance granted out of the said share, and the balance, if any, shall be credited to the member's own share of contributions in his account. The amount of penal interest shall, however, be credited to the Interest Suspense A/c.

Where any advance granted under this paragraph has been misused by the member, no further advance shall be

54. granted to him under this paragraph within a period of three years from the date of grant of the said advance or till the full recovery of the amount of the said advance, with penal interest thereon, which is later.

Advance from the Fund to be non-refundable: Except as otherwise provided, the advance given under paragraph 49 shall be non-refundable."

**Advance for purchase of share/shares of consumer's Co-operative Societies.**

A member may be allowed a non-refundable advance from his account in the fund for the purpose of purchasing share/shares of Consumer's Co-operative Societies, subject to the following conditions namely -

55. a) The total amount of such advance shall not exceed Rs. 30/- or his own contribution to the Fund, whichever is less;

Provided that no such advance shall be granted unless the Secretary is satisfied that the consumer, co-operative society, the share of which is proposed to be purchased by the member, aims at a minimum membership of 250.

- b) The member shall authorise the secretary to draw the required amount from the member's contribution to the Fund and the said authorisation shall be valid discharge for the amount paid by the Secretary to the Consumer's Society, towards the price of the share purchased by the member. The Secretary shall not make payment to the said society unless he receives an undertaking from the society to the effect that the society will not transfer the share/shares to any person without the prior approval of the secretary.

**Withdrawals for other purposes 56.**  
(Please see amendments)

- (i) Subject to the conditions specified in sub-rule (ii) withdrawals may be sanctioned by the Chairman at any time after completion of membership of 10 years and attaining age of 38 years, from the amount standing to his credit in the Fund, for one or more of the following purposes namely :
- a) Meeting the cost of higher education, including where necessary, the travelling expenses of any child of the member in the following cases :-
- i) for education outside India for academic, technical, professional or vocational course beyond the High School stage, and

- ii) for any medical engineering or other technical or specialised course in India beyond the High School stage, provided that the course of study is not less than 3 years.
  - b) Meeting the expenditure in connection with the marriage of the member's sons or daughter and if he has no daughter, of any other female relation dependent on him.
  - c) Meeting the expanses in connection with the illness including where necessary, the traveling expenses of the member or any other person actually dependent on him.
2. a) The sum withdrawn by a member for any two times for one or more of the purposes specified in sub-rule (i) shall not exceed 9 months basic wages including D.A. or his own contribution whichever is less. If the member has only one son or daughter, he will be entitled to withdraw upto 12 months basic wages including D.A. or his own contribution whichever is less.
- For any other purpose under rule 56(i)(a)(c), the limit of withdrawal shall be 6 months wages or his own contribution whichever is less.
- b) The member shall satisfy the secretary that the money has been utilised for the purpose for which it was withdrawn, and if he fails to do so, the whole of the sum so withdrawn or so much thereof as has not been applied for the purpose for which it was withdrawn, shall forthwith be repaid in one lump sum together with interest thereon by the member to the Fund and in default of such payment it shall be ordered by the Secretary to be recovered from his employments either in a lump sum in such number of monthly installments as may be determined by the Chairman. The amount so deducted shall be remitted by the Company to the Fund, for being credited to the member's account.
  - c) Period of service continued in sub-rule (i) shall be completed in the manner laid down in rule 53.

## 57. CHAPTER VII. FINAL WITHDRAWAL

**Circumstances in which accumulations in the Fund are payable to a member**

(1) A member may withdraw the full amount standing to his credit in the Fund :

- a) on the retirement from service after attaining the age prescribed by the company from time to time.

Provided that a member; who has not attained the age of retirement at the time of termination of his service, shall also be entitled to withdraw the full amount standing to his credit in the Fund if he attains the age of retirement before the payment is authorised.

- b) On retirement on account of permanent and total incapacity for work due to bodily or mental infirmity duly certified by the Medical officer of the Company.

Explanations A member suffering from tuberculosis or leprosy - even if contacted after leaving the service of the Company on grounds of illness but before payment has been authorised shall be deemed to have been permanently and totally incapacitated for work.

- c) Immediately before migration from India for permanent settlement abroad.
- d) On Termination of service in the case of mass or individual retrenchment.

Provided that in the case of mass retrenchment the payment shall made immediately be and in the case of individual retrenchment payment shall be made if the member has not been in any factory or other establishment to which the act applies for a continuous period of not less than six months immediately preceding the date on which the member makes the application for withdrawal.

2) In case other than those specified in sub-rule (i) the Secretary may permit member to withdraw, subject to the provisions of sub-rule (iii), the amount standing to his credit in the Fund, if :

- a) he being a national of country other than India is leaving India at least for a year; or
- b) he has not been employed in any factory or other establishment to which the Act applies for a continuous period of not less than six months immediately preceding the date on which he



- makes the application for withdrawal, or -
- c) requiring immediate payment in case an employee starts his own business.

### **Explanations**

- 1) A declaration in writing made by a member affirming the fact of non-employment as aforesaid may be accepted as proof thereof.
- 2) For purposes of sub-rule (1) and (2) the date of retirement or termination of employment shall be the date of expiry of any leave granted to a member after attainment of the age of superannuation, or permanent or total incapacity, or relief from duty or resignation of service or termination of employment, as the case may be provided that during the period of such leave the membership shall be deemed to be suspended and neither the member nor the Company shall contribute to the Fund.
- 3) When a member withdraws any amount under sub-rule (ii) the following provisions shall apply :-
  - i) 75% of the Company's contribution and interest thereon shall be forfeited to the Fund, if the period of his membership of the Fund is less than 3 years:  
or
  - ii) 50% of the Company's contribution and interest thereon shall be forfeited to the Fund, if the period of his membership is 3 years or more but less than 5 years; or
  - iii) 25% of the Company's contribution and interest thereon shall be forfeited to the Fund, if the period of membership is 5 years or more but less than 10 years.
- 4) Any sum forfeited to the Fund under sub-rule (iii) above shall not be returned to the employer but shall be credited to the 'Capital Reserve Account' of the fund.

**Explanation:** In computing the period of membership under this sub-rule his total service under the Company exclusive of period of break, but including the period of his membership of a provident fund prior to his joining the company provided balance of which has been

- transferred to the Fund in accordance with rule 31, shall be included.
- Withdrawal on leave preparatory to retirement 58.** Chairman may permit a member to withdrawn 90% of his own contribution and interest thereon if the member has taken leave preparatory to retirement, referred to in rule 57 (i) (a), provided if he joins duty on expiry of the leave he shall refund the amount drawn together with interest, for being credited to his account.
- Accumulations of deceased member whom payable 59.** On the death of a member before the amount standing to his credit has become payable or where the amount has become payable before payment has been made: -
- i) If a nomination made by the member in accordance with rule 21 subsists the amount standing to his credit in the Fund, or that part thereof to which the nomination relates shall become payable to his nominees in accordance with such nomination; or
  - ii) If no nomination subsists or if the nomination relates only a part of amount standing to his credit in the Fund, the whole amount or the part thereof to which nomination does not relate, as the case may be shall become payable to the members of his family in equal shares:
 

Provided that no share shall be payable to: -

    - a) Sons who have attained majority;
    - b) Sons of a deceased son who have attained majority;
    - c) Married daughters whose husbands are alive;
    - d) Married daughters of a deceased son whose husbands are alive.

If there is any member of the family other than those specified in clauses (a), (b), (c), and (d)

Provided further that the widow or widow and the child or children of a deceased son shall received between them in equal parts only the share which that son would have received if he had survived the member and had not attained the age of majority at the time of member's death.
- Withdrawals in respect of employees who are retiring attaining the age of superannuation 60.** Notwithstanding anything contained in rule 57, an employee who retires from the service of the Company on attaining the age of superannuation, shall be permitted to have full share of company's contribution.

**Payment of  
Provident Fund. 61.**

- 1) When the amount standing to the credit of a member or the balance thereof after any deduction under sub-clause (iii) of rule 57 and 59 becomes, payable, it shall be the duty of the Secretary to make prompt payment as provided in these rules. He shall close the account of the member and give notice in writing to the person to whom the amount is payable, specifying the amount and tendering payment thereof. In case there is no nominee in accordance with these rules, the Chairman may, if the amount to the credit of the Fund does not exceed Rs. 5,000/- and if satisfied after enquiry about the title of the claimant, pay such amount to the claimant.
  - ii) If any portion of the amount which becomes payable is in dispute or doubt, the Secretary shall make prompt payment of the portion of the amount in regard to which there is no dispute or doubt, the balance being adjusted as soon as may be possible.
  - iii) If the person to whom any amount is to be paid under these rules is a minor or a lunatic for whose estate a guardian under the Guardians and Wards Act, 1890 (VIII of 1890) or a manager under the Indian Lunacy Act 1912 (IV of 1912) as the case may be has been appointed, the payment shall be made to such guardian or manager, where the amount does not exceed Rs.5,000/- or the Board if the amount exceeds Rs. 5,000/- but does not exceed Rs.10,000/- considers to be the proper person representing the minor or lunatic and the receipt of such person for the amount paid shall be a sufficient discharge thereof. In any other case the amount shall be paid to the person authorised by the law to receive the payment on behalf of the minor or the lunatic.
  - (iv) If it is brought to the notice of the Secretary that a posthumous child is to be born to the deceased member he shall retain the amount which will be payable to the child in the event of its being born alive and distribute the balance. If subsequently no child is born or the child is still born, the amount retained shall be distributed in accordance with the provisions of rule 59.
  - (v) Any person who desires to claim payment under this

rule sends a written application the Chairman, who may at the option of the person to whom the payment is to be made, make the payment:-

- i) by postal money order or by bank draft at the cost of payee;
- ii) by crossed cheque and sent through post; or
- iii) by deposit in the payee's Bank Account, if any.

**Ex-members**

**Unclaimed**

**Account 62.**

If no claimant can be found within one year from the date of resignation/superannuation, termination of a member's service the balance amount standing to his credit shall be transferred to an unclaimed account.

## CHAPTER VIII - MISCELLANEOUS

### **Capital Reserve Account 63.**

A capital Reserve Account shall be maintained in the books of the fund to which shall be credited any profit arising from the sale securities and capital assets and any amount which may be forfeited to the Fund under sub-clause (iii) of Rule 57. They shall likewise be debited to the Capital Reserve Account any loss arising from the sale of securities and sale of capital assets.

64. The Board at its discretion may utilise the amount lying in Capital Reserve Account of the fund for the following purposes for members, but for utilisation, prior permission of the Regional Provident Fund Commissioner will be obtained except for payment against item No. (v) below:

- i) Adhoc payment of Rs. 30/- to the heirs of the deceased members as an aid for procuring succession certificates for getting the provident fund dues if becomes necessary.
- ii) Payment of sum upto Rs.200/- to the heirs of deceased member for meeting funeral expenses and are left in indigent circumstances depending upon the length of his service and provided that the balance of provident fund dues standing to the credit of the deceased member is less than Rs.1,000/- and the total amount including the sum proposed to be paid does not exceed Rs.1,000/-.
- iii) Providing gratuitous medical aid and other humanitarian relief to the dependents of the deceased member to the extent of Rs.100/-.
- iv) Payment of fees wholly or in part for medical board if any set up.
- v) Grant of financial assistance to the nominees/heirs of the deceased members so that a minimum of Rs. 750/- (Rupees seven hundred and fifty) is assured to the nominees/heirs of every deceased member of the Fund. The financial assistance will be regulated as follows:-

If the amount standing to the credit of the deceased member falls short of Rs.750/- (rupees seven hundred and fifty) by any sum the Chairman, will be empowered to pay that sum to his nominee(s)/heirs in the same ratio in which he/they would get the claim money. The amount standing to the credit of the

deceased member will be the total of the following:—

- a) the sum actually credited to the member's account in the ledger card.
- b) the sum that may have to be paid out of the capital reserve fund;
- c) the sum of the non-refundable advance(s) granted to the member;
- d) the balance amount of the refundable advance which is outstanding and
- e) interest.

Protection  
of  
Member's  
interest **65.**

The total amount standing to the credit of member, whether in actual service, discharged or deceased, is not in any way capable of being assigned or charged and is not liable to attachment under any decree or order of any civil, revenue or criminal court in respect of any debt or liability incurred by the member and neither the official assignee nor any of receiver appointed under the law with respect to insolvency will be entitled to or have any claim on any such amount standing to a member's credit in the Fund.

Trustees  
Powers to  
Amend the  
Rules **66.**

The trustees may in their discretion and with the consent of the company in writing add to, alter or repeal any of the provisions but no such additions or alteration shall adversely affect the rights of any member of the fund or result in the Company acquiring any beneficial interest whatsoever in the funds of the Fund. All such additions or alterations shall during such time as the fund shall continue to be recognised as a recognised Fund within the meaning of the Income Tax Act and Employees' Provident Funds & Misc. Provisions Act, 1952 be subject to the prior approval of the Commissioner of Income Tax and Commissioner of Employees Provident Funds.

**Disposal of  
The Fund  
67.**

Subject to the provision of the Employee's Provident Funds and Misc. Provisions Act and of these rules, the Fund shall not, except with the previous sanction of the Commissioner, be expended for any purpose other than for the payment of sums outstanding to the credit of individual member of the Fund or to their nominees or heirs or legal representatives in accordance with the provisions of these rules.

**Inspection  
of Cards and  
Records by  
the Commi-**

The Secretary shall, whenever the Commissioner or any Officer authorised by him in this behalf or an Inspector appointed under section 13 of the Employees' Provident Funds & Misc. Provisions

**ssioner 68.** Act, 1952, so requires either in person or by notice in writing, produce before the Commissioner, Officer or Inspector, as the case may be, any account books or record of the Fund, and if so required by the said Commissioner, Officer or Inspector, shall deliver such records to the said Commissioner, Officer or Inspector, who may, if he thinks fit retain the records provided that he shall grant a receipt for every record retained by him.

**Winding up 69.** It shall be lawful for the trustees at any time or giving 6 months notice in writing to all members of the fund to wind up the fund in which case the trustees shall on expiry of the period of such notice realise all securities and make up the books and after payment of all costs and expenses of winding up and otherwise, the moneys of the Fund shall be distributed amongst the persons who shall be the members at the time of commencement of such winding up in proportion to the balances at the time of making of the books standing to their credit therein. In case of the Fund being wound up on account of the Company going into liquidation, the employees' contribution of the Provident Fund will have top priority over all other dues.

Provided that the winding up of the Fund will not be made without the prior approval of the Commissioner.

Provided further than when the Fund is wound up or exemption of the Company under section 17(1)(A) of the Employees' Provident Funds & Misc. Provisions Act, 1952 is cancelled, accumulations standing to the credit of the employees who, but for the exemption, would have been members of the Statutory Provident Fund constituted under section 5(1) of the Employees' Provident Funds & Misc Provisions Act, 1952 shall be transferred to that Fund as soon as possible and in any case, not later than 10 days in the case of cash in hand or bank, together with a statement or statements as may be required by the Commissioner.

## CHAPTER IX - BENEFITS UNDER THE EMPLOYEES FAMILY PENSION FUND

70. A member of the fund except those already exempted shall be entitled to the benefits of the Employees Family Pension Scheme, 1971 to be administered by the Regional Provident Fund Commissioner and the employer shall make contributions to the Family Pension fund to be established under the above said scheme.
71. From and out of the contributions payable by the employer and the employees in each month under rule 22(I) and (ii), a part of the contribution representing 1.1/6 % of the employees pay along with equivalent amount of 1.1/6% from and out of the employer's contribution shall be remitted to the Family Pension Fund within 15 days of the close of each month by a separate challan in account No. X maintained by the Regional Provident Fund Commissioner in State Bank of India or State Bank of Bikaner and Jaipur. The cost of the remittance, if any, shall be borne by the employer.
72. Regarding the introduction of Family Pension benefits the family pension Scheme 1971 will be applicable in to and additions/omissions and amendments made by the Central Government from time to time in the said scheme shall also be applicable automatically.

**Saving Clause 73.** Every action taken under the existing rules up to date of notification of these rule will be deemed to have been taken under these rules.



## Amendments to Provident Fund Rules

### Meeting Dated

- 18-8-2003 : The ceiling for refundable loan would be 30 months salary recoverable in 120 installment. However for those who are entitled for 25 months' salary, recovery would be made in 100 installments.
- 5-6-2002 : Outgoing members can retain the accumulated amount in their PF for a maximum of upto six Months. After expiry of six months, interest on such amounts will not be payable.
- 22-12-1997 : (i) Recovery of emergency loans to be made in 100 installments instead of 60.
- (ii) In cases of cash deposit of PF loan, new loan would be considered after 5 days of such deposit.
- (iii) Provisional PF accumulation to be given to the retiring members on the day of retirement.
- (iv) Following additional purpose be added for PF Loan.
- a) Repair Of house/ furnishing of house.
- b) Purchase of conveyance of other domestic items.
- 17-4-1996 : A member may be permitted to withdraw 90% of PF accumulations (both shares) within one year of his/her retirement on super annuation or after completion of 54 year of age whichever is later after approval of RPFC, Jaipur. Maximum limit for refundable loan for marriage of his/her family members shall be 25 months salary (own contribution only) recoverable in 100 installments.

Max. Limit for non- refundable loan for marriage of family member & other purposes shall be as follows :

Daughter's marriage	--	15 Months Salary
Son's marriage	--	12 Months Salary
Higher study/ illness	--	12 Months Salary

Maximum Limit of amount under rule 41 (a) for refundable loan (Temporary withdrawal) for funeral would be nine months' salary (own contribution)

Conversion of refundable loan into non-refundable, whether full or part, would be allowed if he is otherwise eligible for non- refundable loan.

20.12.1993 : (Rule 50) (2) Loan for construction of house may be paid in the following manner.

- i) If total loan does not exceed Rs. 25000/- then in one installments.
- ii) If the loan exceeds Rs. 25000/- then in two equal installments.

15-5-1992 : Rule 49 (1) : 24 Months to be replaced by 36 months. Rule 51 - Provided further that loan up to 12 months salary would be granted once and in one installment to those members who have not withdrawn any amount under rule 49 and loan up to six months' salary would be granted for members who have withdrawn non- refundable loan against house building.