

# **Punjab State Warehousing Corporation Employees' Provident Fund Regulations, 1974**

PUNJAB

India

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### **Rule**

### **PUNJAB-STATE-WAREHOUSING-CORPORATION-EMPLOYEES-PROV of 1974**

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Punjab State Warehousing Corporation Employees' Provident Fund Regulations, 1974Published vide Punjab Government Notification No. 434-Agri (8)-74/2974, dated 19 February, 1974No. 434-Agri (8)-74/2974. - In exercise of the powers conferred by section 42 of the Warehousing Corporation Act, 1962, and with the sanction of the Punjab State Government, the Punjab State Warehousing Corporation, hereby makes the following Regulations governing the Employees' Provident Fund, namely :-

#### **1. Short title and commencement.**

- (i) These Regulations may be called 'The Punjab State Warehousing Corporation Employees' Provident Fund Regulations, 1974.'(ii)These Regulations shall be deemed to have come into force from the 1st April, 1962.

#### **2. Constitution of Fund.**

- There shall be constituted a Fund to be called 'The Punjab State Warehousing Corporation Employees' Provident Fund'.

#### **3. Definitions.**

- In these Regulations, unless the context otherwise requires, -(a)'Act' means the Warehousing Corporations Act, 1962.(b)'Committee' means the Committee of Trustees constituted under

Regulation of the Fund.(c)'Continuous Service' means uninterrupted service and includes periods of leave on average or half average pay, and of service preceding and following the period of extra-ordinary leave, but not the period of extraordinary leave.(d)'Corporation' means the Punjab State Warehousing Corporation established under section 18 of the Act.(e)'Employee' means a person in the whole-time service of Corporation, but does not include a person on deputation or employed on daily wages.(f)'Family' means -(i)any of the following persons who are wholly dependent on the employee, namely, the employees' wife, legitimate children, step children, parents, sisters and minor brothers.(ii)In the case of a female subscriber the husband, legitimate children, step children, parents, sisters and minor brothers :Provided that if a female subscriber by notice in writing to the committee, expresses her desire to exclude her husband from the family, the husband shall no longer be deemed to be a member of subscribers' family for the purpose of the scheme, unless the subscriber subsequently cancels in writing any such notice.Explanation. - In either of the above two cases, if the child of the subscriber has been adopted by another person and if under the personal law of the adopter, adoption is legally recognised, such child shall cease to be a member of the family of the subscriber.(g)'Accounts Officer' means Accounts Officer of the Corporation.(h)'Fund' means the Punjab State Warehousing Corporation Employees' Provident Fund.(i)'Managing Director' means the Managing Director of the Corporation.(j)'Secretary' means the Secretary of the Corporation or any official specifically deputed by the Managing Director to act as Secretary.(k)'Pay' includes substantive pay, personal pay and acting allowances and dearness pay but does not include dearness allowance, local allowance, house rent allowance, travelling allowance, transfer travelling allowance, halting allowance or any allowances and in the case of reemployed person, his pension.(l)'Year' means the financial year of the Corporation.

#### **4. Administration of Fund Accounts and Audit.**

- (i) The Fund shall vest in and be administered by a Committee of Trustees comprising the Managing Director, Accounts Officer and the Secretary together with two representatives of the employees to be nominated by the Managing Director and; the Trust so created shall not be revocable save with the consent of all the beneficiaries.(ii)All moneys belonging to the Fund shall be wholly invested either in securities of the natures specified in clauses (a), (b), (c), (d) or (e) of Section 20 of the Indian Trusts Act, 1882 (2 of 1882) (Appendix I) or in a post office Saving Bank Account in India :Provided that nothing in this sub-clause shall affect the validity up to the time of maturity of any fixed deposit made with a scheduled bank before publication of these regulations.(iii)The accounts of the Fund shall be audited by the same authority which audits the accounts of the Corporation.

#### **5. Meeting of the Committee.**

- At every meeting of the Committee, the Managing Director or in his absence, the Secretary or in the absence of both, the Accounts Officer, shall preside. The presence of at least three members shall be necessary to form quorum for the transaction of business. Each member shall have one vote and in case of equality of votes, the presiding officer shall have a casting vote.

## **6. Statement of Accounts.**

- An account shall be maintained for each subscriber to the fund and it shall include the particulars shown in form No. 41 referred to in Rule 74(2) of the Income Tax Rules, 1962 as amended from time to time (Appendix II) every year as at the 31st March and an audited statement of the account will be submitted to a meeting of the Committee to be held not later than the 31st August, in every year and a copy of such statement shall be made available to every subscriber.

## **7. Subscriber to Fund.**

- Every employee of the Corporation shall subscribe to the fund -(a)In case of an employee who has completed period of his probation and one year's continuous service at the time of commencement of these regulations, from the date of such commencement.(b)In any other case from the beginning of the month following that in which he completes one year's continuous service or from the beginning of the month following that in which he completes his period of probation whichever is later :Provided that any person in receipt of remuneration other than casual remuneration from the Corporation may subscribe to the Fund if so permitted by the Committee.

## **8. Rate of subscription.**

- The subscriber shall subscribe monthly to the Fund at such rate of his pay (not being less than 8½ per cent) as may be fixed by him from time to time. Such subscription shall be deducted by the Corporation from the pay payable to the subscriber every month in amounts calculated to the nearest fifty paise. The Corporation's contribution will remain fixed as provided by Regulation 10. Within the above limits, the subscriber can change the rate of subscription with effect from 1st April of each year. The rate once fixed shall remain unaltered throughout the year.

## **9. Subscription of subscriber on leave.**

- The subscription of the subscriber absent on leave shall, during the period of such absence, be assessed on his leave salary but such subscriber shall be at liberty to subscribe on the full amount of his pay provided notice in writing of his desire to do so is given by him not less than 14 days in advance of the first payment of his leave salary to the officer responsible for paying him.

## **10. Corporation's Contribution.**

- Save as otherwise provided the Corporation shall contribute to the Fund every month 8-1/3 per cent of the pay of each subscriber as employer's contribution to the Fund provided that no such contribution shall be made by the Corporation in respect of subscriber who has been permitted to subscribe under proviso to Regulation 7.

## **11. Interest.**

- All money 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 wholly invested in securities of the nature specified in clauses (a), (b), (c), (d) or (e) of section 20 of the Indian Trusts Act, 1882 (2 of 1882) or in post office Savings Bank Account in India, in accordance with the provision under Rule 67 of the Income Tax Rules, 1962, as amended from time to time (Appendix 1).

## **12. Borrowing from the fund and Recoveries.**

(1) At the discretion of the Committee, a temporary advance, out of the amount standing to his credit in the Fund, not exceeding in any case, the subscribers' own subscription and interest thereon, may be granted to a subscriber on application, subject to the following conditions :- (a) No advance shall be granted unless the Committee is satisfied that the applicant's pecuniary circumstances justify it and an undertaking is given that it will be expended on the following object or objects and not otherwise :- (i) to pay expenses incurred in connection with the illness of the subscriber or a member of his family, (ii) to pay expenses incurred in connection with marriage, funerals or ceremonies, which by the religion of the subscriber it is obligatory upon him to perform. (b) An advance shall not - (i) exceed 3 months pay or half the amount of the subscriber's own subscription to the Fund and interest thereon whichever is less, or (ii) be granted until at least 12 months after the final repayment, of all previous advances together with interest thereon.

**2. (a) An advance shall be recovered from the subscriber in such number of equal monthly instalments, as the Committee may direct but such number shall not be less than 12 and more than 24 unless the subscriber otherwise elects. A subscriber may at his option repay more than one instalment in one month. Each instalment shall be of whole rupees, the amount of advance being raised or reduced, if necessary to admit of the fixation of such instalments.**

(b) Recoveries shall commence when the subscriber draws his pay for the full month for the first time after the advance is made. Recovery shall not be made except with the subscriber's consent while he is on leave other than earned leave on full average pay or while he is in receipt of subsistence grant. (c) Recoveries made under this regulation shall be credited as they are made to the subscriber's account in the Fund - (i) After the principal of the advance has been fully repaid, interest shall be recovered in accordance with provisions under Rule 71(4) of the Income-tax Rules, 1962, as amended from time to time (Appendix III). (ii) Whole of interest shall ordinarily be recovered in the month after complete repayment of the principal, but if the period of repayment of advance exceeds 20 months, interest may, if the subscriber so desires, be recovered in two equal monthly instalments.

### **13. Advances for payment of premia for Insurance Monthly policies, etc.**

- Advances may be made to a subscriber from the Fund lying on account of his subscriptions and interest thereon with the approval of the Committee for the following purpose :-(1)Payment towards premium of policy of insurance on the life of the subscriber or of his wife :Provided that the policy is assigned in favour of the Corporation and deposited within 6 months with the committee and the premia receipts granted by the Insurance Company are produced for inspection from time to time :Provided further that the number of policies in respect of which the facility referred to above is allowed will not exceed four at a time and the premia shall not be payable otherwise than annually.Note. - The amount withdrawn shall be paid in whole rupees rounded to the nearest rupee, fifty paise and above being rounded to the next higher rupee.

### **14. Interest to cease on termination of service or death of subscriber.**

- Interest on all sums standing in the books of the Fund to the credit of a subscriber shall cease on the day on which he leaves the service of the Corporation or the day of his death, whichever is earlier.

### **15. Payment of amount outstanding to credit of subscriber.**

(1)Subject to the provisions of sub-regulations (2) and (3), the sum standing to the credit of a subscriber shall become payable on the termination of his service or on his retirement or on his death.(2)Subject to the directions of the Committee, the whole or any part of the amount of the Employer's contribution together with interest credited in respect thereof, may be deducted from the total amount standing to the credit of a subscriber and paid to the Corporation which would constitute income of the Corporation and taken in its hands where :-(a)the subscriber is dismissed or removed from employment in pursuance of the disciplinary proceeding taken against him; or(b)the subscriber voluntarily leaves his employment otherwise than on account of ill-health or other unavoidable causes before the expiration of the term of his service or within five years of the completion of his period of probation, as the case may be.(3)The Employers' share, together with interest credited in respect thereof, shall not be payable except with the approval of the Committee.

### **16. Nominations.**

(1)Every subscriber shall, at the time of joining the fund send to the Head Office of the Corporation a nomination conferring, in the event of his death, on one or more persons, the right to receive the amount that may stand to his credit in the Fund :Provided that if at the time of making the nomination, the subscriber has a family, the nomination shall not be in favour of any person or persons other than the members of his family.(2)If a subscriber nominates more than one person under sub-regulation (1), he shall specify in the nomination the percentage of share payable to each of the nominees in such manner as to cover the whole of the amount that stand to his credit in the Fund at any time.(3)Every nomination shall be made in such one of the Forms annexed to these regulations [Appendix IV(a) & (b)] as is appropriate in the circumstances.(4)A subscriber may at

any time cancel a nomination by sending a notice in writing to the Head Office of the Corporation :Provided that the subscriber shall, along with such notice, send a fresh nomination made in accordance with the provisions of this regulation.(5)A subscriber may provide in a nomination -(a)in respect of any specified nominee, that in the event of his predeceasing the subscriber, the right conferred upon that nominee shall pass to such other person or persons as may be specified in the nomination : provided that such other person or persons shall, if the subscriber has other members of his family, be such other member or members.(b)that the nominations shall become invalid in the event of the happening of a contingency specified therein; provided that if at the time of making the nomination the subscriber has no family, he shall provide in the nomination that it shall become invalid in the event of his subsequently acquiring a family;Provided further that if at the time of making the nomination, the subscriber has only one member of the family he shall provide in the nomination that right conferred upon the alternate nominee under clause (a) shall become invalid in the event of his subsequently acquiring other member or members of his family.(6)Immediately on the death of a nominee in respect of whom no special provision has been made in the nomination under clause (a) of sub-regulation (5) or on the occurrence of any event by reason of which the nomination becomes invalid in pursuance of clause (b) of sub-regulation (5) or the provision thereto, the subscriber shall send to the Head Office of the Corporation a notice in writing cancelling the nomination together with a fresh nomination made in accordance with the provision of this regulation.(7)Every nomination made and every notice of cancellation given by a subscriber shall, to the extent it is valid, take effect on the date on which it is received by the Head Office of the Corporation.

## **17. Payment on death of a subscriber.**

(1)On the death of a subscriber leaving behind a family -(a)If a nomination made by the subscriber in accordance with these Regulations is in favour of a member or members of his family subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to the nominee or nominees in the proportion specified in the nomination.(b)If no such nomination subsists or if such nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which the nomination does not relate, as the case may be, shall become payable to members of his family in equal shares :Provided that no share shall be payable to -(i)sons who have attained majority.(ii)married daughters.Explanation. - For the purpose of this paragraph a subscribers' posthumous child, if both alive, shall be treated in the same way as a surviving child born before his death.(2)When the subscriber leaves no family, if a nomination made by him in accordance with these Regulations in favour of any person subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.(3)In any case to which the provisions of sub-regulations (1) and (2) do not apply that amount shall be payable to the persons legally entitled to it.

## **18. Agreement to be executed by subscriber.**

- Every employee on becoming a subscriber shall furnish a declaration in the following form :-"I hereby declare that I have read and understood the Punjab State Warehousing Corporation

Employees' Provident Fund Regulations and agree to be bound by the said Regulations. Witness.....Signature in full.....Date.....

## **19. Winding up of the Fund.**

- The fund may be wound up if the Corporation is placed in liquidation under the orders of the State Government. In that case the accumulated amount in the Fund shall be distributed amongst subscribers in accordance with the amounts payable in their accounts.

## **20. Provision for Residuary matters.**

- For matters not provided in these Regulations, the Committee may exercise such powers as may be necessary for the administration of the Fund.

## **21. Expenses of the Fund.**

- All expenses relating to the administration of the Fund including the pay and allowances of the staff appointed for the purpose of administering the Fund shall be borne by the Corporation and shall not be charged to the Fund. Appendix I (See Regulations 4 and 11) Rule 67 of the Income-Tax Rules, 196

## **67. Investment of Fund Moneys. - All moneys contributed to a provident fund (whether by the employer or by the employees) or accruing by way of interest or otherwise to the fund shall be wholly invested -**

(a) Where the employer is not a company [as defined in clause (i) of sub-section (1) of section 3 of the Companies Act, 1956 (1 of 1956)], in securities of the nature specified in clauses (a), (b), (c), (d) or (e) of section 20 of the Indian Trusts Act, 1882 (2 of 1882), or in a Post Office Savings Bank Account in India, and (b) Where the employer is a company [as defined in clause (i) of sub-section (1) of section 3 of the Companies Act, 1956 (1 of 1956)], in accordance with the provisions of sub-section (1) of section 418 of the Companies Act, 1956 (1 of 1956), so however, that in all cases the securities in which the contributions made by employees after the date of recognition of the provident fund and the interest on the accumulated balance of such contributions are invested are payable both in respect of capital and of interest in India. Section 20 of the Indian Trusts Act, 1882

## **20. Investment of Trust Money. - Where the trust property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound (subject to any direction containing in the instrument of trust) to invest money on the following securities and on no others :-**

(a) in promissory notes, debentures, stock or other securities of any State Government or of the Central Government or of the United Kingdom of Great Britain and Ireland : Provided that securities, both the principal whereof and the interest whereon shall have been fully and unconditionally guaranteed by any such Government shall be deemed, for the purposes of this clause, to be securities of such Government; (b) in bonds, debentures and annuities charges or secured by the Parliament of the United Kingdom before the 15th day of August, 1947, on the revenues of India or of the Governor General in Council or of any province : Provided that, after the fifteenth day of February 1916, no money shall be invested in any such annuity being a terminable annuity unless a sinking fund has been established in connection with such annuity; but nothing in this proviso shall apply to investments made before the date aforesaid; (c) in India three and a half per cent stock, India three per cent stock, India two and a half per cent stock or any other capital stock which before the 15th day of August, 1947 was issued by the Secretary of State for India in Council under the authority of any Act of Parliament of the United Kingdom and charged on the revenues of India or which was issued by the Secretary of State on behalf of the Governor-General in Council under the provisions of Part XIII of the Government of India Act, 1935; (d) in stock of debentures of, or shares in, Railway or other Companies, the interest whereon shall have been guaranteed by the Secretary of State for India in Council or by the Central Government or in debentures of the Bombay Provincial Co-operative Bank Limited the interest where on shall have been guaranteed by the Secretary of State for India in Council or the State Government of Bombay; (e) in debentures or other securities for money issued, under the authority of any Central Act or Provincial Act or State Act by or on behalf of any municipal body, port trust or city improvement trust in any Presidency- town or in Rangoon Town or by or on behalf of the trustees of the port of Karachi : Provided that after the 31st day of March, 1948, no money shall be invested in any securities issued by or on behalf of a municipal body, port trust or city improvement trust in Rangoon town or by or on behalf of the trustees of the port of Karachi; (f) on a first mortgage of immovable property situate in any part of the territories to which this Act extends; Provided that the property is not a leasehold for a term of years and that the value of the property exceeds by one-third, or, if consisting, or building exceeds by one-half, the mortgage- money; or (g) on any other security expressly authorised by the instrument of trust, or by any rule which the High Court may from time to time prescribe in this behalf : Provided that, where there is a person competent to contract and in possession entitled to receive the income of the trust-property for his life, or for any greater estate, no investment on any security mentioned or referred to in clauses (d), (e) and (f) shall be made without his consent in writing. Appendix II Form No. 41 (See Regulation 6) Form for maintaining account of subscribers to a recognised provident fund

Account closed..... Date..... Paid to employee..... Lapsed to employer to fund..... Recovery by employer..... Name..... Date of joining fund.....

Contributions Exempt

Year and month	Salary	Contributions by employee	Regular contribution by employer	Employer's contribution of a contingent nature	Total of cols 3, 4 and 5	Total interest on col. 6*	Contributions by employee not exceeding % of salary



							for theye
1	2	3	4	5	6	7	8
Balance brought forward							
April	...						
May	...						
March	...						
Total	...						
Adjustment on account of temporary withdrawals account of (columns 8, 9 and 10 only)							
Adjustment on account of non-repayable withdrawals account (columns 11, 12 and 13)							
Total carried over							
Not Exempt							
Interest on sums in col. 6 not in excess of 1/3rd of salary for the year and allowed at rate not exceeding.....%	Employee's contribution not exceeding 1/5th of salary for the year or Rs. 8,000 whichever is less	4+5-8	7-9	3-10	Additions to total income (Cols. 11 and 12)	Amount on which abatement is to be allowed (col.10)	Remarks
9	10	11	12	13	14	15	16
Non-Repayable Withdrawals Account		Temporary Withdrawals Account					
Amount	Balance		Advance	Repayment	Interest		

	brought forward			
April	...	April	...	
May	...	May	...	Balance brought forward
June	...	June	...	
July	...	July	...	
March	...	March	...	
Total	...	Balance carried over		

\*Note. - If desired, column 7 may be divided into sub-columns to show separately the interest on column 3 and column 4 and 5 respectively. Appendix III (See Regulation 12) Rule 71(4) of the Income Tax Rules, 1962

## 71.

(4) In respect of withdrawals referred to in sub-rules (2) and (3) and of the amount referred to in clause (viii) of sub-rule (2) of Rule 69, interest shall be paid in accordance with the following table :-

Where the amount is repaid in not more than 12 monthly instalments	One additional instalment of 4 per cent on the amount withdrawn
Where the amount is repaid in more than 12 but not more than 24 monthly instalments	Two additional instalments of 4 per cent on the amount withdrawn
Where the amount is repaid in more than 24 monthly instalments but not more than 36 monthly instalments	Three additional instalments of 4 per cent on the amount withdrawn
Where the amount is repaid in more than 36 monthly instalments but not more than 48 monthly instalments	Four additional instalments of 4 per cent on the amount withdrawn
Where the amount is refunded under clause (viii) of sub-rule (2) of Rule 69	4 per cent of the amount which is refundable

Provided that at the discretion of the trustees of the Fund, interest may be recovered on the amount aforesaid or the balance thereof outstanding from time to time at 1 per cent about the rate which is payable for the time being on the balance in the fund at the credit of the employee. Appendix IV(a) (See Regulation 16) Form of Nomination (When the subscriber has a family and wishes to nominate more than one member thereof) To The Committee of the Punjab Warehousing Corporation, Employee's Provident Fund, Gentlemen, I, hereby nominate the persons mentioned below, who are members of my family as defined in the Punjab Warehousing Corporation Employees' Provident Fund Regulations, 1974 to receive the amount that may stand to my credit in the Fund, in the event of my death before that amount has become payable, or having become payable, has not been paid and direct that the said amount shall be distributed among the said persons in the manner shown below against their names :-

Name and address of nominees	Relationship with subscriber	Amount or share of accumulations to be paid to each	Contingencies on the happening of which the nomination shall become invalid	Name, address and relationship of the person, if any, to whom the right of the nominee shall pass in the event of his predeceasing the subscriber or on the happening of the contingency or contingencies specified in the previous column
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Date this.....day  
of.....at.....

Two witnesses to signature :

Name.....(Signature of subscriber)

Address.....(Subscribers' signature verified by me)

Name.....

Address.....(immediate Superior Authority)

Note. - This column should be filled in so as to cover the whole amount that may stand to the credit of the subscriber in the Fund at any time. Appendix IV-(b)(See Regulation 16) Form of Nomination (When the Subscriber has no Family and wishes to nominate more than one person) To The Committee of the Punjab Warehousing Corporation, Employees' Provident Fund. Gentlemen, I, having no family as defined in the Punjab Warehousing Corporation Employees' Provident Fund Regulation, 1974, hereby nominate the persons mentioned below to receive the amount that may stand to my credit in the Fund, in the event of my death, before that amount has become payable, or having become payable, has not been paid, and direct that the said amount shall be distributed among the said persons in the manner shown below against their names :-

Name and address of nominees	Relationship with subscriber	Amount of share of accumulations to be paid to each	Contingencies on the happening of which the nomination shall become invalid	Name and address and relationship of the person, if any, to whom the right of the nominee shall pass in the event of his/her predeceasing the subscriber, or on the happening of the contingency or contingencies specified in the previous column
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Date this.....day  
of.....at.....

Two witnesses to signature :

Name.....(Signature of subscriber)

Address.....(Subscribers' signature verified by me)

Name.....(immediate Superior Authority)s

Address.....

Note. - This column should be filled in so as to cover the whole amount that may stand to the credit of the subscriber in the Fund at any time. Note. - Where a subscriber who has no family makes a nomination, he shall specify in this column that the nomination shall become invalid in the event of his subsequently acquiring a family.