

# **The Haryana Khadi and Village Industries Board Contributory Provident Fund Regulations, 1975**

HARYANA

India

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### **Rule**

### **THE-HARYANA-KHADI-AND-VILLAGE-INDUSTRIES-BOARD-CONTRIB of 1975**

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The Haryana Khadi and Village Industries Board Contributory Provident Fund Regulations, 1975 Published vide Haryana Government Notification No. 917-HB-11- 74/7719, dated 11th February, 1975 No. 917-HB-11-74/7719. - In exercise of the powers conferred by section 35 of the Punjab Khadi and Village Industries Board Act, 1955 (Punjab Act No. 40 of 1956), The Haryana Khadi and Village Industries Board with the previous sanction of the Governor of Haryana hereby makes the following regulations, namely :-

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

(1) These regulations shall be called the Haryana Khadi and Village Industries Board Contributory Provident Fund Regulations, 1975. (2) These regulations shall come into force with effect from 1st April, 1975.

### **2. Definitions.**

(1) In these regulations, unless the context otherwise requires :- (a) "Accounts Officer" means the Accounts officer of the Board or any other officer appointed by the Board to act as such; (b) "Competent Authority" in relation to the exercise of any power means the Board in consultation with the Government; (c) "emoluments" means pay, leave salary or substantive allowance paid to the employees of the Board; (d) "family" means - (i) In the case of a male subscriber, the wife or wives and children of a subscriber, and the widow or widows and children of a deceased son of the subscriber : Provided that if a subscriber proves that his wife has been judicially separated

from him or has ceased under the customary law of the community, to which he belongs, to be entitled to maintenance, she shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently indicates by a notice in writing to the Accounts Officer that she shall continue to be so regarded.(ii)In the case of woman subscriber, the husband and children of a subscriber, and the widow or widows and children of deceased son of the subscriber :Provided that if a subscriber by a notice in writing to the Accounts Officer expresses her desire to exclude her family, husband shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate; unless the subscriber subsequently cancels in writing her previous notice excluding him.Note. - 1. Children means legitimate children.Note. - 2. An adopted child shall be considered to be a child when the Accounts Officer, or if any doubt arises in the mind of the Accounts Officer, the Board is satisfied that under the personal law of the subscriber, adoption is legally recognised as conferring the status of natural child, but in this case only.Note. - 3. When a person has given his child in adoption to another person and if, under the personal law of the adopter, adoption is legally recognised as conferring the status of a natural child then such a child shall for the purpose of the rules, be considered as excluded from the family or the natural father.(e)'Form' means a form appended to these rules;(f)'Fund' means the Haryana Khadi and Village Industries Board Contributory Fund;(g)'Leave' means any kind of leave recognised by the Board;(h)'Year' means the financial year.(2)Any other expression used in these regulations and not defined but defined in the Provident Fund Act, 1926 (XIX of 1925), shall have the meaning assigned to it in that Act.

### **3. Administration of Fund.**

- The fund shall be administered by the Board.

### **4. Application.**

- (i) These regulations shall apply to such employees of the Board whose emoluments are met out of the Board's fund stated under section 20 of the Act, and who have completed one year's continuous service under the Board :Provided that these regulations shall not apply to an employee between whom and the Board an agreement subsists in respect of a Provident Fund, other than an agreement providing for the application to him of these regulations and in the case of an agreement so providing these regulations shall apply to the terms of such agreement.(ii)Every employee of the Board to whom these regulations apply shall be subscriber to the Fund.

### **5. Nominations.**

(1)A subscriber shall, as soon as may be after joining the fund, send to the Accounts Officer a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the Fund, in the event of his death before that amount has become payable or having become payable has not been paid :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.Note. - The application for admission to the fund shall not be forwarded to the Accounts Officer, until it is accompanied by nomination forms completed by the

subscriber.(2)If a subscriber nominates more than one person under sub-clause (1), he shall specify in the nomination the amount of share payable to each of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the fund at any time.(3)Every nomination shall be in such one of the Forms viz., PFI, PFIA, PFIB, PFIC, as is appropriate in the circumstances.(4)A subscriber may at any time cancel a nomination by sending a notice in writing to the Accounts Officer :Provided that the subscriber shall alongwith such notice send a fresh nomination made in accordance with the provisions of clauses (1) to (3).Note. - The proviso to this clause is directory and not mandatory. The additional provision that a fresh nomination shall be sent alongwith a notice does not affect the validity or otherwise of the notice. The proviso thus does not constitute a condition for the validity of the notice. Once a notice is given complying with the above requirements it operates as a valid and effective notice, provided it is given in clear and unambiguous terms. In view of this it shall not be in order to make the payment of the deposit in the Fund on the basis of the nomination which is expressly cancelled by the subscriber by a notice given in clear and unambiguous terms but which is not replaced by another valid nomination. After receiving such a notice of cancellation of a nomination, the nomination shall be cancelled forthwith and returned to the subscriber. If the subscriber fails to furnish alongwith the notice of cancellation or separately in due course, a fresh nomination which is in accordance with regulations and the Fund becomes payable as a result of the death of the subscriber, the payment shall be made in accordance with the regulations as if no valid nomination subsists.(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 persons as may be specified in the nomination;(b)that the nomination shall become invalid in the event of 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.(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 the said sub-regulation or the proviso thereto, subscriber shall send to the Accounts Officer a notice in writing cancelling the nomination together with a fresh nomination made in accordance with the provisions of this regulation.(7)Every nomination made by a subscriber shall to the extent that it is valid take effect on the date on which it is received by the Accounts Officer.

## **6. Subscriber's Accounts.**

- An account shall be opened in the name of each subscriber in which shall be credited :-(i)The subscriber's subscription;(ii)Contribution made under regulations 10 by the Board to his account;(iii)Interest, as provided by regulation 11 on subscription; and(iv)Interest as provided by regulation 11 on contributions.

## **7. Conditions and rates of subscriptions.**

- (i) Every subscriber shall subscribe monthly to the fund when on duty.(ii)A subscriber may, at his option, not subscribe during leave.(iii)The subscriber shall intimate his election not to subscribe during leave in the following manner :-(a)If he is an employee of the Board who draws his own pay

bills by making no deduction on account of subscription in his first pay bill drawn after proceeding on leave.(b)If he is not an employee of the Board who draws his own pay bills by written communication to the head of his office before he proceeds on leave. Failure to make due and timely intimation shall be deemed to constitute an election to subscribe.The option of a subscriber intimated under this clause shall be final.

## **8. Fixation of amount of subscription.**

(1)The amount of subscription shall be fixed by the subscriber himself subject to the following conditions :-(a)It shall be expressed in whole rupees;(b)It shall be any sum, so expressed, not less than 8-1/3% of his emoluments.(2)For the purpose of clause (1), the emoluments of a subscriber shall be :-(a)In the case of subscriber who was in service of the Board on the 31st March of the preceding year, the emoluments to which he was entitled on that date; provided as follows :-(i)If the subscriber was on leave on the said date and elected not to subscribe during such leave or was under suspension on said date, his emoluments shall be the emoluments to which he was entitled on the first day after his return to duty;(ii)If the subscriber joined the fund for the first time his emoluments shall be the emoluments to which he was entitled on the date of joining the Fund.(b)In the case of a subscriber who was not in Board's service on the 31st March of the preceding year, the emoluments to which he was entitled on the first day of his service or if he joined the Fund for the first time on a date subsequent to the first day of his service, the emoluments to which he was entitled on such subsequent date :Provided that, if the emoluments of the subscriber are of fluctuating nature, they shall be calculated in such manner as the competent authority may direct.(3)The subscriber shall intimate the fixation of the amount of his monthly subscription in each year in the following manners :-(a)If he was on duty on the 31st March of the preceding year by the deduction which he makes in this behalf from his pay bill for that month.(b)If he was on leave on the 31st March of the preceding year and elected not to subscribe during such leave or was under suspension on that date, by the deduction which he makes in this behalf from his first pay bill after his return to duty.(c)If he has entered service of the Board for the first time during the year or joins the Fund for the first time by the deduction which he makes in this behalf from his pay bill for the month during which he joins the Fund.(d)If he has been on leave on the 31st March of the preceding year and continues to be on leave and has elected to subscribe during such leave by the deduction which he causes to be made in this behalf from his pay bill for that month.(e)If his emoluments are of the nature referred to in the proviso to clause (2) in such manner as the competent authority may direct.(4)The amount of subscription so fixed shall remain unchanged throughout the year:Provided that if a subscriber is on duty for a part of a month and on leave for the remainder of the month and if he has elected not to subscribe during leave, the amount of the subscription payable shall be proportionate to the number of the days spent on duty in the month.

## **9. Realisation of subscription.**

(1)When emoluments are drawn from the Bank, recovery of subscription on account of these emoluments and of the principal and interest of advances shall be made from the emoluments themselves.(2)When emoluments are drawn from any other sources, the subscriber shall forward his dues monthly to the Accounts Officer.

## 10. Contribution of Board.

- (i) The Board shall with effect from 31st March of each year make a contribution to the account of each subscriber :Provided that if a subscriber quits the service or dies during the year, contribution shall be credited to his accounts for the period between the close of the preceding year and the date of the casualty.(ii)The contribution to be paid by the Board shall be fixed at the rate of 8-1/3 per cent of the subscriber's emoluments or at the rate as may be fixed by the competent authority from time to time.(iii)Should a subscriber elect to subscribe during leave, his leave salary shall, for the purpose of this regulation, be deemed to be emoluments drawn on duty unless otherwise directed by the competent authority.(iv)The amount of contribution payable shall be rounded to the nearest whole rupee (50 paise or above counting as the next higher rupee).

## 11. Interest.

- (i) The Board shall pay to the credit of the account of subscriber interest as fixed by Bank from time to time.(ii)Interest shall be credited with effect from 31st March of each year in the following manner :-(a)On the amount at the credit of the subscriber on the 31st March of the preceding year, less any sums withdrawn during the current year - interest for twelve months;(b)On sums withdrawn during the current year interest from the 1st April of the current year up to the last day of the month preceding the month of withdrawal.(c)On all sums credited to the subscriber's account after 31st March of the preceding year, interest from the date of deposit up to 31st March of the current year.(d)The total amount of interest shall be rounded to the nearest rupee in the manner provided in clause (4) of regulation 10 :Provided that when the amount standing at the credit of a subscriber has become payable interest shall thereupon be credited under this sub- regulation in respect only of the period from the beginning of the current year or from the date of deposit, as the case may be, up to the date on which the amount standing at the credit of the subscriber became payable.(iii)For the purpose of this regulation the date of deposit shall in the case of recoveries from emoluments, be deemed to be the first day of the month in which they are recovered and in the case of amounts forwarded by the subscriber, shall be deemed to be the first day of the month of receipt, if they are received by the Accounts Officer, before the fifth day of that month or if they are received on or after the fifth day of that month, the first day of the next succeeding month.(iv)In addition to any amount to be paid under regulation 19, interest thereon upto the end of the month preceding that in which payment is made, or upto the end of the sixth month after the month in which such amount became payable whichever of these periods be less, shall be payable to person to whom such amount is to be paid:Provided that no interest shall be paid in respect of any period after the day which the Accounts Officer has intimated to that person (or his agent) as the date on which he is prepared to make payment in cash, or if he pays the cheque after the date on which cheque in that person's favour is put in the post.(v)The interest on amounts which under regulation 16 are re-placed at the credit of subscriber in the Fund, shall be calculated at such rates as may be successively prescribed under clause (1) of this regulation and so far as may be in the manners described in this regulation.Note. - (1) When a subscriber is dismissed from the service of Board but has appealed against his removal, the balance at his credit shall not be paid over to him until the final orders confirming the decisions are passed on his appeal. Interest shall, however, be paid on the balance upto the end of the month preceding that in which such orders are passed.(2)No interest

shall be allowed on the amount recovered on account of subscription to the Fund in excess of the actual amount due.

## **12. Advances from the Fund.**

(1) A temporary advance may be granted to a subscriber from his amount standing at his credit in the Fund at the discretion of the authority specified in clause (2) subject to the following conditions :- (a) No advance shall be granted, unless the sanctioning authority is satisfied that the applicant's pecuniary circumstances justify it and that it shall be expended on the following objects and not otherwise :- (i) To pay expenses incurred in connection with prolonged illness of the applicant or any person actually dependent on him; (ii) To pay for the overseas passage only for reasons of health, or education of the applicant or any person actually dependent on him. Advance from Provident Fund may also be granted to a subscriber subject to the usual conditions to meet the cost of education of the subscriber or of any person actually dependent on him in the following types of cases :- (a) For education outside India, whether for an academic, technical, professional or vocation course; (b) For Medical, Engineering and other technical or specialised course in India beyond the High School stage, provided that the course of study is not less than three years; (iii) To pay obligatory expenses on a scale appropriate to the applicant's status which by customary usage the applicant has to incur in connection with marriages, funerals or other ceremonies. Note. - In case falling under item (1) above, advances may be granted by the sanctioning authority to pay debts incurred provided an application is made within a reasonable time after the event to which it relates. What is reasonable time will be determined on the merits of each case. Advances to pay debts incurred in cases falling under items (ii) and (iii) above shall require the sanction of Board. (b) An advance shall not except for special reasons to be recorded in writing by the sanctioning authority exceed three months' pay and shall in no case exceed the amount of subscriptions and interests thereon standing to the credit of the subscriber in the Fund. Note. - For the purpose of this regulation pay does not include "dearness pay." (c) An advance shall not, except for special reasons to be recorded in writing by the sanctioning authority, be granted until at least twelve months after the final repayment of all previous advances together with interest thereon, unless the amount already advanced does not exceed two-thirds of the amount admissible under sub-clause (b); (d) The sanctioning authority shall record in writing its reasons for granting the advances : Provided that if the reason is of a confidential nature, it may be communicated to the Accounts Officer personally and/or confidentially. (2) The authority competent to grant an advance :- (a) (i) exceeding three months' pay, or (ii) within twelve months of the final repayment of all previous advances together with interest thereon; shall be the authority competent to dismiss the subscriber. (b) in any case not specified in sub-clause (a) shall be the authority competent to grant an advance of pay on transfer. Note. - An authority competent to sanction an advance of pay for himself on transfer cannot sanction an advance for himself under clause (2)(b). The authority competent to sanction an advance in such a case will be next higher administrative authority.

## **13. Recovery of advances.**

- (i) An advance shall be recovered from the subscriber in such number of equal monthly instalments as the sanctioning authority may direct; but such number shall not be less than twelve

unless the subscriber so elects, or in any case more than twenty-four. A subscriber may at his option make repayment in a smaller number of instalments than that prescribed. Each instalment shall be a number of whole rupees, the amount of the advance being raised or reduced, if necessary, to admit of the fixation of such instalment.(ii)Recovery shall be made in the manner provided in regulation 9 for the realisation of subscriptions and shall commence on the first occasion after the advance is made on which the subscriber draws emoluments, other than leave salary or subsistence grant for a full month. Recovery shall not be made, except with the subscriber's consent, while he is on leave or is in receipt of subsistence grant.(iii)If more than one advance has been made to be a subscriber each advance shall be treated separately for the purpose of recovery.(iv)(a)After the principal of the advance has been fully repaid, interests shall be paid thereon at the rate of one-fifth per cent of the principal for each month or broken portion of a month during the period between the drawal and complete repayment of the principal.(b)Interest shall ordinarily be recovered in one instalment in the month after complete repayment of the principal but if the period referred to in clause (a) exceeds twenty months, interest, may, if the subscriber so desires, be recovered in equal monthly instalments. The method of recovery shall be that provided in clause (ii). Payments shall be rounded to the nearest rupee in the manner provided in clause (iv) of regulation 10.(v)If an advance has been granted to a subscriber and drawn by him and the advance is subsequently disallowed before repayment is completed, the whole or balance of the amount withdrawn shall with interest at the rate provided in regulation 11, be repaid forthwith by the subscriber to the Fund or in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber by instalments or otherwise as may be directed by the authority laid down in clause (2) of regulation 12.(vi)Recoveries made under the rule shall be credited as they are made, to the account of the subscriber in the Fund.

#### **14. Circumstances in which accumulations are payable.**

- When a subscriber quits service, the amount standing to his credit in the Fund shall subject to any deduction under regulation 17, becomes payable to him :Provided that a subscriber who has been dismissed from the service and is subsequently reinstated in the service shall, if required to do so by the Board, repay any amount paid to him from the Fund in pursuance of this regulation, with interest thereon at the rate provided under regulation 11, in the manner provided in the proviso to regulation 16. The amount so repaid shall be credited to his account in the Fund, the part which represents his subscriptions and interest thereon and the part which represents the Board's contribution with interests thereon being accounted for in the manner provided in regulation 6.

#### **15. Subscription to become payable on retirement.**

- When a subscriber :-(a)has proceeded on leave preparatory to retirement; or(b)while on leave has been permitted to retire or declared by a competent medical authority to be unfit for further service, the amount of subscription and interest thereon standing to his credit in the Fund, shall upon application made by him in this behalf to the Accounts Officer become payable to the subscriber :Provided that the subscriber if he returns to duty shall, if required to do so by the Board repay to the fund, for credit to his account the whole or part of any amount paid to him from the Fund in pursuance of this rule with interest thereon at the rate provided in regulation 11 in cash or in

securities or partly in cash and partly in securities, by instalments or otherwise, by recovery from his emoluments or otherwise, as the Board may direct.

## **16. Mode of payment after death of subscriber.**

- Subject to any deduction under regulation 17 on the death of subscriber before the amount standing to his credit has become payable or when the amount has become payable before payment has been made.(1)When the subscriber leaves a family, -(a)If a nomination made by the subscriber in accordance with the provisions of regulation 5 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 his nominee or nominees in the proportion specified in the nomination;(b)If no such nomination in favour of a member or members of the family of the subscriber 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 this nomination does not relate, as the case may be, shall notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, becomes payable to the members of his family, in equal shares.Provided that no share shall be payable to :- (1)Sons who have attained legal majority.(2)Sons of a deceased son who have obtained legal majority.(3)Married daughters whose husbands are alive.(4)Married daughters of a deceased son whose husbands are alive.If there is any member of the family other than those specified in clauses (1), (2), (3) and (4).Provided also that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would have received if he had survived the subscriber and had been exempted from the provisions of clause (1) of the first proviso.Note. - (i) Any sums payable under these regulations to a member of the family of a subscriber vests in such member under sub-section (2) of section 3 of the Provident Funds, 1925.(ii)When the subscriber leaves no family and if a nomination made by him in accordance with the provisions of regulation 6 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.Note. - (1) When a nominee is a dependent of the subscriber as defined in clause (c) of section 2 of the Provident Fund Act, 1925, the amount vests in such nominee under the sub-section (2) of section 3 of the Act.Note. - When the subscriber leaves no family and no nomination made by him in accordance with the provisions of rule 6 subsists or if such nomination relates only to part of the amount standing to his credit in the Fund, the relevant, provisions of clause (b) and of sub-clause (ii) of clause (a) of sub-section (1) of section 4 of the Provident Funds Act, 1925, are applicable to the whole amount or the part thereof to which the nomination does not relate.

## **17. Deductions.**

- Subject to the condition that no deduction may be made which reduces the credit of the subscriber by more than the amount of any contribution by Board with interest thereon credited under rules 10 and 11, before the amount standing to the credit of a subscriber in the Fund is paid out of the Fund, the Board may direct the deduction therefrom and payment to itself of,(a)Any amount, if a subscriber has been dismissed from the service for grave misconduct :Provided that if the order of



dismissal is subsequently cancelled, the amount so deducted shall on his reinstatement in the service be replaced at his credit in the Fund : (b) Any amount, if a subscriber resigns his employment under the Board, within five years of the commencement thereof otherwise than by reason of Superannuation or a declaration by competent medical authority that he is unfit for further services; and (c) Any amount due under liability incurred by the subscriber to the Board.

## **18. Payments.**

(1) When the amount standing to the credit of the subscriber in the Fund or the balance thereof, after any deduction under regulation 12, becomes payable, it shall be the duty of the Accounts Officer, after satisfying himself, when no such deduction has been directed under that regulation, that no deduction is to be made to make payment as provided in section 4 of the Provident Funds Act, 1925. (2) If the person to whom under these regulations any amount is to be paid is a lunatic for whose estate a Manager has been appointed in this behalf under Indian Lunacy Act, 1912, the payment shall be made to such Manager and not to the lunatic.

## **19. Mode of Payment.**

(1) Any person who desires to claim payment under this regulation shall send a written application in that behalf to the Accounts Officer. (2) Payment of amounts withdrawn shall be made in India only and the persons to whom the amounts are payable shall make own arrangements to receive payment in India. Note. - When the amount standing to the credit of a subscriber has become payable under regulations 14, 15 and 16, and the Accounts Officer shall authorise prompt payment of that portion of the amount standing to the credit of a subscriber in regard to which there is no dispute or doubt the balance being adjusted as soon after as may be.

## **20. Procedure.**

- All sums paid into the fund under these regulations shall be credited in the books of the Board to an account named 'Haryana Khadi and Village Industries Board Contributory Provident Fund Account.' Sums of which payment is not taken within six months after they become payable under these regulations shall be transferred to "Deposits" after 31st March of the year and treated under the ordinary regulations relating to deposit.

## **21. Number of account to be notified.**

- When paying subscription either by deduction from emoluments or in cash a subscriber shall quote the number of his account in the Fund which shall be communicated to the subscriber by the Accounts Officer. Any change in the number shall similarly be communicated to the subscriber by the Accounts Officer.

## **22. Statement to be furnished to subscriber annually.**

(1)As soon as possible after the 31st March of each year, the Accounts Officer shall send to each subscriber a statement of his account in the Fund, showing the opening balance as on the 1st April of the year, the total amount credited or debited during the year, the total amount of interest credited as on the 31st March of the year and the closing balance on the date. The Accounts Officer shall attach to the statement of account an enquiry whether the subscriber :-(a)desires to make any alteration in any nomination made under regulation 5;(b)has acquired a family in cases where the subscriber has made no nomination in favour of a member of his family under the proviso of sub-clause (1) of the regulation 5.(2)Subscriber shall satisfy himself as to correctness of the annual statement, and errors shall be brought to the notice of the Accounts Officer within three months from the date of receipt of the statement referred to in sub-regulation (1);(3)The Accounts Officer, shall, if required by a subscriber once in a year inform the subscriber of the total amount standing to his credit in the Fund at the end of the last month for which his account has been written up.

## **23. General.**

- In case of ambiguity or absence of any provisions in these regulations on any points, the Punjab Contributory Provident Fund Rule as contained in the Punjab Civil Service Rules, Vol. II (1st Edition) 1953 shall generally be applicable. Provided that the staff of the Board admitted to the Fund shall in no case enjoy benefits greater than enjoyed by the subscriber of the Punjab Contributory Provident Fund.

## **24. Saving clause.**

- The provision of relaxation in these regulations shall vest in the State Government.