

The Employees' Provident Funds And Miscellaneous Provisions (Amendment) Act, 1996

UNION OF INDIA

India

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BE it enacted by Parliament in the Forty-seventh Year of the Republic of India as follows:-An Act further to amend the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

1. Short title and commencement.

(1) This Act may be called the Employees' Provident Funds and Miscellaneous Provisions (Amendment) Act, 1996. (2) It shall be deemed to have come into force on the 16th day of November, 1995.

2. Amendment of long title.

In the long title to the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952) (hereinafter referred to as the principal Act), for the words "family pension fund", the words "pension fund" shall be substituted.

3. Amendment of section 2. In section 2 of the principal Act,-

(a) clauses (gg) and (ggg) shall be omitted; (b) after clause (k), the following clauses shall be inserted, namely:- (kA) "Pension Fund" means the Employees' Pension Fund established under sub-section (2) of section 6A; (KB) "Pension Scheme" means the Employees' Pension Scheme framed under sub-section (1) of section 6A; (c) after clause. (1) the following clause shall be inserted, namely:- (1) "superannuation", in relation to employee, who is the member of the Pension Scheme means the attainment, by the, said employee, the age. of fifty- eight Years; '.

4. Substitution of the word" Pension" for the words" Family pension".

In the principal Act, for the words" Family Pension", wherever they occur, the word" Pension" shall be substituted.

5. Substitution of a new section for sections 6A and 6B. For sections 6A and 6B of the principal Act, the following section shall be substituted, namely:-

6A. Employees' pension Scheme.

(1)The Central Government may, by notification in the Official Gazette, frame a scheme to be called the Employees' Pension Scheme for the purpose of providing for-(a) superannuation pension, retiring pension or permanent, total disablement pension to the employees of any establishment or class of establishments to which this Act applies; and(b)widow or widower' s pension, children pension or orphan pension payable to the beneficiaries of such employees.(2)Notwithstanding anything contained in section 6, there shall be established, as, soon as may be after framing of the Pension Scheme, a Pension Fund into which there shall be paid from time to time, in respect of every employee who is a member of the Pension Scheme.-(a) such sums from the employer' s contribution under section 6, not exceeding eight and one- third per cent. of the basic wages, dearness allowance and retaining allowance, if any, of the concerned employees, as may be specified in the Pension Scheme;(b)such sums as are payable by the employers of exempted establishments under sub- section (6) of section 17;(c)the net assets of the Employees' Family Pension Fund as on the date of the establishment of the Pension Fund;(d)such sums as the Central Government may, after due appropriation by Parliament by law, in this behalf, specify.(3)On the establishment of the Pension Fund, the Family Pension Scheme (hereinafter referred to as the ceased scheme) shall cease to operate and all assets of the ceased scheme shall vest in and shall stand transferred to, and all liabilities under the ceased scheme shall be enforceable against, the Pension Fund and the beneficiaries under the ceased' scheme shall be entitled to draw the benefits, not less than the benefits they were entitled to under the ceased scheme, from the Pension Fund.(4)The Pension Fund shall vest in and be administered by the Central Board in such manner as may be specified in the Pension Scheme.(5)Subject to the provisions of this Act, the Pension Scheme may provide for all or any of the matters specified in Schedule III.(6)The Pension Scheme may provide that all any of its provisions shall take effect either prospectively or retrospectively on such date as may be, specified in that behalf in that scheme.(7)A Pension Scheme, framed under subsection (1), shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be, comprised in one session, or in two or, more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions Aforesaid, both Houses agree in making any modification in the scheme or both Houses agree that the scheme Should not be made, the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that, scheme."

6. Amendment of section 6C. In section 6C of the principal Act,-

(a) sub-section (3) shall be omitted; (b) clause (b) of sub-section (4) shall be omitted.

7. Amendment of section 17. In section 17 of the principal Act,-

(a) for sub-section (1C), the following sub-section shall be substituted, namely:- "(1C) The appropriate Government may, by notification in the Official Gazette, and Subject to the condition on the pattern of investment of pension fund and such other conditions as may be specified therein, exempt any establishment or class of establishments from the operation of the Pension Scheme, if the employees of, such establishment or class of establishments are either members of any other pension scheme or propose to be members of such pension scheme, where the pensionary benefits are at par or more favourable than the Pension Scheme under this Act."; (b) in sub-section (6), the words "as well as the employees' contribution" shall be omitted.

8. Substitution of new Schedule for Schedule III.

For Schedule III to the principal Act, the following Schedule shall, be substituted, namely:-