

INSTITUTE OF HUMAN RESOURCES DEVELOPMENT FOR ELECTRONICS

EMPLOYEES CONTRIBUTORY PROVIDENT FUND RULES

1. Short title and commencement

Title: The IHRDE Employees contributory Provident Fund Rules.

These Rules shall come into force on the date of order

2. Definitions :

1. In these rules unless there is anything repugnant in the subject or context.

(a) 'Subscription' means the amount paid by the subscriber and contribution means the amount contributed by the institute.

(b) 'Family means' –

(i) In the case of 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 customary law of the community to which she 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 intimates in writing to the Director that she shall continue to be so regarded.

(ii) In case of a female subscriber, the husband, children of the subscriber and the widow or widows and the children of a deceased son the subscriber.

(iii) Parents, minor brothers, unmarried sisters and the parental grand parents of the subscriber.

Provided that if a subscriber by notice in writing to the Director expresses her desire to exclude her husband from her family, the 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 formally such notice in writing her notice excluding him.

Note: - 'Child' means a legitimate child and includes an adopted child where adoption is recognized by the personal law governing the subscriber.

(c) 'Fund' means the contributory Provident Fund of the Institute of Human Resources Development for Electronics.

(d) 'Leave' means any variety of leave recognized by the Institute.

(e) Emoluments : Except where otherwise expressly provided emoluments means pay, leave salary or subsistence allowance as defined in Kerala Service Rules or other Service Rules applicable to the officer concerned and include Dearness pay appropriate to pay, leave salary or subsistence allowance if admissible and any remuneration of the nature of pay received in respect of foreign service.

(f) 'Director' means the Director, Institute of Human Resources Development for Electronics, Thiruvananthapuram.

(g) 'Form' means a form appended to these rules.

(h) 'Year' means financial year.

2. Any other expression which is used in these rules which is defined either in the PF Act, 1925(XIX OF 1925) or in the IHRDE service rules in the sense therein defined.

3. Constitution of the fund

- i. The fund shall be administered by the Director and shall be maintained in rupees.
- ii. The management of the provident fund shall vest with the Director, Institute of Human Resources Development for Electronics, Thiruvananthapuram. A PD account shall be opened in the treasury exclusively for maintaining the provident fund. The Provident Fund subscriptions etc., in the case of employees working in the various institutions under the Institute of Human Resources Development for Electronics, Thiruvananthapuram shall be credited in the PD account maintained by the Director, in the treasury by the head of Institution concerned.

4. Conditions of eligibility

- (1) These rules shall apply to all non-pensionable academic and non pensionable non pensionable non-academic staff of the IHRDE under the control of the Director who:
 - (a) Has been admitted before these rules came into force to the benefits of Contributory Provident Fund maintained by the Director or
 - (b) May be admitted by the Director to the Fund after these rules came into force.

Provided that these rules shall not apply to any such servant between whom and the Director an agreement subsists in respect of a Provident Fund, other than an agreement providing for the application to him of these rules, and in the case of an agreement so providing shall apply subject to the terms of such agreement.

- (2) Every employee of the Institute who has completed 1 year of regular service shall be a subscriber to the fund.
- (3) If an employee admitted to the benefit of the Fund was previously a subscriber to any other contributory or non contributory Provident Fund the amount of his subscriptions and contributions in the other Contributory Provident Fund or the amount of his subscriptions in the non Contributory Provident Fund as the case may be, together with interest thereon shall be transferred to his credit in the fund.
- (4) If an employee admitted to the benefit of the Fund was previously a subscriber to any Contributory Provident Fund or non Contributory Provident Fund maintained by the Central or any other State Government the amount of subscriptions and the Government contributions in the Contributory Provident or the amount of his subscriptions in the non Contributory Provident Fund or the amount of his subscriptions in the non contributory provident fund as the case may be together with interest thereon, shall be transferred to his credit in the fund, with the consent of the Central or State Government.

Note:-

(i) The provisions of sub-rules (3) and (4) shall not apply to a person who has retired and is subsequently re-employed, with or without a break in service or to a person who was holding the former appointment on contract.

(ii) The provisions of this rule shall, however, apply to persons who are appointed without break, whether temporarily or permanently to a post carrying the benefits of these rules after resignation or retrenchment from service under another Department of the Government or under the Central or any other State Government.

(iii) The provisions of sub rule (4) shall also apply *mutatis mutandis* to persons who are transferred without any break, from the service under a body corporate owned or controlled by Government or an autonomous organization, registered under the Societies Registration Act, 1860 or the Travancore Literary, Scientific and Charitable societies Registration Act, 1955.

(iv) An employee who is a subscriber to the fund shall not join the General provident Fund (K)

5. Nominations.

(1) A subscriber shall at the time of joining the fund forward to the Director along with his application in form A 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 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.

Provided further that the nomination made by the subscriber in respect of any other Provident Fund to which he was subscribing before joining the fund, shall, if the amount to his credit in such other fund has been transferred to his credit in this fund, he deemed to be a nomination duly made under this rule until he makes a nomination in accordance with this rule.

(2) If subscriber nominates more than one person under sub-rule(1), he shall specify in the nomination the amount or 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 set forth in the first schedule as is appropriate in the circumstances.

(4) A subscriber may at any time cancel a nomination by sending a notice in writing to the Director.

Provided that the subscriber shall along with such notice shall send a fresh nomination made in accordance with the provisions of this rule.

(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. Where the subscriber confers such a right on more than one person under this clause, he shall specify the amount or share payable to each of such persons in such a manner as to cover the whole of the amount payable to the nominee.

(b). That the nomination 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 a nomination the subscriber has only one member of the family he shall provide in the nomination that the 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 rule (5) or on the occurrence of any event by reason of which the nomination becomes invalid in pursuance of clause (b) of sub rule (5) or the provisos thereto, the subscriber shall send to the Director a notice in writing cancelling the nomination together with a fresh nomination made in accordance with the provisions of this rule.

(7). Every nomination made and every notice of cancellation given, by a subscriber shall, to the extent it is valid, take effect from the date on which it is received by the Director.

Note:- In this rule, unless the context otherwise requires, "person" or "persons" shall include a company or association or body of individuals whether incorporated or not.

6. Subscriber's Account :-

An account shall be opened in the name of each subscriber, in which shall be shown.

- (i) His subscriptions
- (ii) Contributions made under rule 9 by the Director to his account.
- (iii) Interest, as provided by rule 10 on subscriptions
- (iv) Interest, as provided by rule 10 on contributions, and
- (v) Advances and withdrawals from the fund.

7. (i) Conditions of subscriptions: -

Every subscriber shall subscribe monthly to the fund when on duty or Foreign Service but not during a period of suspension.

Provided that a subscriber on re-installment after a period passed under suspension shall be allowed the option of paying in one sum, or in installments, any sum not exceeding the maximum amount of arrears of subscriptions permissible for that period.

(Rule) (ii) A subscriber, at his option may not subscribe during a month, if he was on leave of any kind for any period during the previous month, and he shall intimate his option in the following manner.

(a) If he is an officer who draws his own pay bills by making no deduction an account of subscription in his first pay bill drawn after proceeding on leave.

(b) If he is an officer who draws his own pay bill by written communication to the Head of his office before the proceeds on leave.

Failure to make due and timely intimation shall be deemed to constitute an election to subscribe.

(iii) A subscriber who has under rule 22 withdrawn the amount of subscriptions and interest thereon, shall not subscribe to the fund after such withdrawal, unless and until he returns to duty.

8. Rates of Subscription :

The rate of subscription shall not be not less than 8.33 % of the salary as defined in Rule 1 (e) and not exceeding the total emoluments and the amount calculated on this basis shall be deducted from the monthly salary of the employee. It shall be expressed in whole rupees.

2. For the purpose of sub rule (1), the emoluments of the subscriber shall be –

(a) In the case of a subscriber who was in service on 31st March of the preceding year, the emoluments to which he was entitled on that date:

Provided that

i. If a subscriber was on leave on the said date and elected not to subscribe during such leave or was under suspension on the 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 was on deputation on the said date or was on leave on the said date and continues to be on leave and has elected to subscribe during such leave, his emoluments shall be the emoluments to which he would have been entitled had he been on duty.

iii. If the subscriber joined the fund for the first time on a day subsequent to the said date, his emoluments shall be the emolument to which he was entitled on such subsequent date.

(b) In the case of a subscriber who was not in 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 is entitled on such subsequent date.

Provided that, if the emoluments of the subscriber are of the fluctuating nature, they shall be calculated in such manner as the Director may direct

(3) The subscriber shall intimate the fixation of the amount of his monthly subscription in each year in the following manner:-

(a) If he was on duty on the 31st March of the proceeding year, by the deduction which he makes in his 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 makes on this behalf from his first pay bill after his return to duty

(c) If he was entered service 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 was on leave on 31st March of 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 salary bill for that month.

(e) If he was on foreign service on 31st March of preceding year, by the amount credited by him into the Treasury on account of subscription for the month of April in the current year.

(f) If his emoluments are of the nature referred to in the provision to sub rule. (2), in such manner as the Director may direct.

(4) The amount of subscription so fixed may be enhanced once at any time during the course of a year.

Provided that if a subscriber was on leave of any kind for any period during the previous month and if he had elected not to subscribe during the month, no amount of the subscription shall be payable.

Note: - A subscriber who desires to enhance the rate of his subscription to the fund during the course of a year will not, however be permitted to remit the arrears of subscription at the enhanced rates for the previous month.

Rule 9 – Transfer to Foreign Service or deputation

When a subscriber is transferred to foreign service or sent on deputation, he shall remain subject to the rules of the fund in the same manner as if he were not so transferred or sent on deputation.

Rule 10 - Realization of subscription:

- (1) When emoluments are drawn from a Government Treasury in India, 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 source the subscriber shall forward his dues monthly to the Director.

Provided that in the case of subscriber on deputation to a body corporate or owned or controlled by Government or an autonomous organization registered under the societies Registration Act, 1860 on the T.C. Literacy, Scientific and Charitable Societies Registration Act 1955, the subscription shall be recovered and forwarded to the Director by such body or organization as the case may be.

Rule 11 - Contribution by IHRD

IHRD shall, with effect from 31st March of each year make a contribution in the case of each employee to the fund at the rate of 8.33% of the subscriber's emoluments.

Provided that if a subscriber quits the service or dies during a year, contribution shall be credited to his account for the period between the close of the preceding year and the date on which the subscriber has quitted service or died as the case may be.

Provided further that no contribution shall be payable in respect of any period for which the subscriber is permitted under the rules not to, or does not, subscribe to the fund.

- 2) The contribution shall be such percentage of the subscriber's emoluments drawn on duty during the year or period, as the case may be, as has been or may be prescribed by Government by General or Special Order.

Provided that if, through oversight or otherwise the amount subscribed is less than the minimum subscription payable by the subscriber under sub rule (1) of Rule 8 and if the short subscription together with the interest accrued thereon is not paid by the subscriber within such time as may be specified by the authority competent to sanction an advance for the grant of which, special reasons are required under sub rule (2) of Rule 13, the contribution payable by the IHRD shall be equal to the amount actually paid by the subscriber or the amount normally payable by IHRD, whichever is less, unless the IHRD, in any particular case, otherwise direct.

3). If a subscriber is on deputation, the emoluments which he would have drawn had he been on duty shall, for the purpose of this rule, be deemed to be emoluments drawn on duty.

4). If a subscriber was on leave of any kind for any period during the previous month and if he had elected to subscribe during the month, his leave salary shall for the purpose of this rule, be deemed to be emoluments drawn on duty.

5). Should a subscriber elect to pay arrears of subscriptions in respect of period of suspension, the emoluments or portion of emoluments which may be allowed for that period on reinstatement shall, for the purpose of this rule, be deemed to be emoluments drawn on duty.

6). The amount of any contribution payable in respect of a period of foreign service shall, unless it is recovered from the foreign employer be recovered by the IHRD from the subscriber.

Rule 12 – Interest

Interest at the rate fixed for the purpose by the Government from time to time, shall be credited to each subscriber's account.

(2) Interest shall be credited with effect from the 31st March of each year in the following manner.

(i) On the amount to the credit of a subscriber on 31st March of the preceding year, less any sums withdrawn during the current year.

Interest for 12 months

- (ii) On sums withdrawn during the current year- Interest from the first April of the current year up to the last day of the month preceding the month of withdrawal.
- (iii) On all sums credited to the subscribers account after 31st March of the preceding year – Interest from the date of deposit upto 31st March of the current year.
- (iv) The total amount of interest shall be rounded to the nearest rupee.

Provided that when the amount standing to the credit of a subscriber has become payable, interest shall thereupon be credited under this sub rule 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 to the credit of the subscriber became payable.

(3) For the purpose of this rule 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 amount forwarded by the subscriber shall be deemed to be first day of the month of receipt, if they are received by the Director, 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.

Provided that where there has been a delay in the drawal of pay or leave salary and allowances of a subscriber and consequently in the recovery of his subscription towards the fund, the interest on such subscriptions shall be payable from the month in which the pay or leave salary of the subscriber was due under the rules, irrespective of the month in which it was actually drawn.

Provided further that in the case of an amount forwarded in accordance with the proviso to sub rule 2 of Rule 10, the date of deposit shall be deemed to be the first day of the month if it is received by the Director before the 15th day of that month.

(4) In addition to any amount to be paid under Rule 25, 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 become payable, whichever of these periods be less, shall be payable to the person to whom such amount is to be paid.

Provided that where the Director has intimated to that person (or his agent) a date on which he is prepared to make payment, interest shall be payable only upto the end of the month preceding the date so intimated.

(5). Interest shall not be credited to the amount of a subscriber who informs the Director that he does not wish to receive it, but if subsequently asks for interest, it shall be credited w.e.f. the 1st April of the year in which he asks for it.

Rule 13 – Advance from the fund.

(1) The Director may sanction the payment to any subscriber of an advance consisting of a sum of whole rupees and not exceeding an amount of three month's pay or half the amount of subscription and the interest thereon standing to the credit of the subscriber in the fund whichever is less for one more of the following purposes.

(a) To meet the expenses in connection with the illness, confinement or a disability, including where necessary, the travelling expenses of the subscriber or any person actually dependent on him or to repay any outstanding amount on account of a loan expressly taken for the purpose.

(b) To meet the cost of higher education, including where necessary the travelling expenses of any child of the subscriber actually dependent on him, for the following cases, namely :

(i) Education outside India for academic, technical professional or vocational courses beyond the High School stage, and (ii) any medical, engineering or other technical or specialized course in India beyond the High School stage : provided that the course of study is for not less than three years.

(c) To pay expenses in connections with marriages, funerals, or ceremonies, which by the religion of the subscriber it is incumbent upon him to perform: of himself or of his children or of any other person actually dependent on him or to repay any outstanding amount on account of a loan expressly taken for this purpose.

Provided that the condition of actual dependence shall not apply in the case of a son or daughter of the subscriber:

Provided further that the condition of actual dependence shall not apply in the case of advance required to meet the funeral expenses of the parent of a subscriber.

(d) To meet the cost of legal proceedings instituted by the subscriber for vindicating his position in regard to any allegations made against him in respect of any act done for purporting to be done by him in the discharge of his official duty the advance in this case being available in addition to any advance admissible for the same purpose from any other Government source.

Provided that the subscriber furnishes an undertaking to the Director not to encumber or alienate such house or site or house and site as the case may be.

(e) To meet the cost of legal proceedings instituted by the subscriber for vindicating his position in regard to any allegation made against him in respect of any act done or purporting to be done by him in the discharge of his official duty or to meet the cost of his defense when he is prosecuted by the employer, in any court of law in respect of any official misconduct on his part.

Provided that the advance under this clause shall not be admissible to a subscriber who institute legal proceedings in any court of law either in respect of any matter unconnected with his official duty or against the employer in respect of any condition of service or penalty imposed on him.

(f) To purchase consumer durables such as Television, Video Cassette Player/Recorder, Washing Machine, Cooking Range, Geysers, Computers etc.

(2) An advance shall not except for special reasons to be recorded in writing be granted to any subscriber in excess of the limit laid down in sub-rule (1) or until repayment of the last installment of any previous advance.

Provided that an advance shall in no case exceed the amounts of subscriptions and interest thereon standing to the credit of the subscriber in the fund.

Note:-

For the purpose of this rule, 'pay' includes 'dearness pay' where admissible.

(3) More than two advances shall not be granted to a subscriber in the course of a financial year.

(4) A period of not less than six months after the grant of the first advance should elapse for the grant of a second advance to a subscriber from the fund.

(5) A fresh advance shall not be granted to a subscriber from the fund under any circumstances when three advances already granted to him are outstanding repayment.

Note:-

When a third advance is granted to a subscriber from the fund, the sanctioning authority shall, invariably record in the sanction order the full details of the circumstances justifying the grant of the third advance.

(6) Application for the advance against Provident Fund Deposits shall be made in Form B. In respect of subscribers the verification of credit shall be done by the Director with reference to the last credit slip, copies of pay bills, etc.

(7) Sanction for the grant of advance shall be issued in form D.

Note :-

The sanction for an advance shall remain operative for a period of three months only and shall be deemed to have lapsed thereafter unless it is specifically renewed.

(8) Bills for the payment of advance shall be in Form F.

14. Recovery of advance:-

(1) An advance shall be recovered from the subscriber in such number of equal monthly installments as the sanctioning authority may direct, but such number shall not be less than twelve unless the subscriber so elects and more than twenty four. In special cases where the amount of advance exceeds three months pay of the subscriber, the sanctioning authority may fix such number of installments to be more than twenty four but in no case more than thirty six. A subscriber may at his option make repayment in a smaller number of installments than that prescribed. Each installment shall be a number of whole rupees, the amount of the advance being raised or reduced, if necessary, to admit the fixation of such installments.

2) Recovery shall be made in the manner prescribed in rule 10 for the Realization of subscriptions, and shall commence with the issue of pay for the month following the month in which the advance was drawn. Recovery shall not be made, except with the subscriber's consent, while he is in receipt of subsistence allowance or is on leave of any kind either for a full month or for part of a month and may be postponed, on his written request, by the sanctioning authority during the recovery of an advance of pay granted to the subscriber.

3) When an advance is sanctioned under Rule 13 before repayment of last installment of any previous advance is completed, the balance of any previous advance not recovered shall be added to the advance so sanctioned and the installments for recovery shall be fixed with reference to the consolidated amount.

4) 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 forthwith be repaid by the subscriber to the fund, or on in default , be ordered by the Director to be recovered by deduction from the emoluments of the subscriber in a lump sum or in monthly installments not exceeding twelve, as may be directed by the authority competent to sanction an advance for the grant of which, special reasons are required, under sub rule 2 of Rule 13

5) Recoveries made under this rule shall be credited as they are made, to the account of the subscriber in the fund.

15. Wrongful use of advance: - Notwithstanding anything contained in these rules, if the sanctioning authority is satisfied that money drawn as an advance from the fund under rule 14 has been utilized for a purpose other than that for which sanction was given to the drawl of the money, the amount in question shall with interest at the rate provided in rule 10 forthwith be repaid by the subscriber to the fund, or in default, be ordered by the sanctioning authority to be recovered by deduction in one lump sum from the emoluments of the subscriber even if he be on leave. If the total amount to be repaid be more than half the subscriber's emoluments recoveries shall be made in monthly installments of moieties of his emoluments till the entire amount is repaid by him.

Note:- The term 'emoluments' in this rule does not include subsistence allowance.

16. Non-refundable withdrawal from the fund :-

(1) Subject to the condition specified herein, non-refundable withdrawals may be sanctioned by the authorities competent to sanction as advance for special reasons under rule 14, at any time after the completion of ten twenty years of service (including broken periods of service , if any) of a subscriber or within ten years before the date of his superannuation, whichever is earlier, from the amount of subscriptions and interest

thereon standing to the credit of the subscriber 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 subscriber actively dependent on him in the following cases, namely :-

(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 specialized course in India beyond the high school stage, provided that the course of study is for not less than three years.

(b) meeting the expenditure in connection with the marriage of a son or daughter of the subscriber and if he has no daughter, of any other female relative dependent on him, or repaying any outstanding amount on account of a loan expressly taken for this purpose.

(c) meeting the expenses in connection with the illness, including where necessary, the travelling expenses, of the subscriber or any person actually dependent on him or repaying any outstanding amount on account of a loan expressly taken for this purpose.

(d) Purchasing a house-site in the name(s) of the subscriber and /or his wife or repaying any outstanding amount on account of loan expressly taken for the purpose from Government or any other source before the date of application for withdrawal:

Provided that the house to be constructed on the site so purchased is for the actual residence of the subscriber and/or his family.

(e) building a suitable house on a site owned or acquired by the subscriber and/or his wife with or without any assistance from the provident Fund, or acquiring a house together with the site in the name(s) of the subscriber and/or his wife, or repaying any outstanding amount on account of a loan expressly taken by the subscriber and/or his wife from the Government or

any other source for any of these purposes before the date of application for the withdrawal :

Provided that the house is for the actual residence of the subscriber and/or his family: and

- f) Making additions and alternations to or reconstructing or completing, or repairing a house owned or acquired by the subscriber and/or his wife with or without any assistance from the provident fund, or repaying any outstanding amount on account of a loan expressly taken by the subscriber and/or his wife from the Government or any other source for any of the said purposes before the date of application for the withdrawal:-

Provided that the house is for the actual residence of the subscriber and/or his family.

Note:- (i) In respect of a female subscriber, the word 'his' and 'wife' occurring in clauses (d) (e) and (f) above may be read as 'her' and 'husband' respectively.

- (ii) A Subscriber who has availed himself of an advance under any scheme sponsored by the State Government or Central Government for the grant of advances for house building purpose, shall be eligible for the grant of non-refundable withdrawal under clauses (d) (e) and (f) for the purposes specified therein.

- (g) To purchase consumer durables such as Television, Video cassette Player/Recorder, Washing machine, Cooking Range, Geysers, Computers etc.
- (2) Application for the withdrawal from Provident Fund deposits shall be made in Form C.
- (3) The actual withdrawal from the fund shall be made only on receipt of an authorization from the Director who will arrange this as soon as the formal sanction of the sanctioning authority together with Form E duly filled up has been received.

17. Conditions for non-refundable withdrawal:-

(1) Any sum withdrawn by the subscriber at any one time for or more of the purposes specified in rule 17 from the amount standing to his credit in the fund shall not ordinarily exceed one-half of the amount of subscriptions and interest thereon standing to the credit of the subscriber in the fund of six month's pay, whichever is less. The sanctioning authority may, however, sanction the withdrawal of an amount in excess of this limit upto three -fourths of the amount of subscriptions and interest thereon standing to the credit of the subscriber in the fund having due regard to (i) the object for which the withdrawal is being made (ii) the status of the subscriber and (iii) the amount of subscription and interest thereon standing to the credit of the subscriber in the fund:

Provided that (i) in the case of a subscriber who has availed himself of an advance under any scheme sponsored by the State Government or Central Government for the grant of advances for house building purpose the sum withdrawn under this sub-rule together with the amount of advance taken under the aforesaid scheme shall not exceed Rs.3,00,000/- or five years pay which ever is less.

(ii) a subscriber who has been permitted a non-refundable withdrawal from the fund for the purpose of building or acquiring a suitable house for residence at any place will not be permitted to make another non-refundable withdrawal from the fund for any of these purposes or for the purchase of a house-site at the same or another place. In the case of a subscriber who has been permitted a non-refundable withdrawal under rule 17 (1) (d) to purchase a house-site, he will not be permitted to make another withdrawal for acquiring another house site or a house together with site at the same or another place.

(iii) A subscriber who has been permitted under sub-clauses (b) and (e) of Sub-rule (1) or rule 17 to withdraw money from the amount standing to his credit in the fund shall not part with the possession of the house so built or acquired or house site so purchased by way of sale, mortgage, gift, exchange or lease for a term exceeding three years, without the previous permission of the sanctioning authority. He shall submit a declaration not later 31st day of December of every year to the effect that the house or, as the case may be, the house site, continues to be in his possession and shall if so required, produce before the sanctioning authority on or before the date specified by that authority on which his title to the

property is based. If at any time before retirement he parts with possession of the house or house site without obtaining the prior permission of the sanctioning authority, the sum withdrawn by him, shall forthwith be repaid in one lump sum together with interest thereon at the rate determined under rule 10 by the subscriber to the fund and in default of such repayment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in a lump sum or in such number of monthly installments as may be determined by the Director, provided that those subscribers whose deposits in the fund carry no interest shall not be required to pay any interest.

(2) A subscriber who has been permitted to withdraw money from the fund under rule 17 shall satisfy the sanctioning authority within a reasonable period as may be specified by the authority that the money has been utilized 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 lumpsum together with interest thereon at the rate determined by under rule 12 by the subscriber to the fund, an in default of such repayment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in a lumpsum or in such number of monthly installments, as may be determined by the Director.

18. B – Conversion of an advance into a non-refundable withdrawal –

A subscriber who has already drawn or may draw in future an advance under rule 13 for any of the purposes specified in clause (a),(b) and (c) or sub rule (1) of Rule 16 may convert at his discretion, submitting an application in form J, through the sanctioning authority the balance outstanding against it into a non-refundable withdrawal on his satisfying the conditions laid down in Rule 16 and 17.

19. Final withdrawal of accumulations in the fund- when a subscriber quits the service, the amount standing to his credit in the fund shall, subject to any deduction under rule 24, become 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 repay any amount paid to him from the fund in pursuance of this rule, with interest thereon at the rate provided in the rule 12 in the manner provided in the proviso to rule 21. 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 IHRD contribution with interest thereon, being accounted for in the manner provided in rule 6.

Explanation 1 - A subscriber who is granted refused leave shall be deemed to have quitted the service from the date of compulsory retirement.

Explanation 2 - A Subscriber other than one who is appointed on contract or one who has retired from service and is subsequently re-employed, with or without a break in service, shall not be deemed to quit the service when he is transferred without any break in service to a new post in another department of the State Government or under any other State Government or the Central Government. (in which he is governed by another set of Provident Fund rules) and without retaining any connection with his former post. In such a case, his subscription and the contribution, together with interest thereon, shall be transferred -

- a. To this his account in the other fund in accordance with the rules of that fund, if the new post is in another department of the State Government or (b) to a new account under any other State Government of the Central Government if that Government consents, by general or special order, to such transfer of his subscriptions, the IHRD contribution and interest.

Explanation - 3 When a subscriber is transferred without any break, to the service under a body corporate owned or controlled by Government or an autonomous organization, registered under the Societies Registration Act, 1860 or the T.C. Literacy, Scientific and Charitable Societies Registration Act, 1955 the amount of subscriptions and the IHRD contribution, together with interest thereon shall not be paid to him but shall be transferred with the consent of that body to his new Provident Fund Account under that body. Transfers shall

include cases of resignation from service in order to take up appointment under a body corporate owned or controlled by Government or an autonomous organization registered under the Societies Registration Act 1860 without any break or with proper permission of the State Government. The time taken to join the new post shall not be treated as a break in service if it does not exceed the joining time admissible to a Government servant on transfer from one post to another.

Note: – (1) Transfer should be held to include cases of resignations from service in order to take up appointment in another department of the State Government or the Central Government without any break and with proper permission of the State Government. In cases where there has been a break in service, it shall be limited to the joining time allowed on transfer to a different station. The same shall hold good in cases of retrenchments followed by immediate employment whether under the same or different Body/Government.

Note – (2) Interest shall be allowed in these cases in accordance with the provisions of rule 12(4) as if the employee has quitted service. The Director and the Administrative authorities should, however see that transfer or provident fund balance in such cases is effected as early as possible within a period of six months of the transfer of the person concerned.

20. Retention of money in the fund after retirement of subscriber's – Director may allow subscribers who retire from service to retain the amount standing to their credit in the Provident Fund Account concerned, for such period and on such conditions as may be prescribed by them from time to time.

21. Retirement of subscriber _ when an subscriber

(a) has proceeded on leave preparatory to retirement or (b) while on leave, has been permitted to retire or declared by 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 that behalf to the Director, become payable to the subscriber.

Provided that the subscriber, if he returns to duty, shall, if required to do so by Director 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 the rule 12 in cash or securities, or partly in cash and partly in securities, by installments or otherwise, by recovery from his emoluments or otherwise, as may be directed by the authority competent to sanction and advance for the grant of which special reasons are required under sub-rule (2) of rule 13.

22. Procedure on death of subscriber – Subject to any deduction under rule 23 on the death of a subscriber before the amount standing to his credit has become payable or where the amount has become payable before payment has been made.-

i) When the subscriber leaves a family –

(a) If a nomination made by the subscriber in accordance with the provisions of rule 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 the 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, become payable to the member 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 attained 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 – Any sum payable under these rule to a member of the family of a subscriber vests in such member under sub – selection (2) of section 3 of the Provident Funds act, 1925.

(ii) When the subscriber leaves no family, if a nomination made by him in accordance with the provisions of rule 5, in favour of any person or persons subsists, the amount standing to his credit 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 sub – section (2) of section 3 of that Act.

Note – (2) When the subscriber leaves no family and no nomination made by him in accordance with the provisions of rule 5 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 sub-clause (ii) clause (c) of sub section (1) of section 4 of the whole amount or the part thereof to which the nomination does not relate.

23. Deductions – Subject to the condition that no deduction may be made which reduces the credit by more than the amount of any, contribution by the IHRD with interest thereon credited under rules 11 and 12, before the amount standing to the credit of a subscriber in the fund is paid out of the fund, the IHRD may direct the deduction there from 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 re installment in the service be replaced to his credit in the fund :

- b) Any amount, if a subscriber resigns his employment within 5 years of the commencement thereof, otherwise than by reason of superannuation or a declaration by competent medical authority that he is unfit for further service.

- c) any amount due under a liability incurred by the subscriber to IHRD.

Note: - 1) For the purpose of clause (b) of this rule, the period of 5 years shall be reckoned from the commencement of the subscriber's continuous service.

Note :- 2) For the purpose of clause (b) of this rule, resignation from service in order to take no appointment in another department of the State Government or under any other State Government or under the Central Government or an autonomous organization registered under the Societies Registration Act, 1860 or the T.C. Literacy, Scientific and Charitable Societies Registration Act, 1955, without any break and with proper permission shall not be treated as resignation from service.

Note :- 3) The powers of IHRD under this rule may, in respect of the amount referred to in clause (c), also be exercised by the Director and advance for the grant of which special reasons are required under sub rule (2) of rule 13.

PAYMENT

24. Manner of payment of amount in the fund –

1) When the amount standing to the credit of a subscriber in the fund, or the balance thereof after any deduction under rule 23, becomes payable, it shall be the duty of the Director after satisfying himself, when no such deduction has been directed under that rule, that no deduction is to be made, to make payment on receipt of a written application in Form G in this behalf as provided in sub rule (8)

2) if the person to whom under these rules, any amount or policy is to be paid, assigned, reassigned or delivered is a lunatic for whose estate a manager has been appointed in this behalf under the Indian Lunacy Act 1912, the payment or re-assignment or delivery will be made to such manager or not to the lunatic.

3) Any person who desires to claim payment under this rule shall send through the proper authority a written application in Form G in that behalf to the Director. The Director shall, on receipt of the application for closure of Provident Fund Account in Form G along with the necessary documents, close the account.

4) The bill for the drawal of the money shall be in Form F.

5) Payment of the amount withdrawn shall be made in India only. The person to whom the amounts are due shall make their own arrangements to receive payment in India. The authorization in cases where payments are required in places other than the head quarters shall be issued by the Director in Form I.

Note – When the amount standing to the credit of a subscriber has become payable under rule 19, 21, or 22 the Director shall authorize 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.

25.

RULES OF PROCEDURE

Number of account to be quoted at the time of payment of subscription when paying subscription in India either by deduction from emoluments or in cash, a subscriber shall quote the number of his account in the Fund already communicated to him by the Director.

Note: – It shall be the duty of the Director to communicate to the subscriber any change in the number assigned to his account.

26. Annual statement of account to be supplied to subscriber

1) As soon as possible after the 31st March of each year, the Director 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 that date. The Director shall attach to the statement of account an enquiry whether the subscriber.

a) desires to make any alteration in any nomination made under rule 5

b) has acquired a family in cases where the subscriber had made no nomination in favour of a member of his family under the proviso to sub rule (1) of rule 5.

2) Subscribers should satisfy themselves as to the correctness of the annual statement, and errors should be brought to the notice of the Director within three months from the date of receipt of the statement.

3) The Director shall, if required by the subscriber once, but not more than 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.

GENERAL

27. Relaxation of the provision of the rules in individual cases – When the Government are satisfied that the operation of any of these rules causes or is likely to cause undue hardship to a subscriber, they may notwithstanding anything contained in these rules, deal with the case of such subscriber in such manner as may appear to them to be just and equitable.

28. Interpretation – If any question arises relating to the interpretation of these rules, it shall be referred to the Government in the Finance Department whose decision thereon shall be final.

DIRECTOR

CHAPTER V

ADVANCE FROM THE FUND

14. *Temporary Advance.*—(1) A temporary advance for specified purposes in Rule 15 below is granted to a subscriber from the amount standing to his credit in the Fund by Departmental Officers specified by Government from time to time by general or special order. The advance shall be sanctioned to the extent of monetary limit prescribed in the delegation of financial powers of respective departments subject to a maximum of 75% of the balance at credit in the formula $(3a-b)/4$ where 'a' represents the balance at credit and 'b' represents the outstanding balance of the previous advance or advances. The Dearness Allowance or Pay Revision arrears which are specifically ordered for withdrawal after a prescribed period will be excluded from 'a'. The amount for advance should be in Form D and the statement of Deposits and withdrawals shall be in Form E and the sanction of temporary advance shall be in Form F.

(2) No advance shall be granted unless the sanctioning authority is satisfied that the applicant's pecuniary circumstances justify it and that it will be expended on the objects stated in Rule 15 and not otherwise provided that the conditions of actual dependence shall not apply in the case of son or daughter of the subscriber.

15. *Purposes for which Temporary Advance can be sanctioned.*—Temporary advance can be sanctioned.—

(a) to pay expenses in connection with prolonged illness of the applicant and members of his family or any person actually dependent on him or to repay any outstanding amount on account of a loan expressly taken for this purpose.

Note—An advance is permissible to meet.—

- (i) the expenses necessitating prolonged medical attention, prolonged stay in a hospital or protracted treatment; and
- (ii) the circumstances involving expenditure disproportionate to the subscriber's income.

(b) to pay for the overseas passage for reasons of health or education of the subscriber and members of his family or of any person actually dependent on him, and also to meet the cost of education of the subscriber or of any person actually dependent on him, outside India, whether for an academic, technical, professional or vocational courses; or in India for medical, engineering or other technical or specialized courses beyond the High School stage, provided that the duration of the course of study is not less than two years.

(c) Recoveries made under this rule shall be credited as they are made to the subscriber's account in the Fund.

(d) Recoveries towards temporary advance previously granted and outstanding will not be made during the last three months of service. In the case of subscribers who have elected not to subscribe to the Fund during the last one year of service immediately preceding the date of retirement, recoveries towards temporary advance previously sanctioned and outstanding will not be made during the said period.

CHAPTER VI

A. NON-REFUNDABLE WITHDRAWAL

20. Non-refundable withdrawal.—(1) A non-refundable withdrawal for the purposes specified under Rule 21 may be sanctioned to a subscriber from the amount standing to his credit in the Fund by the Departmental Officers specified by Government from time to time by general or special order. The withdrawal can be sanctioned to the extent of monetary limit prescribed in the delegation of financial powers of respective departments subject to a maximum of 75% of the balance at credit. The interval between two non-refundable withdrawals will be three months. The application for non-refundable withdrawal shall be in Form G and the sanction of non-refundable withdrawal shall be in Form H.

(2) It shall be sanctioned to subscribers at any time.—

(a) on completion of ten years of service (including broken periods of service, if any, leave without allowances, suspension, Military and War service which are reckoned for the purpose of pension, pensionable service under Government of India/other State Governments/Aided Educational Institutions, if the Provident Fund deposits and interest thereon during the service has been transferred and credited to the Fund). The period of ad hoc appointment will not be reckoned for computing the ten years of service;

(b) or within ten years if the date of retirement from service on superannuation.

(3) It shall not be sanctioned.—

(a) during the last three months of service.

(b) after exercising option under sub-rule (6) of Rule 28 which permits the subscriber to close the account before retirement.

(c) after proceeding on leave preparatory to retirement from service on superannuation

(d) after submitting closure application.