

VISAKHAPATNAM STEEL PROJECT EMPLOYEES' PROVIDENT FUND TRUST
PROVIDENT FUND RULES

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VISAKHAPATNAM STEEL PROJECT EMPLOYEES' PROVIDENT FUND TRUST
PROVIDENT FUND RULES¹

1. Short Title & Application

These Rules shall be called the Visakhapatnam Steel Project Provident Fund Rules. These Rules come into force with effect from 01.04.1982.

2. Interpretations

In these Rules the following expressions shall unless excluded by or repugnant to their context, have the meaning herein attached to them namely:

- a) 'Board' shall mean the Board of Trustees constituted for administering the Fund under Rule 13.1 and 13.2.
- b) i) 'Company' shall mean Rashtriya Ispat Nigam Limited.
ii) 'Employer' shall mean the Rashtriya Ispat Nigam Limited.
- c) 'Children' shall mean legitimate children and including adopted children, if the Board is satisfied that under the personal law of the member, adoption of a child is legally recognised.
- d) 'Continuous Service' shall mean uninterrupted service under the Company and includes service which is interrupted by sickness, accident whilst on duty, authorised leave, strike which is not illegal or cessation of work not duty to the employee's fault. Note: The period of sickness or interruption due to an accident whilst on duty should be certified by a competent authority under the medical benefits rules of the Company.
- e) 'Employee' shall mean any person who is employed for wage in any kind of work, manual or otherwise in or in connection with the work of the Company and who gets his wages from Company and shall include any person employed by or through a contractor in or in connection with the work of the Company and includes any person engaged as apprentice, not being apprentice engaged under the Apprentice Act, 1961 or under the standing orders of the establishment.
- f) 'Family' means the employee's spouse, legitimate children, step children, deceased son's widow, deceased son's legitimate children, deceased son's step children and dependent parents, sisters and minor brothers.
- g) 'Financial Year' shall mean the year commencing on 1st day of April.
- h) 'Contribution' shall mean any sum credited by or on behalf of any employee out of his salary, or by an employee out of his own moneys, to the individual account of an employee but does not include any sum credited as interest.
- i) 'Commissioner' shall mean the Commissioner of Income Tax having jurisdiction over the accounts of the Fund.
- j) 'Provident Fund Commissioner' shall mean the Commissioner for Employees' Provident Fund appointed under the Employees' Provident Fund Scheme, 1952.
- k) 'Foreign Service' shall mean service in respect of which an employee of the Company receives his pay and other emoluments, with the sanction of the Company from another employer.
- l) 'Fund' shall mean the provident fund constituted by the Company and shall include all moneys from time to time held by or to the account of the Board in pursuance of the provisions herein contained and shall include any investments for the time being made with such moneys.

¹Vide CMD's Approval dated 20.01.05.

- m) 'Managing Director means the person for the time being appointed as Managing Director of the Company and include any other person who is appointed Chief Executive of the Company and/or any person or persons who have been authorised to exercise the powers of the Company/Managing Director on behalf of the Company.
- n) 'Member' means an employee of the Rashtriya Ispat Nigam Limited participating in the Fund.
- o) 'Nominee' or 'Nominees' shall mean in the event of a person having a family, any person or persons belonging to his family and in the event of their absence any person or persons who may be appointed in writing by the member to receive the amount that may become payable from the Fund to the estate of the member in the event of the member's death before the termination of his service with the Company.
- p) 'Pay' shall mean a pay or salary or wages receivable by a member from the Company while on duty or on leave with salary or wages in accordance with the terms of contract of employment including Dearness Allowance (that is to say all cash payments by whatever mean called, paid to an employee on account of a rise/fall in the cost of living), retaining allowance and cash value of food concession etc., but exclusive of any commission, bonus, house rent allowance, overtime allowance, any present made by the Company, special allowance, construction allowance, war allowance or any allowance remuneration or profit whatsoever derived by a member outside his fixed salary or wages, where such allowance, remuneration or profit is paid separately or the entire fixed salary or wages where such allowance or remuneration is merged in the salary or wages.
- q) 'Trustees' shall mean the members of the Board of Trustees constituted for administering the Fund under Rules 13.1 and 13.2.
- r) 'Balance to the credit of an employee' means the total amount to the credit of his individual account in a Provident Fund at any time.
- s) 'Accumulated balance due to an employee' means the balance to his credit or such portion thereof as they may be claimable by him under the regulation of the Fund, on the day he ceased to be an employee of the Employer maintaining the Fund.

All other words and expressions shall have the meaning respectively assigned to them in the Employees Provident Fund Act and the scheme framed thereunder.

Any expression connoting the masculine gender shall include the feminine gender also.

Words importing the singular number shall include the plural number and vice-versa.

The paragraph headings shall not effect the construction thereof.

- t) 'Annual accretion' in relation to the balance to the credit of an employee, means the increase to such balance in any year, arising from contribution and interest.
- u) 'Regulations of a Fund' means the special body of regulations governing the constitution and administration of a particular provident fund.

3. Final Interpretation:

In the absence of any specific provision in these Rules, the corresponding provisions of the Employees Provident Fund Scheme 1952 as amended from time to time shall prevail mutatis mutandis.

4. Establishment of the Fund:

The fund shall be deemed to have been established with effect from June 1, 1981.

5. Modification of the Rules:

- a) The Fund shall be governed by these rules or by such rules as shall form the time being be in force and shall be interpreted by Board of Trustees whose decision shall be final and binding. If there should arise any dispute between the Board of Trustees and a member of the Fund regarding interpretation of any of these Rules, the matter shall be referred to the RPFC concerned for his advice, which shall be final and binding upon both the parties. Provided that where the matter relates to Income Tax the decision of the Commissioner of Income Tax having jurisdiction on the Fund or any other higher authorities shall be binding on both the parties.
- b) The board of Trustees may repeal, add to vary or alter these rules to carry out the statutory amendments in line with the notifications in respect of the Provident Fund Act & Scheme issued by the Provident Fund Authorities. Where any additions or modifications to the rules which are not covered by the PF Act and Scheme and which are more beneficial to the members shall, however be put up to the Board of Directors of the Company for approval subject to the approvals from the Commissioner of Income Tax and Regional Provident Fund Commissioner concerned. Provided that no such addition, alteration or repeal which affects the employees adversely, shall have retrospective effect.
- c) Any amendment to the Scheme, which is more beneficial to the employees than the existing rules of the trust, shall be made applicable to them automatically pending formal amendment of the Rules of the Trust.

6. Membership:

Membership of the fund shall be open to all the employees of the Company working in Rashtriya Ispat Nigam Ltd., excluding those persons as mentioned in (a) & (b). Any person who is employed for wages in any kind of work manual or otherwise, in or in connection with the work of the company and who gets his wages shall be enrolled as member of the trust.

Every employee becoming a member must remain member until he withdraws his accumulation in full from the Fund and must abide by all the rules and regulations which are in force from time to time.

- a) An apprentice, means a person, who according to the certified standing orders applicable to the factory or establishment, is an apprentice or who is declared to be an apprentice by the authority specified in this behalf by the appropriate Government.
- b) Personnel of State and Central Government Department and other industrial concerns working with the Company on foreign service terms.

An application shall be made by each employee in writing to the Company in a declaration of agreement to comply with the Rules of the Fund for the time being in force. The application shall be submitted in a form as may, from time to time be prescribed.

7. Foreign Service or Deputation out of India:

If a member is transferred to foreign service or sent on deputation out of India, he shall retain his membership of the fund, subject to the Rules of the fund, in the same manner as if he were not so transferred or sent on deputation.

8. Transfer from other companies:

In the case of the transfer of the service of an employee (otherwise qualified for membership under Rule 6 hereof) who is either a member of a Provident Fund covered by the provisions of Employees Provident Fund Act 1952 or transferred from any of the Companies or Associations of persons

which maintain a Provident Fund recognised with the Meaning of Section 2(38) of the Income Tax Act 1961 to the Company, the entire amount standing to his credit in the former Provident Fund with such Company or Association of persons (including the employee's contribution and interest thereon) shall be transferred and paid to this provident fund. Nothing in this rule shall be deemed to provide that the amount of such transferred balance shall be taken into account in determining contributions to be made by the Company to the Fund Rule 12.1 hereof so that the Company shall be under no liability whatsoever on such transferred balance to this Provident Fund to make an equivalent contribution to the Fund. Subject as aforesaid any such transferred balance shall be credited to the account of such joining member and be subject to the provisions of the Rules for the time being governing the Fund. Notwithstanding anything contained in Rule 6, an employee who is already a member of Employees Provident Fund Scheme 1952 by virtue of his service under any other employer shall be admitted to compulsory membership to the Provident Fund of the Company from the date of his appointment in the Company or from the date on which these rules come into force whichever is latter and the entire amount standing to his credit in the former Provident Fund shall be transferred and paid to this Fund. An employee, who prior to his appointment in the Company, was a member of Government's GPF, CPF shall be admitted to Compulsory membership of the Provident Fund of the Company from the date of his appointment in the company, provided the entire amount standing to his credit in the former Provident fund is transferred and paid to this Fund.

9. Nominations:

- i) Every employee on becoming a member of the Fund shall make a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the Provident Fund in the event of his death, before that amount become payable or having become payable, has not been paid.
- ii) If an employee nominates more than one person under sub rule (i) he shall, in his nomination, specify the amount or share payable to each of the nominee in such manner as to cover the whole of the amount that may stand to his credit in the Provident Fund.
- iii) Where an employee has a family at the time of making a nomination, the nomination shall be in favour of one or more persons belonging to his family. Any nomination made by an employee in favour of a person not belonging to his family shall be invalid.
Provided that a fresh nomination shall be made by the member on his marriage and any nomination made before such marriage shall be deemed to be invalid.
- iv) If at the time making a nomination the employee has no family, the nomination may be in favour of any person or persons, but if the employee subsequently acquires a family such nomination shall forthwith be deemed to be invalid and the employee may be allowed to make a fresh nomination in favour of one or more persons belonging to his family.
- v) He may at any time, modify a nomination made by an employee after giving a written notice to the trustees. If the nominee predeceases the employee, the interest of the nominee shall revert to the employee, who may thereupon make a fresh nomination in respect of such interest.
- vi) A nomination or its modification shall take effect to the extent that it is valid on the date on which it is received by the Trustees.
- vii) A nomination shall be registered in the books of the Board of Trustees under advice to the member.
- viii) No nomination shall be received for registration after the death of the member.

- ix) When the nomination is wholly or partly in favour of a minor the member may for the purpose of the rules, appoint a major person of his family, as defined in the rule 2(f) to be guardian of the minor nominee in the event of the member predeceasing the nominee.

Provided that where there is no major person in the family the member may at his discretion appoint any other person to be a guardian of the minor nominee.

- x) The signature of the member in the nomination form shall be attested by two witnesses.
- xi) A member may provide in a nomination
- a) In respect of any specified nominee that in the event of his predeceasing the member, 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 the happening of contingency specified therein.
 - c) In case the nominee predecease the member the right conferred on the nominee shall revert to the member until fresh nomination is made.

10. Assets of the Fund:

The fund shall consist of:

- i) Contributions, as specified in Rule 12, received by the Trustees;
- ii) Accumulations thereof;
- iii) Interest credited in respect of such contributions and accumulations;
- iv) Securities purchased therewith;
- v) Any capital gains arising from the transfer of capital assets of the Fund;
- vi) Balance transferred from other Provident Funds where such transfers are permitted by these rules;
- vii) Any contributions made by the Company including payment towards deficiencies if any in interest subject to the provisions of Income Tax Act 1961 and the Income Tax Rules 1962.
- viii) Sums forfeited to the Fund under these rules and no other sums.

11. The assets of the Fund and its administration shall constitute a Trust which shall be irrevocable save with the consent of all the beneficiaries of the Fund and save in cases prescribed by Fourth Schedule Part A of the Income Tax Act 1961. No moneys belonging to the Fund in hands of the Trustees shall be recoverable by the Company under any pretext whatsoever nor shall the Company have any lien or charge of any description on the same.

11.A

- (a) A member shall not be entitled to create a charge or assign any moneys lying to his credit in the Fund. No such charge or assignments shall be deemed valid and the Board of Trustees shall not be bound to recognise such charge or assignment.
- (b) Except as is expressly provided by the Rules no member or any person or persons on his behalf or in respect of his interest in the Fund shall be entitled to claim any payment or money due to him or them.

12. Contribution to the Fund:

12.1The Company shall pay each month to the individual account of a member an amount calculated at the rate prescribed by the Act from time to time as Company's contribution.

Each member shall subscribe monthly to the Fund as at the rate prescribed by the Act from time to time. A member may, if he chooses, subscribe at a rate more than the rate prescribed by the Act without any limit.

In respect of employees who are members under Employee's Pension Scheme, 1995, Employer's share of contribution towards Provident Fund shall be the balance of contribution as determined under para 1 above after deducting contributions to Employees Pension Scheme, 1995.

Each contribution shall be calculated to the nearest rupee (i.e.,) 50 paise or more being counted as the next higher rupee for the purpose of calculating Provident Fund contributions and fraction of a rupee less than 50 paise is to be ignored.

The employer has to transfer the Employees' share and Employer's share of CPF contribution together with refund of withdrawals to the Board of Trustees before 15th of the following month. The company shall be liable to pay simple interest in terms of the provision of section of 7Q of the Act for the delay in payment of any dues towards the Board of Trustees.

12.2The members contribution shall be deducted from the salary or from the wage bills, as the case may be and made available to the Trustees/Family Pension Fund along with the Company's contribution for credit to the individual account of member/Family Pension Fund, before 15th of the month following that in which the member's contribution is deducted from his salary or wages. Provided that if a member quits the service or dies during any month, the contributions of the member and the Company for the period between the close of the preceding month and date of the quitting service or the casualty as the case may be shall be made available to the Trustees/Family Pension Fund within a fortnight after the event, for credit to the member's Account/Family Pension Fund along with the member's contribution deducted from his wage or salary. In the event of any delays in making available the contributions within the time limit as aforesaid the company shall pay penal interest on such contributions at the graded rates specified in Annexure 'A' of these rules. The Company's contribution for a member during his period of leave shall be based on his leave salary or wages and no contribution shall be made by the company for any period of leave or absence without pay.

12.3 Contribution during Foreign Service:

When a member is on foreign service and receives his salary from the foreign employer, the foreign employer shall remit his monthly contributions to the trustees of the Fund/Family Pension Fund. The Company's contribution shall also be payable by the foreign employer.

13.1 Management of the Fund:

The custody, control and management of the Fund shall be vested in a Board of Trustees constituted for the purpose. The company shall bear all the costs, charges and expenses of administering the Fund, and also make good any other loss that may be caused to the Provident Fund due to theft, burglary, defalcation, misappropriation, wrong investment decisions or other reason. The Trustee's remuneration under Rule 13.8 and the expenses incurred by the Trustees in the discharging of their duties shall be paid by the Company.

13.2 Number of Trustees:

13.2(1)¹ The number of trustees of the fund shall not be less than four or more than twelve. Half of the number of the trustees shall be appointed by the Company from amongst the officers employed in managerial or administrative capacity and the remaining half shall be filled by election from amongst the members in an election to be held for the purpose on any working day or if there is a recognised Union, by nomination by the recognised union. The employer shall establish a Board of Trustees under his Chairmanship for the management of the Provident Fund according to such directions as may be given by the Central Government or the Central Provident Fund Commissioner, as the case may be, from time to time. The Provident Fund shall vest in the Board of Trustees who will be responsible for and accountable to the Employees' Provident Fund Organisation, inter-alia, for proper accounts of the receipts into and payment from the Provident Fund and the balance in their custody. For this purpose, the "Employer" shall mean -

- (i) in relation to an establishment, which is a factory, the owner or occupier of the factory; and
- (ii) in relation to any other establishment, the person who, or the authority, that has the ultimate control over the affairs of the establishment.

13.2(2) Disqualification of a Trustee:

A person shall be disqualified from being a trustee of the Board (i) if he is declared to be of unsound mind by a competent court or (ii) if he is an un-discharged insolvent or (iii) if he has been convicted of an offense involving moral turpitude.

13.2(3) Filling of Casual Vacancies:

In the event of a Trustee elected or nominated ceasing to be a trustee during the tenure of the Board, his successor shall be elected or nominated, as the case may be in the manner herein before provided for election or nomination, provided that the trustee(s) so selected, shall hold office for the unexpired term of the Board of Trustees.

13.2(4) Cessation and Restoration of Trusteeship:

A Trustee ceases to be trustee on the Board if he (i) ceases to be an employee of the establishment; (ii) ceases to be the member of the provident fund of the establishment; (iii) is a nominee of the representative of recognised union and the union ceases to be representative or recognised, or (iv) incurs any of the disqualification mentioned in the Rule 13.2.2 or (v) fails to attend three consecutive meetings of the Board without obtaining leave of absence from the Chairman of the Board of Trustees provided that the Chairman of the Board of the Trustees may restore him to trusteeship if he is satisfied that there were reasonable grounds for such absence.

13.3 Meeting of Trustees:

- i) The Board of Trustees shall meet at least once in every three months and shall function in accordance with the guidelines that may be issued from time to time by the Central Government/Central Provident Fund Commissioner (CPFC) or an officer authorised by him.
- ii) At any meeting of the trustees, two trustees shall constitute a quorum provided one of them is from amongst the employees who are members of the Fund. Any decision of a majority at any meeting of the Trustees of which a quorum is present shall be deemed to be a decision of all the Trustees and shall be final and binding on the Trustees. The Chairman shall have a casting vote in addition to and not instead of his own vote as a Trustee.

¹ Amended vide Personnel Policy Circular No.12/2005 dated 8.7.2005.

- iii) If at any meeting, the number of Trustees present is less than the required quorum the Chairman shall adjourn the meeting to a date not later than 7 days from the date of the original meeting informing the Trustees of adjourned meeting, irrespective of the number of trustees present.

13.4 Temporary absence of a Trustee - Powers of Co-Trustees:

If any of the Trustees shall be, at any time, absent from the headquarters, those of the Trustees (not being less than two in number) who shall remain in headquarters shall, during such absence, have full powers to act in the trust hereof as if they were the only Trustees of those present.

13.5 Control of Powers vested in Trustees:

In the matter of any dispute arising under those rules and regulations as to the interpretations thereof the decision of the Trustees shall be final and binding and such decision shall be recorded and signed by the Trustees in a special Minute Book to be maintained for the purpose.

13.6 Responsibility of Trustees:

The function and responsibility of the Trustees shall be to manage the Fund according to these Rules.

13.7 Liability and Indemnification of Trustees:

In the discharge of their duties for the administration of the Fund, the trustees shall be indemnified by the Fund against all proceedings, costs, damages, charges, expenses, claims, demands and liabilities caused otherwise than through their or his negligence or fraud. The Trustees shall not be responsible for any breach of trust committed by co-Trustees or by a banker, broker, or other persons with whom any of the assets of the Fund may have been deposited nor for any loss unless the same happens through their or his own willful act or omission.

13.8 Professional Trustees remuneration:

Any trustee whether hereby or hereafter appointed being a Solicitor, Accountant, Auditor, Broker or other persons engaged in any profession or business shall be notwithstanding his acceptance of the office of the Trustees and his actions in the execution of the trust hereof shall be entitled to charge and be paid all professional or other charges and to receive all pecuniary and other emoluments or remuneration for all business transacted and all attendances, time and trouble given or bestowed by him, his firm, any partner or assistant of his, in or about the execution of the trust hereof including acts which a trustee not being so engaged could have done personally.

13.9 Trustees' Correspondence

All correspondence in relation to the management of the Fund may be conducted by any one of the Trustees on behalf of all the Trustees, receipts for the moneys received by the Trustees may be signed by one of the Trustees on behalf of all the Trustees. Cheques on the banking accounts of the fund may be drawn, signed and/or endorsed by any two Trustees on behalf of all the Trustees.

13.10 Investment of Funds:

The Trustee shall from time to time pay all money received by them to the credit of a Special Account with the State Bank of India or such other Scheduled bank as they shall from time to time determine in accordance with sub section (1) Section 418 of the Companies Act, 1956. All money to the credit of such account shall be dealt with in accordance with these Rules and such account shall be operated on only by cheques bearing the signature of any two Trustees.

The money of the fund not immediately required for the purpose of the fund shall within a period of two weeks from the date the amount of contributions is made available by the Employer be invested in the approved securities in the manner laid down by the Central Government from time to time under the Employee's Provident Fund and Miscellaneous Provisions Act, 1952. The Trustees may authorise the opening of a separate Bank Account with the State Bank of India or such other Scheduled Banks as they shall determine from time to time to deposit moneys towards day to day payments in connection with such instructions issued by them from time to time.

The Board of Trustees of the Fund may delegate powers to any two Trustees to invest the funds of Visakhapatnam Steel Project Provident Fund in Government and other securities and to sell, endorse, transfer, negotiate or otherwise deal with such securities standing in its name.

Failure to make investments as per directions of the Government shall make the Board of Trustees separately and jointly liable to surcharge as may be imposed by the Central Provident Fund Commissioner or his representative.

All the securities shall be obtained in the name of the Trust. The securities so obtained shall be in dematerialized (DEMAT) form maintained in a demat account opened through depository participants approved by Reserve Bank of India and Central Government. All the investment made like purchase of securities and bonds, shall be lodged in the safe custody of depository participants.

The Trust shall intimate to the RPFC the details of depository participants, with whom and in whose safe custody, the investments made in the name of trust have been lodged.

13.11 Realization of Investment:

The Trustees may from time to time withdraw from the Fund such sums as may be required for the purpose of the fund and raise any moneys so required by sale of the investment held by them or of a sufficient part thereof subject to prior approval of the RPFC.

13.12 Accounts:

The following accounts shall be maintained in the books of the funds:

- i) An account of each member in form prescribed consisting of the members' contributions, the company's contributions, interest accrued, withdrawals, repayments, etc., which shall show:
 - a) the member's contribution
 - b) the Company's contribution
 - d) interest on member's contribution, and
 - e) interest on company's contribution.

The accounts of the members shall be maintained electronically and the trust shall periodically transmit the details of the members' accounts electronically as and when directed by the CPFC/RPFC.

- ii) Annual Accretion:

A revenue account showing the credits on account of interest from the investments and other income actually received or accrued upto 31st March of each year and the debits for any proper charge of expenses mentioned in rule 13.1 which, in the opinion of the Board of Trustees, is to be charged to the Fund.

- iii) The Forfeited Contribution Account showing the contribution of the Company and the interest thereon which lapsed to the credit of this account in accordance with Rule 14.14.

- iv) The investment account showing particulars of scrip wise investments made. The trust shall ensure timely realization of interest on investments. Any commission, incentive, bonus or other pecuniary rewards given by any financial or other institutions for the investment made by the Trust should be credited to its account.
- v) Any other account which the Board of Trustees may decide to open for the correct exhibition of the transactions of the Fund.

13.13 Crediting of the interest to the member's account:

- i) The Board of Trustees shall declare interest to be credited to the account of each member, calculated on the monthly running balance of the member at a rate not lower than the rate declared by the Central Government under the provisions in the Act and the Scheme.
- ii) Any deficiency in the interest declared by the Board of Trustees is to be made good by the employer to bring it up to the statutory limit.
- iii) When the amount standing at the credit of a subscriber becomes (a) payable to a member in the middle of the year, interest shall be credited upto the end of the month preceding that in which payment is made at the rate prevailing at the time of transfer or payment, and (b) transferable to any other recognised fund interest shall be allowed at the prevailing rate upto the last day of the month in which it is transferred” and (c) when the amount standing at the credit of a subscriber in the middle of the year on the eve of his superannuation interest shall be credited at the rate prevailing at the time of final settlement upto the last day of the month in which he retires from service.

13.14 Audit of Accounts:

The Board of Trustees shall have the accounts of the Fund audited by a qualified independent Chartered Accountant nominated by the Board every year. The same auditor should not be appointed for two consecutive years and not more than two years in a block of six years. Where considered necessary, the CPFC or the RPFC in charge of the Region shall have the right to have the accounts re audited by any other qualified auditor and the expenses so incurred shall be borne by the company.

A copy of the Auditor's report along with the audited balance sheet should be submitted to the RPFC concerned by the Auditors directly within six months after the closing of the financial year from 1st April to 31st March. The format of the balance sheet and the information to be furnished in the report shall be as prescribed by the Employees' Provident Fund Organisation and made available with the RPFC Office in electronic format as well as a signed hard copy.

13.15 Statement of Accounts to members:

The Trustees shall furnish to each member, free of cost, annual statement of account as shown by the books of the Fund standing to the credit of his account at the date of such Balance Sheet and revenue Account. Such statement shall be accepted as correct and binding on the members save when any manifest error shall be found therein and notified by the member to the Trustees in writing within six months of the statement. Likewise, the Trustees may also correct any errors noticed by them in the account of a member subsequent to the issue of such statement.

The employer shall make necessary provisions to enable all the members see their account balances from the specified computer terminals as and when required by them.

13.16 Annual Reporter of the Administration of Fund:

The Board shall furnish to the Managing Director of the Company each year not later than a date to be fixed by him a report on the administration of the Fund during the previous Financial Year together with a copy of the Auditor's Report.

13.17 Copies of Rules:

The Board shall supply to each employee of the Company on becoming a member, a copy of these rules free of cost and shall also exhibit a copy of these rules on the Notice Board of the Company. Supply of further copies shall be on payment of such cost as may be prescribed, by the Board. The employer shall display on the notice board of the establishment, a copy of the rules of the funds as approved by the appropriate authority and as and when amended thereto along with a translation in the language of the majority of the employees.

13.18 Closing and winding up of Fund:.

It shall be lawful for the Board of Trustees at any time on giving notice of three calendar months, in writing to all members of the fund and to the Company to wind up the fund. This shall, however, be done with the permission of Provident Fund Commissioner and the Commissioner of Income Tax. Upon winding up of the Funds, the amounts standing to the credit of the members in Provident Fund shall be dealt with according to the directions of Provident Fund Commissioner.

On closure of the company or liquidation or cancellation of exemption from EPF Scheme 1952, the depository participant shall transfer the investments obtained in the name of the Trust and standing to its credit to the RPFC directly on receipt of request from the RPFC to that effect.

13.19 Distribution of Assets on Closing and Winding:

On the closing and winding of the Fund, the Trustees shall realise the assets at their disposal and shall, after liquidating all liabilities, if any, of the fund distribute the balance among the members on a prorata basis.

13.20 Inspection by Income Tax Authorities and the Provident Fund Commissioner:

The accounts of the Fund shall be open to inspection at all reasonable times, by Income Tax Authorities and the Trustees shall furnish to the Income Tax Officer such abstracts thereof as the Central Board of Direct Taxes may prescribe. Likewise, the accounts of the fund shall be open to inspection at all reasonable times by the Provident Fund Commissioner or any officer authorised by him in this behalf and the Trustees shall provide such facilities for inspection and pay such inspection charges as the Central Government may from time to time direct under clause (a) of sub-section (3) of section 17 of the Act within 15 days from the close of every month.

The Board of Trustee shall file such returns monthly/annually as may be prescribed by the Employees' Provident Fund Organisation within the specified time-limit, failing which it will be deemed as a default and the Board of Trustees shall be liable for suitable penal action by the Employees' Provident Fund Organisation.

13.21 Undertaking by the Board of Trustees:

i) The company and the member of the Board of Trustees, at the time of grant of exemption, shall furnish a written undertaking to the RPFC in such format as may be prescribed from time to time, inter alia, agreeing to abide by the conditions which are specified and this shall be legally binding on the company and Board of Trustees, including their successors and assignees, or such conditions as may be specified later for continuation of exemption.

ii) The company and the Board of Trustees shall also give an undertaking to transfer the funds promptly within the time limit prescribed by the concerned PRFC in the event of cancellation of exemption. This shall be legally binding on them and will make them liable for prosecution in the event of any delay in the transfer of funds.

14 Participation in Benefits:

14.1 Payment of cessation of membership:

A member of the fund shall continue to be a member of the fund until he withdraws his accumulation in full from the fund. The amount so withdrawn by him or on his behalf from the fund shall be ascertained on separate and distinct basis in the manner indicated in paragraphs 14.2 to 14.10 infra.

14.2 On the retirement from Service by the Company at any time at or after the age of Superannuation shall be paid the full amount standing to his credit in this Fund as at the date of retirement. For this purpose of this sub-rule, a member shall be deemed to have attained the age of superannuation on completing the age of 58 years or such other age as may be prescribed by the Company Rules.

14.2A On Voluntary retirement from the Company:

A member who has retired voluntarily from the services of the company as per voluntary retirement scheme of the Company as amended from time to time shall be permitted to withdraw the full amount standing to the credit in the fund as on the date of voluntary retirement.

14.3 On termination of service through ill-health:

In the event of any member being discharged permanently from service on account of permanent and total incapacity for work due to bodily or mental infirmity duly certified by the Medical Officer of the Company or as a result of his becoming permanently incapacitated owing to injury sustained while in service of the Company through no fault or carelessness or negligence on his part or if a member's service is terminated on account of continued illness not due to his own fault, negligence or carelessness (as to which the decision of the Medical Officer nominated by the Company shall be final) he shall be entitled to the whole amount standing to the credit of his account as at the date of his discharge from service.

14.4 On migration from India:

A member may withdraw the full amount standing to his credit in the Fund immediately before migration from India for permanent settlement abroad.

14.5 On discharge due to reduction in establishment:

A member may withdraw the full amount standing to his credit in the fund on termination of service in the case of mass or individual retrenchment. A member may withdraw the full amount standing to his credit in the fund in any of the following contingencies, provided the actual payment shall be made only after completing continuous period of not less than six months immediately preceding the date which a member makes the application for withdrawal.

- i) Where a factory or other establishment is closed out certain employees who are not retrenched are transferred by the company, to other factory or establishment not covered under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

- ii) Where a member is transferred from a covered factory or other establishment to another factory or other establishment not covered under the EPF Act, but is under the Company and
- iii) Where a member is discharged and is given retrenchment compensation under the Industrial Disputes Act, 1947 (14 of 1947).

14.6 On termination of the Contract of Service:

In the event of a member ceasing to be in the service of the Company because of the termination of his contract of service shall be entitled to the whole amount standing to the credit of his account as of the date of the termination of the contract.

14.7 Voluntary Resignation or Retirement

14.7.1 On the Voluntary resignation of any member from the service of the Company with its written consent and without existence of any cause justifying his dismissal, the Trustees shall pay him the full amount standing to his credit in the fund on ceasing to be an employee in any establishment to which the Act applies, provided that he has not been employed in any factory or other establishment to which the act applies, for a continuous period of not less than 2 months immediately preceding the date on which he makes the application for withdrawal.

The requirement of 2 months waiting period shall not however, apply in cases of female member resigning from the service of the establishment for the purpose of getting married.

14.8 On the death of a member whatever his length of service the Trustees shall pay the whole amount standing to the credit of the member at his death, including the Company contribution with interest thereon to the person or persons entitled to receive the same.

14.9 On transfer to other Companies:

In the event of a member being transferred permanently to any other organisation or Government Department the amount standing to the credit of his account in the Fund may be transferred with his concurrence to the credit of his account in the Provident Fund, if any, maintained by such other organisation or Government Department provided that the Fund of the said other organisations is recognised within the meaning of Sec.2(38) of the Income Tax Act, 1961. Thereupon the rules of such Provident Fund shall apply to the member or to such transferred amount and the rules of this Provident Fund shall cease to apply accordingly. Where a member ceases to be employed in the Company and takes up employment in any other establishment to which the Employees' Provident Fund Act applies the balance in his account shall be transferred to the Trustees of the Provident Fund in such establishment.

14.10 When amount standing to the credit of a member becomes payable or transferable under the provision of Rule 14.1 to 14.09 it shall be the duty of the Trustees to make prompt payment after the claim notice is received. The trustees shall close the account of the member as soon as the amount is payable indicating the date on which he can take payment in cash or cheque or a cheque will be sent to him.

14.11 Accumulations of a deceased member to whom payable:

On the death of member before the amount standing to his credit has become payable under rule 14.8 hereof or where the amount has become payable but payment has not been made:

- i) If a nomination made by the member in accordance with rule 9 subsists, the amount standing to his credit in the Fund or that part thereof to which the nomination relates shall become payable to his nominees in accordance with such nominations or

- ii) If no nomination subsists or if the nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which the nomination does not relate, as the case may be, shall become payable to the members of his family in equal shares, provided that no shares shall be payable to:
 - a) Sons who have attained majority.
 - b) Sons of deceased son who have attained majority.
 - c) Married daughter whose husband is alive.
 - d) Married daughters of a deceased son whose husbands are alive.

If there is any member of the family other than those specified in clause (a), (b), (c) and (d) provided further that the 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 not attained the age of majority at the time of the member's death.

- iii) In any case to which the provisions clause (i) and (ii) do not apply the whole amount shall be payable to the person legally entitled to it under the provisions of Employees' Provident Fund Scheme, 1952 as amended from time to time.

EXPLANATION:

For the purpose of this paragraph a member's posthumous child, if born alive shall be treated in the same way as a surviving child born before the member's death.

- iv) The amount of PF accumulations standing to the credit of a deceased member shall be paid to his nominee(s)/legal heir(s) under sub-rules (i) to (iii) on production of valid Estate Duty Clearance Certificate from the Estate Duty Officer concerned. Provided, however the production Estate Duty Clearance Certificate shall not be insisted upon in cases where the amount payable does not exceed Rs.10,000/- and the following conditions are fulfilled:
 - i) The claimant has submitted an affidavit stating that the property passing on the death of the deceased member does not attract Estate Duty and
 - ii) The claimant has submitted an Indemnity Bond, undertaking to indemnify the Board of Trustees against any liability arising on account of Estate Duty that may arise due to payment of Provident Fund accumulations without insisting upon the production of Estate Duty Clearance Certificate.

14.12 Extent of Member's Claim:

Except as is by these rules expressly provided, no member or any persons on his behalf or in respect of his interest in the Fund shall be entitled to claim any payment of member to him or them.

A member shall not be entitled to transfer or assign any money lying to his credit in the Fund. No such transfer or assignment shall be deemed valid and the Trustees shall not be bound to recognise the said transfer or assignment.

The amount standing to the credit of any member in the fund shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the member. Any amount standing to the credit of a member in the fund at the time of his death and payable to his nominee under the rules of the fund shall, subject to any deduction authorised by the said rules, vest in the nominee and shall be free from any debt or other liability incurred by the deceased or the nominee before the death of the member.

14.12.1. Mode of Payment:

The payment may be made, in the option of the person to whom payment is to be made, (i) by postal money order, or (ii) by deposit in the payee's bank account in any Scheduled Bank or Co-operative Bank (including the Urban Co-operative Banks) or any post office or (iii) by deposit in the payee's name the whole or part of the amount in the form of annuity term deposits scheme in any Nationalised Bank, or (iv) through the employer.

All the claims for withdrawals, advances and transfer should be settled expeditiously, within the maximum time frame prescribed by the Employees' Provident Fund Organisation.

14.13 Certificate of balance due to a member:

The amount payable to any member or to the nominee or representatives of any deceased member under any of the provisions of these rules shall be sufficiently ascertained and determined in accordance with these rules by a certificate under the hands of the trustees and such certificate shall be final and binding on all the parties, provided if any member, nominee or representative of a deceased member feels aggrieved, he shall have a right to appeal to the RPFC, before the certificate is made final and bind.

14.14 Forfeiture:

The money in the Forfeited contribution Account shall be spent on the following purposes:

- i) Adhoc payment of Rs.30/- to the heirs of a deceased member as an aid for procuring a succession or guardianship certificate for getting Provident Fund dues if such certificate is necessary.
- ii) For meeting money order commission/or remittance from the Provident Fund Trust to the outgoing members/their heirs.
- iii) For declaration of the rate of interest so that it is not lower than that fixed under the Employees' Provident Fund Schemes.
- iv) Reimbursement of the cost of medical treatment in respect of a member either in part or in whole subject to a maximum of Rs.100/- per member at any time at the discretion of the Trustees.
- v) Payment of sum to the nominees/heirs of a deceased member provided that the total amount including the sum proposed to be paid does not exceed Rs.1000/- (Rupees One Thousand only)

15. Withdrawals from Provident Fund:

15.1 Non refundable withdrawal:

- (a) No member may be permitted to make a withdrawal of any part of the moneys for the time being standing to the credit of his account except for any of the purpose and within limit laid down in the Indian Income Tax Rules 1962, relating to recognised Provident Fund for the time being in force provided that the withdrawal for meeting expenditure on building or purchasing a house or site for a house, shall be allowed only if a member has completed atleast 5 years of membership of the fund and if his own total contributions with interest thereon to his credit in fund is rupees one thousand and more, provided that withdrawal mentioned above shall be subject to the following conditions.

- (b) The Board of Trustees may on an application from a member in such form as may be prescribed and subject to the conditions prescribed in the paragraph, sanction from the amount standing to the credit of the member in the fund as advance-
- (i) For purchasing a dwelling house/flat in a building owned jointly with others (outright or on hire purchase basis) or for constructing a dwelling house including the acquisition of a suitable site for the purpose from the Central Government, the State Government, a Co-operative Society, an Institution, a trust, a local body or a Housing Finance Corporation (herein after referred to as the agency/agencies);
 - (ii) for purchasing a dwelling site for the purpose of construction of a dwelling house or a ready built dwelling house/flat from any individual, provided the said house/flat to be purchased is new and un-lived one;

OR

- (iii) for the construction of dwelling house on a site owned by the member or the spouse of the member or jointly by the member and the spouse, or for completing/continuing the construction of a dwelling house already commenced by the member or the spouse on such site, or for purchase of a house/flat in the joint name of the member and spouse under clauses (i) & (ii) above.

EXPLANATION:

In this paragraph the expression Co-operative Society means society registered or deemed to be registered under the Co-operative Societies Act 1912 (2of 1912) or under any other law for the time being in force in any state relating to Co-operative Societies.

OR

- (iv) The Chairman of the Trust, may on an application from a member, sanction from the amount standing to the credit of the member in the fund, an advance for the repayment, wholly or partly, or any outstanding principal and interest of a loan obtained in the name of the member or spouse of the member or jointly by the member and spouse from a State Government, Registered Co-operative Society, State Housing Board, Nationalised Bank, Public Financial Institution, Municipal Corporation or a body similar to Delhi Development Authority solely for the purpose specified in para 15(b)(i),(ii) and (iii) of the Visakhapatnam Steel Project Employees' Provident Fund Rules. Further,
 - (a) the member should produce a certificate or such other document as may be prescribed by the Chairman of the Trust indicating the particulars of the member, the loan granted, the outstanding principal and interest of the loan and such other particulars as may be required.
 - (b) the payment of the advance under this paragraph shall be made direct to the agency on receipt of an authorisation from the member in such manner as may be specified by the Chairman of the Trust and in no event the payment shall be made to the member.
- (c) (i) For the purpose of a site for construction of house thereon, the amount of withdrawal shall not exceed the members basic wages and dearness allowance for twenty four months or the member's own share of contributions, together with the employer's share of contributions with interest thereon or the actual cost towards the acquisition of the dwelling site whichever is the least.

- (ii) For the purpose of acquisition of a ready built house/flat or for construction of a house/flat, the withdrawal shall not exceed the member's basic wages and dearness allowance for thirty six months or the member's own share of contribution together with the employer's share of contribution with interest thereon or the total cost of construction, whichever is the least.
- (d) (i) No advance under this paragraph shall be granted unless:
- (A) the member has completed five years membership of the Fund,
 - (B) the member's own share of the contributions with interest thereon in the amount standing to his credit in the Fund is not less than one thousand rupees,
 - (C) a declaration from the member that the dwelling site or the dwelling house/flat or the house under construction is free from encumbrances and the same is under the title of the member/or the spouse.
- (ii) No advance shall be granted for purchasing a share in the joint property for constructing a house on a site owned jointly except on a site owned jointly with the spouse.
- (e) Subject to the limitations specified in sub-paragraph (3)
- (i) Where the advance is for the purchase of a dwelling house/flat or a dwelling site from an agency, referred to in clause (i) of sub-paragraph (b), the payment of advance shall not be made to the member, but shall be made direct to the agency, in one or more installments, as may be authorised by the member;
 - (ii) Where the advance is for the construction of a dwelling house, it may be sanctioned in such number of installments as Board of Trustees thinks fit;
 - (iii) Where the advance is for the acquisition of a dwelling site for the purpose of construction of a dwelling house thereon from any individual or any agency, the amount shall be paid in not less than two equal installments, the first installment at the time of the acquisition of dwelling site and the remaining at his request at the time construction of a dwelling house on such dwelling site.
- (f) Where an advance is sanctioned for the construction of a dwelling house, the construction shall commence within six months of the withdrawal of the first installment and shall be completed within 12 months of the withdrawal of the final installment. Where the advance is sanctioned for the purchase of dwelling house/flat or for the acquisition, of dwelling site, the purchase or acquisition as the case may be, shall be completed within six months of the withdrawal of the amount;
- Provided that this provisions shall not be applicable in case of purchase of a dwelling house/flat on hire purchase basis and in cases where a dwelling site is to be acquired or houses are to be constructed by a co-operative society on behalf of its members with a view to their allotment to the members.
- (g) Except in the cases specified in sub-paragraph (h) and (h)(a) and (h)(b) no further advance shall be admissible to a member under this paragraph.
- (h) An additional advance upto six months' basic wages and dearness allowance or the member's own share of contributions with interest thereon, in the amount standing to his credit in the fund, whichever is less, may be granted once and in one installment only, for addition, substantial alterations or improvements necessary to the dwelling house owned by the member or by the spouse or jointly by the member and the spouse;

Provided that the advance shall be admissible only after a period of five years from the date of completion of the dwelling house.

- (ha) A further withdrawal equivalent to the amount of difference the amount of withdrawal admissible to a member under sub-paragraph © above as on the date of fresh application and the amount of withdrawal that was drawn by a member under this paragraph any time during 6 years preceding 03.10.1981, may be granted to such a member (i) who had availed the earlier withdrawal for purchase of a dwelling site and has now proposed to construct a dwelling house on the land so purchased or (ii) who had availed the earlier withdrawal for making initial payment towards the allotment/purchase of a house/flat from any agency as referred to in clause (b) of sub-paragraph (i) above and has now proposed to avail a withdrawal for completing the transaction to get the sole ownership of the house/flat so purchased or (iii) who had availed the earlier withdrawal for construction of a house but could not complete the construction in the time due to lack of funds.
- (hb) A further withdrawal upto 12 months basic wages and dearness allowance, or member's own share of contributions with interest thereon, in his account, whichever is the least, may be granted for addition, alteration, improvement or repair of the dwelling house owned by the member or by the spouse or jointly by the member and the spouse, after ten years of withdrawal, under sub-paragraph (h) of VSPEPF Trust Rules.
- i) —omitted—
- (j) (i) If the advance granted under this paragraph exceeds the amount actually spent for the purpose for which it was sanctioned, the excess amount shall be refunded by the member to the Fund in one lump sum within 30 days of the finalisation of the purchase, or the completion to the construction of or necessary additions, alterations or improvements, to a dwelling house, as the case may be. the amount so refunded shall be credited to the employer's share of contributions in the member's account in the fund, to the extent of advance granted out of the said share and the balance, if any, shall be credited to the member's share of contributions in this account.
- (ii) In the event of the member not having been allotted a dwelling site/dwelling house/flat or in the event of cancellation of an allotment made to the member and of the refund of the amount by the agency, referred to in clause (i) of sub-paragraph (b) or in the event of the member not being able to acquire the dwelling site or house, the member shall be liable to refund to the Fund in one lump sum and in such manner as may be specified by the Board of Trustees or where so authorised by the Board of Trustees, the amount of advance remitted under this paragraph to him or, as the case may be, to the agency referred to in clause (i) of sub-paragraph (b).

The amount so refunded shall be credited to the employer's share of contributions in the member's account in the Fund, to the extent of advance granted out of the said share, and the balance, if any, shall be credited to the member's own share of contributions in his account.

- (k) If Board of Trustees is satisfied that the advance granted under this paragraph has been utilised for a purpose other than that for which it was granted or that the member refused to accept on allotment or to acquire a dwelling site or that the conditions of advances have not been fulfilled or that there is reasonable apprehension that they will not be fulfilled, wholly or partly, or that the excess amount will not be refunded in terms of clause (i) of sub-paragraph (j) or that the amount remitted back to the member by any agency, referred to in clause (i) of sub-paragraph

(b), will not be refunded to in terms of clause (b) of sub-paragraph (j) the Board of Trustees shall forthwith take steps to recover the amount due, with penal interest thereon at the rate of two per cent per annum from the wages of the member in such number of installments as the Board of Trustees may determine. For the purpose of such recover, the Board of Trustees may direct the employer to deduct such installment from the wages of the member, and on receipt of such directions, the employer shall deduct accordingly. The amount so deducted shall be remitted by employer to the Board of Trustees within such time and in such manner as may be specified in the direction. The amount so refunded excluding the penal interest, shall be credited to the employer's share of contributions in the member's account in the fund, to the extent of advance granted out of the said share, and the balance, if any, shall be credited to the member's own share of contributions in his account. The amount of penal interest shall however, be credited to the Interest Suspense Account.

- (l) Where any advance granted under this paragraph has been misused by the member, no further advance shall be granted to him under this paragraph within a period of three years from the date of grant of the said advance or till the full recovery of the amount of the said advance, with penal interest thereon, whichever is later.
- (m) (i) The trust may, on an application from a member, authorise payment to him or her of a non-refundable advance/payment withdrawal from his or her provident fund account not exceeding fifty per cent of his or her own share of contribution with interest thereon, standing to his or her credit in the fund on the date of such authorisation, for his or her own marriage, the marriage of his or her daughter, son, sister or brother or for the post matriculation education of his or her son or daughter.
- (ii) No advance under this paragraph shall be sanctioned to a member unless:
- a) he has completed seven years' membership of the fund; and
 - b) the amount of his share of contributions with interest thereon standing to his credit in the fund is rupees one thousand or more;
- (iii) Not more than three advances shall be admissible to a member for this purpose.
- (n) Withdrawal within one year before retirement:- The Commissioner, or, where so authorised by the Commissioner, any officer subordinate to him, may, on an application from a member in such form as may be prescribed, permit withdrawal of upto 90% of the amount standing at his credit, at any time after attainment of the age of 54 years by the member or within one year before his actual retirement on superannuation which ever is later.

15.2 Refundable Withdrawals:

Circumstances in which withdrawals may be permitted:

Withdrawals by members may be allowed by the Trustees of the Fund in the following circumstances:

- (a) to pay expenses incurred in connection with the illness of the member or a member of his family;
- (b) to meet the cost of higher education including where necessary the traveling expenses of any child of the member actually dependent on him in the following circumstances:
 - (i) education outside India for academic, technical or specialised course in India beyond the High School stage, provided the course of study is for not less than three years.

- (c) to pay for the cost of passage to a place out of India of a member or any member of his family.
- (d) to meet expenses in connection with funeral or religious ceremonies and in connection with the marriage of the member or in connection with the marriage of any of the individuals belonging to the Member's family.
- (e) to meet the cost of legal proceedings instituted by a member for vindicating his position in regard to any allegation made against him in respect of any act done by him in the discharge of his official duty or to meet the cost of his defence when he is prosecuted by the Company in any court of law in respect of any official mis-conduct on his part provided that the withdrawal under this clause shall not be admissible to a member who instituted legal proceedings in any court of law either in respect of any matter unconnected with his official duty or against the company in respect of any conditions of service or penalty imposed on him.

15.3 Conditions for withdrawals for various purposes:

- (a) The withdrawal in connection with expenses on marriage as specified in clause (d) of sub-rule (2) shall not exceed eight months' pay of the total of the accumulation of the member's exempted contribution and exempted interest there on lying to the credit of the member, whichever is less.
- (b) The withdrawal for the purpose specified in clause (c) of sub rule (2) shall not exceed three months pay or Rs.500/- whichever is greater but shall in no case exceed half the amount to the credit of the member.
- (c) The withdrawal for any other purpose referred to in sub-rule (2) shall not exceed five months' pay or the total of the accumulation of the member's exempted contribution and exempted interest thereon lying to the credit of the member, whichever is less.

15.4 Second withdrawal:

A second refundable withdrawal shall be permitted only after the first advance is fully repaid.

15.5 Repayment of amount withdrawn:

Where a refundable withdrawal is allowed in connection with marriage as specified in clause (d) of sub-rule (2) the amount withdrawn shall be repaid in not more than 64 (sixty four) equal monthly installments. Where withdrawal is allowed for any other purpose, the amount withdrawn shall be repaid in not more than 40 (forty) equal monthly installments.

15.6 Recovery of interest on Refundable withdrawals:

In respect of withdrawals referred to in Rule 15.2 interest shall be paid in accordance with the following tables:

Where the amount is repaid in not more than 12 monthly installments. One additional installment of four percent on the amount withdrawn. Where the amount is repaid in more than 12 but not more than 24 monthly installments. Two additional installments of four percent on the amount withdrawn. Where the amount is more than 24 but not more than repaid in 36 monthly installments. Three additional installments of four percent on the amount withdrawn. Where the amount is repaid in more than 36 but not more than 48 monthly installments. Four additional installments of four percent on the amount withdrawn. Where the amount is refunded under clause (vii) sub-rule (2) of 69. Four percent of the amount which is refundable.

Provided that at the discretion of the trustees of the fund interest may be recovered on the amount aforesaid or the balance thereof outstanding from time to time at one percent above the rate which is payable for the time being on the balance in the fund at the credit of the employees.

The employer shall deduct the instalments aforesaid from the employees' salary, and pay them to the trustees of the fund. These deductions shall commence from the second monthly payment of salary made after the withdrawal of, in the case of an employee on leave without pay, from the second monthly payment of salary made after his return to duty.

15.7 The company shall deduct the installments aforesaid from the member's salary and pay them to the trustees of the Fund. These deductions shall commence from the second monthly payment of salary made after withdrawal or in the case of a member on leave without pay, from the second monthly payment of the salary made after his return to duty.

15.8¹ to pay premia on policies of insurance on the life of the employee provided that the policy is assigned to the trustees of the fund or at their discretion deposited with them and that the receipt granted by the insurance company for the premia and from time to time handed over to the trustees for inspection by the Income Tax Officer.'

16. Family Pension Scheme & EDLI:

The employees family pension scheme and Employee Deposit Linked Insurance Scheme as framed by the Central government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, shall be applicable to all members of the Fund to whom the above said Act is applicable.

17. In case of any change of legal status of the company which has been granted exemption, as a result of merger, demerger, acquisition, sale, amalgamation, formation of a subsidiary, whether wholly owned or not, etc., the exemption granted shall stand revoked and the company should promptly report the matter to the RPFC concerned for grant of fresh exemption.

18. In case, there are more than one unit/establishment participating in the common Provident Fund Trust which has been granted exemption, all the trustees shall be jointly and separately liable/responsible for any default committed by any of the trustees/ company of any of the participating units and the RPFC shall take suitable legal action against all the trustees of the common Provident Fund Trust.

19. Notwithstanding anything contained in these regulations:

- (a) If any benefit admissible under the provisions of these rules is less beneficial than the benefits admissible under the provisions of the EPF Scheme 1952, or
- (b) If any of the Provisions of these rules are in conflict with the provisions of EPF Scheme 1952 then the provisions of EPF Scheme shall prevail to the extent to which the provisions of these rules are less beneficial or are in conflict with the provisions of the EPF Scheme, 1952.

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¹Amended vide Personnel Policy Circular No.9/2005 dated 14.6.2005.