

EMPLOYEES' FAMILY PENSION SCHEME, 1971

CONTENTS

1. Short title, commencement and application.
2. Definitions.
3. Membership of the family pension fund
4. Option for joining this scheme
- 4A. Option for joining the Scheme In cases of belated compliance of the statutory provisions.
5. Regional Committee.
6. Retention of membership.
7. Resolution of doubts.
8. Special grant by Central Government.
9. Family pensions fund.
10. Payment of contribution.
- 10 A. Recovery of damages for default In payment of any contribution.
- 10B. Terms and conditions for reduction or waiver of damag\\es.
11. Employers share not to be deducted from the members.
12. Recovery of a members share of contribution.
13. Particulars to be supplied by persons already employed at the time of the commence- ment of the Family Pension Fund.
14. Preparation of contribution cards.
- 14A. Currency of contribution cards.
15. Duties of employers.
16. Employer to furnish particulars of ownership.
17. Duties of contractors.
18. Allotment of account numbers.
19. Declaration by persons taking up employment after the fund has been established.
20. Administration Account.
21. Family Pension-cum-Life Assurance Fund Account.
22. Investment.
23. Disposal of the fund.
24. Supply of information to Central Government.
25. Forms and manner of maintenance of accounts.
26. Audit.
27. Maintenance of Family Pension Fund Account.
28. Rate of family pension
- 28A. Supplementary relief to pensioners.
29. Family pension to whom payable.
30. Commencement of payment of Family Pension.
31. Life Assurance Benefits.
- 31A. Disposal of contribution in respect of members of the Family

- Pension Fund who do not qualify for benefits under this Scheme.
- 31B. Payment of Family Pension and assurance benefits in the case of a person charged with the offence of murder.
32. Retirement-cum-Withdrawal Benefits.
33. Withdrawal benefit.
34. Family pension and other benefit for members entering Family Pension Fund after attaining age of 25 years.
- 34A. Payment of Family Pension and other benefits in certain cases.
- 34B. Simultaneous payment of benefits.
- 34C. Rounding up of the benefits
- 34D. Valuation of the family pension fund and review of the rules of contribution and the quantum of the family pension and other benefits.
35. Disbursement of family pension and other benefits.
36. Registers, records, etc.
37. Power to issue directions.
38. Miscellaneous.
39. Application of the provisions of the Scheme.
40. Special provisions relating to factories or other establishments in respect of which applications for exemption are received.
41. Punishment for failure to submit return, etc.

SCHEDULE A :- A

SCHEDULE B :- B

SCHEDULE 1 :- 1

SCHEDULE 2 :- 2

SCHEDULE 3 :- 3

SCHEDULE 4 :- 4

EMPLOYEES' FAMILY PENSION SCHEME, 1971

In exercise of the powers conferred by section 6A of the Employees' Provident Funds and Family Pension Fund Act, 1952 (19 of 1952), the Central Government hereby makes the following Scheme, namely :-

1. Short title, commencement and application. :-

(1) This Scheme may be called the Employees' Family Pension Scheme, 1971. (2) The provisions of this Scheme shall be deemed to have come into force on the 1 st day of March, 1971.

1 [(3) Subject to the provisions of section 16 and sub-section (1A) of section 17 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 , this Scheme shall apply to the employees of

all factories and other establishments to which the said Act applies or is applied under sub-section (3), or sub-section (4) of section 1 or section 3 thereof.]

1. Substituted by the Employees' Family Pension (Second Amendment) Scheme, 1978. Earlier existing sub-para (3) was amended by the Employees' Family Pension (Second Amendment) Scheme, 1972.

2. Definitions. :-

In this Scheme, unless the context otherwise requires:-

(a) 'Act' means the Employees' Provident Funds and Family Pension Fund Act, 1952 (19 of 1952);

(b) 'family' means-

(i) wife in the case of a male member of the Family Pension Fund ;

(ii) husband in the case of a female member of the Family Pension Fund; and

(c) 'Family pension' means a regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund, in the event of his death during the period of reckonable service ;

(d) 'Form' means a Form appended to this Scheme;

(e) 'pay' means basic wages, with dearness allowance and retaining allowance, if any, and cash value of food concessions admissible if any:

(f) 'reckonable service' means service rendered by a member of the Family Pension Fund in respect of which contributions are payable under this Scheme [and includes any period of service in respect of which no wages are drawn by such member on account of temporary closure of the establishment, strike, lock-out or leave without pay, or for any other reason, of a similar nature or otherwise, and in respect of which contributions (both the member's and employer's shares) are payable by diversion from his Provident Fund Account as provided in sub- paragraph (2A) of Paragraph 9 of this Scheme [and also includes any period of service in respect of which wages are drawn but no contributions are payable in terms of sub-paragraph (4) of Paragraph 9 and which shall be deemed to have been paid for purposes of Paragraphs 28.31 and 32 of this Scheme]: Provided that no period of service,

in respect of which no wages are drawn by a member,-

(i) after the name of the member has been struck off from the rolls of the employer of the member; or

(ii) ¹ [***]

(iii) after there ceases to be any amount in the fund or in the provident fund of an exempted establishment, as the case may be, lying to the credit of the member concerned, shall be treated as reckonable service;]

(g) all other words and expressions shall have the meanings respectively assigned to them in the Act or the Employees' Provident Funds Scheme, 1952 .

1. Omitted by the Employees' Family Pension (Amendment) Scheme, 1988, w.e.f, 1-4-1988.

3. Membership of the family pension fund :-

Subject to sub-paragraph (3) of paragraph I, this Scheme shall apply to every employee-

(a) who becomes a member of the Employees' Provident Fund or of Provident Funds of factories and other establishments exempted under section 17 of the Act on or after the 1st day of March, 1971;

(b) who has been a member of the Employees' Provident Fund or of Provident Funds of factories and other establishments exempted under section 17 of the Act immediately before the commencement of this Scheme and opts to exercise his option under paragraph 4: ¹[Provided that an employee who attains the age of more than ² [59] years on the date on which he would, but for this proviso, have become eligible for membership or have been required to become a member of this Scheme shall not be eligible for membership under this Scheme.]

1. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1972.

2. Substituted for "58" by the Employees' Family Pension (Amendment) Scheme, 1982, w.e.f. 1-4-1982.

4. Option for joining this scheme :-

(1) Every employee who is a member of the Employees' Provident Fund or of Provident Funds of factories and other establishments exempted under section 17 of the Act, immediately before the commencement of this Scheme, shall have the option to join this

Scheme.

(2) The option referred to in sub-paragraph (1) shall be exercised in Form 1 within a period of ¹[six months] from the 1st day of March, 1971.

²[(2A) Persons employed in seasonal factories or seasonal establishment may exercise in Form I the option referred to in sub-paragraph (1) on or before the ³[30th day of April, 1972.]

⁴[(2B) Persons employed in factories and establishments which were lying closed as on the date this Scheme applied to them or which may have closed before the date or the extended date stipulated for exercise of option expired may exercise in Form I the option ⁵[referred to in sub-paragraph (1)-

(a) where such factories or establishments were reopened after the 30th September, 1972, and before the commencement of the Employees' Family Pension (Amendment) Scheme, 1975, within three months of such commencement; and

(b) where such factories or establishments were reopened after commencement of the Employees' Family Pension (Amendment) Scheme, 1975, within three months of such reopening]:

⁶[(2C) Employees referred to in sub-paragraph (1), who were out of employment till the expiry of the stipulated date for exercise of option referred to in sub-paragraph (2) may also exercise the option in Form I on or before the 30th November, 1973.]

⁷[(2D) In so far as the employees in respect of "lignite Mines" specified in the notification of Government of India in the Ministry of Labour GSR No. 31, dated the 16th December, 1978, which came into force on 6th January, 1979, the option, if any exercised by them in accordance with the provisions of Paragraph 4 of the Coal Mines Family Pension Scheme, 1971 framed under the Coal Mines Provident Funds and Miscellaneous Provisions Act, 1948, shall be deemed to be an option exercised under the Employees' Family Pension Scheme, 1971 .]

⁸[(2E) The employees referred to in sub-paragraph (1), who has not earlier exercised their option to join the scheme may now exercise their option to join the scheme at any time during their membership of the Employees' Provident Fund:

(3) It shall be the duty of every employer to get the option referred to in sub-paragraph (1) exercised by every member to whom the option is given within the time specified in sub-paragraph (2).

9 [(4) The option referred to in sub-paragraph (2E), shall be exercised in Form-1 and it shall be the duty of the employer to forward this option to the Commissioner within fifteen days from the date of the exercise of option.]

1. Substituted for "three months" by the Employees' Family Pension (Amendment) Scheme, 1971, w.e.f. 1-6-1971.

2. Inserted by the Employees' Family Pension (Third Amendment) Scheme, 1971, w.e.f. 1-9-1971.

3. Substituted for "31st day of December, 1971" by the Employees' Family Pension (Fourth Amendment) Scheme, 1971, w.e.f. 24-12-1971.

4. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1972.

5. Substituted for "referred to in sub-para (1) on or before the 31st December, 1972" by the Employees' Family Pension (Amendment) Scheme, 1975, w.e.f. 30-8-1975.

6. Inserted by the Employees' Family Pension (Third Amendment) Scheme, 1973, w.e.f. 1-9-1973,

7. Inserted by the Employees' Family Pension (Amendment) Scheme, 1987.

8. Inserted by the Employees' Family Pension (Amendment) Scheme, 1988, w.e.f. 1-4-1988.

9. Inserted by the Employees' Family Pension (Amendment) Scheme, 1988, w.e.f. 1-4-1988.

4A. Option for joining the Scheme In cases of belated compliance of the statutory provisions. :-

(1) Every employee who is enrolled on or after the 1st day of March, 1971, as a member of the Employees' Provident Fund or of Provident Funds of factories and other establishments exempted under section 17 of the Act from a date prior to the 1st day of March, 1971 on account of belated compliance of the statutory provisions by the employer either through an omission or otherwise for the whole establishment or in the case of any individual employee shall also have the option to join this Scheme.

(2) The option referred to in sub-paragraph (1) shall be exercised in Form-I within a period of 3 months from the date on which the employer recovers the first Provident Fund contribution in respect of such employee or employees as the case may be, provided that in respect of such employees in whose respect the first Provident

Fund Contribution has been already recovered, the option shall be exercised within a period of 3 months from the date this amendment comes into force.

(3) It shall be the duty of every employer to get the option referred to in sub-paragraph (1) exercised by every member to whom the option is given within the time specified in sub-paragraph (2).]

5. Regional Committee. :-

The Regional Committee set up under paragraph 4 of the Scheme shall advise the Central Board, on such matters, in relation to the administration of this Scheme, as the Central Board may refer to it from time to time and in particular, on-

(a) progress of recovery of contributions, under this Scheme, both from factories and establishments exempted under section 17 of the Act and other factories and establishments covered under the Act;

(b) expeditious disposal of prosecutions;

(c) speedy settlement of claims relating to family pension and other benefits under this scheme.

6. Retention of membership. :-

A member of the Family Pension Fund shall continue to be a member of the Family Pension Fund till he attains the age of 60 years or till he retires or quits the service and withdraws or becomes entitled to withdraw the benefits to which he is entitled under this Scheme or dies during the period of reasonable service, whichever is the earliest: ¹[Provided that where there has been a break in the membership of the Family Pension Fund on account of closure of an establishment, strike, lock-out, leave without pay, retrenchment, resignation, termination, discharge or for any other such reason [***] either under the same establishment or under different establishments covered under the Act ²[***] such member, if he has not withdrawn the benefit to which he is entitled under this Scheme and his provident fund accumulations under the Employees' Provident Funds Scheme, 1952 , or the Provident Fund Scheme of an exempted establishment, as the case may be, shall continue to be a member of the Family Pension Fund: Provided further that such breaks during which no contributions to the Family Pension Fund are payable shall be excluded from the total reckonable service ³ [***].]

1. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1973, w.r.e.f. 1-3-1971.
2. The words "and the period of such break between two spells of reckonable service" and "does not exceed one year", respectively, omitted by the Employees' Family Pension (Amendment) Scheme, 1990, w.r.e.f. 1-4-1988.
3. The words "in the manner specified in sub-paragraph (2) of paragraph 34A" omitted by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.

7. Resolution of doubts. :-

If any question arises whether an employee is entitled to become a member of the Family Pension Fund, the decision thereon of the Regional Commissioner shall be final: Provided that no decision shall be given unless both the employer and the employee have been heard.

8. Special grant by Central Government. :-

The Central Government shall meet the entire cost of the administration of this Scheme. For this purpose, the Central Government shall pay, in addition to the contribution specified in paragraph 9 such further sums as may be determined by it under section 6B of the Act in consultation with the Commissioner, into the Family Pension Fund to meet the expenses, such as pay, allowances, contingent expenditure, gratuities and compassionate allowance, pensions and contributions to provident fund and other benefits payable or admissible to the staff and officers employed either wholly or partly for the administration of this Scheme. The Central Government shall also meet the proportionate expenses of capital nature as also pro-rata share of the expenses incurred in connection with the Central Board of Trustees or Regional Committee's work or both as may be properly chargeable to the administration of this Scheme. Such payment shall be made in such manner as may be prescribed by the Central Government in consultation with the Central Board.

9. Family pensions fund. :-

¹[(1) From and out of the contributions payable by the employer and the employees in each month under section 6 of the Act ²[or under the rules of the provident fund of the establishment which is exempted under either section 17(1)(a) or section 17(1)(b) of the Act or whose employees are exempted under either paragraph 27 or 27A of the Employees' Provident Funds Scheme, 1952] a part of the contribution, representing $1 \frac{1}{6}$ per cent of the employees pay

along with an equivalent amount of 1 1/6 per cent from and out of the employer's contribution shall be remitted by the employer to the Family Pension Fund ²[within fifteen days of the close of every month] by a separate Bank Draft or cheque on the account of Family Pension Fund contribution in such manner as may be specified in this behalf by the Commissioner. The cost of the remittance, if any, shall be borne by the employer.]

(2) The Central Government shall also contribute at the rate of 1 1/6 per cent of the pay of the members of the Family Pension Fund and credit the contribution to the Family Pension-cum-Life Assurance Fund in the Public Account of the Government of India.

⁴[(2A) The Commissioner or in the case of an exempted establishment the authority in-charge of the provident fund of that establishment, on being satisfied that there is a period of service without wages which is to be treated as reckonable service, under sub-paragraph (f) of paragraph 2 of this Scheme, shall remit to the Family Pension Fund, from and out of the amounts contributed respectively by the employer and employee and lying to the member's credit together with interest thereon, in the Fund or in the provident fund of the exempted establishment, as the case may be, an amount equal to the contributions payable at the rates specified in sub-paragraph (1) by the employer and the employee for the said period and the Central Government shall also contribute for the said period an amount equal to the contributions payable at the rates specified in sub-paragraph (2).]

(3) The contributions payable under sub-paragraphs (1) and (2) shall be calculated on the basis wages, dearness allowances (including the cash value of any food concession) and retaining allowance, if any, actually drawn during the whole month whether paid on daily, weekly, fortnightly or monthly basis ³[and the contributions payable under sub-paragraph (2A) shall be calculated on the basis of the basic wages, dearness allowance (including the cash value of any food concession) and retaining allowance, if any, drawn during a whole month immediately preceding the period of service without wages, whether paid on daily, weekly, fortnightly or monthly basis]: ⁶[Provided that where the pay of a member employed in a newspaper establishment as defined in S.2 of the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955, or in an establishment other than the ⁷[rupees ⁸[five thousand] per month, the contribution payable by

the members and by the employer and the Central Government shall be limited to the amount payable on his pay per month (including dearness allowance, cash value of any food concession and retaining allowance, if any, actually drawn of ⁵[rupees ⁶[five thousand] only.]

(4) Each contribution payable under sub-paragraphs ¹¹[(1), (2) and (2A)] shall be calculated to ¹² [the nearest rupee, 50 paise or more to be counted as the next higher rupee and fraction of a rupee less than 50 paise to be ignored.]

1. Substituted by the Employees' Family Pension (First Amendment) Scheme, 1972, w.r.e.f. 1-3-1971.

2. Inserted by the Employees' Family Pension (Amendment) Scheme, 1992, w.e.f. 19-9-1992.

4. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1976, w.r.e.f. 1-3-1971.

6. Substituted by the Employees' Family Pension (Third Amendment) Scheme, 1983, w.e.f. 1-4-1983. Earlier proviso was inserted by the Employees' Family Pension (Amendment) Scheme, 1973, w.e.f. 24-3-1973.

7. Substituted for "rupees two thousand and five hundred" by the Employees' Family Pension (Second Amendment) Scheme, 1990, w.e.f. 1-11-1990. Earlier these words were substituted for "rupees one thousand six hundred" by the Employees' Family Pension (Amendment) Scheme, 1985, w.e.f. 1-9-1985.

8. Substituted for "three thousand and five hundred" by the Employees' Family Pension (Second Amendment) Scheme, 1994, w.e.f. 1-10-1994.

11. Substituted for "(1) and (2)" by the Employees' Family Pension (Second Amendment) Scheme, 1976, w.r.e.f. 1-3-1971.

12. Substituted for "the nearest quarter of a rupee, 12.5 paise or more to be counted as the next higher quarter of a rupee" by the Employees' Family Pension (Second Amendment) Scheme, 1983, w.e.f. 1-4-1983.

10. Payment of contribution. :-

(1) The employer shall, in the first instance, pay both the contribution payable, to the Family Pension Fund by himself and also, on behalf of the member of the Family Pension Fund employed by him directly or by or through a contractor, the contribution payable to the Family Pension Fund by such member.

(2) In respect of employees employed by or through a contractor, the contractor shall recover the contribution payable to the Family Pension Fund by such employees and shall pay to the principal employer the said amount together with an equal amount of

contribution payable to the Family Pension Fund by the employer.

(3) It shall be the responsibility of the principal employer to pay both the contribution payable to the Family Pension Fund by himself in respect of the employees directly employed by him and also in respect of the employees employed by or through a contractor.

10A. Recovery of damages for default In payment of any contribution. :-

(1) Where an employer makes default in the payment of any contribution to the Family Pension Fund or in the payment of any charges payable under any other provisions of the Act or the Scheme, the Central Provident Fund Commissioner or such officer as may be authorised by the Central Government, by notification in the Official Gazette, in this behalf, may recover from the employer by way of penalty, damages at the rates given below:-

Period of default	Rate of damages
	(% of arrears per annum)
(a) Less than two months	17
(b) Two months and above but less than four months	22
(c) Four months and above but less than six months	27
(d) Six months and above	37

(2) The damages shall be calculated to the nearest rupee, 50 paise or more to be counted as the nearest higher rupee and fraction of a rupee less than 50 paise to be ignored.

10B. Terms and conditions for reduction or waiver of damages. :-

The Central Board may reduce or waive the damages levied under section 14B of the Act in relation to an establishment specified in the second proviso to section 14B , subject to the following terms and conditions, namely:-

(a) in case of a change of management including transfer of the undertaking to workers' co-operative and in case of merger or amalgamation of the sick industrial company with any other industrial company, complete waiver of damages maybe allowed;

(b) in cases, where the Board for Industrial and Financial

Reconstruction, for reasons to be recorded in its scheme, in this behalf recommends, waiver of damages up to 100 per cent may be allowed;

(c) in other cases, depending on merits, reduction of damages up to 50 per cent may be allowed.]

11. Employers share not to be deducted from the members.

:-

Notwithstanding any contract to the contrary, the employer shall not be entitled to deduct the employer's contribution payable to the Family Pension Fund from the wage of a member of the Family Pension Fund or otherwise to recover it from him.

12. Recovery of a members share of contribution. :-

(1) The amount of contribution paid by the employer or a contractor on behalf of a member of the Family Pension Fund shall, notwithstanding the provisions in this Scheme or any law for the time being in force or any contract to the contrary, be recoverable by means of deduction from the wages of the member of the Family Pension Fund and not otherwise: Provided that no such deduction may be made from any wage other than that which is paid in respect of the period or part of the period in respect of which the contribution to the Family Pension Fund is payable: Provided further that the employer or a contractor shall be entitled to recover the employee's share from a wage other than that which is paid in respect of the period for which the contribution to the Family Pension Fund has been made or is payable where the employer has in writing given a false declaration at the time of joining service with the said employer or a contractor that he was not already a member of the Family Pension Fund: Provided further that where no such deduction has been made on account of an accidental mistake or a clerical error, such deduction may, with consent in writing of the Inspector, be made from the subsequent wages.

(2) Deductions made from the wages of a member of the Family Pension Fund paid on daily, weekly or fortnightly basis should be totalled up to indicate the monthly deductions.

(3) Any sum deducted by an employer from the wage of an employer under this Scheme shall be deemed to have been entrusted to him for the purpose of paying the contribution to the Family Pension Fund in respect of which it was deducted.

13. Particulars to be supplied by persons already employed at the time of the commencement of the Family Pension Fund. :-

Every person who is entitled to become a member of the Family Pension Fund shall be asked forthwith by his employer to furnish and shall, on such demand, furnish to him, for communication to the Commissioner, particulars concerning himself and his family in Form 2 ¹ [as prescribed under the Employees' Provident Funds Scheme].

1. Inserted by the Employees' Family Pension (Amendment) Scheme, 1991, w.e.f. 1-9-1991.

14. Preparation of contribution cards. :-

The employer shall prepare a Family Pension Fund contribution card, in respect of every employee in his employment who has become a member of the Family Pension Fund.

14A. Currency of contribution cards. :-

The contribution cards issued under this Scheme shall be current for one year: Provided that the said period of one year may commence and terminate at such different times in different factories or any other establishment, as may be decided by the Commissioner from time to time: Provided further that the cards issued,-

(a) in respect of the first contribution period; or

(b) in respect of the contribution period immediately preceding the date from which the establishment is notified as an annually posted establishment, may be for a period which may be less or more than a year.]

15. Duties of employers. :-

(1) Every employer shall send to the Commissioner, within fifteen days of the commencement of this Scheme, a consolidated return ¹[in such form as the Commissioner may specify] of the employees entitled to become members of the Family Pension Fund showing the basic wage, retaining allowance, if any, and dearness allowance including the cash value of any food concession paid to each of such employees: Provided that if there is no employee who is entitled to become a member of the family pension fund, the employer shall send a 'NIL' return.

²[(2) Every employer shall send to the Commissioner within fifteen days of the close of each month a return, ³[in Form 5 of the Employees' Provident Fund Scheme], of the employees:

(a) qualifying to become members of the Family Pension Fund for the first time during the preceding month together with declaration in Form 2(EPF) furnished by such qualifying employees; and

(b) leaving service of the employer during the preceding month **32C** [in copy of the Wages Payment Register]: Provided that if there is no employee qualifying to become member of the fund for first time or there is no employee leaving service of the employer during the preceding month, the employer shall send a 'NIL' return.]

[(2A) Every employer shall send to the Commissioner within twenty-five days of the close of the month, a monthly abstract in such form as the Commissioner may specify showing, inter alia, the aggregate amount of recoveries made from the wages of all the members and the amount contributed by the employer in respect of such members. The employer shall maintain in his record, duplicate copies of the Annual Contribution Statement for production at the time of inspection by an Inspector.

(2B) Every employer shall send to the Commissioner within one month of the close of the period of currency a consolidated Annual Contribution Statement, in such form as the Commissioner may specify, showing the total amount of recoveries made during the period of currency from the wages of each member and the total amount contributed by the employer in respect of each such member for the said period together with contribution cards. The employer shall maintain in his record duplicate copies of the Annual Contribution Statement for production at the time of inspection by an Inspector.]

(3) Every employer shall maintain an inspection note book for an Inspector to record his observations on his visit to the establishment.

(4) Every employer shall maintain such accounts in relation to the amounts contributed to the Family Pension Fund by him and by his employees as the Central Board may, from time to time, direct and it shall be the duty of every employer to assist the Central Board in making such payments from the Family Pension Fund to his employees as are sanctioned by or under the authority of the

Central Board.

(5) Notwithstanding anything hereinbefore contained in this paragraph, the Central Board may issue such directions to the employers generally as it may consider necessary or proper for the purpose of implementing this Scheme, and it shall be the duty of every employer to carry out such directions.

1. Inserted, by the Employees' Family Pension (Amendment) Scheme, 1992, w.e.f.19-9-1992.

2. Substituted, by the Employees' Family Pension (Amendment) Scheme, 1992, w.e.f.19-9-1992.

3. Substituted for "in such form as the Commissioner may specify" by the Employees' Family Pension (Amendment) Scheme, 1994, w.e.f. 1-3-1994.

32c. Inserted by the Employees' Family Pension (Amendment) Scheme, 1994, w.e.f. 1-3-1994,

16. Employer to furnish particulars of ownership. :-

Every employer in relation to a factory or other establishment to which the Act applies or is applied hereafter shall furnish to the Regional Commissioner, particulars of all the branches and departments, owners, occupiers, directors, partners, managers or any other person or persons who have the ultimate control over the affairs of such factory or establishment and also send intimation of any change in such particulars, within fifteen days of such change, to the Regional Commissioner, by registered post.

17. Duties of contractors. :-

Every contractor shall, within seven days of the close of every month, submit to the principal employer a statement showing the recoveries of contributions to the Family Pension Fund in respect of employees employed by or through him and shall also furnish to him such information as the principal employer is required to furnish under the provisions of this Scheme to the Commissioner.

18. Allotment of account numbers. :-

(1) For the purposes of this Scheme, the members of the Family Pension Fund shall retain the account numbers, if any, allotted to them under the Scheme. If there is no such number, fresh numbers will be allotted by the Commissioner.

(2) Separate Account numbers will be allotted to such members of the Family Pension Fund employed in a factory or establishment exempted under section 17 of the Act as are covered by this

Scheme.

19. Declaration by persons taking up employment after the fund has been established. :-

The employer shall before taking any person into employment, ask him to state in writing whether or not, he is a member of the Family Pension Fund and if he is, ask for his account number and the name and particulars of the last employer. If he is unable to furnish the account number, he shall require such person to furnish and such person shall, on demand, furnish to him for communication to the Commissioner, particulars regarding himself and his family in Form No. 2.

20. Administration Account. :-

A separate account shall be kept, called the "Family Pension Administration Account", for the recording of all the administrative expenses of the Family Pension Fund.

21. Family Pension-cum-Life Assurance Fund Account. :-

The aggregate amount received as the employers' and the employees' contributions and also the Central Government's contributions to the Family Pension Fund including the contributions made by the Central Government under section 6B of the Act towards meeting the administrative expenses involved in the implementation of this Scheme shall be credited to an account called the "Family Pension-cum-Life Assurance Fund Account".

22. Investment. :-

(1) All moneys belonging to or standing to the credit of the Family Pension Fund Account shall be kept in deposit with the Central Government in the Public Account.

(2) The Central Government shall allow interest at the rate not less than ¹ [8 1/2 per cent] per annum.

1. Substituted for "7 1/2 per cent" by the Employees' Family Pension (Second Amendment) Scheme, 1988, w.e.f. 1-4-1988. Earlier this expression was substituted by the Employees' Family Pension (Second Amendment) Scheme, 1981, w.e.f. 1-4-1981.

23. Disposal of the fund. :-

(1) All payments on account of family pension and other benefits under this Scheme shall be chargeable against the said Account.

(2) Subject to the provisions of the Act and this Scheme, the

Family Pension-cum-Life Assurance Fund Account not including therein the Family Pension Administration Account, shall not, except with the previous sanction of the Central Government be ¹ [a member of the Family Pension Fund or persons belonging to his family or persons entitled to receive his provident fund accumulations]

1. Substituted for "the members of the Family Pension Fund or persons belonging to his family" by the Employees' Family Pension (Second Amendment) Scheme, 1973, w.r.e.f. 1-3-1971.

24. Supply of information to Central Government. :-

The Commissioner shall furnish such information to the Central Government from time to time in respect of the incomings and outgoings from the Family Pension Fund Account as may be asked for and in such manner as may be directed by the Central Government.

25. Forms and manner of maintenance of accounts. :-

The Central Board shall maintain the accounts of its income and expenditure including its administrative account in Form 3 and Form 4 and the balance-sheet in Form 5. The account shall be balanced on the thirty-first March each year.]

26. Audit. :-

The accounts of the Family Pension Fund, including the administrative expenses incurred in running this Scheme, shall be audited in accordance with the instructions issued by the Central Government in consultation with the Comptroller and Auditor-General of India. The charges on account of such audit shall be paid out of the Family Pension Fund.

27. Maintenance of Family Pension Fund Account. :-

The account called the "Family Pension-cum-Life Assurance Fund Account" referred to in para 21 shall be opened and maintained by the Commissioner in such manner as may be specified by the Central Board with the approval of the Central Government.

28. Rate of family pension :-

(1) In the case of a member who being a member of the Family Pension Fund ¹[***] dies during the period of reckonable service before attaining the age of 60 years, family pension shall be paid at the rates specified in the Table below subject to the condition that

²[he has contributed to the Family Pension Fund for a period of not less than ³[three months].]

⁴[TABLE

(2) Where an employee who has been a member of this Family Pension Fund for a period not less than 7 years dies during the period of reckonable service, the above rate of family pension shall be subject to the following modifications;-

(a) for a period of 7 years from the date of death or till the date on which the member of the Family Pension Fund would have reached the age of 60 years had he remained alive, whichever period is shorter, the family pension payable shall be at ⁵[the rate specified in the Table plus 20 per cent of the pay of the member as determined for the purpose of sub-paragraph (1)] subject to a maximum of twice the family pension mentioned in the Table.

(b) The family pension payable after the expiry of the period referred to in clause (a) shall be the same as in the Table:

⁶Provided that the Family Pension shall not be in any case be less than Rs. 60 per month.]

(3) ⁷ [***]

1. The words "at the age of 25 years or less" omitted by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.

2. Substituted for "he has been a member of the Family Pension Fund for a period of not less than 2 years" by the Employees' Family Pension (Amendment) Scheme, 1982, w.e.f. 1-4-1982.

3. Substituted for "one year" by the Employees' Family Pension (Second Amendment) Scheme, 1989, w.r.e.f. 1-4-1988,

4. Substituted by the Employees' Family Pension (Second Amendment) Scheme, 1992, w.e.f. 1-4-1992. Earlier the existing Table was substituted by the Employees' Family Pension (Amendment) Scheme, 1988, w.e.f. 1-4-1988

5. Substituted for "50 per cent of pay as determined for the purpose of sub-paragraph (1)" by the Employees' Family Pension (Amendment) Scheme, 1988, w.e.f. 1-4-1988. Earlier these words were substituted by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.

6. Inserted by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.

7. Omitted, by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.. Earlier sub-paragraph (3) was inserted by the Employees' Family Pension (Second Amendment)

Scheme, 1973, w.r.e.f. 1-3-1971.

28A. Supplementary relief to pensioners. :-

On and from the date of coming into force of the Employees' Family Pension (Amendment) Scheme, 1982, the Central Government may grant to the pensioners in receipt of the monthly family pension, supplementary additions at such rates and in such manner as may be notified from time to time.]

29. Family pension to whom payable. :-

Subject to the provisions of paragraph 28 of this Scheme, the family pension is payable-

(a) to the widow or widower up to the date of death or re-marriage whichever is earlier;

¹ [b) failing (a), to the children in the order of their birth and the younger of them shall not be eligible for family pension unless the elder next above him or her has become ineligible for the grant of pension : Provided that in the case of the male child, the family pension shall be payable up to the age of 25 years and in the case of the female child family pension shall be payable up to the age of 25 years or her marriage, whichever is earlier.]

1. Substituted for existing clauses (b) and (c) by the Employees' Family Pension (Amendment) Scheme, 1991, w.e.f. 1-9-1991.

30. Commencement of payment of Family Pension. :-

Family Pension shall become payable from the day immediately following that on which a member of the Family Pension Fund dies.]

31. Life Assurance Benefits. :-

¹[***] Where a member of the Family Pension Fund ²[who has contributed to the Family Pension Fund ³[or a period of not less than ⁴[three months] dies during the period of reckonable service, a lump sum of Rs. 5,000] as life assurance benefit shall be payable to his family in the order indicated in paragraph 29 ⁵[and where the member has not left a family, the life assurance benefit shall be payable to the person or persons entitled to receive his provident fund accumulations, in the proportion in which the said accumulations may be payable under the provisions of the Employees' Provident Funds Scheme, 1952, or the provident fund rules applicable to the exempted establishment, as the case may be] : ⁶ [***]

1. The words "Subject to the provisions of Paragraph 34 of this Scheme", omitted, by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.
2. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1971.
3. Substituted for "for a period of not less than two years' by the Employees' Family Pension (Amendment) Scheme, 1982, w.e.f. 1-4-1982.
4. Substituted for "one year dies during the period of reckonable service a lump sum of Rs. 2,000" by the Employees' Family Pension (Second Amendment) Scheme, 1989, w.r.e.f. 1-4-1988.
5. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1973, w.r.e.f. 1-3-1971.
6. Provisos omitted by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983. Earlier existing provisos were substituted by the Employees' Family Pension (Second Amendment) Scheme, 1973, w.r.e.f. 1-3-1971

31A. Disposal of contribution in respect of members of the Family Pension Fund who do not qualify for benefits under this Scheme. :-

(1) Where a member of the Family Pension Fund dies before contributing to the Family Pension Fund for a minimum period of ¹[three months]. The amount of his contributions credited to the Family Pension Fund together with interest thereon at the rate of ²[5 1/2 per centum per annum up to the 31st March 1981, ³[7 1/2 per cent per annum up to 31st March 1988, and 8 1/2 per cent per annum thereafter]] shall be refunded to a member of his family who would have been entitled to receive family pension under ⁴[and where the member has not left a family, the amount shall be payable to the person or persons entitled to receive his provident fund accumulations, in the proportion in which the said accumulations may be payable under the provisions of the Employees' Provident Funds Scheme, 1952, or the provident fund rules applicable to the exempted establishment, as the case may be.]

(2) A separate register of all refunds under sub-paragraph (1) shall be kept by the Regional Commissioner.]

1. Substituted for "one year" by the Employees' Family Pension (Second Amendment) Scheme, 1989, w.r.e.f. 1-4-1988. Earlier, "two years" was amended by the Employees' Family Pension (Amendment) Scheme, 1982, w.e.f. 1-4-1982.
2. Substituted for "5 1/2 per cent per annum" by the Employees' Family Pension (Third Amendment) Scheme, 1982, w.r.e.f. 1-4-

1981,

3. Substituted for "and 7 1/2 per cent per annum thereafter" by the Employer's Family Pension (Amendment) Scheme, 1989, w.e.f. 25-3-1989.

4. Inserted by the Employees' Family Pension (Second Amendment) Scheme, 1973, w.r.e.f. 1-3-1971.

31B. Payment of Family Pension and assurance benefits in the case of a person charged with the offence of murder. :-

(1) If a person, who in the event of the death of a member of the Family Pension Fund is eligible to receive Family Pension of the deceased under Paragraph 29 or assurance benefit under Para 31 is charged with the offence of murdering the member or for abetting the commission of such an offence, his claim to receive Family Pension or Life Assurance benefit shall remain suspended till the conclusion of the criminal proceedings instituted against him for such offence.

(2) If on the conclusion of the criminal proceedings referred to in sub-paragraph (1), the person concerned is,-

(a) convicted for the murder or abetting in the murder of the member, he shall be debarred from receiving Family Pension and Life Assurance benefit which shall be payable to other eligible members if any, of the family of the member; or

(b) acquitted of the charge of murder or abetting the murder of the member, Family Pension and Life Assurance benefit shall be payable to him.]

32. Retirement-cum-Withdrawal Benefits. :-

(1) On attaining the age of 60 years or on cessation of membership from the Family Pension Fund before attaining the age of 60 years for reasons other than death, [benefit at the rates specified in the Schedule appended to the scheme shall accrue to the member of the Family Pension Fund] subject to the condition that he has contributed to the Family Pension Fund for a period of not less than one year :- TABLE ¹[***]

(2) In the event of cessation of membership from the Family Pension Fund before the completion of one year reckonable service the contribution of the member of the Family Pension Fund credited to the Family Pension Fund, together with interest thereon ² [8 1/2] per cent per annum shall be refunded to him.

(3) Where a member of the Family Pension Fund to whom any amount has become payable under sub-paragraph (1) or (2) as the case may be, dies before the amount has been actually paid to him, the amount shall be payable to a member of his family who would have been entitled to receive Family Pension under paragraph 29 and where the member has not left a family the amount shall be payable to the person or persons entitled to receive his Provident Fund accumulations, in the proportion in which the said accumulations may be payable under the provisions of the Employees' Provident Funds Scheme, 1952, or the Provident Fund rules applicable to the exempted establishments as the case may be.]

1. Omitted, by the Employees' Family Pension (Amendment) Scheme, 1988, w.e.f. 1-4-1988..

2. Substituted for "7 1/2" by the Employees' Family Pension (Amendment) Scheme, 1989, w.e.f. 25-3-1989.

33. Withdrawal benefit. :-

1 [***]

1. Substituted for "7 1/2" by the Employees' Family Pension (Amendment) Scheme, 1989, w.e.f. 25-3-1989.

34. Family pension and other benefit for members entering Family Pension Fund after attaining age of 25 years. :-

1 [***]

1. Omitted by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.

34A. Payment of Family Pension and other benefits in certain cases. :-

1 [***]

1. Omitted, by the Employees' Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.. Existing paragraph 34A was inserted by the Employees' Family Pension (Second Amendment) Scheme, 1973.

34B. Simultaneous payment of benefits. :-

1[Except in cases of cessation of membership on attaining the age of 60 years **2** [***], the retirement-cum-withdrawal benefit under paragraph 32] shall be paid simultaneously with the payment of the provident fund accumulations of the member under the Employees' Provident Fund Scheme, 1952, or the provident fund rules applicable to an exempted establishment, as the case may

be.]

1. Substituted for "The retirement benefit and the withdrawal benefit payable under paragraph 32 and 33 respectively" by the Employees's Family Pension (Amendment) Scheme, 1983, w.e.f. 1-1-1983.

2. The words "or where the period of break between two spells of reckonable service is in excess of one year' omitted by the Employees' Family Pension (Amendment) Scheme, 1990, w.r.e.f. 1-4-1988.

34C. Rounding up of the benefits :-

¹ [.] All items of benefits shall be calculated to [the nearest rupee, 50 paise or more to be counted as the next higher rupee and fraction of a rupee less than 50 paise to be ignored.]

1. Renumbered by the Employees' Family Pension (Second Amendment) Scheme, 1973, w.r.e.f. 1-3-1971.

34D. Valuation of the family pension fund and review of the rules of contribution and the quantum of the family pension and other benefits. :-

(1) The Central Government shall, at intervals of three years, have a valuation of the family pension fund made by a valuer appointed by it : Provided that it shall be open to the Central Government to direct a valuation to be made at such other times as it may consider necessary.

(2) At any time, when the family pension fund so permits, the Central Government may alter the rate of contributions payable under this Scheme or the scale of any benefit admissible under this Scheme or the period for which such benefit may be given.]

35. Disbursement of family pension and other benefits. :-

The Commissioner shall, with the approval of the Central Board [***], enter into arrangements for the disbursement of family pension and other benefits under this Scheme with disbursing agencies like Post Offices or Nationalised Banks or Treasuries. The commission payable to the disbursing agencies and other charges incidental thereto shall be met from the portion of Family Pension Fund contributed by the Central Government under section 6B of the Act.

36. Registers, records, etc. :-

The Commissioner shall, with the approval of "the Central Board ¹ [***] prescribe the registers and records to be maintained in

respect of employees, the form or design of any identity card, token or disc for the purpose of identifying any employee or his nominee or a member of family entitled to receive the family pension and such other formalities as have to be completed in connection with the grant of family pension, and other benefits or for the continuance thereof subject to such periodical verification as may be considered necessary.

1. The words "and the Central Government" omitted by the Employees' Family Pension (Amendment) Scheme, 1989, w.e.f. 25-3-1989.

37. Power to issue directions. :-

The Central Government may issue, having regard to the analogous provisions relating to the Family Pension Scheme of the Central Government, such directions as may be deemed just and proper by it for resolving any difficulty in the implementation of this Scheme including difficulties in the matter of disbursement of family pension and other benefits.

38. Miscellaneous. :-

The Central Board shall cause to be included in the Annual Report on the working of the Scheme prepared under paragraph 74 of that Scheme, a report on the working of this Scheme during the previous financial year.

39. Application of the provisions of the Scheme. :-

In regard to matters for which either there is no provision or there is an inadequate provision in this Scheme, the corresponding provisions in the Scheme shall apply.

40. Special provisions relating to factories or other establishments in respect of which applications for exemption are received. :-

Notwithstanding anything contained in this Scheme, the Central Commissioner may in relation to a factory or other establishment in respect of which an application for exemption under of the Act has been received, relax, pending the disposal of the application, the provisions of this Scheme in such manner as he may direct.]

41. Punishment for failure to submit return, etc. :-

If any person,-

(a) deducts or attempts to deduct from the wages or other remuneration of the member, the whole or any part of the employer's contribution;

(b) fails or refuses to submit any return, statement or other documents required by the Scheme or submits a false return, statement or other documents, or makes a false declaration; or

(c) obstructs any Inspector or other official appointed under the Act or this Scheme in the discharge of his duties or fails to produce any record for inspection by such Inspector or other official; or

(d) is guilty of contravention of or non-compliance with any other requirements of this Scheme, he shall be punishable with imprisonment which may extend to one year or with fine which may extend to four thousand rupees or with both.]

SCHEDULE A

A

[***]

SCHEDULE B

B

SCHEDULE 1

1

Sundry Credits: 1. Account No. 10 2. Account No. 11 Balance as on 31st March.

SCHEDULE 2

2

Amount kept in deposit with Public Accounts Balance as per last balance-sheet Add: (i) Amount deposited in Public Account during the year. (ii) Government share of contribution. (iii) Interest on Public Account.

SCHEDULE 3

3

Cash Book Balance 1. Account No. 10 2. Account No. 11 Balance as on 31st March.

SCHEDULE 4

4

Sundry Debits 1. Account No. 10 2. Account No. 11 Balance as on 31st March.
