

MAHARASHTRA VILLAGE PANCHAYATS (EMPLOYEES) PROVIDENT FUND RULES, 1961

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MAHARASHTRA VILLAGE PANCHAYATS (EMPLOYEES) PROVIDENT FUND RULES, 1961

In exercise of the powers conferred by clause (xvi) of sub-section (2) of Section 176 of the Bombay Village Panchayats Act, 1958 (Bom. III of 1959) and of all other powers enabling it in this behalf, and in super session of the Bombay Village Panchayat Provident Fund Rules, 1951, and any other rules corresponding thereto in force in any part of the State the Government of Maharashtra corresponding thereto in force in any part of the State the Government of Maharashtra hereby makes the following rules, namely :-

1. Short title :-

The rules may be called the Maharashtra Village Panchayats (Employees) Provident Fund Rules, 1961

2. Definitions :-

In these rules, unless the context requires otherwise -

(a) "Act" means the Bombay Village Panchayats Act, 1958 ;

(b) "employee" means an employee appointed by a panchayat;

(c) "family" means -

(i) in the case of a male employee, the wife or wives and children of the employee, and the widow or widows and children of a deceased son of the employee :

Provided that, if an employee proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which she belongs to be entitled to maintenance she shall not be deemed to be a member of the employee's family in matters to which these rules relate, unless the employee indicates expressly in writing to the panchayat that she shall be so regarded;

(ii) in the case of a female employee, the husband and children of the employee, and the widow or widows and children of a deceased son of the employee :

[Provided that, if an employee by notification in writing] to the panchayat expresses her desire to exclude her husband from her family, the husband shall not be deemed to be a member of the employee's family in matters to which these rules relate unless the employee subsequently cancels formally in writing her notification excluding him].

Explanation - For the purpose of this clause "children" means legitimate children. An adopted child shall be considered to be a child only when under the personal law of the employee, adoption is legally recognized as conferring the status of a natural child;

(a) "Fund" means a provident fund established by a panchayat under the Act;

(b) "Form" means a form appended to these rules;

(c) "inferior servant" means an employee drawing a salary of less than Rs.20 per month, but does not include a clerk;

(d) "subscriber" means an employee who subscribes to the fund under these rules.

3. Application of rules :-

(1) These rules apply to every employee of a panchayat who -

(a) has been admitted immediately before the commencement of these rules to the benefits of a Provident Fund

maintained by the panchayat, or.

(b) may be admitted by the panchayat to the benefits of the Fund hereafter.

(2) The balance to the credit of any employee of a panchayat in any such Fund as is referred to in clause (a) of sub-rule (1) shall, with effect from the date on which these rules come into force, be transferred to his credit in the Fund.

4. Administration of Fund :-

The fund shall be administered by the panchayat.

5. For whom subscription to Fund is optional or compulsory except in the case of inferior servants :-

Subscription to the Fund shall be compulsory for all employees (not being inferior servants) who are appointed permanently or on probation in permanent posts.

6. Rate of employees subscription and manner of recover :-

(1) The amount of a subscriber's subscription to the Fund shall be at a uniform rate of 1/16th of the employee's total monthly pay including officiating pay, personal pay or special pay, if any, but not including any other allowances and shall be computed in whole rupees. Current subscriptions to the Fund shall be deducted every month from the employee's pay.

(2) A subscriber on leave with pay and allowances may subscribe to the Fund. A subscriber on leave without pay shall not be entitled to subscribe to the Fund.

(3) A subscriber who has been suspended from service may subscribe to the Fund at the usual rate.

(4) Recovery of subscriptions of a subscriber to the Fund shall be made from his monthly salary and only the net amount after such recovery shall be paid to the subscriber.

7. Panchayats contribution :-

At the beginning of every month a panchayat shall contribute to the Fund a sum equal to the subscription of the subscriber concerned. In the case of death or retirement of a subscriber the contribution of the panchayat shall be in proportion to the period of the month, the subscriber was in service and in receipt of pay or leave salary.

8. Depositing of Fund :-

(1) The Fund shall be deposited in the Postal Savings Bank. The amount of subscriptions realized from each subscriber and the contributions made by the panchayat shall be paid to the local Post Master for credit to a Post Office Savings Bank account to be opened in the name of the Sarpanch, on behalf of each such subscriber, such remittances being made as far as possible before the 4th day of each month in order to secure interest for the month of deposit. The Secretary shall send to the Post Office along with the moneys the pass-books of the subscribers concerned and a statement in the following form :-

Name of the panchayat :-

Month of

Account No. as in the Pass Book	Subscriber's		The amount of contribution of the panchayat	Amount of Advance / refund c	a
	Name	Monthly pay			
1	2	3	4	5	6
		Rs.	Rs.	Rs.	Rs.

It shall be the duty of the Secretary to see that the money received in the Post Office is credited to the account of each subscriber in accordance with the entries in the above statement and to verify the entries made in the pass-books (which the Secretary shall get from the Post Office) with the entries in the statement.

(2) If, owing to the temporary absence of a subscriber or subscribers or for any other cause, the amount of his or their subscription cannot be deposited by a panchayat at the same time, such amount may be deposited singly or collectively at a later date, a separate statement being sent along with the pass-book in the manner aforesaid.

(3) If a subscriber desires to purchase National Savings Certificates out of the amount standing to his credit in the Fund, he may convert such part thereof as he deems fit into National Savings Certificates. On receipt of an application from the subscriber in that behalf the Sarpanch shall purchase the National Savings Certificates to the extent of the sum specified by the subscriber. The certificates shall be made out in the name of the Sarpanch on behalf of the subscriber on whose account they are purchased but their custody and control as well as the power to transfer and discharge them on behalf of the subscriber shall remain with the Sarpanch.

(4) The ledger account maintained under Rule 10 and the pass-book of every subscriber shall be shown to the subscriber not later than the last week of February in each year. The subscriber shall, within one month of being shown his pass-book, certify in writing as to the correctness thereof.

(5) The saving bank account of a subscriber shall be closed at the time when the subscriber retires or at a time when for any legitimate reason he is allowed to withdraw all his deposits.

9. Advance from Fund :-

(1) An advance not exceeding three month's pay or half the sum standing to his credit out of his own subscription, whichever is less, may be granted to a subscriber from the amount standing to his credit in the Fund with the approval of the panchayat for any of the following purposes :-

(i) to pay the expenses incurred in connection with the illness of the subscriber or a member of his family.

(ii) to pay expenses in connection with marriages, funerals or ceremonies which it is incumbent upon the subscriber to perform according to the tenets of his religion :

Provided that the amount standing to the credit of the subscriber shall not be reduced below Rs. 100.

(2)

(a) When an advance has already been granted to a subscriber, a subsequent advance or advances shall not be granted to him except for cogent reasons to be recorded in writing by the Sarpanch.

(b) The amount of advance shall be a sum expressed in whole rupees. Each installment shall be a multiple of a whole rupee, the amount of the advance being revised or reduced, if necessary, to admit of fixation of such installments.

(c) when two or more advances are made, each advance shall be treated separately and the monthly deductions of not less than one twenty-fourths of each advance shall be made until that advance together with the interest due in respect thereof is fully repaid.

(d) Advances shall be recovered at the discretion of the panchayat in not less than twelve installments and not more than twenty-four installments. A subscriber may, however, at his option, make payments in less than twelve installments or may repay two or more installments at the same time.

(e) The installments shall be recovered by compulsory deduction from pay of the subscriber in addition to the usual amount of his subscription.

(f) After the principal of the advance has been fully repaid, interest shall be paid thereon at the rate of one-fifth percent of the principal for each month or part of a month during the period between the withdrawal and complete repayment of the principal.

(g) Interest shall ordinarily be recovered in one installment in the month following the month of the complete repayment of the principal but if the period referred to in clause (f) exceeds 20 months, interest may, if the subscriber so desires, be recovered in two equal installments. The amount due as interest shall be paid in full rupees, any fraction amounting to 1/2 or more being rounded off to the next higher integer and any fraction less than 1/2 shall be ignored.

10. Registers to be kept by panchayat :-

A panchayat shall keep (a) a Provident Fund Day- Book showing the amounts of receipts and payments relating to the Fund, (b) a Ledger Account showing therein separately the amounts of the subscriber's subscriptions and the panchayat's contribution with amount of interest added from time to time, (c) certified statements showing details of the amounts paid in, on behalf of each subscriber and (d) a register of advances showing total amount of advances made and the amount recovered. The Provident Fund Ledger shall be in Form 'A'.

11. Limit of service with regard to eligibility for panchayats contribution :-

(1) A subscriber who may be in the service of a panchayat for a period of more than five years, shall, on retirement,

be entitled to the contributions made by the panchayat with interest thereon. The said period shall be calculated from the commencement of the subscriber's service and shall be exclusive of the period spent on leave without pay :

Provided that, a subscriber who dies while in service of the panchayat shall be deemed to have been entitled to the panchayat's contribution irrespective of the period of his service.

(2) In the event of retirement before completion of five years service, the subscriber shall receive the amount of his own subscriptions only with interest thereon and the amount of contribution of The panchayat and interest thereon shall form part of the Fund :

Provided that in case of retirement necessitated by incapacity for further service duly certified or other causes beyond the subscriber's control, the panchayat may pay the amount of its contribution to the subscriber.

Explanation For the purposes of this rule "retirement" includes quitting service by resignation, dismissal or discharge.

12. Forfeiture of claims to the panchayats contributions :-

Dismissal of a subscriber for misconduct shall entail forfeiture of his claim to the panchayat's contribution to his fund and interest thereon:

Provided that, in cases where the misconduct is not criminal, the panchayat may allow a subscriber dismissed for misconduct such part of its contribution as the panchayat may determine.

13. Nomination of person to receive amount :-

Each subscriber shall, at the time of or as soon as possible after joining the Provident Fund, furnish to the Sarpanch a declaration in Form 'B' and a nomination in Form 'C' or Form 'D', as may be applicable in his case. Any such or subsequent nomination is revocable at any time but a fresh nomination shall be operative from the date it is received by the Sarpanch. On a subscriber's marriage or remarriage any nomination already made by him shall become null and void, and unless a revised nomination is made in such cases, the amount to the credit of the subscriber shall be disposed of, if the necessity arises therefore, according to clause (ii) of sub-rule (1) of Rule 15.

14. Prohibition regarding making of nomination in favour of any one outside his family :-

It shall not be lawful for a subscriber, who has a family, to make a nomination in favour of any one outside his family. He may, from amongst the members of his family, nominate any one or more members to the exclusion of others.

15. Final accumulations in Fund :-

On the death of a subscriber before quitting service the accumulation in his fund shall be disposed of as hereinafter provided :-

(1) When a subscriber leaves a family, -

(i) if a nomination made by a subscriber in accordance with the provisions of Rule 13 in favour of a member or members of his family or other dependant subsists, the amount standing to his credit in the Fund, or the part thereof to which the nomination does not relate, shall become payable to his nominee or nominees in the proportion specified in the nomination;

(ii) if no such nomination in favour of a member or members of the family or other dependent of a subscriber subsists, or if such nomination relates only to a part of the amount standing to his credit in the fund, the whole amount or a part thereof to which the nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family or other dependant become payable to the members of his family in equal shares :

Provided that no share shall be payable to -

(a) sons who have attained majority,

(b) sons of a deceased son who have attained majority,

(c) married daughters whose husbands are alive, or

(d) married daughters of a deceased son whose husbands are alive, if there is surviving any member of the family other than those specified in clauses (a), (b), (c) and (d):

Provided further that the widow or widows and the child or children of a deceased son shall receive in equal parts only the share which that son would have received if he had survived the subscriber and had not attained majority at the time of his death.

(2) When subscriber leaves no family,- if a nomination made by him in accordance with the provisions of Rule 13 in favour of any person or persons subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination; if no such nomination made by him in accordance with the provisions of rule 13 in favour of any person or persons subsists in respect of the whole or part of the amount standing to his credit, such whole or part shall become payable to his parents in equal shares or to the surviving parent in full.

(3) Where the subscriber leaves no family and no nomination made by him in accordance with the provisions of rule 13 subsists, or if such nomination relates only to part of the amount standing to his credit in the Fund, the relevant provisions of clause (b) and of sub-clause (ii) of clause (c) of sub- section (1) of Section 4 of the Provident Funds Act, 1925 , shall apply to the whole amount or part thereof to which the nomination does not relate provided that such whole or part does not become payable under clause (b) of sub-rule (2) of rule 15.

16. Recovery of panchayats claims from amount standing to subscribers credit :-

The Sarpanch may deduct from the amount standing to the credit of a subscriber when such amount becomes payable, any amount due under a liability incurred by him to the panchayat :

Provided that no such deduction shall be made which reduces the sum standing to the subscriber's credit by more than the amount of the contribution by the panchayat with interest thereon.