MADHYA PRADESH BHOJ (OPEN) UNIVERSITY

STATUTE NO: 15

PROVIDENT FUND

(Refer Section 25(e))

[As approved by the coordination committee in the 60th meeting held on June 25,1999 at item (8)-4 and adopted by the Board of Management in the 8th meeting held on July 3, 1999]

1. In this Statute

   (a) "Salary" in relation to a employee means monthly salary, includes all fixed monthly allowances by way of pay, acting or personal allowance, but does not include any other allowance;

   (b) "Employee" means every whole-time officer, teacher or other employee of the University appointed permanently to a substantive appointment carrying a salary of Rs. 60/- per mensem or more and includes those appointed on contract for a definite period of not less that three years but does not include persons whose services have been lent to the University by Government or who is on leave from Government post.

   (c) "Subscriber" means an employee on whose behalf a deposit is made under this Statute.[1]

   (d) "Saving Bank" means a saving bank of any Post Office or any scheduled bank as defined in Reserve Bank of India Act, 1934 (No. 11 of 1934).

   (e) "Interest" means the interest which is paid on deposit in the saving bank of the Post Office or the scheduled banks from time to time.

   (f) "Dependent" means any of the following relations of the deceased subscriber to Provident Fund viz. wife, husband, son, daughter, deceased son's widow, son or daughter of the deceased son or daughter, parents, minor brothers and unmarried sister and where no parent of the subscriber is alive, a paternal grand-parent.

2. Every employee of the University shall subscribe to the provident fund at the rate of 8 $^1/_3$ percent of his salary for which an account will be opened in the Saving Bank. The deduction shall be made by the University upon every salary bill presented. In the calculation of this deduction, fractions of a rupee shall be omitted. The amount so deducted together with the contribution of the University under para 3 shall be deposited in the Saving Bank. The payments in respect of the monthly deductions and contributions shall, so far as possible be made into the bank within two days for the receipt of the money in order that interest may accrue. The following procedure will be adopted:-

[1] NOTE:- persons appointed on probation to a permanent post shall be eligible to subscribe to the fund.

"The Post Office or the scheduled bank will open an account in the name of the individual subscriber to the Provident Fund. The account will be operated by the Registrar identified for the purpose by the University only and all sums to be credited in these accounts shall be sent to the Post Office or the Bank accompanied by:-

(a) Saving Bank pass book; &

(b) A list in such form as may be prescribed by the identified Registrar showing in detail the amount to be credited to each account.

The amount of subscription of the employee will be so invested by the Registrar in Post Office or Bank that the employee gets an interest of not less than 12% per annum or the rates of interest decided by State Govt. from time to time on his accumulations in fund. In case the rate of interest falls short of the rate of 12% per annum or the rate as fixed by Govt. from time to time as calculated on GPF accounts the difference shall be made good by the University from the Pension and Gratuity Fund (UNIPENGRAF) after obtaining prior approval from the Finance Officer (Pension) of M. P. Uchcha Shiksha Sanchalanalaya. [2]

3. The University shall make a contribution at the rate of 12% of salary in the case of subscribers drawing a salary of Rs 500/- or less, 10 percent in the case of subscribers drawing a salary of more than Rs 500/- but less than Rs 1000/- and 8½ percent in the case of subcribers drawing a salary of over Rs 1000/-.

   Provided further that no contribution shall be made by the University out of its funds for the period during which a subscriber does not or is not permitted to subscribe to the fund.

   Provided further that the provisions of this para of this Statute will be applicable only in respect of the employees who are not covered under the Pension and Gratuity Scheme of the University but continue to be governed by the Contributory Provident Fund Scheme,

4. (i) Amount of the Provident Fund may be invested in the Post Office Cash Certificate, Govt. Securities, Fixed Deposit Schemes of the Nationalised Banks, Govt, Undertakings, LIC, Mutual Fund or Unit Trust of India, so that the Employees get interest of not less that 12% per annum or even more

   (ii) The Post Office Cash Certificate, securities and fixed deposit receipt shall remain in custody of the Registrar.

5. The Kulapati may, under such conditions as may be laid down by him, permit the payment of premiums on life assurance policy or policies on the life of the subscriber out of his personal subscription to the Provident Fund Account under para 2 above. The

[2] (i) subscribers to the Provident Fund are given option of raising their subscription to the Provident Fund upto any amount not exceeding the pay drawn by them
(ii) a subscriber may, at his option, not subscribe during leave. He shall intimate his election not to subscribe during leavy by written communication to the Registrar before proceeding on leave. Failure to make due and timely intimation shall be deemed to constitute an election to subscribe during leave. The subscription of the subscriber while on leave with allowance shall be assessed on the full amount of his pay and not on the leave salary.
(iii) No subscriber shall subscribe to the Fund while on leave on half average pay or leave without pay or absent without leave or while under suspension.

amount to be deposited in the saving bank Account of the subscriber shall be reduced to the extent of such premiums.

In all such cases, the life insurance policy for which the premiums are so paid shall be assigned in favour of the University.

On the retirement of the subscriber from the service of the University, the University shall reassign the policy to him. In case of the maturity of the policy during the service of the subscriber of the University, the full amount of the policy shall be credited to the Provident Fund of the subscriber. Incase of the death of the subscriber during the service of the University, the amount of the policy shall be paid to the legal representative of the deceased entitled for the Provident Fund.

(i) Withdrawal will be permitted when a subscriber’s services in the University come to an end by his retirement, resignation, death or otherwise provided that—

(a) No employee whose services have been dispensed with for what, in the opinion of the Executive Council, is gross misconduct, shall be entitled to receive the amount of the contribution made by the University on his behalf and the interest thereon;

(b) No employee shall be entitled to receive the amount contributed by the University on his behalf and the interest thereon, unless he had been in the service of the University, for continuous period of 12 months from the date he has been allowed to subscribe to the Provident Fund and has been permitted to resign his appointment.

(ii) Any contribution and interest thereon withheld under this Statute shall belong to the University and shall be credited to the University.

6. The Kulapati may permit a subscriber to take a temporary advance from the amount standing at the credit of the subscribed in the Fund. Temporary advance will be admissible for the following purposes:

(i) To pay expenses in connection with the prolonged illness of the subscriber or any person actually dependent on him. [3]

(ii) To pay for overseas pasage for reasons of health or education of the subscriber or any person actually depending on him.

(iii) To meet the cost of education of the subscriber or of any person actually dependent on him.

(iv) To pay obligatory expenses appropriate to the subscriber’s status which by customary usage the subscriber has to incur in connection with marriage or other ceremonies if the subscriber or marriage and other ceremonies of any person actually dependent on him.

(v) To make good the loss of University money in the interest of the subscriber.

[3] Expenses connected with prolonged illness include expenses incurred on the purchase of artificial teeth and hearing sets viz. battery, hearing instruments.

(vi) To meet expenses in connection with any departmental enquiry or legal proceedings in which the subscriber is a party.

(vii) To meet the expenses connected with the purchase of site of the subscriber's building and erection of and repairs to the subscriber's building.

Provided that the sum advanced shall not exceed nine months pay of the subscriber or 75% of the sum subscribed by him together with the interest accumulated thereon, whichever is less.

Provided further that in case of an advance for the purchase of a site for and for the construction of the subscriber's own building, the sum advanced shall not exceed 75% of the amount at the credit of the subscriber in the Fund. [4]

The Kulapati may permit a subscriber to take Part Final payment from the amouint standing at the credit of subscriber in the Fund.

(i) **After completion of 20 years service within 10 years, from the date of retirement** a part final payment is permitted for the following purpose:

(a) To pay in connection with the prolonged illness of the subscriber or any person actually dependent on him.

(b) To pay for overseas passage for reasons of health or education of the subscriber or any person actually dependent on him.

(c) To meet the cost of education of the subscriber beyond the High School stage or of any person actually dependent on him.

For the above purpose the PART FINAL payment shall not exceed six months pay of the subscriber or 50% of the sum subscribed by him together with the interest accumulated thereon which ever is less.

(d) To pay for marriage of the subscriber on any person actually dependent on him.

For the above purpose, the Part Final payment shall not exceed Ten Months or 50% of the sum subscribed by him whichever is less. In a very special case i.e. two marriages at a time the Part Final payment is admissible to Fifteen months pay or 75% of the sum subscribed by him together with the interest accumulated whichever is less

(ii) After completion of 10 years service a Part Final payment is permitted for the following purposes: -

[4] (i) A second advance may be granted to an employee who has repaid at least 6 regular monthly installments of the first advance sanctioned to him/her. Even a third advance may be granted as a special case by the Board of Management to an employee when he has repaid 6 monthly installments of the second advance.
(ii) Where the subscriber was sanctioned an advance for the construction of his own building, he shall not be sanctioned any further advance during the period of his entire service for building a second house though a second advance may be sanctioned for extension to his own building.

(a) For the purchase of a plot or site. For the above purpose Part Final Payment shall not exceed six months pay of the subscriber or 50% of the sum subscribed by him together with interest accumulated thereon whichever is less.

(b) For construction of a building or purchase of a constructed building. For the above purpose Part Final payment shall not exceed 75% of the sum subscribed by the subscriber including interest accumulated thereon or Rs. One Lakh which ever is less.

7. The amount advanced under para 7 shall be refunded in the Fund by thirty six equal monthly installment in all cases except when the advance is for the purchase of a site for or for the construction of the subscriber's own building in which case the number of installments shall be ninety six. A subscriber may, however, at his option, make payment in less number of installments or may repay two or more installments at the same time. Recoveries will be made monthly commencing from the first payment of a full months salary after the advance is granted. The installments will be paid by compulsory deduction from salary or leave salary and will be addition to the usual subscription.

8. (i) Each subscriber must file in the office of the University a declaration in such form as may be prescribed by the Registrar showing how he wishes the amount of his accumulation in the fund to be disposed of in the event of his death or becoming insane:

   Provide that if the subscriber has got dependents he shall not be permitted to nominate any outsider:

   Provided further that where a subscriber has no dependent at the time of nomination but subsequently comes to have one or more dependents, he shall, as soon as may be, change the nomination in favour of such dependent or dependents.

   (ii) The subscriber may, from time to time, change his nominees by a written application, duly witnessed, to the Registrar. A register of such nominees shall be kept in the University office under the personal custody of Registrar.

9. Any sum, standing to the credit of any subscriber, the fund at the time of his death and payable to any dependent of the subscriber or to such persons as may be authorized by law to receive payment on his behalf, shall subject to any deductions authorised by the Statutes, vest in the dependent and shall be free of any debt or other liability incurred by the dependent before the death of subscriber:

   Provided that if no nomination has been made by the subscriber, such sum shall be paid to dependents in order of preferences given in clause (f) of para 1.

10. When the sum standing to the credit of any depositor becomes payable, there may, if the Board of Management so directs, be deducted therefrom and paid to the University Fund any amount under a liability incurred by the subscriber to the University but not exceeding any sum or sums contributed by the University and any interest or other profit thereon.

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