

WATER AND POWER CONSULTANCY SERVICES (INDIA) LIMITED  
(A Government of India Undertaking)

WAPCOS EMPLOYEES CONTRIBUTORY  
PROVIDENT FUND RULES

(Recognised with effect from 1st Day of April, 1971 under Rule 3(1) of Part "A" of the Fourth Schedule of Income Tax Act, 1961; vide Order No. CIT. IV/15/PF/74-75/1671 dated 13.1.1975 of the Commissioner of Income Tax, Delhi-IV, New Delhi).

Exemption u/s 17(1) of the EPF & MS Act 1951; Relaxation under para 79 of the EPF Scheme 1952 granted vide RPFC's letter No. E/DL/434/805 dated 12.4.1978.

These rules may be called the Contributory Provident Fund (Water and Power Consultancy Services) Rules.

2. In these rules, unless there is anything repugnant in the subject or context;

i) 'Board' shall mean the Board of Trustees constituted for Administering the Fund

ii) 'Children' mean legitimate children and include adopted children, if the Board is satisfied that, under the personal law of the member, adoption of a child is legally recognised.

'Continuous service' means uninterrupted service and includes services which is interrupted by sickness, accident, authorised leave strike which is not illegal, or cessation of work not due to the employee's fault.

iv) 'Company' shall mean Water and Power Consultancy Services (India) Limited incorporated under Companies Act, 1956 (Act of 1956) on the 26th June, 1969.

'Salary' includes dearness allowance if the terms of employment so provide but excludes all other allowances and perquisites.

In the case of re-employed pensioners, it shall mean the pay leave salary or subsistence grant drawn in the Company and shall include dearness pay appropriate to such pay, leave salary or subsistence grant. For persons in receipt of consolidated rate of pay, it shall mean that element of pay including dearness pay corresponding to the dearness allowances as is included in the consolidated rate of pay as a law.

vi) 'Family' shall mean:

a) In the case of a male member, the wife, children whether married or unmarried, and dependent parents of the member and the widow and children of a deceased son of the member.

Provided that if a member proves that his wife has ceased under the personal law governing him or the customary law of the community to which he belongs to be entitled to maintenance, she shall no longer be deemed to be a part of the member's family for the purpose of these rules.

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*For & on behalf of  
WAPCOS Employees Contributory  
Provident Fund  
Trustees*

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*FOR KINDERATOPF  
Water & Power Consultancy  
Services (India) Ltd.  
A Govt. of India Undertaking  
NEW DELHI*

*Board*

*Trustees*

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unless the member subsequently intimates by express notice in writing to the Board that she shall continue to be so regarded; and

- b) In the case of female member, the husband and children of the member, the dependent parents of member or of the husband and the widow and children of a deceased son of the member provided that if a member by not ceasing to the Board expressed her desire to exclude her husband from the family, the husband and his dependent parents shall not longer be deemed to be a part of the member's family for the purpose of these rules, unless the member subsequently cancels in writing any such notice.

**Explanation:** In either of the above two cases, if the child of a member has been adopted by another person and if, under the personal law of an adopter, adoption is legally recognised, such a child shall be considered as excluded from the family of the member.

- vii) 'Financial Year' means the year commencing from 1st April and ending on 31st March in the next calendar year.
- viii) 'Fund' means the Contributory Provident Fund constituted for the Company and shall include all moneys from time to time held by or to the account of the Board of Trustees in pursuance of the provisions herein contained and shall include any investments for the time being made with such moneys.
- (ix) 'Member' means a member of the Fund.
- x) 'Nominee or Nominees' shall mean any person who may be appointed in writing by a member in accordance with the provisions of Rule 6 of Fund Rules to receive the amount that may become payable from the Fund to the estate of the member in event of the member's death before the termination of his service with the Company.
- xi) 'Trustees' shall mean the members of the Board of Trustees constituted for administering the fund.
- xii) 'Excluded employee' means (i) an employee who having been a member of the Fund, withdraws the full amount of his accumulations in the Fund under clause (a) or (c) of sub-paragraph (I) of paragraph 69.
- (ii) an employee whose pay at the time he is otherwise entitled to become a member of the Fund, exceeds Two thousand and five hundred rupees per month.

**Explanation:** "Pay" includes basic wages with dearness allowance, relating allowance (if any) and cash value of food concessions admissible thereon.

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(iii) An Apprentice

Explanation: An apprentice means a person who, according to the certificated 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.

xiii) "Basic Wages" means all emoluments which are earned by an employee while on duty or on leave with wages in accordance with the terms of the contract of employment and which are paid or payable in cash to him, but does not include:-

(i) the cash value of any food concession;

(ii) any dearness allowance (that is to say, all cash payments by whatever name called paid to an employee on account of a rise in the cost of living, house-rent allowance, bonus, commission or any other similar allowance payable to the employee in respect of his employment or of work done in such employment;

(iii) any presents made by the employer;

xiv) "Employee" means any person who is employed for wages in any kind of work, manual or otherwise, in or in connection with the work of (an establishment) and who gets his wages directly or indirectly from the employer, and includes any persons employed by or through a contractor in or in connection with the work of the (establishment);

3. Establishment of Fund.

The fund shall be deemed to have been established on and from the 6.6.1969, pursuant to a resolution of the Directors of the Company passed at meeting of the Board of Directors on the 27th November, 1969, in exercise of authority conferred upon the Directors by article 100(c)(iii) (g) of the Article of Association of the Company.

4. Rules

(a) The fund shall be governed by these rules as amended from time to time and shall be interpreted by the Trustees, whose decision shall be final and binding. Any dispute between the Board of Trustees and the members of the Fund regarding the interpretation of these rules, shall be referred to the Chairman and Managing Director of the Company for his decision, which shall be final and binding upon both the parties. The Chairman & Managing Director shall not be one of the Trustees of the Fund.

Provided that any employee who is aggrieved by the decision of the Chairman & M.D. of the Company shall have a right of appeal to the R.P. Delhi, whose decision shall be final and binding on all concerned.

"The Trustees may repeal, add to, vary or alter these rules from time to time. No such additions, variations or alterations

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Secretary

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Board of Trustees

WAPCOS Employees Contributory  
Provident Fund Trust

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✓ shall have effect unless approved by the Regional Provident Fund Commissioner, Delhi and the Commissioner of Income-Tax."

## 5. Membership

Every employees shall be entitled and required to become a member of the Fund on the date of completion of three months continuous service or has actually worked for not less than 60 days within a period of three months or less.

(a) Every employee employed in or in connection with the work of a factory or other establishment to which this Scheme applies other than an excluded employee shall be entitled and required to become a member of the Fund from the beginning of the month following that in which this paragraph comes into force in such factory or other establishment, if on the date of such coming into force he has completed three months) continuous service or has actually worked for not less than 60 days within a period of three months or less) in that factory or other establishment or in any other factory or other establishment (to which the Act applies) under the same employer, or partly in one and partly in other (or has been declared permanent in any such factory or other establishment whichever is earliest).

(b) Every employee employed in or in connection with the work of a factory, or other establishment to which this Scheme applies, other than an excluded employee shall also be entitled and required to become a member of the Fund from the beginning of the month of following that in which this paragraph comes into force in such factory or other establishment if, on the date of such coming into force, such employee is a subscriber to a provident fund maintained in respect of the factory or other establishment or in respect of any other factory or establishment (to which the Act applies) under the same employer:

Provided that where the scheme applies to a factory or other establishment on the expiry of cancellation of an order of exemption under Section 17 of the Act, every employee who but for the exemption would have become and continued as a member of the Fund, shall become a member of the Fund forthwith.

(2) After this paragraph comes into force in a factory or other establishment every employee employed in or in connection with the work of that factory or establishment, other than an excluded employee, who has not become a member already shall also be entitled and required to become a member from the beginning of the month following that in which he completes (three months) continuous service or has actually worked for not less than (60 days within a period of three months) or less in that factory or other establishment or in any factory or establishment (to which the Act applies) under the same employer, or partly in one and partly in the other (or has been declared permanent in any such factory or other establishment, whichever is the earliest).

3) An excluded employee employed in or in connection with the work of a factory or other establishment to which this Scheme applies shall, on ceasing to be such employee, be entitled and

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required to become a member of the Fund from the beginning of the month following that in which he ceased to be such employee he has completed (three months) continuous service or has actually worked for not less than (60 days with a period of three months) or less in the factory or other establishment or in any other factory or establishment (to which the Act applies) under the same employer or partly in one and partly in the other (or has been declared permanent in any such factory or other establishment, whichever is the earliest).

(4) On re-election of an employee or a class of employees exempted under paragraph 27, or paragraph 27-A, to join the Fund or on the expiry or cancellation of an order under that paragraph, every employee, who but for such exemption would have become and continued as a member of the Fund, shall forthwith become a member thereof.

(5) Every employee who is a member of a private provident fund maintained in respect of an exempted factory or other establishment and who, but for the exemption would have become and continued as a member of the Fund, shall on joining a factory or other establishment to which this Scheme applied become a member of the Fund forthwith.

(6) Notwithstanding anything contained in this paragraph, Board may, on the joint request in writing, of any employee of a factory of other establishment to which this Scheme applies and his employer, enrol such employee as a member or allow him to contribute on more than Two thousand and five hundred rupees of his pay per month if he is already a member of the Fund and thereupon such employee shall be entitled to the benefits and shall be subject to the conditions of the Fund, provided that the employer gives an undertaking in writing that he shall pay the administrative charges payable and comply with all statutory provisions in respect of such employee.

Explanation I:- For the purpose of this paragraph "continuous service" shall mean uninterrupted service, but includes service which is interrupted by sickness, accident, authorised leave, strike which is not illegal or involuntary unemployment.

Provided that an illegal strike shall not constitute a break in the service of an employee where his employer has condoned the work in continuation of service due to such illegal strike or where an employee is continued in employment without prejudice to his continuity of service, either as a result of a settlement between him and the employer or an award.

Explanation-II:- In computing the period of work for (60 days) under this paragraph:

(a) Period of involuntary unemployed caused by stoppage of work due to shortage of raw materials or fuel, changes in the line of production, breakdown of machinery or any other similar case;

(b) Period of authorised leave; and

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Board of Trustees  
WAPCOS Employees Contributory  
Provident Fund Trust

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(c) Sundays and other holidays intervening the days of actual work shall be deemed to be days on which the employee has worked in the factory or other establishment and

(d) in the case of a female employee, periods of maternity leave for any number of days not exceeding twelve weeks shall also be deemed to be days on which the employee has worked in the factory or other establishment:

Provided that subject to a maximum of (60 days) in respect of a seasonal factory or other establishment an employee who, during the period a seasonal factory or other establishment was in operation during (three months) has actually worked in the factory or other establishment for not less than 2/3rd of the period of factory or other establishment was in operation during those twelve months, shall be deemed to have completed on year's continuous service in the factory or other establishment.

(Provided further that if an employee is employed in a factory (other than a seasonal factory) or an establishment (other than a seasonal establishment) he shall be governed by the provisions contained in the preceding provision, subject to the conditions specified therein).

## 6. Nomination

(i) An employee may be allowed by the Trustees of the provident fund to 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 becomes payable or, having become payable, has not been paid. Such a nomination shall be made in Form 'B' or in a form as near thereto as may be necessary.

(ii) If an employee nominates more than one person under sub-rule (i) he shall, in his nomination, specify the amount of share payable to each of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the 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 person not belonging to this family shall be invalid.

(iv) If at the time of making a nomination of 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) A nomination made by an employee may, at any time be modified by him after giving a written notice to the trustees of his intention of doing so in Form 'C' or in a form as near thereto as may be. 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.

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Board of Trustees  
Employees' Fund Trust

(vi) A nomination or its modification shall take effect effect to the extent that it is valid on the date on which it is received by the trustees.

EXPLANATION:

For the purpose of this rule, "family" means the employee's spouse, legitimate children, step-children and dependent parents, sisters and minor brothers.

7. CONTRIBUTION TO THE FUND

(a) The minimum contribution by the employee as also by the employer shall be 8% of the basic wages, dearness allowance (including the cash value of any food concessions) and retaining allowance (if any) actually drawn during the whole month whether paid on daily, weekly, fort-nightly or monthly basis.

(b) The rate of contribution of a member fixed under this rule may be enhanced or reduced within the prescribed limit once at any time during the course of a year.

(c) The amount of contribution shall be calculated to the nearest whole rupees; 50 paise and above rounded to the next higher rupee and less than 50 paise being ignored.

(d) The member going on leave will have to opt whether or not to subscribe to the C.P.Fund during the period of leave. A member shall intimate his election, not to subscribe during leave, to the Company before he proceeds on leave. Failure to make due and timely intimation shall be deemed to constitute an election to subscribe. The option given by a member under this rule shall be final.

(e) The member's contribution shall be deducted from the salary bills and made available to Trustees alongwith the Company's contribution for credit to the individual account of the member before the 15th of the month of following that in which the member's contribution is deducted from his salary.

(f) Provided that if a member quits the service or dies during any month, the Company's contributions for the period between the close of the preceding month and the date of quitting the service or the casuality as the case may be shall be made available to the Trustees within fort-night after the event for credit to the member's account with the member's contribution deducted from his salary.

8. ASSETS OF THE FUND

Fund shall consist of ;

- (a) Contributions by the members under rule 7(a) of the fund
- (b) Contributions by the Company under Rule 7(a) of the Fund

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Savings

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Brd of Trustees  
WAPCOS Employees Contributory  
Provident Fund Trust

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- (c) Interest and dividend received on accumulations there and or interest credited or such contributions and accumulations and or securities purchased therewith and any capital gains arising from the sale, exchange or transfer of capital assets.

9. MANAGEMENT OF THE FUND

The custody, control and management of the Fund shall be vested in the Board of Trustees. The DETAILED RULES FOR THE CONSTITUTION functioning of the Board of Trustees' and also the rights powers and liabilities of Trustees are contained in the Annexure 'A' to the Rules.

10. EXPENSES OF MANAGEMENT

The costs, charges and expenses of administering the Fund and of the determination of any question arising under the Rules or otherwise, including the Trustees' remuneration and all expenses incurred by the Trustees in the discharge of their duties shall be paid by the Company.

11. INVESTMENT OF FUND

All moneys belonging the fund except obligatory payments shall be invested in government securities according to prescribed pattern of the Central Govt. from time to time trustees shall from time to time pay all moneys received by them into the State Bank of India or such other Scheduled Bank as they shall, from time to time determine, to the credit of a special account. All moneys to the credit of such account shall be dealt with only in accordance with the rules and such accounts shall be operated only by cheque bearing the signatures of any two Trustees.

The Trustees may from time to time withdraw from the Fund such sum or sums as may be required for the purpose of the Fund and raise any money so required by sale, hypothecation or pledge of the investments held by them or of a sufficient part thereof with the prior approval of R.P.F.C.

12. ACCOUNTS

(a) The following accounts shall be maintained in the books of the Fund:-

- (i) an account for each member showing the member's contribution, the Company's contribution, interest accrued, withdrawals, payments etc., prescribed in Form 'D'.
- (ii) a revenue account showing 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 charges

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or expenses which in the opinion of the Board of Trustees is to be charged to the Fund, and interest allowed on each account of the member;

- (iii) an Investment Realisation and Valuation Account showing the credits on account of profits realised from sale of investment, surplus noticed at the annual valuation of investment at cost, part of market value whichever is lowest and debits on account of losses realised on sales and annual valuation of the same basis as indicated above;
- (iv) the 'Forefeited Contribution' account showing the contribution of the Company and interest thereon which lapsed to the credit of the Company;
- (v) any other account which the Board of Trustees may decide to open for the correct exhibition of the transactions of the Fund; and
- (vi) the 'Investment' account showing particulars of Investments.

(b) The Board of Trustees shall have the accounts of the Fund audited every year by auditors nominated by the Trustees.

(c) As soon as possible after the account has been audited the Trustees shall furnish to each member a statement of account as shown by the book of the Fund. This shall be accepted as correct and binding on the members except for errors which are pointed out within six months.

13. INTEREST

i) Rates of interest to be credited to each member's account shall be determined by the Board of Trustees with reference to net receipts on investments of the fund, after meeting expenditure, provided the rate of interest is not less than that declared by the Government of India, Ministry of Labour and Employment in the case of members of the Employees Provident Fund Scheme. The credit shall be afforded separately under the Company's contributions and the member's contribution.

ii) Interest shall be credited with effect from the 31st March of each year in the following manner:-

- (a) On the amount at the credit of subscriber on the 31st March of preceding year, less any sums withdrawn during the current year - interest for twelve months.
- (b) On sums withdrawn during the current year - interest from 1st April of the current year upto the last day of the month preceding the month of withdrawal.
- (c) On all sums credited to the subscriber's account after the 31st March of the preceding year - interest from the date of deposit upto the 31st March of Current year.

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- (d) The total amount of interest shall be rounded to the nearest rupee in the manner provided in Sub-Rule (b) of rule 7.

Provided that when the amount standing at the credit of a subscriber has become payable in the course of the year, interest from therefore shall be credited under this sub-rule upto the date on which the amount standing at the credit becomes payable to the subscriber. In a case where Company fails to make payment of the amount on the date on which it becomes payable, interest shall be credited upto the end of the month preceding the month in which the payment is actually made;

Provided further that no interest shall be paid in respect of any period after the date in which the Company has intimated to that person (or his agent) or could have intimated to person (or his agent) but for their addresses being known the date on which is prepared to make payments in cash, or if it makes payment by cheque, the date on which the Cheque in that person's favour is put in post.

(iii) For the purpose of this rule the date of deposit shall, in the case of recoveries from emoluments be deemed to be the first day of the month in which they are recovered, and, in the case of amounts forwarded by the subscriber, shall be deemed to be the first day of the month of receipt, if they are received by the Company before the fifth day of that month, or, if they are received on or after the fifth day of that month, the first day of the next succeeding month.

#### 14. Payment on Cessation of Membership

A member ceasing to be in the service of the Company shall cease to be a member of the Fund and the amount withdrawn by him or on his behalf from the Fund shall be ascertained in the following manner appropriate to the circumstances of his ceasing to be member.

- (1) On discharge due to reduction in establishment, or on termination of Service through ill health.

In the event of any member of being discharged permanently from service as a result of reduction by the Company of its establishment or 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, neglect or carelessness (as to which the decision of 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 the termination of his service for any of the reasons herein specified.

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(2) On Termination of the Contract of Service

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

(3) Voluntary Resignation or Retirement

(i) On the Voluntary resignation or retirement before the age of superannuation of any member from the service of the Company the trustees shall pay him the aggregate amount contributed by him and accretions thereon and also any such part of the balance there after standing to the credit of his account as the date of his resignation or retirement being the Company's contributions and the accretions thereto (hereinafter called the "remaining balance") to which he may be entitled in proportion to the length of his service with the Company as shown hereunder.

<u>Length of service</u>	<u>Proportion of the remaining balance</u>
Less than 3 years	25%
3 years or more but less than 5 years	50%
5 years or more	100%

"Service" for this rule shall mean continuous and unbroken service with the Company and shall include such service in the Corporation before the inception of this fund.

(ii) A member who either retires or is retired from service by the Company at any time at or after the age of superannuation and all re-employed superannuated members shall be paid the full amount standing to their credit in the fund as at the date of retirement. For the purpose of this sub-rule, a member shall be deemed to have attained the age of superannuation on completing the age of 55 years or such other age as may be prescribed by the Company's rules.

(4) On transfer to other Companies

(a) In the event of any employee who was previously in the service of another body corporate, owned or controlled by Government or Government Department and was a member of Provident Fund recognized under the Income Tax Act (which includes the Provident Fund established under the scheme framed under the Provident Fund Act, 1952) joins service under the Company the accumulations with interest thereon standing to his/her credit in his/her Provident Fund Account with the previous employer or any amount due to him/her from his/her previous employer for any amount due to the shape of employer's contribution. In lieu of his/her pensionary etc. benefits, may at the request of the employer in writing to be transferred to the C.C. Fund Accounts of the member with the Company and thereupon the rules of this Provident Fund shall apply.

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(b) Where a member ceases to be employed in the Company and takes up employment in any other body corporate, owned or controlled by Government or any Government Department the amount of ~~his~~ subscription and the amount of employer's contribution, if any, together with interest thereon irrespective of length of his/her service in this Company shall be transferred with the ~~con~~ of that body/department to the credit of his/her account in the Provident Fund recognized under the Income-tax Act (which includes the Provident Fund established under the Scheme framed under the Provident Fund Act, 1952), if any, maintained by THAT BODY AND THEREUPON THE RULES OF SUCH PROVIDENT FUND SHALL apply to the member or to such transferred amount and rules of this Provident Fund shall cease to apply accordingly.

Note: The time taken to join the new post shall not be treated as break in service, if it does not exceed the admissible joining time.

In the event of a member being transferred permanently to any other Government 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 Government Organisation or Government Department and 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.

(5) Death

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's contributions with interest thereon, to the person or persons entitled to receive the same. In case the deceased member's fund is less than Rs. 1000/- the nominees or heirs of the deceased is to be paid a minimum of Rs. 1000/-.

15. Payments

(a) When a subscriber quits service or is on leave properatory to quitting the service, the amount standing to his/her credit in the Fund, subject to deductions under Rule 14, becomes payable to him/her.

(b) On the death of a member before the amount standing to his credit has become payable or where the amount has become payable but payment has not been made;

Provided that no share shall be payable to:-

- (a) Sons who have attained majority.
- (b) Sons of a deceased son who have attained majority.

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- (c) Married daughters whose husbands are 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 clauses (a), (b), (c) & (d).

Provided further that the widow or widows and the child or children of a deceased son, shall receive between them in equal parts only the share which that son could have received if he had survived the member and had not attained the age of majority at the time of the member's death.

(iii) In any case to which the provisions of clauses (i) and (ii) do not apply the whole amount shall be payable to the person legally entitled to.

Explanation: For the purpose of this rule, 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.

"15.(A) UTILISATION OF THE FORFEITED AMOUNT OF PROVIDENT FUND

Any sum forfeited to the Fund under Rule 14(3) (i) of the WAPCOS Employees C.P.F. Rules shall not be returned to the employer but shall be credited to the forfeited account of the Fund and utilised in the following manner:-

- (i) To maintain a higher rate of interest on the members account atleast at par with the rate of interest declared by the Govt. of India in respect of unexempted Estts.
- (ii) To operate the Death Relief Fund;
- (iii) To make good the capital loss to the fund on account of purchase/sale/redemption of securities.
- (iv) To meet the money order commission in connection with despatch of Provident Fund consequent on settlement of claims to the members of their deceased family members; &
- (v) Adhoc payment of Rs.30/- to the heirs of deceased member as an aid for procuring a succession/guardianship certificate.

16. Temporary withdrawals

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 the limits laid down in the Income Tax Rules, 1962 for the time being in force. A copy of the Rules 68 to 73 of these rules relating to withdrawals as now in force is annexed to these rules (Annexure 'B')

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17. Closing and Winding of the Fund

The Fund shall not be revocable. Upon the closing of the Fund, all amounts due by the members in respect of their own contribution and the Company's contribution shall be paid by the Company to the Trustees and shall be transferred to the RPFC.

18. Wherever the Fund rules are silent, there the corresponding provisions of the EPF Scheme, 1952 shall prevail.

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Board of Trustees  
WAPCOS Employees Contributory  
Provident Fund Trust

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ANNEXURE 'A'

( Refer to Rule 9 )

Rules for the Constitution, functioning etc. of the Board of Trustees.

1. Constitution of the Board of Trustees

The Board of Trustees shall consist of four Trustees of which two shall be appointed by the Company at its discretion and the other two by nomination from amongst the employees, who are members of the Fund. One of the Trustees shall be nominated by the Company, as Chairman.

Rule 1 : Constitution

The employer of an establishment exempted under section 17-A of the Employees' Provident Fund Act, 1952 (19 of 1952) shall constitute a Board of Trustees (hereinafter referred to as the Board) in the manner hereinafter provided.

Rule 2 : Number of members

The Board shall consist of an equal number of representatives of the employer and the workers. The number of trustees on a Board shall be so fixed as to afford, as far as possible, representation to workers in branches/departments of establishment.

Provided that the number of trustees on a Board shall be neither less than four nor more than twelve.

In the case of common provident fund for a group of two or more establishments under the same employer, one Board may be constituted with the prior approval of the appropriate Government for all such establishments.

Provided that at least one trustee from each exempted establishment shall be elected to the Board of Trustees of such common Provident Fund.

Rule No.3 : Employees' representatives

The employer shall nominate his representatives from amongst the officers employed in managerial or administrative capacity in the establishment.

Rule No.4 : Election of Employees' Representatives

The representative of the employees shall be elected by the members of the Fund in an election to be held for the purpose on any working day.

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*Sarabjit*  
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Provided that wherever there is a recognised union under Code of Discipline or under any Act, such Unions shall nominate the employees' representatives.

provided further wherever there is no recognised union under code of discipline or under any Act and more than one registered Unions are functioning, only the Union with the largest number of members but with minimum of 15% membership shall have the right to nominate employees representatives and in case there is only one registered union functioning, it shall have the right to nominate the employees' representatives on the Board of Trustees if it has a minimum of 15% membership.

**Rule No.5 : Qualifications of Candidates for Election**

Any employee of the establishment who is a member of the fund and who is not less than 21 years of age may, if nominated as hereinafter provided, be a candidate for election as an employees' representative.

An outgoing trustee shall be eligible for re-election or re-nomination as the case may be.

**Rule No.6 : Procedure for election**

The employer shall fix a date for receiving the nomination from candidates for election as Employees' representatives and shall also fix a date for withdrawal of nomination and the date of election which shall not be earlier than three days or later than ten days after the closing of the date for withdrawals of nominations. The date so fixed shall be notified to the members at least seven days in advance. The notice shall be affixed on the notice Board of the establishment. The notice shall also specify the number of seats to be filled by the employees' representatives. A copy of such notice shall also be sent to the recognised union or unions concerned in the establishment and to the Regional Provident Fund Commissioner.

The election notice and procedure shall be published/contd. in the regional language besides in English.

Provided in case there are more than one recognised trade unions (Recognised by the employer) in one establishment, the procedure of election of members of Board of Trustees shall be followed as prescribed under rules.

**Rule No.7 : Nomination of candidates for Election.**

Every nomination shall be made in the form annexed to these rules. Each nomination paper shall be signed by the candidate to whom it relates and attested by at least two members of the Fund who shall propose and shall be delivered to the employer before or on the closing date fixed for receiving the nominations.

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Board of Trustees  
WAPCOS Employees Contributory  
Provident Fund Trust

Rule 8 : Scrutiny of Nomination papers

The employer shall scrutinise the nomination papers received under Rule 7 on the date following the last date fixed for withdrawing the nominating papers. The candidate or his nominee, the proposer or the attesting members may be present if they so desire. The invalid nomination papers shall be rejected.

Rule 9 : Voting in Election

(1) If the number of candidates who have been validly nominated is equal to the number of seats, the candidates shall forthwith be declared duly elected.

(2) If the number of candidates is more than the number of seats voting shall take place on the date fixed for election.

(3) The election shall be conducted by the employer in the presence of an Officer deputed by the Regional Provident Fund Commissioner.

(4) Every member of the Fund shall have as many votes as there are seats to be filled on the Board.

Provided that each such member shall be entitled to cast only one vote in favour of any one candidate.

(5) The voting shall be by secret Ballot.

Rule 10 : Disqualifications of a Trustee

A person shall be disqualified for 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 undischarged insolvent, or (iii) if he has been convicted of an offence involving moral turpitude,

Rule 11 : Chairman of the Board

The employer shall nominate one of his representatives on the Board to be the Chairman thereof. In the event of equality of votes, the Chairman shall exercise a casting vote.

Rule 12 : Filling of casual vacancies

In the event of 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.

Providing that the trustee(s) so elected, shall hold office for the unexpired term of the Board of Trustees.

Rule 12-A : Cessation and Restoration of Trusteeship

(i) A trustee ceases to be a trustee on the Board if he ceases to be an employee of the provident fund of the

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establishment; (ii) ceases to be member of the provident fund of the establishment (iii) is a nominee or a representative or recognised union and the union ceases to be a representative of recognised; or (iv) incurs any of the disqualification mentioned in the Rule 10; 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 Trustees may restore him to trusteeship if he is satisfied that there were reasonable grounds for such absence.

**Rule 13: Reference to Regional Provident Fund Commissioner**

In cases of any dispute or doubt, the matter shall be referred to Regional Provident Fund Commissioner in whose region the Head Office of the establishment is situated. His decision in the matter shall be final and binding.

**2. Meetings of the Trustees**

Quorum - At any meeting of the Trustees, two Trustees shall constitute the quorum provided one of them is among the Trustees nominated by the Company from amongst the employees, who are members of the Fund. Any decision of a meeting of the Trustees at which quorum is present will be deemed to be the decision of all the trustees and will be final and binding on them. The Chairman shall have a casting vote in addition and not instead of his own vote as a trustee. The decision of the majority at any meeting of the Trustee at which quorum is present shall be final and binding on the Trustees.

If at any meeting the number of the Trustees present is less than the required quorum, the Chairman shall adjourn the meeting to a date not later than seven days from the date of the original meeting informing the Trustees of the date, time and place of the adjourned meeting and it shall thereupon be legal to dispose of business at such adjourned meeting irrespective of the number of Trustees present.

**3. Trustees power to Appoint Attorneys**

(a) If any Trustees shall be temporarily absent from the headquarters, each such Trustee may appoint one attorney (not being one of his co-trustees) to act in his place instead and to exercise in all respects all the powers and discretions, under these rules, conferred on a trustee, but the appointment of each attorney shall be terminated immediately on the return of his principle to headquarters.

(b) If any of the Trustees shall be, at any time, absent from headquarters, and shall not have appointed an attorney, under the provisions of sub-rule (a) thereof, then Trustees (not being less than two in number) who shall remain in headquarters during such absence have full powers to act for the members, thereof, as if they were the only Trustees as present.

**4. Appointment of New Trustees**

If and Whenever any Trustee or Trustees shall die, resign, refuse or become in the opinion of the Company unqualified,

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Board of Trustees

WAPCOS Employees Contributory

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incompetent or incapable of acting or shall cease to be an employee of the Company, the Company shall appoint any other competent person or persons to be a new Trustee or new Trustees and on every such appointment, the Fund or the Funds shall ipso facto vest in the new trustee or trustees jointly with the serving of continuing Trustee or Trustees.

5. Responsibilities of the Trustees

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

6. Liability and Indemnification of Trustees

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

7. Trustees Correspondence

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

8. The Trust Deed has to be made effective from 26th June, 1969, from the date the Fund was made effective. The trust hereby created will be irrevocable.

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GUIDELINES FOR THE FUNCTIONING OF BOARD OF TRUSTEES ON EXEMPTED ESTABLISHMENTS.

1. The Trustees when elected should ensure that there is a proper trust-deed registered.
2. The Board of Trustees shall meet at least once in every three months.
3. No business shall be transacted at a meeting of the Board of Trustees unless at least four trustees of the Board of Trustees are present, of whom at least one should be from employers' side and one from the employees' side.
4. Monthly returns submitted to the Regional Commissioner should be placed before the meeting for scrutiny of the trustees. The Trustees attending the meeting should affix their signature as a proof of their scrutiny. Their views on the returns should be recorded in the minutes of meeting.
5. The Trustees should ensure that the rules of exempted Provident Fund require approval of all loans by at least two trustees and in case of a large organisation with major plant/offices in different locations, the trustees may be allowed to delegate approval of loans to two managers, one of whom may be a personnel/labour officer (and in his absence accounts officer). Such delegations should be by name of the manager/officer and not to specified positions and the trustees must satisfy that the authorised manager/officer is well informed and kept advised about applicable regulation.
6. Similarly settlement of accounts (including transfer of accumulation to another provident fund) should require authorisation of at least two trustees. All settlement should be specifically checked by the auditors of the fund.
7. The Board of Trustees, whenever the amount of Provident Fund has not been transferred by the employers to the Board of Trustees shall pass a resolution to the effect and forward it to the employer and the Regional Provident Fund Commissioner.
8. The Trustees should examine if the amount shown as transferred in the return has in effect been transferred and credited to the Bank Account of the Fund. Specific mention of this scrutiny and the findings should be recorded in the minutes of the meeting.
9. The Trustees should also ensure whether the amount shown as invested in the last monthly return has in effect been invested and recorded a certificate to that effect in the minutes.
10. Once in every year the securities should be recorded scrutinised by the trustees and their findings in recorded in the minutes of the meetings.
11. The report of the Provident Fund Inspector and the correspondence relating to the trust funds between the employer and the Regional Provident Fund Commissioner should be placed before the meeting of Trustees and their views recorded in the minutes.

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12. Within six months of the close of financial year the employer should place the Audited Balance Sheet of the trust before the trustees.
13. The trustees shall, before the close of the financial year, declare the rate of interest for the succeeding year.
14. Along with the Balance Sheet the Chairman should also furnish an annual report to the trustees for their consideration and adoption.
15. The Balance Sheet and the Annual Report, after their approval by trustees, should be forwarded to the concerned Regional P.F. Commissioner, recognised union/ Association of employees.
16. All complaints received from the subscribers should be examined by the Board of Trustees.
17. The Board of Trustees shall fix a grievance day once in a month.
18. The Board of Trustees shall have a separate Notice Board of their own and display important decisions, amendments etc., on it. Wherever non-transfer/non-investment occur the same should be displayed for the knowledge of the subscribers.
19. The Board of Trustees shall periodically review the assurance of Annual Statement of Accounts, Settlement of claims, Sanction of Advance etc.
20. The Annual Report shall contain the following:-
  - (i) The total number of employees of the Estt. in each category of work at the beginning of the year, fresh recruitments made, number of employees left during the year, total number of subscribers of the beginning of the year, the additions during the year and the total number of subscribers at the close of the year.
  - (ii) The names, addresses of the Board of Trustees.
  - (iii) Total amount of accumulation in the trust with figures at least for the past two years.
  - (iv) Total amount transferred to the fund (with figures of last year)
  - (v) The rate of interest and total amount of interest credit credited to the fund.
  - (vi) Investments made during the year.

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(vii) Claims settled and rejected with the amount sanctioned loan application sanctioned/rejected and the amount distributed.

(viii) Balance sheet, Income & Expenditure Account.

(ix) Constitution/re-constitution of the Board of Trustees, No. of meeting held during the year and salient decisions.

(x) Whether the monthly/annual returns etc. have been submitted the Regional P.F. Commissioner in time or not. If not, reasons for the same.

(xi) A statement to the effect as to whether all the conditions of exemption have been compiled with.

(xii) The justification and explanation of the Board in respect of qualifying remarks given by the Auditors.

(xiii) The number of applications for transfer of accounts and their disposal.

(xiv) The position regarding, issuance of Annual Statement of Accounts. The arrears, if any, and the reasons for the same.

(xv) The number of inspections carried out and this salient remarks, if any.

21. The Annual Report and Accounts of the Provident Fund Trust should be exhibited on Notice Boards of all offices and factories for a minimum period of thirty days.

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Board of Trustees  
WPCOS Employees Contributory  
Provident Fund Trust

ANNEXURE - 'B'

(Referred to in Rule 16 of the Fund)

Extracts from Indian Income Tax Rules 1962 - Rules 68 to 73

Circumstances in which withdrawals may be permitted.

68. (1) Withdrawals by employees may be allowed by the trustees of the provident fund in the following circumstances:-

- (a) to pay expenses incurred in connection with the illness of the employee or a member of his family;
- (aa) meeting the cost of higher education, including where necessary, the travelling expenses of any child of the employee actually dependent on him in the following cases, namely:-
  - (i) Education outside India for academic, technical, professional or vocational courses beyond the High School stage, and
  - (ii) any medical, engineering or other technical or specialised course in India beyond the High School stage, provided that the course of study is for not less than three years;
- (b) to pay for the cost of passage to a place out of India of an employee or any member of his family;
- (c) to pay expenses in connection with marriages, funerals or ceremonies, which by the religion of the employee it is incumbent upon him to perform;
- (d) to meet the expenditure on building a house, or purchasing a site of a house and a site and, in the case of an employee whose pay does not exceed rupees two thousand and five hundred per month also on additions, substantial alterations or improvements necessary to a house;

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

Explanation: For the purposes of this clause "pay" shall have the meaning assigned to it in the Explanation to sub-rules (2A) and (2B) of rule 69;

- (e) to pay premia on policies of insurance on the life of the employee or of his wife provided that the policy is assigned to the trustees of the Fund or at their discretion deposited with them

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and that the receipts granted by the insurance company for the premia are from time to time handed over to the trustees for inspection by the Income-tax Officer;

- (f) to meet the cost of legal proceedings instituted by the employee for vindicating his position in regard to any allegations made against him in respect of any act done or purporting to be done by him in the discharge of his official duty or to meet the cost of his defence when he is prosecuted by the employer in any court of law in respect of any official misconduct on his part;

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

- (g) to meet the expenses of the damage caused to the movable or immovable property of the employee as a direct result of flood, cyclone, earthquake or other convulsion of nature.

(2) for the purposes of sub-rule (1), "family" means any of the following persons who are wholly dependent on the employee, namely:- the employee's wife, legitimate children, step-children, parents, sisters and minor brothers.

Conditions for withdrawal for various purposes.

69.(1) The withdrawal in connection with expenses on marriages as specified in clause (c) of sub-rule (1) of rule 68 shall not exceed six months' pay or the total of the accumulation of exempted contributions and exempted interest lying to the credit of the employee, whichever is less.

(2) The withdrawal for the purpose specified in clause (d) of sub-rule (1) of rule 68, by any employee whose pay exceeds rupees two thousand and five hundred per month, shall be subject to the following conditions:-

- (i) the amount of withdrawal shall not exceed one-half of the amount standing to the employee's credit or the actual cost of house and/or of the site, whichever is less;
- (ii) the employee shall have completed ten years of service or is due to retire within the next ten years;
- (iii) the construction of the house should be commenced within six months of the withdrawal and should be completed within one year from the date of the commencement of the construction;

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*Srinivas Shrivastava*

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- (iv) if the withdrawal is made for the purchase of a house and/or a site for a house, the purchase should be made within six months of the withdrawal;
- (v) if the withdrawal is made for the repayment of loan previously raised for the purpose of construction or purchase of a house, the repayment of the loan should be made within three months of the withdrawal;
- (vi) where the withdrawal is for the construction of a house, it shall be permitted in two or more equal instalments (not exceeding four), a later instalment being permitted only after verification by the trustees about the actual utilisation of the earlier withdrawal;
- (vii) the withdrawal shall be permitted only if the house and/or site is free from encumbrances and no withdrawal shall be permitted for purchasing a share in a joint property or building or house or land whose ownership is divided;
- (viii) if the amount withdrawn exceeds the actual cost of the purchase or construction of the house and/or site, or if the amount is not utilised for the purpose for which it is withdrawn, the excess or the whole amount as the case may be, shall be refunded to the trustees forthwith in one lump sum together with interest from the month of such withdrawal at the rate prescribed in sub-rule (4) of rule 71. The amount refunded shall be credited to the employee's account in the provident fund.

(2A) The withdrawal for the purpose specified in clause (d) of sub-rule (1) of rule 68, by any employee whose pay does not exceed rupees two thousand and five hundred per month, shall be subject to the following conditions, namely:-

- (i) the amount of withdrawal shall not exceed-
  - (a) one-half of the amount standing to the employee's credit in the fund; or
  - (b) the employee's basic wages and dearness allowance for twenty-four months; or
  - (c) the employee's contributions to the fund together with the specified percentage of the employer's contributions to that fund, with interest thereon,

whichever is more:

Provided that the amount of such withdrawal shall in no case exceed the actual cost of the house and/or site.

Explanation: For the purposes of sub-clause (c), "specified percentage" means-

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(1) 75 per cent of the employer's contribution forming part of the accumulations as on the date of the authorisation of payment, if the period of membership of the employee in the fund is five years or more, but less than ten years; and

(2) 85 per cent of such contribution, if the period of membership of the employee in the fund is ten years or more, but less than fifteen years;

(ii) the employee shall have completed five years of service or is due to retire within the next ten years;

(iii) the withdrawal shall be permitted only if the house and/or site is free from encumbrances;

(iv) no withdrawal shall be permitted for purchasing a share in a joint property or a building or a house or land whose ownership is divided except where a site is owned jointly with the spouse;

(v) where the withdrawal is for construction of a house, the withdrawal may be sanctioned in such number of instalments (not exceeding four) as the trustees of the fund think fit;

(vi) where the withdrawal is for the construction of a house, the construction of the house should be commenced within six months of the withdrawal and should be completed within twelve months of the withdrawal of final instalment;

(vii) if the withdrawal is made for the purchase of a house and/or a site for a house, the purchase should be made within six months of the withdrawal;

(viii) if the amount withdrawn exceeds the actual cost of the purchase or construction of the house and/or site or if the amount is not utilised for the purpose for which it is withdrawn, the excess or the whole amount, as the case may be, shall be refunded to the trustees forthwith in one lump sum together with interest from the month of such withdrawal at the rate prescribed in sub-rule (4) of rule 71 and the amount so refunded shall be credited to the employee's account in the fund.

(2B) A withdrawal for additions substantial alterations or improvements necessary to the house owned by the employee or jointly owned by the employee and the spouse may be granted once and in one instalment only to an employee whose pay does not exceed rupees two thousand and five hundred per month, up to six months' basic wages and dearness allowance or the employee's own share of contribution with interest thereon or the amount standing to his credit in the fund, whichever is less:

Provided that the said withdrawal shall be admissible only after a period of five years from the date of purchase or completion of

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Provided further that where the amount withdrawn is not utilised in whole or in part for the purpose for which it was withdrawn, the excess or the whole amount, as the case may be, shall be refunded to the trustees forthwith in one lump sum together with interest from the month of such withdrawal at the rate prescribed in sub-rule (4) of rule 71 and the amount so refunded shall be credited to the employee's account in the fund.

Explanation: For the purposes of sub-rule (2A) and (2B) "pay" includes basic wages with dearness allowance, retaining allowance (if any), and cash value of food concession admissible thereon, to which the employee is entitled at the time when the withdrawal is granted or, in the case of an employee referred to in sub-rule (2) of rule 5 of Part A of the Fourth Schedule, the pay (including increments, if any) which he would have received had he not entered the armed forces of the Union or being taken into or employed in the national service.

(3) The withdrawal for the purpose specified in clause (f) of sub-rule (1) of rule 68 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 employee.

(4) The withdrawal for any other purpose referred to in sub-rule (1) of rule 68 shall not exceed three months' pay or the total of the accumulation of exempted contributions and exempted interest lying to the credit of the employee, whichever is less.

(5) For the purpose of this rule (except sub-rules (2A) and (2B)), "pay" means the pay to which the employee is entitled at the time when the withdrawal is granted or, in the case of an employee referred to in sub-rule (2) of rule 5 of Part A of the Fourth Schedule, the pay (including increments, if any) which he would have received had he not entered the armed forces of the Union or been taken into or employed in the national service.

Second withdrawal.

70 (1) Save as in sub-rule (2), a second withdrawal shall not be permitted until the sum first withdrawn has been fully repaid.

(2) A withdrawal may be permitted-

(a) for any purpose specified in clause (d) or clause (e) of sub-rule (1) of rule 68 notwithstanding that the sum withdrawn earlier for any purpose has not been repaid.

(b) for any other purpose specified in sub-rule (1) of rule 68 notwithstanding that any sum withdrawn earlier for any purpose specified in clause (d) or clause (e) of the said sub-rule (1) has not been repaid.

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Board of Trustees

WAPCOS Employees Contributory  
Provident Fund Trust

Repayment of amounts withdrawn.

71. (1) Subject to the provisions of clause (viii) of sub-rule (2) or clause (viii) of sub-rule (2A) or the second proviso to sub-rule (2B) of rule 69 where a withdrawal is allowed for a purpose specified in clause (d) or clause (e) of sub-rule (1) of rule 68, the amount withdrawn need not be repaid.

(2) Where a withdrawal is allowed in connection with marriages as specified in clause (c) of sub-rule (1) of rule 68, the amount withdrawn shall be repaid in not more than forty-eight equal monthly instalments.

(3) Where a withdrawal is allowed for any other purpose, the amount withdrawn shall repaid in not more than twenty-four equal monthly instalments.

(4) In respect of withdrawals referred to in sub-rules (2) and (3) and of the amount referred to in clause (viii) of sub-rule (2) or clause (viii) of sub-rule (2A) or the second proviso to sub-rule (2B) of rule 69, interest shall be paid in accordance with the following table:-

T A B L E

Where the amount is repaid in not more than 12 monthly instalments	One additional instalment of 4% on the amount withdrawn.
Where the amount is repaid in more than 12 monthly instalments but not more than 24 monthly instalments.	Two additional instalments of 4% on the amount withdrawn
Where the amount is repaid in more than 24 monthly instalments but not more than 36 monthly instalments	Three additional instalments of 4% on the amount withdrawn
Where the amount is repaid in more than 36 monthly instalments but not more than 48 monthly instalments	Four additional instalments of 4% on the amount withdrawn
Where the amount is refunded under clause (viii) of sub-rule (2) of rule 69	4% 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 per cent above the rate which is payable for the time being on the balance in the fund at the credit of the employee.

(5) The employer shall deduct the instalments aforesaid from the employee's salary, and pay them to the trustees of the fund.

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These deductions shall commence from the second monthly payment of salary made after the withdrawal or, in the case of an employee on leave without pay, from the second monthly payment of salary made after his return to duty.

Amount withdrawn but not repaid may be deemed as income

72. In case of default of repayment of instalments due under sub-rule (2) or sub-rule (3) or sub-rule (4) of rule 71 or where the amount withdrawn is not utilised for the purpose for which it is withdrawn, the Commissioner may at his discretion order that the amount of the withdrawal or the amount outstanding shall be added to the total income of the employee for the year in which the default occurs or the withdrawn amount is finally held not to have been utilised for the purpose for which it is withdrawn, and the Income-tax officer shall assess the employee accordingly.

Withdrawal on leave preparatory to retirement

73. Notwithstanding anything contained in rules 68 to 72, it shall be open to the trustees of a provident fund to permit the withdrawal of ninety per cent of the amount standing at the credit of an employee if the employee takes leave preparatory to retirement, provided that if he rejoins duty on the expiry of his leave he shall refund the amount drawn together with interest at the rate allowed by the Fund.

74. Advance for the construction/Purchase of Dwelling house/ Flat or acquisition of site for the purpose.

(a) "For purchasing a dwelling house/flat including a flat in a building owned jointly with others (out-right 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, Co-operative Society, an institution, a trust, a local body or a Housing Finance Corporation (hereinafter referred to as the agency/agencies);

OR

(b) 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

(c) For the construction of a 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.

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WAPCOS Employees Contributory  
Provident Fund Trust

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Explanation - 1:-

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

Explanation - 2:-

In this rule, the fact of a new and unlive in house/flat shall be determined with reference to the certificates relating to the number and date of approval of the building plan, the date of commencement and completion of the house/flat, and the tax bills and receipts issued by the appropriate authorities, and wherever necessary, by neighbourhood enquiries.

Conditions for the grant of advance

- (i) The amount of advance shall not exceed the member's basic wages and dearness allowance for thirty six months or the members own shares of contribution, together with the amount of the employer's share of contributions admissible, had the member been allowed to withdraw his accumulations on the date of authorisation of payment, with interest thereon, or the actual cost towards the acquisition of the dwelling site or the purchase of the dwelling house/flat or the construction of the dwelling house, whichever is the least. No advance under this rule shall be granted.
- (a) The member has completed five years membership of the Fund;
- (b) The member's share of contributions with interest thereon standing to his credit in the account is not less than one thousand rupees.
- (c) The dwelling site or the dwelling house/flat or the house under construction is free from encumbrance.

Provided that where a dwelling site or a dwelling house/flat is mortgaged to any of the agencies, referred to in clause (a) of rule 74 solely for having obtained funds for the purchase of a dwelling house/flat or for the construction of a dwelling house, including the acquisition of a suitable site for the purchase, such a dwelling site or a dwelling house/flat, as the case may be shall not be deemed to be an encumbered property.

Provided further that a land acquired on a perpetual lease or on lease for a period of not less than 30 years for constructing a dwelling house/flat or a house/flat built on such a lease land, shall also not be deemed to be an encumbered property.

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Board of Trustees  
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Provided also that where the site of the dwelling house/flat is held in the name of any agency, referred to in rule 74 and the allottee is precluded from transferring, or otherwise disposing of the house/flat without the prior approval of such agency the mere fact that the allottee does not have a definite right of ownership of the house/flat and the site is held in the agency shall not be a bar to the giving of an advance under clause (i) of rule 74 if the other conditions mentioned in this rule are satisfied.

- (d) No advance shall be granted for purchasing a share in a joint property or for constructing a house on a site owned jointly, except on a site owned jointly with the spouse.
- (ii) Subject to the limitation prescribed in clause (i) above.
- (a) Where the advance is for the purchase of a dwelling house/flat or a dwelling site from an agency, referred to in clause (a) Rule 74 the payment of advance shall not be made to the member but shall be made direct to the agency, in one or more instalments, as may be authorised by the member,
- (b) Where the advance is for the construction of a dwelling house, it may be sanctioned in such number of instalments as the Trustees think fit.
- (c) 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 instalments the first instalment at the time of the acquisition of the dwelling site and the remaining at his request at the time of construction of a dwelling house on such dwelling site.
- (iii) 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 instalment and shall be completed within twelve months of the withdrawal of the final instalment. Where the advance is sanctioned for the purchase of a dwelling house/flat or for the acquisition of a 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 provision shall not be applicable in case of purchase of a dwelling house/flat or hire-purchase basis and in cases where a dwelling site is to be acquired or houses are to be constructed by a Cooperative Society on behalf of its members with a view of their allotment to the members.

(iv) Except in the case specified in clause (v) below no further advances shall be admissible to a member under this rule.

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(v) 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 instalment only for additions, substantial alterations or improvement necessary to the dwelling house owned by the member or by the spouse or jointly by the member and the spouse. Provided that the advances shall be admissible only after a period of five years from the date of completion of the dwelling house.

(vi) The member shall produce the title deed and such other documents as may be required for inspection which shall be returned to the member after the grant of advance.

(vii) (a) If the advance granted under this rule exceeds the amount actually spent for the purchase for which it was sanctioned the excess amount shall be refunded by the member to the Fund in one lumpsum within thirty days of the finalisation of the purchase, or the completion of 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 contribution in his account.

(b) In the event of the member not having been allotted a dwelling house/dwelling site/flat or in the event of the cancellation of an allotment made to the member and of the refund of the amount by the agency, referred to in clause (a) of rule 74 or in the event of the member not being able to acquire the dwelling site or to purchase the dwelling house/flat from any individual or to construct the dwelling 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 trustees the amount of advances remitted under this rule to him or as the case may be to the agency referred to in clause (a) of rule 74.

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 members own share of contributions in his account.

(viii) If the Trustees, are satisfied that the advance granted under this rule has been utilised for a purpose other than that for which it was granted or that the member refused to accept an allotment or the acquire a dwelling site or that the conditions of advances have not been fulfilled

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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 vii(a) or that the amount remitted back to the member by any agency, referred to in clause (a) of rule 74 will not be refunded in terms of clause vii(b) *ibid*, the 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 instalments as the trustees may determine for the purpose of such recovery. The Trustees may direct the employer to deduct such instalments from the wages of the member and on receipt of such direction, the employer shall deduct accordingly. The amount so deducted shall be remitted by the employer to the 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 contribution 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 contribution in his account.

- (i x) Where any advance granted under this rule has been misused by the member, no further advance shall be granted to him under this rule within a period of three years from the date grant of the said advance or till the full recovery of the amount of the said advance, with penal interest thereon, whichever is later.
- (x) Advance from the fund to be non-refundable Except as otherwise provided in WAPCOS Employees Contributory Provident Fund Rules.
- (xi) In computing the period of membership of the Fund of a member his total services exclusive of period of break under the same employer or factory/establishment before this Scheme applied to him as well as the period of his membership, whichever of the Fund or of Private Provident Fund of exempted factories/establishments as the case may be immediately preceding the current membership of the Fund, shall be included.

Provided that the member has not served his membership by withdrawal of his provident fund during such period.

Rule - 75 Advance from the Fund for repayment of Loans in special cases.

- 1. (a) The Trustee, may on an application from a member sanc sanction from the amount standing to the credit of the member in the Fund, an advance for repayment wholly or partly of any outstanding principal and interest of a loan obtained from a State Government,

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*Sarabach*

*Shankar*

*[Signature]*

Cooperative Society, Housing Board, Municipal Corporation or a body similar to the Delhi Development Authority solely for the purposes specified in rule 74 of the Rules.

(b) The amount of advance shall not exceed the member's basic wages and dearness allowance for thirty six months or his own share of contributions with interest thereon, in the member's account in the Fund or the amount of outstanding principal and interest of the said loan, whichever is least.

2) No advance shall be sanctioned under this Rule unless:-

(a) the member has completed fifteen years' membership of the fund, and

(b) the member's own share of contribution, with interest thereon, in the amount standing to his credit in the Fund, is one thousand rupees or more; or

(c) the member produces a certificate or such other documents, as may be prescribed by the trustees from such agency, 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.

(3) The payment of the above advance under this rule shall be made direct to such agency on receipt of an authorisation from the member in such manner as may be specified by the trustees and in no event the payment shall be made to the member.

Rule-76 Grant of advance to members who are physically handicapped:-

(a) A member, who is physically handicapped, may be allowed a non-refundable advance from his account in the Fund, for purchasing an equipment required to minimise the hardship on account of handicap.

(b) No advance under this rule shall be paid unless the member produces a medical certificate from a competent medical practitioner to the satisfaction of the Trustees to the effect that he is physically handicapped.

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*P. Prasad*

*Shares*

*Saradwat*



Board of Trustees  
WAPCOS Employees Contributory  
Provident Fund Trust

Section  
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- (c) The amount advanced under this rule shall not exceed the member's basic wages and dearness allowance for six months or his own share of contributions with interest thereon of the cost of the equipment, whichever is the least.
- (d) No second advance under this rule shall be allowed within a period of three years from the date of payment of an advance allowed under this paragraph.

RULE - 77 Non-Refundable advance for marriage purposes

"Board of trustees on an application from a member, authorise payment to him or her of a non-refundable advance 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.

RULE - 78 Non-utilisation of Advance for the purpose for which granted.

Board of trustees are satisfied that the advance granted under Rule 74 to 77 has been utilised for the purpose other than that for which it was granted, or that the conditions of advance have not been fulfilled within a reasonable time, shall forthwith take steps to recover the amount due with penal interest thereon at the rate of 2 percent Per annum from the wages of the member in such number of instalments as the Board of Trustee may determine.

*True Copy*

*Ball to Jo attested*

*(True & upto date)*

(M. K. MENDIRATTA)  
Manager: (Finance)  
Water & Sewer Undertaking  
Services (India) Ltd.  
(A Govt. of India Undertaking)  
NEW DELHI

For & on behalf of  
Board of Trustees  
WAPCO Employees Contributory  
Provident Fund  
*[Signature]*  
Trustee-Mumbai

*[Signature]*

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*सचिव*

*[Signature]*

Board of Trustees  
WAPCO Employees Contributory  
Provident Fund Trust

*[Signature]*

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