

15 -ാം കേരള നിയമസഭ

13 -ാം സമ്മേളനം

നക്ഷത്ര ചിഹ്നം ഇല്ലാത്ത ചോദ്യം നം. 555

10-02-2025 - ൽ മറുപടിയ്ക്ക്

കേരള ഫിനാൻഷ്യൽ കോർപ്പറേഷൻ എംപ്ലോയീസ് പ്രോവിഡന്റ് ഫണ്ട് ട്രസ്റ്റ്

ചോദ്യം		ഉത്തരം	
ഡോ. മാത്യു കുഴൽനാടൻ		ശ്രീ കെ എൻ ബാലഗോപാൽ (ധനകാര്യ വകുപ്പ് മന്ത്രി)	
(എ)	കേരള ഫിനാൻഷ്യൽ കോർപ്പറേഷൻ എംപ്ലോയീസ് പ്രോവിഡന്റ് ഫണ്ട് ട്രസ്റ്റ് രൂപീകരിച്ചത് ഏതു റെഗുലേഷന്റെ ഭാഗമായാണ് എന്ന് വ്യക്തമാക്കാമോ;	(എ)	എംപ്ലോയീസ് പ്രോവിഡന്റ് ഫണ്ട് ആൻഡ് മിസലേനിയസ് പ്രൊവിഷൻസ് ആക്ട് 1952, സെക്ഷൻ 17 അനുസരിച്ച് 1955 ൽ രൂപീകൃതമായതാണ്.
(ബി)	പ്രസ്തുത റെഗുലേഷന്റെ പകർപ്പ് ലഭ്യമാക്കാമോ?	(ബി)	അനുബന്ധമായി ഉള്ളടക്കം ചേർത്തിട്ടുണ്ട്.

സെക്ഷൻ ഓഫീസർ

**KERALA FINANCIAL CORPORATION EMPLOYEES,
PROVIDENT FUND REGULATIONS**

1. These Regulations may be called "The Kerala Financial Corporation Employees' Provident Fund Regulations, 1955."
2. In these Regulations, unless there is something repugnant to the subject or context:-
 - a) "The Corporation" means the Kerala Financial Corporation.
 - b) "Employee" means a person employed by the Corporation on a monthly remuneration.
 - c) "Fund" means the Kerala Financial Corporation Employees' Provident Fund.
 - d) "Member" means any person who is in the service of the Corporation and who is also a subscriber to the fund.
 - e) "Trustees" means the trustees of the fund.
 - f) "Salary or wages" means the fixed monthly salary or wages, Special Pay and Dearness Pay received by each employee from the Corporation and does not include any acting, officiating, personal or Dearness Allowance, over time payment, bonus, Commission or other remuneration or profits whatsoever derived by any means outside his monthly salary or wages.

Note: 1) For purposes of this Sub Registration, the term "Special Pay" and "Dearness Pay" shall have the meaning assigned to them hereunder: -

Special Pay: means an addition in the nature of salary or wages to the emoluments of a post or of an employee granted in consideration of: -

- (i) The specially ^{different} arduous nature of the duties;
- (ii) A specific addition to the work or responsibility;
- (iii) The personal qualifications possessed by the employee.

Dearness Pay: means a part of Dearness Allowance, reckoned as salary or wages, subject to the limits laid down by the corporation from time to time for purposes of determining the Provident Fund Contributions, gratuity and other benefits admissible to the employees of the Corporation.

2) For the purpose of this Regulation "Special Pay" and "Dearness Pay" will be treated as part of "Salary or Wages" from 14-01-1960 and 01-04-1962 respectively.

- g) "Financial Year" means the period beginning on the first day of April and ending on the last day of March.
- h) "Dependents" of the deceased employee means the widow or widower and children, and failing them, father, mother, minor brother and unmarried sister, if they were solely or partly dependent, on the deceased at the time of his death.
- i) "Family" means and includes.

1. In the case of a male member, the wife and children of the member and the widow or widows and children of a deceased son or sons of the member and children of a deceased daughter or daughters of the member.
2. In the case of a female member, the husband and children of the member and the widow or widows and children of a deceased son or sons of the member or children of the deceased daughter or daughters of the member.

Provided that a judicially separated or divorced wife or husband shall not be included in the term "family."

3. The fund shall vest in the trustees of the fund. The trustees of the fund shall be three in number, of whom one shall be the Managing Director of the Corporation and one shall be elected by the Board of Directors from among themselves and one shall be elected by the members from among themselves. The managing Director and the Director trustee shall cease to be trustee when they cease to hold their respective offices. The member trustee shall cease to be a trustee when he ceases to be an employee of the Corporation.
4. At every meeting of the trustees, the Managing Director and in his absence one elected at the meeting shall preside. The quorum for the meeting shall be two including the member trustee. Questions arising at the meeting of the trustees shall be decided by a majority of votes and in case of equality of votes, the Chairman will have a casting vote. The ordinary business of the fund including payments to members may be delegated to a committee of two appointed by the trustees from their numbers of whom one shall be the member trustee. (See amendment)
5. The accounts relating to the fund shall be maintained in the form prescribed in Rule 6 of the Rules contained in the Central Board of Revenue Notification No.12 dated 15th March, 1930 and they shall be made up yearly as on the last day of March and submitted to a meeting of the Trustees to be held not later than 30th June every year.

A copy of the Statement of Accounts shall be forwarded to each member. An extract for each official year or other applicable accounting period of the individual account of each employee shall be submitted by the Trustees to the Income-tax Officer.

6. **Membership.** Every employee other than a **probationer** or a person employed in a temporary establishment or a person on deputation to the **Corporation shall be eligible for membership, provided he shall have been in the service of the Corporation for not less than six months immediately preceding the date of his application for membership.**

Every member shall sign form of declaration of agreement to comply with the regulations of the fund for the time being in force as the trustees may from time to time prescribe.

If there be any doubt or dispute as to the eligibility of any person to become a member of the fund, the decision of the Corporation shall be final.

7. (a) Every member shall subscribe to the fund a sum, so expressed, which is not less than $8 \frac{1}{3} \%$ (i.e. one anna four pies in the rupee) and not exceeding $16 \frac{2}{3} \%$ (i.e. two annas eight pies in the rupee) of his salary or wages. (See amendments)
- (b) The benefits of this Provident Fund shall be available with retrospective effect to any member who has been confirmed after the 1st of January, 1954 from the date of his confirmation and if he elects to contribute to the fund from such date, the Corporation also shall contribute from that date at the rate specified in clause (a) of the Regulation.
8. Subscription to the Fund shall be compulsory for all employees of the Corporation who are eligible for membership.
9. (1) The Corporation shall be entitled to deduct at the end of each month out of the salary or wages payable to each member the amount of his subscription to the fund and shall also **contribute monthly to the fund to the account of the member an amount equal to $8 \frac{1}{3} \%$ of the salary or wages of the member.** Contribution shall be made by the employee or recovered from him on his full salary or wages while on leave instead of on the actual salary or wages received during such periods of leave. The amounts so contributed by the Members and the Corporation shall be credited to the Trustees account which shall be styled. "The Kerala Financial Corporation Employees' Provident Fund." A special ledger containing the accounts of the members individually shall be maintained by the Trustees at the Head Office. For the purpose of calculating the contributions every month fractions of an anna below six pies shall be disregarded and that of six pies or over shall be counted as one anna.
- (2) If the amount of subscription of any member to the fund shall not have been deducted by the Corporation as aforesaid at the end of any month, such member shall forthwith pay the amount of the said subscription to the fund.
10. The Trustees shall from time to time invest in suitable securities the moneys of the fund not immediately required for purposes of the fund and shall be at liberty at their discretion to realise or sell any investment and to reinvest the proceeds in other securities. The above said securities shall only be those

authorised under clauses (a), (b), (c), (d), or (e) of Section 20 of the Indian Trust Act, 1882, and payable both in respect of capital and interest in India in the names of the Trustees and deposit such securities with the Corporation for safe custody.

11. The account of each member shall be credited with interest every half year at such rates as the trustees might fix from time to time having regard to the interest earned on investments from the fund and the market value of investments and the redemption period of investments and the moneys deposited with the Corporation. Interest on a member's account shall cease on the day his service with the Corporation ceases or on the day on which he dies whichever event shall first happen. Any member who is discharged for negligence or incompetence or who is adjudicated an insolvent or who is dismissed for insubordination, misconduct, fraud or any other cause of like nature or who retires from the Corporation in consequence thereof shall only be entitled for the repayment of the amount of his own contributions with interest accrued thereon at the rate and in the manner aforesaid. The Corporation's contribution shall lapse to the fund subject to the provisions of Regulation 12. The trustees shall be the sole judges of the cause of discharge, dismissal or retirement of any contributor in any of the foregoing cases.
12. If a member is dismissed for misconduct the Corporation shall be entitled to recover from the contributions made by the Corporation to the individual account of the contributor and the interest credited in respect of such contributions any loss or damage resulting to the Corporation from the cause entailing such dismissal. The Board of Directors shall be entitled to declare the amount of loss or damage resulting and their declaration in that behalf shall be final and conclusive and the amount so declared shall be paid to the Corporation.
13. Subject to the above Regulations, the amount standing to the credit of a member shall be payable to him on retirement, resignation or discharge, if he shall have served the Corporation for a period of 5 years or if he shall have attained the age of retirement fixed in the staff Regulations or if he shall have been duly certified by a Medical Authority recognised by the Trustees as incapacitated for further service or if his services shall have been dispensed with in consequence of reduction or reorganisation of establishment and not from any fault of his own.
14. If any member shall cease of his accord otherwise than on account of ill-health or other unavoidable reason to serve the Corporation before the completion of service of five years and if he shall not be entitled to payment under the foregoing Regulations he shall only be entitled to receive his own contribution to the Fund with interest credited thereon subject to the above regulations and the Corporation's contribution shall lapse to the Fund.

15. If any member shall be compelled to retire from the service of the Corporation before completing service of 5 years owing to any cause or causes beyond his control other than those specified above and shall satisfy the Board of Directors by evidence satisfactory to them that such was the case or if any member shall leave the service of the Corporation with the consent and permission of the Board of Directors before completing a service of 5 years, the Board of Directors may at their absolute discretion authorise payment to such member of the Corporation's contribution in full or in part with the interest credited thereon
16. Each member may nominate in writing any person to whom the amount standing to the credit of such member shall be paid in the event of his death while in the service of the Corporation or before his claim on the Fund shall have been discharged and may from time to time change such nomination in writing.
17. In the event of the death of nominee prior to the death of the member and no other person having in the interval been nominated by the member, the full amount due to the member according to these regulations shall be paid to the executors or administrators or at the absolute discretion of the Trustees, the amount may be paid to the dependents and failing them to any other relative or relatives of the deceased member as may appear to the trustees to be the proper parties to receive the amount without any order of Court granting representation to the estate of such deceased member or any Succession Certificate being obtained and in such proportion as the Trustees may think fit irrespective of the period for which the member may have served and such payment shall be a good discharge to the Trustees against all claims whatsoever in respect of the said Fund by anyone whomsoever claiming through the said deceased member or otherwise.
18. On the death of a member who shall have made a nomination, the full amount payable to him according to these regulations shall be paid to his nominee irrespective of the period for which the member may have served and such payment shall be a good discharge to the Trustees against all claims whatsoever in respect of the said Fund by anyone whomsoever claiming through the said member or otherwise.
19. If the nominee is a minor, the member shall at the time of nomination state the age of the nominee and shall also appoint a person of full age to whom the amount standing at the member's credit is to be paid on behalf of the minor nominee in the event of the member dying before the minor nominee attains the age of majority. If any person so appointed predeceases the member before the minor nominee attains his majority, the member shall forthwith appoint another person of full age to receive the amount on behalf of the minor nominee and from time to time forthwith make a fresh appointment when this is necessitated by the death of the person appointed to receive payment on behalf of the nominee.

20. The nomination made as aforesaid shall be and remain in full force and effect until the nominee's death or until his nomination or appointment has been revoked as herein mentioned.
21. Except as is expressly provided by these regulations, no member or any person or persons claiming under or through him shall be entitled to claim any payment of money which may be standing to his credit in the books of the Fund.
22. Save as herein provided with regard to nomination, no member shall be entitled in any way to deal with or transfer by way of security or otherwise his interest or any part thereof in the fund and any such transaction or transfer shall be invalid and the Trustees shall not recognise or be bound by any notice to them of any such transactions.
23. A contributor shall not be entitled to withdraw any sum from the amount standing to his credit but the trustees may allow in their discretion a withdrawal on the grounds and under circumstances and within the limits and subject to all the conditions pertaining to repayment of loan and rate of interest payable thereon as decided by the Board or those specified by rules made by the Government of India or the State Government in that behalf and for the time being in force.
24. (A) Withdrawals by employees shall not be allowed by the trustees except on special grounds such as those mentioned below: -
- (i) To pay expenses incurred in connection with the illness of a subscriber or a member of his family;
 - (ii) To pay for the passage over the sea of a subscriber or any member of his family;
 - (iii) To pay expenses relating to the celebration of marriages, funerals or ceremonies which according to the religion of the subscriber is incumbent upon him to perform in connection with which it is obligatory that expenditure should be incurred;
 - (iv) To meet the expenditure on building or purchasing of house or a site for a house provided that such house or site is assigned to the Trustees of Fund;
 - (v) To pay premia on policies of insurance on the life of the member or his wife provided the policies are assigned to the Trustees of the Fund and the relative receipts for premia shall be tendered to the Trustees for inspection by the Income-tax Officer. (See amendment)
- (B) No such withdrawal shall exceed 3 months' pay (Six months' pay when the withdrawal is for house building or paying premia), or the total exempted contribution whichever is less.

- (a) A second withdrawal shall not be permitted until the amount of the first withdrawal shall have been fully repaid.
 - (b) Where a withdrawal is allowed for a purpose specified in clauses (iv) and (v) of sub-rule (a) of the regulations, the amount withdrawn need not be repaid. Where a withdrawal is allowed for any other purpose the amount withdrawn shall be repaid in not more than twenty four equal monthly instalments and shall bear interest in accordance with regulation 23 and no further withdrawal shall be permitted until repayment has been effected in full. (See amendment)
 - (c) (See amendment)
 - (d) (See amendment)
25. The Corporation shall deduct such instalments from the employees' salary and pay them to the Trustees. The deduction shall commence from the second monthly payment made after the withdrawal or in the case of an employee on leave without pay, from the second monthly payment after his return to duty.
26. Notwithstanding anything contained in the aforesaid regulations it shall be open to the Trustees to permit the withdrawal of ninety per cent of the amount standing to 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.
27. No trustee shall be responsible or chargeable save and except for moneys actually received by him notwithstanding his having signed any receipt for the sake of conformity or otherwise nor shall he be responsible or chargeable for the acts, defaults or neglects of the Corporation with whom the moneys of the Fund are deposited nor for any loss unless the same happens through his own wilful act or omission.
28. The Corporation shall have power to close the Fund at any time if they shall consider that course advisable or necessary in which event the Fund shall be divided among the members by payment to each member of such sum as may be payable to him according to the regulations.
29. Any appreciation or depreciation in any investments of the Fund shall be for the benefit of and at the risk of the members and at the closing of the Fund the cash in hand shall be divided rateably among the members in proportion to the respective amounts standing to their credit.
30. Every Trustee shall be at liberty to retire by notice in that behalf addressed to the Corporation. Every vacancy in the office of the Trustee shall be filled up according to the aforesaid regulation of appointment of Trustees.

31. The decision of the Trustees shall be final and binding upon members in all respects and upon all matters, questions and disputes, relating to or connected with these regulations or with the Fund or the administration thereof or the rights or obligations of the members including all disputes and differences which may arise between any member or his executors administrators, nominees or representatives and the Trustees as to the meaning or effect of any regulations or to any matter relating to or rising out of the same.

32. Subject to the previous approval of the State Government and in consultation with the IDBI, the Board shall have power to add to, vary or annul any of the provisions of these regulations but so that the main purpose of the fund shall not thereby be affected.

33. Every employee when joining the Fund shall subscribe to an agreement in the following form:-

"I hereby declare that I have read the foregoing regulations of the Kerala Financial Corporation Employees' Provident Fund and I hereby subscribe and agree to be bound by the said regulations."

Signature	:
Date Signed	:
Name in Full	:
Date of Birth	:
Nature of appointment	:
Date of Joining Service	:
Date of Confirmation	:
Salary or wages per month	:

Signed and sealed at Trivandrum on this the 22nd day of February 1956 by two of the Directors of the Corporation.

SEAL 1. (Sd.) A.S. Damodaran Asan

2. (Sd.) Elenkath K. Narayana Pillai

We, the trustees of the Kerala Financial Corporation Employees' Provident Fund appointed as per the regulations hereby agree to be Trustees of the said Provident Fund as per the terms and conditions of the Regulations of the fund containing the Trust Deed.

Signed at Triandrum this 29th day of February, 1956.

1. Shri. C.I. Abraham I.A.S (Retd.)—Managing Director—(Trustee) (Sd.)
2. Shri. Elenkath K. Narayana Pillai, Director Trustee (Sd.)
3. Shri. N. Sundaresan Nair, Superintendent, Member Trustee (Sd.)

**KERALA FINANCIAL CORPORATION
THIRUVANANTHAPURAM**

NO. PRL/

/98

13.04.1998

AMENDMENT
NOTIFICATION

The following amendments made to the Kerala Financial Corporation Employees Provident Fund Regulations as adopted by the Board of Directors of the Corporation under Section 48(2) K of the State Financial Corporations Act 1951 in consultation with IDBI and with the previous sanction of the State Government are published for general information.

1) Section 4 is amended as follows.

“At every meeting of the trustees, the Managing Director and in the absence one elected at the meeting shall preside. The quorum for the meeting shall be two including the member trustee. Questions arising at the meeting of the trustees shall be decided by a majority of votes, the Chairman will have a casting vote. All the business of the fund including payments to members, transaction of accounts including transfer of share scripts, investment etc. may be delegated to a committee of two consisting of member trustee and a Senior Officer not below the rank of Asst. General Manager nominated by the Managing Director from time to time”.

2) A new provision viz. 24(c) as follows is added to the existing Regulation.

Sn.24(c): A Second withdrawal may be permitted.

- i. For any purpose specified in clauses IV & V of the Section 24(a) notwithstanding that the sum withdrawn earlier for any purpose has not been repaid.
- ii. For any other purpose specified under clause (i) (ii) (iii) & Sn. 24(a) notwithstanding that any sum withdrawn earlier for the purpose specified under clause IV & V of 24 (a) has not been repaid.

Provided all withdrawals under clause (i) (ii) & (iii) are fully repaid.

The amount of second withdrawal referred to above shall be difference between the amount of withdrawal admissible as on date of application and the amount actually withdrawn by the employee and outstanding as on date of application.

3) Section 24(b) shall be renamed as Sn. 24(d).

Sd/-
Rajeshkumar Singh. IAS,
Managing Director Trustee

NOTE TO THE BOARD OF TRUSTEES OF EPF HELD ON 28.04.2000

As per regulation 4 of the Kerala Financial Corporation EPF the ordinary business of fund including payments to member etc. may be delegated to a Committee of two appointed by the Trustees from their member of whom one shall be the Member Trustee.

This regulation is amended as adopted by the Board of Directors of the Corporation.

As per the amendment all the business of the fund including payments to members transaction of accounts including transfer of share script, investment etc. may be delegated to a Committee of two consisting of Member Trustee and a Senior Officer not below the rank of AGM nominated by the M.D. from time to time.

Now the present practice of sanctioning of loans and advances and claims are made by the Board of Trustees which consists the M.D. Trustee, Member Trustee and Director Trustee. In order to streamline the above practice a Senior Officer of he Corporation (not below the rank of AGM) may be nominated by the M.D. to act on behalf of the M.D. Trustee as provided in amendment to PF regulation under Section 4. Resolution put up below may be approved.

Sd/-
MEMBER TRUSTEE

Resolved that Sri. R. Jayasakar AGM Personnel is hereby authorised to act on behalf of the Trustees of the businesses of the fund including transfer of share script, investment etc.

Sd/-
M.D. Trustee

Sd/-
Director Trustee

Sd/-
Member Trustee.

**THE KERALA FINANCIAL CORPORATION
THIRUVANANTHAPURAM**

**NOTE TO THE BOARD OF KERALA FINANCIAL CORPORATION
PROVIDENT FUND TRUSTEES**

Vide the notification dated 14/04/98, a new provision is added viz., 24(c) to the existing PF Regulations allowing the subscribers permitting for a second withdrawal under refundable loan even though there is balance outstanding on NRF loan. With this amendment a member can also avail refundable loan for a period of 24 months who has availed NRFL earlier. At present we are charging interest rate of 6% for the refundable loan.

In Govt. such refundable loan are being disbursed without charging any interest. Instead the amount will be debited to the member's account, in turn the balance in the member account will come to that extent.

Our PF Regulation is silent about the charging of interest on loans. It is suggested we may also follow this method of accounting as in Govt.

Member Trustee

Director Trustee

Managing Director Trustee

SABU THOMAS
MD Trustee
KFC Employees P F