

Punjab Municipal Corporation Employees Pension and General Provident Fund Rules, 1994

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✓ NOTIFICATION

No. G.S.R. 43/P.A.42/76/Ss. 71 and 397/94. dated 28 July 1994 - In exercise of the powers conferred by Section 71 read with Section 397 of the Punjab Municipal Corporation Act, 1976 (Punjab Act 42 of 1976) and all other powers enabling him in this behalf, the Governor of Punjab is pleased to make the following rules to regulate the payment of pension and general provident fund to the employees of the Municipal Corporations, namely :-

1. Short title and commencement and application. - (1) These rules may be called the Punjab Municipal Corporation Employees Pension and General Provident Fund Rules, 1994

(2) They shall be deemed to have come into force on and with effect from the first day of April, 1990 in the case of employees who are members of the provincialised Service of a Corporation, and in the case of employees who are members of a non-provincialised Service of a Corporation, they shall come into force from such date, as the concerned Corporation may, determine, by a resolution passed in this behalf.

(3) They shall apply to the employees of the Corporations, -

- (i) who are appointed on or after the first day of April, 1990 on whole time regular basis; and
- (ii) who were working immediately, before the first day of April, 1990 on whole time regular basis and opt for these rules :

Provided that the employees who were working immediately before the first day of April, 1990 and who retired during the period between the first day of April, 1990 and the date of publication of these rules in the Official Gazette, shall have the option to opt for these rules within a period of four months from the date of publication of these rules, subject to the condition that they shall have to refund the Corporation's contribution towards their Contributory Provident Fund including interest thereon received by them together with simple interest on the whole amount at the rate of ten per cent per annum from the date of withdrawal to the date of repayment.

(4) They shall not apply to the employees, who -

- (a) opt out of these rules;
- (b) are members of All India Service or Punjab Civil Service;
- (c) are paid out of contingencies;
- (d) are work-charged employees;
- (e) are employed after superannuation;

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- (f) are employed on contract basis, except when the contract provides otherwise; and
- (g) are specifically excluded wholly or partly from the operation of these rules.

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

- (a) "Act" means the Punjab Municipal Corporation Act, 1976;
- (b) "Appendix" means an Appendix appended to these rules;
- (c) "Competent Authority" means the authority specified as such in Appendix 'A' and includes any other officer to whom the competent authority may delegate its powers under these rules;
- [(cc) "Commissioner" means the Commissioner of the Municipal Corporation.]¹
- (d) "Corporation" means a Corporation constituted under the Act to be known as the Municipal Corporation;
- (e) "Corporation Fund" means the fund constituted under Section 76 of the Act;
- (f) "Director" means the Director, Local Government, Punjab;
- (g) "Examiner" means Examiner, Local Fund Accounts, Punjab, and includes any other officer authorised by him for conducting audit of accounts of a Corporation;
- (h) "Fund" means the fund established under rule 4 of these rules;
- (i) "Government" Means the Government of Punjab in the Department of Local Government, Housing and Urban Development;
- (j) "pension" includes family pension and its commuted value;
- (k) "qualifying service" means the service rendered under a Corporation for which an employee is paid from the Corporation fund and shall include any service rendered under the Government of Punjab, any Improvement Trust, a Committee or any other Public Sector Undertaking immediately before joining the Service;
- (l) "Service" means the service rendered under the control of a Corporation;
- (m) "Secretary" means Secretary Local Government, Punjab.

3. Exercise of option. - (1) The option under clause (ii) of sub-rule (3) of Rule 1 to elect to be governed by these rules, shall be exercised in the Form appended to these rules so as to reach the competent authority within a period of four months from the date of publication of these rules in the Official Gazette :

Provided that, -

- (a) in the case of an employee who on the date of publication of these rules

1. Inserted by Punjab Notification No. G.S.R.22/P.A.42/1976/Ss. 71 and 397/Amd.(3)/2007 dated 24.7.2007.

was on leave, the option shall be exercised within a period of four months from the date of joining his duty after returning from leave;

(b) where an employee is under suspension on that date, the option shall be exercised within a period of four months from the date he joins his duty; and

(e) in case of an employee, who dies without exercising his option within the stipulated period, he shall be deemed to have opted for these rules;

(2) The employees, who opt for these rules, shall cease to avail the benefit of Contributory Provident Fund and the employees who opt out of these rules, shall continue to avail the benefit of Contributory Provident Fund.

4. Establishment of Fund. - (1) For the purpose of payment of pension, there shall be established a Fund to be known as Pension Fund (hereinafter referred to as the Fund).

[(2) The fund for the employees, who are members of the provincialised and non-provincialised service, shall be established by the Commissioner.]¹

5. Transfer of amount to the Fund. - (1) The share of money contributed by the Corporation along with interest accrued thereon standing in the Contributory Provident Fund account to the credit of an employee of a Corporation, who opts for these rules or who is governed by these rules, shall stand transferred to the Fund to the extent it was contributed by the Corporation during the period of service of the employee along with any loss caused to the contribution either by the Corporation or by the employee through withdrawal during the tenure of service of the employee or due to any other reason which shall be made good by the Corporation or the employee, as the case may be, by paying the amount along with interest due for that period to the Fund.

(2) The Corporation shall make monthly contribution towards the Fund at the rate of [twenty per cent of the basic pay *plus* dearness pay]² of the employee. The rate of monthly contribution shall be subject to any change which may be made by the Government from time to time.

(3) The amount of the Fund shall be kept in any branch of the State Bank of India or the State Bank of Patiala or the Punjab State Co-operative Bank and where there is no branch of either of these banks, it may be kept with any other Scheduled Bank.

6. Operation of Fund. - [(1) The fund for the employees, who are members of the provincialised and non-provincialised service, shall be kept and administered by the concerned Commissioner.]³

(2) The monthly contribution as specified in sub-rule (2) of rule 5, shall be

1. Substituted by Punjab Notification No. G.S.R.22/P.A.42/1976/Ss. 71 and 397/Amd.(3)/2007 dated 27.7.2007.

2. Substituted for "ten per cent of the basic pay" by Punjab Notification No. G.S.R. 46/P.A./45/1976/Ss. 71 and 397/Amd.(1)/2006. dated 17.10.2006.

3. Substituted by Punjab Notification No. G.S.R.22/P.A.42/1976/Ss. 71 and 397/Amd.(3)/2007 dated 27.7.2007.

4 Punjab Municipal Corp.Empl.Pension &Gen. Prov. Fund Rules,1994, Rule 7

drawn out of the Corporation Fund and credited into the Fund through a bank draft by the Drawing and Disbursing Officer of the Corporation not later than the seventh day of the month following the month to which these contributions relate and in the event of any default in making contribution within the stipulated period, the defaulting Corporation shall pay interest at the rate of eighteen per cent per annum for the period of default on the amount so defaulted.

(3) All payments to be made to the employees under these rules shall be paid through a bank, as specified in sub-rule (3) of Rule 5.

7. Maintenance of Accounts of Fund. - (1) The accounts of the Fund shall be maintained by the authorities specified in Appendix 'A' and the bank through which pension is disbursed, may also be required to keep accounts as per guidelines and instructions issued from time to time in this behalf by the Government.

(2) The Government may issue directions from time to time for maintaining the Fund and for investigating the amount of Fund in Government securities so as to earn maximum interest.

8. General Provisions relating to grant of pension. - (1) For the purpose of grant of pension to the employees, the rules relating to pension as contained in the Punjab Civil Services Rules, Volume II, shall apply *mutatis mutandis* to the employees of the Corporations also and for that purpose the terms and expressions not otherwise defined in these rules, shall have the same meaning as assigned to them in the Punjab Civil Services Rules, Volume I, Part I.

(2) After completion of the pension papers of the retiring employees in the form and manner specified in the Punjab Civil Services Rules, Volume II as amended from time to time, the Executive Officer of the Corporation shall send the same to the Examiner, for verification of qualifying service and emoluments for the purpose of grant of pension.

(3) The Examiner, after necessary verification shall send the pension papers to the concerned sanctioning authority as shown in Appendix 'A' for sanction of pension.

(4) While sanctioning pension, the sanctioning authority shall ensure that the contribution of the employees for the period reckoned for pension, has been duly credited to the Fund.

9. Payment of pension. - (1) The competent authority shall issue pension payment order to the pensioner in the form and manner as specified in the Punjab Civil Services Rules, Volume II with a copy thereof to the bank as specified in sub-rule (3) of Rule 5 for payment of pension to the pensioner every month regularly.

(2) While making payment of pension, the competent authority shall be guided by the Punjab Treasury Rules, which shall apply *mutatis mutandis* to the pensioners.

10. Conversion of amount to the General Provident Fund. - (1) From the date of the commencement of these rules, the subscription made by the employees

to the Contributory Provident Fund alongwith interest accrued thereon, shall stand converted into the General Provident Fund.

(2) Subject to the provisions of the Act and the rules framed thereunder, the rules contained in Chapter XIII of the Punjab Civil Services Rules, Volume II, shall apply *mutatis mutandis* to the employees of the Corporations.

(3) The General Provident Fund Account in respect of each employee, shall be maintained at the level of each Corporation by such competent authority as is specified in Appendix 'B' and in case of transfer of an employee from one Corporation to another, the amount alongwith interest accrued thereon upto the date of transfer, shall be sent to the Corporation to which the employee is transferred. The advance and final payment from the Fund shall be sanctioned by the competent authority.

[11. Audit. - The audit of the fund shall be conducted by the Chartered Accountant engaged by the Government for the purpose, from time to time.]¹

12. Over-riding effect. - The provisions of these rules shall have over-riding effect notwithstanding anything inconsistent therewith contained in any other rules governing the payment of pension and General Provident Fund for the time being in force.

13. Punjab Civil Services Rules also to apply. - Any matter relating to pension and General Provident Fund, which is not specifically covered under these rules, shall be governed and regulated by the provisions of the Punjab Civil Services Rules or any other corresponding rules on the subject.

14. Interpretation. - If any question arises as to the interpretation of these rules, the Government shall decide the same and the decision so taken shall be final.

"Appendix 'A'²

[See rule 2(c)]

Authorities competent to sanction and to authorise payment of pension and to maintain fund.

S.No.	Categories of Employees	Authority competent to sanction pension	Authority competent to maintain fund
1	Employees, who are members of provincialised service of the Corporation where appointing authority is Government.	The concerned Commissioner	The concerned Commissioner
2	Employees, who are members of provincialised services of the Corporation where appointing authority is Government.	The concerned Commissioner	The concerned Commissioner

1. Substituted by Punjab Notification No. G.S.R. 57/P.A. 42/1976/Ss.71 and 397/Amd.(2)/2006 dated 6.12.2006.

2. Substituted by Punjab Notification No. G.S.R.22/P.A.42/1976/Ss. 71 and 397/Amd.(3)/2007 dated 27.7.2007.

6 Punjab Municipal Corp.Empl.Pension &Gen. Prov. Fund Rules,1994, Appendix

3 Employees, who are members of non-provincialised service of the Corporation. The concerned Commissioner The concerned Commission."

Appendix B

[See rule 10(3)]

Authorities competent to sanction and to maintain General Provident Fund

Categories of employees	Nature of Advance	Authorities competent to sanction	Authorities competent to maintain General Provident Fund
All employees	Non-refundable advance and final payment	Commissioner	Executive Officer of the Concerned Corporation.
	Refundable Advance	Executive Officer of the concerned Corporation	Executive Officer of the concerned Corporation.

Form

[See rule 3]

I _____, employed as _____ in Corporation _____, District _____ have carefully gone through and understood the meaning and implications of the Punjab Municipal Corporation Employees Pension and General Provident Fund Rules, 1994, and I hereby opt for these rules/do not opt for these rules.

Date :

Place :

(Signature with designation)

Name

Designation

Name of the Corporation in which employed
