

**THE NATIONAL LAW INSTITUTE UNIVERSITY,  
BHOPAL**



**Financial Regulations**

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## **PART – I**

### **Preliminary**

#### **1. Short Title and commencement:**

- (1) These regulations shall be called the National Law Institute University, Bhopal “Financial Regulations,” 2014.
- (2) They shall be deemed to have come into force with immediate effect.

#### **2. Interpretation**

- (1) ‘General Council’ means the General Council of the NLIU
- (2) ‘Executive Council’ means the Executive Council of the NLIU
- (3) ‘Finance Committee’ means the Finance Committee of the NLIU
- (4) ‘Director’ means the Director of the NLIU
- (5) ‘Registrar’ means the Registrar of the NLIU
- (6) ‘Finance Officer’ means the Finance Officer of the NLIU
- (7) ‘Institute’ means the NLIU
- (8) ‘University’ means the NLIU.

**PART - II FINANCIAL REGULATION**  
**CHAPTER -I**

**3. Application of Funds**

- (1) The funds of the University shall be utilised only in furtherance of the objectives and functions of the University as stipulated in the Act and in accordance with the provisions made in the budget by the Executive Council from time to time.
- (2) All moneys received by or on behalf of the University shall be brought into account and the amount so received shall be credited into the account of the University in the designated Bank within twenty four hours i.e. by the next working day subject to, however, that an imprest amount of ₹20,000/- to be maintained. The money received shall be acknowledged by a receipt signed by a duly authorized employee.
- (3) No expenditure shall be made unless such expenditure has been sanctioned by the authority competent to do so under the Act and the Financial Regulations.
- (4) Refund of deposit of any account shall be made only with the sanction of the Director.
- (5) Capital expenditure shall not be incurred without the previous sanction of the Executive Council.
- (6) The Director shall be entitled to incur expenditure sanctioned in the budget save as otherwise directed by the Executive Council.
- (7) The Executive Council may authorise the Registrar to incur expenditure within prescribed limits.
- (8) Payment of ₹1,000/- and above shall ordinarily be made by cheque. And payments exceeding ₹20,000/- to any party / agency / supplier etc. shall invariably be made through account payee cheques only.
- (9) The Director shall have the authority to spend or incur expenditure of an emergent nature not provided for in the budget not exceeding ₹50,000/- during a month for the purpose of the University subject to, however, that the total amount so spent during any financial year does not exceed ₹5,00,000/-. The expenditure so incurred shall be got ratified from the Executive Council in its earliest meeting following the period during which such expenditure was incurred.
- (10) A separate bank account shall be maintained in the Nationalised Bank for meeting the contingency and other expenses for day to day administration of the University.

- (11) The funds of the University shall be invested in Bank Deposits in a Scheduled Bank(s) as defined in the Reserve Bank of India Act 1934, or in a corresponding new Bank(s) constituted under the Banking Companies Acts 1970 and 1980, and/or in such securities as authorised by the Indian Trust Act 1882 as may be determined by the Executive Council from time to time.
- (12) The members and staff shall be eligible for **travelling and halting allowance** according to the rates and rules prescribed by the Madhya Pradesh Government from time to time. The Director shall be the authority to sanction travelling allowance and daily allowance bills of the members and staff.

#### 4. Delegation of Financial Powers for Signing Cheques

(1)	Director	Full Powers
(2)	Registrar	upto ₹15,000/-
(3)	Registrar i/c (In the absence of Registrar)	upto ₹10,000/-

#### 5. Delegation of Other Financial Powers

The Director shall have full powers of Head of the Office /Head of the Dept. including in the following matters:

- (1) Pay fixation and pay regulations;
- (2) Sanction of all types of admissible advances
- (3) To receive grants, subventions, subscriptions, donations and gifts for the purpose of the University and consistent with the objects for which the University is established;
- (4) To draw and accept, to make and endorse, to discount and negotiate, promissory notes, bills of exchange, cheques and other negotiable instruments.
- (5) To raise and borrow money on bonds, mortgages, promissory notes or other obligations or securities founded or based upon all or any of the properties and assets of the University or without any securities and upon such terms and conditions as it may deem fit and to pay out of the funds of the University all expenses incidental to the raising of money and to repay and redeem any money borrowed;
- (6) To invest the funds of the University or funds entrusted to the University in or upon such securities and in such manner as it may deem fit and from time to time transpose any investment.

## CHAPTER –II

### 6. Preparation of Budget Estimates

Budget Estimates of income and expenditure for the ensuing financial year shall be prepared according to the directions of the Director and be placed before the Finance Committee and the Executive Council for approval before 30<sup>th</sup> June of every year.

### 7. Maintenance of Accounting Records & Audit

- (1) The Finance Officer shall be responsible for proper maintenance of all accounts of the University. Each entry in the Cash Book shall be made in ink which shall be verified and the cash and bank balances **checked** and verified at the close of every day and signed by the Finance Officer and the Registrar.
- (2) The University shall keep and maintain such books of accounts, registers, receipt books and files, as far as possible, conforming to those maintained by other Universities in Madhya Pradesh.
- (3) Postage account shall be maintained separately and expenditure incurred on postage in a day shall be entered in the book and signed by the Finance Officer.
- (4) The books of accounts and all other books and documents connected with them shall remain under the custody of the Finance Officer of the University.
- (5) The Annual Audit of accounts shall be conducted by a firm of Chartered Accountants appointed by the Executive Council on such terms and conditions as the Executive Council may deem fit and the accounts as audited be laid before the Executive Council.
- (6) After the approval of the Annual Report of each financial year, the University shall forward a copy of the audited accounts and report of the auditors thereon to the Government of Madhya Pradesh preferably within a month.
- (7) All the property, assets, money and securities belonging to the University shall stand in the name of the National Law Institute University.
- (8) The Executive Council may establish one or more funds by transferring such sums as it may deem fit out of the amount of the receipts of the University.
- (9) The books of accounts shall be open for inspection at any time by the Executive Council and the Finance Committee.

- (10) The University shall maintain a stock register in which it shall enter all items of furniture, fixtures, equipments and other articles owned by the University. The said register shall be maintained up to date by the Finance Officer. The Finance Officer shall be responsible for their upkeep and accounting.
- (11) The University shall maintain Contributory Provident Fund accounts of each of the employees entitled to contribute to the Contributory Provident Fund and open a separate bank account (Contributory Provident Fund Account) authorised by the Executive Council in accordance with the regulations formulated thereof.
- (12) The Finance Committee shall report on any matter of expenditure specifically referred to it by the Executive Council.
- (13) The Finance Committee may present to the Executive Council supplementary demands for grant at any time during the course of a financial year.

## **8. Form/Records of Accounts and their Maintenance**

- (1) (i) The University shall maintain the following accounts books in English: Cash Book, Ledger, Register of Investments, Stock Register, Property Register, Register of Books and Periodicals, Contributory Provident Fund Register, Salary Register, Register regarding staff, their Attendance and Absence, Dak Receipt and Dispatch Register and such other books as may be prescribed from time to time.  
  
(ii) **The Accounts shall be maintained on cash basis.**
- (2) The books of accounts and registers shall be strongly bound and paged on the first and title page and the number of pages of the books or register shall be signed by the Finance Officer and Registrar. Correction in the entries shall be made in red ink and attested. Eraser shall on no account be permitted.
- (3) Receipt form shall be numbered consecutively and bound into books of 100 forms each. On the front page of each book shall be entered first and last number of the receipt in that book. Receipt shall be in duplicate. The first part shall remain in the book and the carbon copy can be given to the payer. Receipt shall be signed by the Registrar or such other person duly authorised by the Director.
- (4) Fixed assets register should be completed by incorporating details regarding additions, sales and depreciation and the accession register in respect of books be kept and necessary entries made in respect of loss/damage.
- (5) Identification marks be provided on the books purchased and other fixed assets of the University.

- (6) Bills presented for payment shall be examined by the Finance Officer and upon his being satisfied that the claim is admissible, he shall make the payment after the payment is authorised by the Director. The entry in the account books shall show whether the payment is made in cash or by cheque. The bills and the relevant receipts shall be pasted together and shall be numbered consecutively in the year as payment voucher.
- (7) Salary Bill/Salary Register shall contain the following form or such other form as the Director may direct:
- (i) Sl. No.
  - (ii) Name, Designation and Pay Band & Grade Pay
  - (iii) Pay
  - (iv) Grade pay
  - (v) D.A.
  - (vi) H.R.A.
  - (vii) Other Allowances, if any (e.g. Transport Allowance etc.)
  - (viii) Gross Salary
  - (ix) Income Tax Recovery
  - (x) Contributory Provident Fund Recovery/ Contribution
  - (xi) Other Recoveries (e.g. Advances etc.)
  - (xii) Total Recoveries
  - (xiii) Net Salary
- (8) All moneys received and spent shall be immediately brought into account in the cash book and the ledger.



## CHAPTER –III

### 9. Rules and Procedure for Purchase of Store Items and Equipments

#### **Purchase Committee:**

- (1) There shall be a Purchase Committee consisting of at least three members to be nominated by the Director for a period of 2 years. The Purchase Committee shall have the power to co-opt any member from the relevant field. The Finance Officer/Registrar shall be the Convener of the Purchase Committee. There shall also be a Chairman to be nominated by the Director.
- (2) The Purchase Committee shall meet as and when required and the functions of the Committee shall be - "All purchases of Store Items, Furniture, Fixtures (e.g. Wooden, Steel, Plastic or any other material), Office Equipments, (e.g. Photo-copiers, Computers, Laptops, Typewriters, Duplicators, Accounting Machines, Air-Conditioners, Refrigerators, TVs, Desert Coolers, Water Coolers, other Electrical Items, etc.) for all the Departments, Offices, Hostels etc., of the Institute.
- (3) The term of reference of the Committee shall be as follows:
  - (i) The Committee shall draw specifications and standardisation of furniture, equipments, store items etc. normally required.
  - (ii) The Committee shall scrutinise rate contracts, tenders and quotations of articles to be purchased.
  - (iii) The Committee shall approve rates, select the articles for purchases.
- (4) The purchases shall be made in the most economic manner in accordance with the definite requirements of the Institute.
- (5) Purchase of stores shall be made in such a way as to encourage development of the industries in the country to the utmost possible extent, consistent with efficiency and economy.

### 10. Purchase of Goods

- (1) Quotations / tenders may be invited for acquisition of goods / equipments.
- (2) Tenders may not be invited for the purchase of articles / group of articles ordinarily costing ₹15,000/- on each occasion. However the following certificate is to be recorded by the Chairman of the purchase Committee.

"I ..... am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price."

- (3) Purchase of goods costing above ₹15,000/- and up to ₹1,00,000/- only on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Director. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of purchase order, the members of the committee will jointly record a certificate as under,

“Certified that we ....., members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question.”

- (4) In the case of articles frequently required throughout the year such as stationary and other consumable articles it will be desirable to enter into running contracts for a year or such smaller period as may be considered necessary to avoid calling for quotations / tenders every now and then.

(5) Through Open Tenders (Through Advertisement)

- (a) The Open Tender System i.e. invitation of tender by public advertisement in Local / National dailies shall be issued in all cases in which the estimated value of the goods is ₹5 lakh and above.
- (b) All advertisements of tender enquires should also be placed on the NLIU's website. Website address should also be given in the advertisements. Complete bidding document should be put on the website and permit prospective bidders to make use of the document downloaded from website. If the document is priced, there should be clear instruction to pay the amount by D.D. etc. along with the bid.
- (c) Ordinarily minimum three weeks time from the date of publication of the tender notice or availability of bidding document for sale, whichever is later, should be given for submitting the bids.
- (d) The Technical Bid shall contain Technical Commercial Terms and Financial Bid shall contain item wise rate/price and taxes etc. (Both **duly sealed** should be put in a separate main envelope duly sealed.)  
Firstly, technical bids shall be opened and evaluated. Secondly, financial Bid(s) of technically qualified offer(s) should be opened and evaluated.
- (i) EMD 2% to 5% of estimated value should be got deposited along with the bids in the form of demand draft / banker's cheque (refundable to unsuccessful bidders).

- (ii) From the successful bidders 5% to 10% Performance Security in the form of demand draft/ Banker's cheque / FDR valid for 60 days beyond the date of completion of all the contractual obligations of the Supplier / Contractor including warranty should be got deposited. (Bid security should be refunded on receipt of Performance Security).

(6) Through Limited Tenders

The limited tender system may be followed when the estimated value of procurement is up to ₹5 lakh and can however, be adopted even when the estimated value is more than ₹5 lakh, in the following circumstances:

- (a) When sufficient reasons exist to indicate that it is not likely to be advantageous to call for tenders by advertisement, sealed quotations may be called for. In every such case the reasons must be recorded by the Purchase Committee or its Chairman.
- (b) When the Purchase Committee certifies that the demand is urgent, the calling of competitive rates be dispensed with in all such cases. The Purchase Committee should place on record the nature of urgency.

**Note-** Copies of the bidding document should be sent directly to the registered suppliers It should also be placed on the website of the NLIU. The number of Supplier firms should be more than three.

(7) Through Single Tender

The single tender may be accepted in case of articles which are specifically certified as of proprietary nature by the Purchase Committee or where only a particular firm is the manufacturer of the stores demanded. In making purchase otherwise than through quotations/ tenders, it will be ensured that necessary discount/ rebate admissible under the rules of business is allowed by the firm.

## **11. General Guidelines for inviting/opening of Tenders and Processing thereof**

- (1) When the tenders are invited by an advertisement the issue of tender form need not be restricted to firms whose names are on the list of approved contractors. Where the offer from the firm not in the approved list is considered suitable, steps shall be taken to ascertain its capacity and financial standing. If the enquiries prove satisfactory, the order or a portion of it may be placed with the firm.
- (2) Ordinarily late tenders i.e. tenders received after the specified time of opening should not be considered by the Purchase Committee, but in case of acceptance reasons be recorded.
- (3) The availability of budget provision shall invariably be ascertained before initiating action for the purchase.
- (4) The place of delivery shall be specified in the notice calling for tenders / quotation(s).
- (5) The article(s) required shall be fully described giving design and specifications whenever necessary or samples kept to ensure their supply.
- (6) The tenders / quotations shall ordinarily be invited sufficiently in advance of the actual date of receipt except in emergent cases. The tenders / quotations shall be submitted in sealed cover.
- (7) All tenders / quotations received shall be stamped serially numbered date wise and total number of tenders / quotations received shall be recorded. Any alteration / over writing in the tenders / quotations at the time of their opening should be specified on each tender / quotation and initialed by the Officer(s) opening them. The number of tenders received shall also be recorded immediately on the relevant file.
- (8) In the notice calling for tenders / quotations it should be specifically stated that the accepting officer has the right to accept the rates of the same or all the articles required as considered necessary by him. For this purpose, contractors / suppliers shall be careful in quoting the rates for each article quite independent of the rates for other articles.
- (9) The quotations / tenders shall normally be opened by the Chairman of the Purchase Committee and after opening tenders / quotations a comparative statement of tenders shall be made and it is to be signed by the Officer(s) opening the tenders. The accepting officer / authority will record on the comparative statement of tenders the rates accepted which will be specified in the supply order. The comparative statement of tenders along with rejected tenders will be kept on record for audit purposes.
- (10) Normally lowest rate will be accepted. If for any reason, the lowest rates are considered to be unsuitable or unreasonable the purchase may be effected on other than the lowest

rates but reasons thereof will be recorded on the comparative statement of tenders / quotations.

- (11) The Purchase Committee shall have the right – (a) to reject any or all the tenders without assigning any reason, (b) to allot full or a part of the supply to one or more tenders.
- (12) If response to any invitation to tenders / quotations indicates that owing to inadequate publicity or other reasons, favourable rates have not been received fresh tenders / quotations will be invited and measures taken to bring to the notice of all possible tenderers. Also if minimum numbers of three quotations are not received, the tender may be re-issued/re-advertised unless the competent authority is satisfied that the rates quoted are reasonable and that no other firms are likely to quote even if the tender is re-issued/re-advertised.
- (13) Purchase Order / Quotation invitation letter shall contain the following to avoid future complication:
  - (a) The place of delivery should be mentioned clearly.
  - (b) The period within which supply is to be made should be mentioned in the purchase order.
  - (c) The suppliers may be asked that the articles which are not found to be according to the specifications given by the University or are damaged will not be accepted and that the supplier will be liable to remove the same from the Institute's Campus within 15 days from the date of the rejection after which the University will not be responsible for the safe custody thereof.
  - (d) Liability for payment of incidental charges including insurance of goods in transit connected with the supply may be clearly specified. If supply of articles is insured through the Institute the concerned office will be responsible for recovery of the loss, if any from the insurance agency.
  - (e) The supplier shall not change the price for the duration of validity period of rates quoted.
- (14) The Finance & Accounts Dept. of the University shall maintain Suppliers Register wherein all bills for supplies received from the suppliers will be entered to their Credit and all payments will be entered as soon as they are made. This register will be closed monthly and balance will be worked out to enable the Finance & Accounts Dept. to see whether the payments or adjustment of advance are being delayed and if so for what reasons. A page may be allotted to each supplier and advance paid shall be entered **in red ink**.

- (15) The suppliers bill for stores supplied shall on receipt be subjected to the rough check with reference to the records and correspondence on the subject. The bill in proper form duly numbered and entered in a bill register shall than be processed by the Finance & Accounts Department and then issue a cheque in the name of Supplier.
- (16) Except in special case which shall be decided on merit of each case in consultation with the Finance & Accounts Department, full payment of stores shall not be made except after the delivery of the stores has been made and the stores have been found to be satisfactory in every respect.

## **12.Award of Works**

### **Execution of Original Works and Repair Works may be carried out by following due procedures namely:**

- (1) Preparation of detailed design and estimates shall precede any sanction for works;
- (2) No work shall be undertaken before Issue of Administrative approval and Expenditure sanction by the competent Authority on the basis of estimates prepared.
- (3) Open Tenders Two Bid System i.e. Technical Bid and Financial Bid by public advertisement in Local / National Dailies including putting on NLIU's website, will be called for works costing ₹10 lakh and above.
- (4) Limited tenders from registered contractors may be called for works costing upto ₹10 lakh.
- (5) Execution of Contract Agreement of Award of work should be done before commencement of the work;
- (6) Final payment for work shall be made only on the personal certificate on the officer-in-charge of execution of the work in the format given below.  
"I ..... Executing Officer of (Name of the Work) am personally satisfied that the work has been executed as per the specifications laid down in the Contract Agreement and the workmanship is upto the standards followed in the Industry".

## **13.Acquisition of Library Books/ Journals**

- (1) For supply of Books, Sets, Law Reports the NLIU shall invite offers through its website from the Suppliers / Books Sellers/Publishers every financial year for registration/empanelment for which terms and conditions may be prescribed including minimum uniform discount for each category with the approval of the Director.

- (2) The Faculty and Students can recommend books and other publications for purchase to the Library. The Library would then check for duplication and place the list of recommended books before the Library Advisory Committee (LAC) for its review. The Library then will prepare the final list of books for the perusal and sanction of the Director subject to availability of funds and Budget Provision.
- (3) In case of urgency the University with the approval of the Director can also purchase Books/Law Reports /Bare Act and other reading material on any available discount from any Vendor /Suppliers /Publisher /Book Seller in favour of NLIU.
- (4) The Publications which are available at no discount or on lower discount (e.g. Publications of Government / Society / World Bank / UNESCO etc., will be exempted from the minimum discount limit prescribed.
- (5) In case of Print / e-Journals / e-Books, same may be subscribed/Renewed through the subscription Agent / Publishers.
- (6) Regular Faculty Members of NLIU can purchase books upto a maximum limits of ₹3,000/- subject to availability of funds and Budget Provision for the Library in one Academic Year. Such purchase will be exempted from the maximum limit of library discount and the condition of purchase from empanelled Vender, with the following conditions:
  - (i) Books purchased should be latest published edition of the titles and useful for the Library. The titles should be related to law and allied discipline as per University's area of teaching and research. The titles should not be a duplicate copy of already available books in the Library.
  - (ii) Fictions, General reading books are not allowed in such purchase.
  - (iii) Bills should be in favour of "Director, NLIU", and the concerned faculty member shall mention on each bill; "Certified that the books are useful for the NLIU Library and purchase / payment was made by me".
  - (iv) The books along with original bill shall be submitted to the Library for processing and approval of the Director for necessary reimbursement.

**14. (1) Physical Verification of Stores / Equipments / Furniture / Fixtures / Library Books etc.**

**(2) Disposal of Unserviceable items of Furniture / Fixture / Equipments etc., Weeding out of Library Books and Destruction of Office Records.**

Procedure as laid down in General Financial Rules shall be followed.



**Part – III**  
**CONTRIBUTORY PROVIDENT FUND**

**15. Contributory Provident Fund (Supplement to Regulation No. 72 Chapter – III of Part I Executive and Service Regulations)**

**(1) Eligibility and Rate of Employees' Contribution:**

- (a) Every whole-time employee who have completed one year of service in the University shall subscribe monthly to the University Provident Fund. The rate of subscription may not be less than 10% of his pay and not more than his total emoluments, the amount so calculated being rounded off to the nearest rupee, provided that in the case of subscription at the minimum or maximum rates, the rounding off will be to the next higher or the next lower rupee respectively.
- (b) Notwithstanding the foregoing provisions, persons who have retired from State/ Central Government Universities or National Institutes, if re-employed in the University may be permitted to subscribe to the Contributory Provident Fund, provided that where the term of re-employment is initially for a year or less but is later extended so as to exceed one year the contribution with interest will be credited only after the completion of one year's re-employment service. The contribution with interest shall be payable for the entire period for which the re-employed person is allowed to contribute to the Contributory Provident Fund if such period exceeds one year.
- (c) No employee of the University shall be entitled to the benefits of Contributory Provident Fund whose services in the University entitle him to a pension or on whose account the University contributes towards his pension or who has been appointed by the University on a part-time or daily wage basis.
- (d) If an employee admitted to the benefit of the Fund was previously a subscriber to any contributory/ non-contributory Provident Fund of the Central Government/ State Government, or of a body corporate, owned or controlled by Government or Universities/ Colleges or Institutions of University status or an autonomous organization registered under the Societies Registration Act of 1860 immediately before his appointment in the University, the amount of his accumulations in such contributory or non-contributory Provident Fund shall be transferred to his credit in the Fund.

(2) **University / Employers' rate of Contribution:**

The University shall contribute to each subscriber's account 10% of pay drawn by the subscriber (And it should be not more than the actual subscription made by the subscriber based on each month's subscription) from the date of subscription. And for each financial year it will be credited on 31<sup>st</sup> March of the respective year. No subscription or contribution shall be made in the Provident Fund by an employee who is on leave without pay.

(3) **Interest:**

The University shall pay to the credit to the account of a subscriber interest at such rate as Government may time to time prescribe for the payment of interest on subscription to the GPF on the amount at his credit in the fund on the 31<sup>st</sup> month of each year in the manner prescribed for the purpose.

(4) **Forfeiture of University/Employee's Contribution:**

The Director may direct the deduction there from and payment to University of –

(a) All amounts representing University contribution and interest, if the subscriber within five years of commencement of his service as such, resigns from the service or ceases to be an employee of the University otherwise than by reason of death, superannuation, or a declaration by a competent medical authority that he is unfit for further service, or the abolition of the post or the reduction of establishment or under a contract.

(b) Any amount due under a liability incurred by a subscriber to University.

(c) All amounts representing University contribution and interest, if the subscriber is dismissed from service due to misconduct, insolvency or inefficiency.

Provided that where the Director is satisfied that such deduction would cause exceptional hardship to the subscriber, he may, by order, exempt from such deduction not exceeding two-third of the amount of such contribution and interest which would have been payable to the subscriber, if he had retired on medical grounds:

Provided further that if any such order of dismissal is subsequently cancelled the amount so deducted shall on his reinstatement in the service be replaced to his credit in the Fund.

**Note: For the purpose of Sub-clause (a) of this regulation the period of five year shall be reckoned from the commencement of the subscriber's continuous service under University.**

(5) **Recovery of Liability incurred from CPF Payable:**

When the amount of Contributory Provident Fund becomes payable to a subscriber, the Head of Accounts Office of the University will be entitled to deduct therefore any amount due under any liability incurred by the subscriber to the University but not exceeding in any case the total amount of the contributions credited to the account of the subscriber by the University and of any interest which has accrued on such contributions.

(6) **Payment of Employer's Contribution on ceasing of Service on taking outside appointment with Prior Permission:**

Notwithstanding anything contained in the preceding clause of these Regulations, a subscriber who ceases to be in service of the University by reason of his taking up an appointment with another University or College or a national institute without any break and with prior permission, may be declared to be entitled to the contribution of the University in accordance with the rules framed by the Executive Council.

(7) **Management of Fund:**

The management of the Contributory Provident Fund shall vest in the Executive Council which may from time to time, make regulations or issue such general or special directions as may be consistent with the Regulations as to the conduct of the business of the Fund, or its management or the privileges of the depositors, not herein expressly provided for, or vary, or cancel any regulations made or directions given.

Provided that there shall be Provident Fund Committee, consisting of the Director, the Finance Officer, the Registrar and one member nominated by the Executive Council in the matters relating to investments, payments and other matters in respect of the Provident Fund.

All members of the Provident Fund Committee, other than ex-officio members, shall hold office for a term of three years.

(8) **Nominations:**

Every employee of the University entitled to the benefits of the Provident Fund shall be required to sign a written declaration in the prescribed form that he has read the regulations and agrees to abide by it, and shall hand in for registration in the University office the names of the person or persons to whom he wishes the balance at his credit to be paid in the event of his death;

Provided that if at the time of making the nomination the subscriber has a family, the nomination shall not be in favour of any person or persons other than a member of his family.

Provided further that the nomination made by the subscriber in respect of any other Provident fund to which he was subscribing before joining the Fund shall, if the amount to his credit in such other fund has been transferred to his credit in

the Fund, be deemed to be a nomination under this Regulation until he makes a nomination in accordance with these Regulations.

The subscriber may, from time to time, add or change his nominee by written application to the Director. A register of such nominees shall be kept in the University office.

**(9) Investment of Funds and Maintenance of Accounts:**

- (a) The amounts according to the Fund shall be placed in such bank or banks as may be approved, from time to time, by the Executive Council, or invested in securities authorised by the Indian Trust Act, 1882 (II of 1882) at the discretion of the Executive Council. Interest at the rate fixed for the purpose by the Executive Council, from time to time, shall be credited to each subscriber's account.
- (b) The subscription paid by the subscriber and the contribution by the University shall be entered monthly in a separate account for each subscriber.
- (c) The accounts of the Fund shall be audited once a year and a statement of the total amount to the credit of each subscriber shall be furnished to him.

**(10) Payment from Fund on Termination of Service or Death of Subscriber:-**

- (a) Subject to the provisions of Clause 4(c), a subscriber, at the termination of his service, shall be entitled to receive the amount which accumulates to his credit, viz., his subscription with interest and contribution by the University with interest thereon.
- (b) On subscriber's death, the amount at the credit of the subscriber shall be paid to the person or persons duly nominated by him or when no such nomination is made, to his legal heir or heirs.

**(11) Withdrawal and Advances from Fund and Recovery thereof:**

**(a) Advances**

- (1) In case of necessity, the Director may allow a subscriber an advance of sum not exceeding three months pay or half the amount of subscription and interest thereon standing to the credit of the subscriber whichever is less for one or more of the following purpose;
  - (i) In connection with illness of any family member.
  - (ii) The cost of higher education for any family member.
  - (iii) To pay obligatory expenses in connection with betrothal or marriage, funeral or other ceremonies.
  - (iv) To meet legal proceedings connected with any family member.
  - (v) To purchase consumer durables e.g. TV, VCR, Computers etc.

- (2) Recoveries towards the advance shall be made in equal monthly installments not exceeding thirty as may be decided by the Director commencing from the first payment of a full month salary after the advance is granted, but no recovery shall be made from a subscriber when he is on leave otherwise than on full pay.
- (3) When an advance is sanctioned before repayment of last installment of any previous advance is completed, the balance of any previous advance not recovered shall be added to the advance so sanctioned and the installments for recovery shall be fixed with reference to the consolidated amount.

**(b) Withdrawal from the Fund:**

No final withdrawal shall be allowed until the cessation of the subscriber's service or death. However, subject to the conditions specified hereunder, the withdrawals from the Fund may be sanctioned by the Director at any time:

- (1) after completion of twenty years of service (including broken periods of service if any) of a subscriber or within ten years before the date of his retirement on superannuation, whichever is earlier, **for one or more of the following purposes:**
  - (i) meeting the cost of higher education, including where necessary, the travelling expenses of any child of the subscriber actually dependent on him in the following cases:
    - (a) for education outside India for academic, technical, professional or vocational course beyond the High School stage; and
    - (b) for 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.
  - (ii) meeting the expenditure in connection with the marriage of subscriber's son or daughter and of any other female relation dependent on him;
  - (iii) meeting the expenditure in connection with the illness, including where necessary, the travelling expenses of the subscriber or any person actually dependent on him;
  - (iv) building or acquiring a suitable house for his residence including the cost of site or reconstructing or for making additions and alterations to a house already owned or acquired by a subscriber;
  - (v) purchasing a house site;

(vi) for constructing a house on a site purchased, utilising the sum withdrawn under sub-clause(s).

(2) Any sum withdrawn by a subscriber at any one time for one or more of the purposes specified in Clause 11(b) from the amount standing to his credit in the Fund shall not ordinarily exceed one-half of such amount or six month's pay of the subscriber, whichever is less. The Director may, however, sanction the withdrawal of an amount in excess of these limits upto three-fourth of the balance at his credit in the Fund, having due regard to –

- (a) The object for which the withdrawal is being made,
- (b) The status of the subscriber, and
- (c) The amount to his credit in the fund.

(c) **Proof of Utilization:**

A subscriber who has been permitted to withdraw money from the Fund under clause 11(b) shall satisfy the Director within a reasonable period as may be specified by him that the money has been utilised for the purpose for which it was withdrawn or so much thereof as has not been applied for the purpose for which it withdrawn shall forthwith be repaid in one lump sum and in default of such payment it shall be ordered by the Director to be recovered from his emoluments either in a lump sum or in such number of monthly installments as may be determined by the Executive Council.

(d) **Conversion of Advance into final withdrawal:**

A subscriber who has already drawn or may draw in future an advance under clause 11(a)(1) or any of the purposes specified in Clause 11(b), may be converted at his discretion by written request to the sanctioning authority, the balance outstanding into a final withdrawal on his satisfying the conditions laid down in Clause 11 (b).

**Note:-**The word 'subscription', wherever it occurs in these Regulations means the amount paid by the subscriber and similarly the word 'contribution' means the amount contributed by the University.

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