

are received and held in their individual accounts, and includes any contribution and any interest or increment accruing on such subscriptions, deposits or contributions under the rules of the Fund;

- (f) "Railway administration" means -
- (i) any company administering a railway or tramway in any part of India either under a special Act of Parliament of the United Kingdom or an Indian law, or under contract with the Government; or
 - (ii) the manager of any railway or tramway administered by the Central Government or by a State Government,

and includes, in any case referred to in sub-clause (ii), the Central Government or the State Government, as the case may be;

- (g) "Railway Provident Fund" means a Provident Fund constituted by the authority of a railway administration for any class or classes of its employees.

3. Protection of compulsory deposits - (1) A compulsory deposit in any Government or Railway Provident Fund shall not in any way be capable of being assigned or charged and shall not be liable to attachment under any decree or order of any Civil, Revenue or Criminal Court in respect of any debt or liability incurred by the subscriber or depositor, and neither the Official Assignee nor any receiver appointed under the Provident Fund Insolvency Act, 1920, shall be entitled to, or have any claim on any such compulsory deposit.

(2) Any sum standing to the credit of any subscriber to, or depositor in any such Fund at the time of his decease and payable under the rules of the Fund to any dependant of the

subscriber or depositor, or to such person as may be authorized by law to receive payment on his behalf, shall, subject to any deduction authorized by this Act and, save where the dependant is the widow or child of the subscriber or depositor, subject also to the rights of an assignee under an assignment made before the commencement of this Act, vest in the dependant, and shall, subject as aforesaid, be free from any debt or other liability incurred by the deceased or incurred by the dependant before the death of the subscriber or depositor.

4. Provisions regarding repayments - (1) When under the rules of any Government or Railway Provident Fund the sum standing to the credit of any subscriber or depositor or the balance thereof after the making of any deduction authorized by this Act has become payable, the Officer whose duty it is to make the payment shall pay the sum or balance, as the case may be, to the subscriber or depositor or if he is dead, shall -

- (a) if the sum or balance or any part thereof vests in a dependant under the provisions of Section 3, pay the same to the dependant or to such person as may be authorized by law to receive payment on his behalf; or
- (b) if the whole sum or balance, as the case may be, does not exceed five thousand rupees, pay the same or any part thereof, which is not payable under Clause (a), to any person nominated to receive it under the rules of the Fund or if no person is so nominated, to any person appearing to him to be otherwise entitled to receive it; or

(c) in the case of any sum or balance or any part thereof, which is not payable to any person under Clause (a) or Clause (b) pay the same, -

(i) to any person nominated to receive it under the rules of the Fund, on production by such person of probate or letters of administration evidencing the grant to him of administration to the estate of the deceased or a certificate granted under the Succession Certificate Act, 1809 or under the Bombay Regulation VIII of 1827 entitling the holder thereof to receive payment of such sum, balance or part, or

(ii) where no person is so nominated, to any person who produces such probate, letters or certificate

Provided that where the whole or any part of any sum standing to the credit of the subscriber or depositor has been assigned to any other person before the commencement of this Act, and notice in writing of the assignment has been received by the Officer from the assignee, the Officer shall, after making any deduction authorized by this Act and any payment due under Clause (a) to or on behalf of the widow or children of the subscriber or depositor -

(i) if the subscriber or depositor or if he is dead, the person to whom in the absence of any valid assignment the sum or balance would be payable under this sub-section gives his consent in writing, pay the sum or part or the balance thereof, as the case may be, to the assignee or

7 of
1889

(ii) if such consent is not forthcoming, withhold payment of the sum, part or balance, as the case may be, pending a decision of a competent Civil Court as to the person entitled to receive it.

(2) The making of any payment authorized by Sub-section (1) shall be a full discharge to the Government or the railway administration, as the case may be, from all liability in respect of so much of the sum standing to the credit of the subscriber or depositor as is equivalent to the amount so paid.

5. Rights of nominees - (1) Notwithstanding anything contained in any law for the time being in force or in any disposition, whether testamentary or otherwise, by a subscriber to or depositor in, a Government or Railway Provident Fund for the sum standing to his credit in the Fund, or of any part thereof, where any nomination, duly made in accordance with the rules of the Fund, purports to confer upon any person the right to receive the whole or any part of such sum on the death of the subscriber or depositor occurring before the sum has become payable or before the sum having become payable, has been paid, the said person shall, on the death as aforesaid of the subscriber or depositor, become entitled, to the exclusion of all other persons, to receive such sum or part thereof as the case may be, unless -

- (a) such nomination is at any time varied by another nomination made in like manner or expressly cancelled by notice given in the manner and to the authority prescribed by those rules, or
- (b) such nomination at any time becomes invalid by reason of the happening of some contingency specified therein, -

and if the said person predeceases the subscriber or depositor, the nomination shall, so far as it relates to the right conferred upon the said person, become void and of no effect.

Provided that where provision has been duly made in the nomination in accordance with the rules of the Fund, conferring upon some other person such right is the stead of the person deceased, such right shall, upon the decease s aforesaid of the said person, pass to such other person.

39 of
1925

(2) Notwithstanding anything contained in the Indian Succession Act, 1925 or the Bombay Regulation VIII of 1827, any person, who becomes entitled as aforesaid may be granted a certificate under that Act or that Rule, as the case may be, entitling him to receive payment of such sum or part and such certificate shall not be deemed to be invalidated or superseded by any grant to any other person of probate or letters of administration to the estate of the deceased.

11 of
1946

(3) The provisions of this section, as amended by Sub-section (1) of Section 2 of the Provident Funds (Amendment) Act, 1946, shall apply also to all such nominations made before the date of the commencement of that Act.

Provided that the provisions of this sections as so amended shall not operate to affect any case, in which before said date any sum has been paid or has under the rules of the Fund become payable, in pursuance of any nomination duly made in accordance with those rules.

5. Power to make deduction - When the sum standing to the credit of any subscriber or depositor in any Government or Railway Provident Fund which is Contributory Provident Fund becomes payable there may, if the authority specified in this behalf in the terms of the Fund so directs, be deducted

therefrom and paid to Government or the railway administration, as the case may be --

- (a) any amount due under a liability incurred by the subscriber or depositor to Government or the railway administration, but not exceeding in any case the total amount of any contributions credited to the account of the subscriber or depositor and of any interest or increment which has accrued on such contributions, or
- (b) where the subscriber or depositor has been dismissed from his employment for any reasons specified in this behalf in the rules or the Fund, or where he has resigned such employment within five years of the commencement thereof, the whole or any part of the amount of any such contributions, interest and increment.

7. Protection for Acts done in good faith - No suit or other legal proceeding shall lie against any person in respect of anything which is in good faith done or intended to be done under this Act.

8. Power to apply the Act to the Provident Fund - (1) The appropriate Government may, by notification in the Official Gazette, direct that the provisions of this Act shall apply to any Provident Fund established for the benefit of its employees by any local authority within the meaning of the Local Authorities Loans Act, 1914, and on the making of such declaration, this Act shall apply accordingly as if such Provident Fund were a Government Provident Fund and such local authority were the Government.

(2) The appropriate Government may, by notification in the Official Gazette, direct that the provisions of this Act shall apply to any Provident Fund established for the benefit of the employees of any of the instructions specified in the

9 of
1914

