

Government of Pakistan

FEDERALLY ADMINISTERED TRIBAL AREAS  
DEVELOPMENT AUTHORITY



NOTIFICATION

Peshawar, the 11<sup>th</sup> January, 2011

No. Secy/FDA/05-90/Vol-IV/2010. In exercise of powers conferred by section 40 of the FATA Development Authority Regulation, 2006, the Board of Directors of the FATA Development Authority with the approval of the Governor Khyber Pakhtunkhwa, is pleased to make the following Standing Order, namely: -

**“The FATA Development Authority Employees (Contributory Provident Fund) Standing Order, 2010”**

1. **Short title, commencement and application:** (1) This Standing Order shall be called the “Federally Administered Tribal Areas Development Authority Employees (Contributory Provident Fund) Standing Order, 2010”.  
  
(2) They shall apply to all employees appointed on regular basis in the Authority under rule 11 of the FATA-DA (Appointment, Promotion, Transfer & other Terms & Conditions of Service) Rules, 2010”.  
  
(3) They shall come into force at once.
2. **Definitions:** In this Standing Order, unless there is anything repugnant in subject or context: -
  - (a) “Authority” means the Federally Administered Tribal Areas Development Authority.

- (b) “Board” means the Board of Directors of the Authority.
- (c) “Chief Executive” means the Chief Executive of the Authority.
- (d) “The Fund” means the FATA Development Authority Employees Contributory Provident Fund,” constituted under these rules.
- (e) “Children” means the legitimate children and includes step children of an employee.
- (f) “Family” means
  - (i) in case of a male subscriber, the wife or wives and children of the subscriber and widow or widows and children of a deceased sons of the subscriber; and
  - (ii) in case of a female subscriber, the husband & children of the subscriber and children of the deceased sons of the subscriber.
- (g) “Emoluments” includes basic pay, senior post allowance, special pay, technical pay & any other emolument which may specifically be classified as such by the competent authority for the purpose of these Rules and includes leave salary as well as subsistence grant during suspension.
- (h) “Regular employee” means an employee of the Authority who is appointed on regular basis against a post or who holds a post in the Authority on regular basis, and has completed two years service including probation period.
- (i) “Year” means the financial year commencing from first July and ending on thirtieth June.
- (j) Other terms and expressions used in these rules shall have the meanings

assigned to them in the Provident Fund Act, 1925.

### **3. Constitution and management of the Contributory Provident Fund:**

(1) There shall be constituted a Contributory Provident Fund for the employees of the Authority. The Fund shall consist of: -

- (a) Subscription of the subscribers;
- (b) Contribution by the Authority, and
- (c) Profit that may accrue from the accounts/investments and advances from the Fund.

(2) The administration and management of the Fund shall vest in a Board of Trustees to be appointed by the FATA-DA Board of Directors nominating two Assistant Managers and a representative of the sub-ordinate staff. The Chief Executive shall be ex-officio Chairman, the Secretary FATA-DA as an ex-officio member and the Manager (B&A) FATA-DA as ex-officio Member/ Secretary of the Board of Trustees.

(3) The procedure for administration and management of the Fund shall be prescribed by a standing order under approval of the Board of Directors of the Authority.

\*Board of Trustees of Contributory Provident Fund with the following composition:

- |  |                                 |
|--|---------------------------------|
| 1. Chief Executive, FATA-DA            | Ex-Officio Chairman BoT         |
| 2. Manager(B&A)                        | Ex-Officio Member/Secretary BoT |
| 3. Secretary FATA-DA                   | Ex-Officio Member               |
| 4. Assistant Manager(Admn)             | Member BoT                      |
| 5. Assistant Manager(Accounts)         | Member BoT                      |
| 6. Representative of FATA-DA Employees | Member BoT                      |

### **4. Employees eligible to join the Fund:** All the employees holding appointment on regular basis in the Authority shall be eligible to join the Fund.

\*Amendment made in 29<sup>th</sup> meeting of BOD held on 20<sup>th</sup> Dec, 2013

**5. Compulsory subscribers to the Fund:** All existing and eligible employees holding post on regular basis and such employees who are appointed to their first post in the Authority on regular basis, on or after the commencement of this Standing Order, shall join the Contributory Provident Fund as compulsory subscribers.

**6. Nominations:** (1) As soon as may be, after joining the Fund, every subscriber shall be required to make a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the Fund, in the event of his death before the amount standing to his credit has become payable, or where the amount has become payable, before payment has been made.

(2) A subscriber who, at the time of joining the Fund, has a family shall send to the A.M (Accounts) of the Authority, a nomination in the form set forth in Appendix-1 to this Standing Order, in favour of one or more members of his family.

(3) A subscriber who has no family may similarly nominate a person or persons in the form set forth in the Appendix-2 to this Standing Order;

Provided that a nomination made under this sub-rule, shall be deemed to have been duly made, in accordance with this Standing Order only for so long as the subscriber has no family.

(4) If a subscriber, at any time acquires a family, he shall send to the A.M (Accounts), a nomination as provided in sub-rule (2) and, if he has under sub-rule (3) nominated any person other than member of his family, he shall formally cancel the previous nomination.

(5) If a subscriber nominates more than one person, under sub-rule (1) or (2), he shall specify in the nomination, the amount or share payable to each of the nominee in such manner as to cover the whole amount that may stand to his credit in the Fund at any time.

(6) A nomination may be cancelled by a subscriber and replaced by any nomination which is permitted to be made under this Standing Order.

(7) Every nomination or cancellation shall be effective from the date on which it is received by the A.M (Accounts).

7. (1) **The account of the Fund:** The account of the Fund shall be opened in a Schedule Bank to be approved by the Board of Trustees, to which all deductions shall be credited before the 5<sup>th</sup> of each calendar month in a daily product account. Amount in excess of Rs. 500,000 (five hundred thousand), lying in the account at any time, shall be invested in National Savings Certificates, Defence Saving Certificates, or any other investment bank or institution for the maximum but secured profit.
- (2) Separate ledger account for each subscriber shall be maintained as may be prescribed by the Finance Department, FATA-DA.
- (3) (i): Each year in July, prorata profit on the basis of total balance shall be declared and credited to the account of each subscriber.
- (ii) Profit shall be credited with effect from the last day in each year in the following manner: -
- (a) on the amount at the credit of a subscriber on the last day of the preceding year, less any sums withdrawn during the current year, profit for twelve months.
  - (b) on sums withdrawn during the current year, profit from the beginning 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 last day of the preceding year, profit from the date of deposit upto the end of the current year; and
  - (d) the total amount of profit shall be rounded to the nearest whole rupee, fifty paises counting as the next higher rupee;

Provided that when the amount standing at the credit of a

subscriber has become payable, profit shall thereon be credited under this sub-rule in respect only of the period from the beginning of the current year or from the date of deposit, as the case may be, upto the date on which the amount standing at the credit of the subscriber becomes payable.

(iii) For the purposes of this Standing Order the date of deposit shall, in case of a recovery from emoluments and in the case of an amount forwarded by the subscriber, be deemed to be the first day of the month of receipt if it is received by the A.M (Accounts) before the fifth day of that month, but if it is received on or after the fifth day of that month, first day of the next succeeding month.

(iv) In addition to any amount to be paid under rule 16 profit thereon upto the end of the month preceding that in which the payment is made or upto the end of the sixth month after the month in which such amount became payable, whichever of these periods is less, shall be payable to the person to whom such amount is to be paid;

Provided that no profit shall be paid of any period after the date which the A.M (Accounts) has intimated to that person, or his agent, as the date on which he is prepared to make payment in cash, or if he pays by cheque, after the date on which the cheque in that person's favour is put in the post;

(v) Profit shall not be credited to the account of a Muslim subscriber if he informs the A.M (Accounts) that he does not wish to receive it, but if he subsequently asks for the profit it shall be credited with effect from the first day of the year in which he asks for it.

**8. Conditions and rates of subscription:** (1) Every subscriber shall subscribe monthly to the Fund, except during a period of suspension, and on reinstatement, if the period of suspension is treated on duty, the total amount due to the Fund on account of arrears of subscriptions for the period of

suspension shall forthwith be paid by the subscriber to the Fund or, in default, be ordered by the A.M (Accounts) to be recovered by deduction from the emoluments or otherwise, as may be directed by the Chief Executive.

- (2) A subscriber shall subscribe during leave, except extra ordinary leave.
- (3) The amount of subscription by the subscriber, shall be eight percent (8%) of the emoluments of the employees.
- (4) For the purposes of sub-rule (1), the emoluments of a subscriber shall be: -
  - (a) In the case of a subscriber who was in the service of the Authority on 30th June of the preceding year, the emoluments to which he was entitled on that date;

Provided that: -

- (i) If a subscriber who was on leave on the said date or was under suspension and is treated on duty, his emoluments shall be the emoluments to which he was entitled, had he not proceeded on leave or placed under suspension;
  - (ii) If a subscriber was on deputation out of Pakistan on the said date, his emoluments shall be the emoluments to which he would have been entitled had he been on duty in Pakistan; and
  - (iii) If a subscriber joined the Fund for the first time on a day subsequent to the said date, his emoluments shall be the emoluments to which he was entitled on such subsequent date;
- (b) In the case of a subscriber who was not in the service of the Authority on 30th June of the preceding year, the emoluments to which he was entitled, on the first day of his service, or if he joined the Fund for the first time, on a date subsequent to the first day of

his service, the emoluments to which he was entitled on such subsequent date.

9. **Position in Foreign Service etc:** - When a subscriber is transferred to foreign service within Pakistan or sent on deputation out of Pakistan, he shall remain subject to the rules relating to the Fund in the same manner, as if he was not so transferred or sent on deputation.
10. **Realization of subscriptions:** (1) When emoluments are drawn from the Authority, the recovery of subscriptions on account of these emoluments and of the principal and profit on advances, if taken, shall be made from the emoluments.
- (2) When emoluments are drawn from any other source, the subscriber shall forward his dues monthly to the A.M (Accounts).
11. **Contribution by the Authority:** (1) The Authority shall, with effect from 30th June of each year, make a contribution to the account of each subscriber; on monthly basis.

Provided that, if a subscriber quits the service or dies during a year, the contribution shall be credited to his account for the period between the close of the preceding year and the date of the casualty.

- (2) The contribution shall be equal to the amount of subscription made by the subscriber;

Provided that contribution by the Authority shall not be payable in respect of any period for which the subscriber has not paid his subscription.

- (3) The amount of any contribution payable in respect of a period of a foreign service shall, unless it is recovered from the foreign employer, be recovered by the Authority from the subscriber.



(4) The amount of contribution payable shall be rounded to the nearest hundred. (Rs. 50/- and above shall be rounded to next hundred rupees).

**12. Advances from the Fund:** (1) A temporary advance may be granted to a subscriber from the amount standing to his credit in the Fund at the discretion of the Chief Executive subject to the following conditions: -

(a) No advance shall be granted unless the sanctioning authority is satisfied that the applicant's pecuniary circumstances justify an advance, and that the amount advanced shall be spent on the following objects and not otherwise: -

(i) to pay expenses incurred in connection with the prolonged illness of the subscriber or any person actually dependent on him;

(ii) to pay for the overseas passage for reasons of health or education of the subscriber or any person actually dependent on him; and

(iii) to pay obligatory expenses on a scale appropriate to the subscriber's status in connection with marriages, funerals or ceremonies which by his religion it is incumbent on him to perform or in connection with his marriage or any member of his family or of a female relative who is actually dependent on him;

(iv) to make addition/alterations in his existing house owned by the subscriber.

(b) The sanctioning authority shall record in writing reasons for granting the advance.

(c) The advance shall not, save in exceptional cases for reasons to be recorded in writing by the sanctioning authority, exceed three months emoluments and shall, in no case, exceed 50% of the amount of

subscriptions and profit thereon standing to the credit of the subscriber in the Fund at the time when the advance is granted.

(2) An advance shall not, except for special reasons to be recorded in writing by the sanctioning authority, be granted under sub-rule (1) until at least twelve months after the final repayment of the previous advance if any, together with profit thereon, have lapsed.

(3) The subscriber shall be allowed advance in a manner that only one advance shall remain outstanding at one time.

**13. Recovery of Advances:** (1) An advance shall be recovered from the subscriber in such number of equal monthly installments as the sanctioning authority may direct, but such number shall not be less than twelve unless the subscriber so chooses, or in any case more than forty-eight. A subscriber may, at his option, make repayment in a smaller number of installments than that prescribed and each installment shall be a number of whole rupees.

(2) Recovery shall be made in the manner provided in rule 10 relating to for realization of the subscription and shall commence on the first occasion after the advance is made on which the subscriber draws his emoluments for a full month, and recovery shall not be made except with the subscriber's consent, while he is in receipt of subsistence grant.

(3) After the principal of the advance has been fully repaid, profit thereon shall be recovered at the rate equal to the rate of profit determined under rule 7(3) including additional benefit for each month or broken portion of a month during the period falling between the drawl of the advance and complete repayment of the principal;

Provided that Muslim subscribers whose deposits in the Fund carry no profit, shall not be required to pay into the Fund any additional installment on

account of profit on advances granted to them from the Fund.

(4) Recoveries made under this rule shall be credited to the account of the subscriber in the Fund.

**14. Circumstances in which accumulations are payable:** (1) When a subscriber quits the service, the amount standing to his credit in the Fund shall, subject to any deductions under rule 15, become payable to him;

Provided that a subscriber who has been compulsorily retired, removed or dismissed from service and is subsequently reinstated in the service, shall repay any amount paid to him from the Fund.

(2) When a subscriber, while on leave, has been permitted to retire or has been declared by a competent medical authority to be unfit for further service, the amount of subscriptions and profit thereon standing to his credit in the Fund, shall, upon application made by him in that behalf to the Chief Executive, become payable to the subscriber;

Provided that the subscriber, if he returns to duty, shall, if required to do so by the Chief Executive, repay to the Fund, for credit to his account, the whole or part of any amount paid to him from the Fund, within three months.

(3) On the death of a subscriber before the amount standing to his credit has become payable or where the amount has become payable before payment has been made: -

**A. When the subscriber leaves a family: -**

(a) if the nomination made by the subscriber in accordance with provisions of rule 6 in favour of a member or members of his family subsists, the amount standing to his credit in the Fund or the part thereof, to which the nomination relates, shall become payable to his nominee or nominees in

the proportion specified in the nomination;

- (b) if no such nomination in favour of a member or members of the family of the subscriber subsists, or if such nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof, to which the nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become payable to the members of his family in equal share: -

Provided that no share shall be payable to: -

- (i) sons who have attained legal majority (maturity);
- (ii) sons of a deceased son who have attained legal majority;
- (iii) married daughters whose husbands are alive; and
- (iv) married daughters of a deceased son whose husbands are alive.

If there is any member of the family other than those specified in clauses (i), (ii), (iii) and (iv) above, alive;

Provided further that the widow or the widows and the child or children of a deceased son shall receive between them in equal parts, only the share which that son would have received if he had survived the subscriber and had been exempted from the provisions of clause (i) of the first proviso.

Note: Any sum payable under these rules to a member of the family of a subscriber, vests in such member under Sub-Section (2) of section 3 of the Provident Fund Act 1925 (Act No. XIX of 1925).

**B. When the subscriber leaves no family:** - If a nomination made by him in accordance with the provisions of rule 6 in favour of any person or persons

subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.

Note 1: When a nominee is dependent of the subscriber as defined in clause (c) of Section 2 of the Provident Fund Act 1925, the amount vests in such nominee under sub-section (2) of Section 3 of the Act if the nomination made by him in accordance with the provisions of rule 6 subsists, or if such nomination relates only to a part of the amount standing to his credit in the Fund, the relevant provisions of clause (b) and of sub-clause (ii) of clause (c) of sub-section (1) of section 4 of the Provident Fund Act 1925 shall apply to the whole amount or part thereof to which the nomination does not relate.

**15. Deductions:** Subject to the condition that no deductions may be made which reduce the credit by more than the amount of any contribution by the Authority with profit thereon credited under rule 7(3) and rule 11 before the amount standing to the credit of the subscriber in the Fund is paid out of the Fund, the Chief Executive may direct the deduction there from and payment to the Authority of:-

- (i) any amount if a subscriber has been dismissed from service for misconduct;

Provided that if the order of dismissal is subsequently set aside the amount so deducted shall, on reinstatement in service, be replaced at his credit in the Fund;

- (ii) any amount, if a subscriber resigns his employment under the Authority within five years of the commencement thereof, otherwise than by reason of superannuation or a declaration by a competent medical authority that he is unfit for further service;

(iii) any amount due under a liability incurred by the subscriber to the Authority.

**16. Payments:** (1) When the amount standing to the credit of a subscriber in the Fund or the balance thereof, after any deduction under rule 15 becomes payable it shall be the duty of the Assistant Manager (Accounts) after satisfying himself, when no such deduction has been directed under that rule, that no deduction is to be made, to make payment as provided in Section 4 of the Provident Fund Act 1925.

(2) If the person to whom under these rules, any payment is to be made is a lunatic for whose estate a manager has been appointed in this behalf under the Lunacy Act 1912, the payment shall be made to such manager and not to the lunatic.

(3) Any person who desires to claim payment under this rule, shall send a written application in that behalf to the Manager (B&A). Payment of amounts withdrawn shall be made in Pakistan only and the persons to whom the amounts are payable shall make their own arrangements to receive the payment in Pakistan.

Note: - When the amount standing to the credit of a subscriber has become payable under sub-rule (1), (2) or (3) of rule 14, the A.M (Accounts) shall authorize prompt payment of the portion of the amount standing to the credit of a subscriber in regard to which there is no dispute or doubt, the balance being adjusted as soon thereafter as maybe possible.

**17. Procedure in r/o receipts of the Fund:** All sums paid into the Fund under these rules shall be credited in the books of the Fund to an account named “The Contributory Provident Fund Account”.

**18. C.P.F. Account Number to be quoted:** When paying subscription a subscriber

shall quote the number of his account in the Fund which shall be communicated to him by the A.M (Accounts) and any change in the number shall similarly be communicated to the subscriber by the A.M (Accounts).

**19. Annual Statement of Subscribers account:** (1) As soon as possible, after the close of each year, the A.M (Accounts) shall send to each subscriber a statement of his account in the Fund, showing the opening balance as on the first July of the year, the total amount credited or debited during the year, the total amount of profit credited as on the 30th June of the closing year and the closing balance on that date, and the A.M (Accounts) shall attach to the statement of account an enquiry whether the subscriber:

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- (i) desires to make any alteration in any nomination made under rule 6 of these rules.
- (ii) has acquired a family in cases where the subscriber has made no nomination in favour of a member of his family under sub-rule (2) of rule 6.

(2) The subscribers must satisfy themselves as to the correctness of the annual statement and errors should be brought to the notice of the A.M (Accounts) within three months from the date of receipt of the statement.

**20. Audit:** The accounts of the C.P. Fund shall be audited once in every year and report of the audit shall be placed before the Board of Directors of the Authority.

Sd/xxx  
**Attaullah Khan**  
**Chief Executive, FATA-DA**

**Form of Nomination when subscriber has a family**

I hereby direct that the amount at my credit in the Contributory Provident Fund at the time of my death shall be distributed among the members of my family mentioned below in the manner shown against their names.

Name and Address of nominee or nominees	Relationship with the subscriber	Age of the Nominee	Amount of share of accumulations
(1)	(2)	(3)	(4)

Station .....

Date.....

Signature of Subscriber

Name.....

<u>Two Witnesses to signature</u>	<u>Name</u>	<u>Signatures</u>
1.....		
2.....		

Station .....

Date.....

Note: - Column 4 shall be filled in so as to cover the whole amount at credit.



**Form of Nomination when subscriber has no family**

I hereby declare that I have no family and direct that the amount at my credit in the Contributory Provident Fund at the time of my death shall, in the event of my having no family, be distributed among the following persons/relatives, mentioned below in the manner shown against their names.

Name and Address of nominee or nominees	Relationship with the subscriber	Age of the Nominee	Amount of share of accumulations
(1)	(2)	(3)	(4)

Station .....

Date.....

Signature of Subscriber

Name.....

<u>Two Witnesses to signature</u>	<u>Name</u>	<u>Signatures</u>
1.....		
2.....		

Station .....

Date.....

Note: - Column 4 shall be filled in so as to cover the whole amount at credit.