



## PROVIDENT FUND POLICY

### 1. Objective

The objective of this policy is to outline the provisions and procedures for the Provident Fund (PF) scheme at Samata Degree College, ensuring financial security and benefits for employees upon retirement or in the event of unforeseen circumstances.

### 2. Scope

This policy applies to all the employees of Samata Degree College.

### 3. Eligibility

- All employees who have completed a minimum of six months of continuous service with SDC are eligible to participate in the Provident Fund scheme.

### 4. Contributions

- **Employee Contribution:** Employees are required to contribute a minimum of 12% of their basic salary to the Provident Fund each month.
- **Employer Contribution:** SDC will contribute an amount equal to 12% of the employee's basic salary to the Provident Fund each month.
- **Voluntary Contributions:** Employees may choose to contribute an additional amount over and above the mandatory 12% of their basic salary. However, the college's contribution will remain fixed at 12%.

### 5. Fund Management

- The Provident Fund will be managed by a designated Provident Fund Trust or a recognized Provident Fund management authority in compliance with relevant statutory regulations.
- The funds will be invested in a diversified portfolio to ensure safety and reasonable returns on the contributions.

### 6. Withdrawals

- **Retirement:** Employees can withdraw the full amount accumulated in their Provident Fund account upon retirement, which is typically at the age of 58.
- **Early Withdrawals:** Employees may be allowed to make partial withdrawals or advances from their Provident Fund account before retirement under specific conditions, such as:
  - Medical emergencies for self or dependents
  - Purchase or construction of a home
  - Higher education expenses for self or dependents
  - Marriage expenses of self or dependents



- **Termination of Employment:** Upon termination or resignation, employees can withdraw the entire amount accumulated in their Provident Fund account after a specified waiting period, as per the statutory regulations.

## 7. Nomination

- Employees are required to nominate one or more beneficiaries who will receive the Provident Fund benefits in the event of the employee's demise.
- Employees can update their nominations at any time by submitting a written request to the HR Department.

## 8. Taxation

- Contributions made by employees to the Provident Fund are eligible for tax exemptions under relevant sections of the Income Tax Act.
- Interest earned on the Provident Fund balance and withdrawals are also subject to tax regulations as per the prevailing laws.

## 9. Account Statements

- Employees will receive an annual statement of their Provident Fund account, detailing the contributions, interest earned, and the closing balance.
- Employees can also request account statements from the HR Department as needed.

## 10. Compliance and Grievance Redressal

- JBRPC is committed to complying with all statutory regulations governing the Provident Fund.
- Any grievances related to the Provident Fund should be reported to the HR Department, which will address and resolve the issues promptly.

## 11. Review and Amendment

- This Provident Fund policy will be reviewed annually and may be amended as necessary to ensure compliance with legal requirements and to address the changing needs of the employees and the institution.

This policy document aims to provide financial security and benefits to employees through the Provident Fund scheme at SDC, ensuring a structured and compliant approach to retirement savings.

**Director & Principal**