

Provident Funds Act, 1925

Section 5 - Rights of Nominees

1 (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 of 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 there in,

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 in the stead of the person deceased, such right shall upon the decease as aforesaid of the said person, pass to such other person.]

(2) Notwithstanding anything contained in 2 [the Indian Succession Act, 1925 (39 of 1925)] or the Bombay Regulation VIII of 1827, any 3 [person, who becomes entitled as aforesaid, may be, granted] a certificate under that Act, or that Regulation, 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be, entitling him to receive payment of such sum or part, and such certificate shall not be deemed to be invalidated or superseded by any grant to any other person of Probate or Letters of Administration to the estate of the deceased.

4 [(3) The provisions of this Section as amended by sub-Section (1) of Section 2 of the Provident Funds (Amendment) Act, 1946 (11 of 1946), shall apply also to all such nominations made before the date of the commencement of that Act :

Provided that the provisions of this Section as so amended shall not operate to affect any case, in which before the 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.]

-
1. Substituted by Act II of 1946, Section 2, for the original sub-Section.
 2. Substituted by Act 35 of 1950, Section 3 and Sch. II, for "the Succession Certificate Act, 1889".
 3. Substituted by Act II of 1946, Section 2, for "such person shall on the death of the subscriber or depositor, be entitled to the grant of".
 4. Added by Act II of 1946, Section 2.
-