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LEGISLATIVE SUPPLEMENT

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**PART I**

**GOVERNMENT OF PUNJAB**

DEPARTMENT OF LEGAL AND LEGISLATIVE AFFAIRS, PUNJAB

**NOTIFICATION**

The 18th April, 2018

**No.9-Leg./2018.**-The following Act of the Legislature of the State of Punjab received the assent of the Governor of Punjab on the 16th day of April, 2018, is hereby published for general information:-

**THE PUNJAB SOCIAL SECURITY ACT, 2018.**

**(Punjab Act No. 8 of 2018)**

AN

ACT

to provide for the establishment of Punjab Social Security Fund with a view to provide for social services to the eligible beneficiaries under the relevant Schemes of the State of Punjab, in the form of pension to senior citizens, widows, destitute women, physically challenged persons; health and accident insurance; scholarship for education of children belonging to deprived sections; and such other financial assistance to poor and needy, as may be considered necessary.

BE it enacted by the Legislature of the State of Punjab in the Sixty-ninth Year of the Republic of India as follows: -

1. (1) This Act may be called the Punjab Social Security Act, 2018. Short title and commencement.  
(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.
2. (1) In this Act, unless the context otherwise requires,— Definitions.
  - (a) "collecting authority" means the authority as specified in sub-section (1) and sub-section (2) of section 7;
  - (b) "Fund" means the Punjab Social Security Fund constituted under section 4;
  - (c) "Government" means the Government of the State of Punjab in the Department of Finance;
  - (d) "prescribed" means prescribed by rules made under this Act;

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- (e) "Scheduled Bank" means a bank included in the Second Schedule to the Reserve Bank of India Act, 1934;
  - (f) "section" means section of this Act;
  - (g) "Social Security" means a system or mode or a measure that provides financial assistance, in cash or kind, to persons or class of persons with social, economic or physical disabilities or to a person or class of persons that the Government may by notification, specify;
  - (h) "social service" means the service including pensions for senior citizens, widows, destitute women, physically challenged persons; health and accident insurance; scholarship for children belonging to the Scheduled Castes, Backward Classes and minorities; marriage grants to girls belonging to the Scheduled Castes, Backward Classes and minorities; and financial assistance to the unemployed youth and acid attack victims; and
  - (i) "Trust" means the Trust established under section 6.

(2) The words and expressions used in this Act, but not defined, shall have the same meaning as assigned to them in the Punjab Value Added Tax Act, 2005 (Punjab Act No. 8 of 2005), the Punjab Motor Vehicles Taxation Act, 1924 (Punjab Act No. 4 of 1924), the Punjab Electricity (Duty) Act, 2005 (Punjab Act No. 9 of 2005), the Punjab Tax on Lotteries Act, 2005 (Punjab Act No. 18 of 2005) and the Companies Act, 2013 (Central Act No. 18 of 2013).

Levy of Social Security.

3. Notwithstanding anything contained in any other law for the time being in force and subject to the rules made or notifications issued under this Act, there shall be levied for the purpose of providing social services,-

- (i) a Social Security Surcharge not exceeding rupees two per liter on sale of petrol and/or diesel which are subject to Punjab Value Added Tax levied under the Punjab Value Added Tax Act, 2005;
- (ii) a Social Security Surcharge not exceeding one percent of value of vehicles registered in the State of Punjab which are subject to payment of tax under the Punjab Motor Vehicles Taxation Act, 1924;
- (iii) a Social Security Surcharge not exceeding ten percent of tax on transportation vehicles in the State of Punjab which are subject to such tax under the Punjab Motor Vehicles Taxation Act, 1924;

- (iv) a Social Security Surcharge at the rate of five percent of monthly electricity bill:

Provided that the minimum liability of the consumer shall not be less than rupees twenty five per month and the maximum liability of the consumer shall not exceed rupees ten thousand per month; and

- (v) a Social Security surcharge not exceeding ten per cent of excise duty and license fee as chargeable under the Punjab Excise Act, 1914 (Punjab Act No. 1 of 1914):

Provided that the Government may by notification, exempt a person or a class of persons from payment of Social Security Surcharge under this Act.

4. (1) There shall be constituted a Fund to be called the Punjab Social Security Fund. Constitution of Fund.

(2) The Fund shall vest with the Government.

(3) The Fund shall comprise of Social Security Surcharge levied and collected under this Act.

(4) The Fund shall also comprise of net revenues collected by the Government under the Punjab Tax on Lotteries Act, 2005.

(5) The Fund may receive Corporate Social Responsibility Contributions as per Schedule VII under section 135 of the Companies Act, 2013 for the purposes of this Act and such contributions shall also be deposited in the Fund account as per sub-section (3) of section 7 of the Act.

(6) The Fund may also receive contributions from individuals, partnership firms or companies under the Companies Act, 2013.

5. (1) The Fund shall be applied for the social services as defined in clause (h) of section 2. Purposes of Fund.

(2) Without prejudice to the generality of the provisions of sub-section (1), the Fund shall be applied for the following purposes:-

- (a) senior citizen pensions;
- (b) widow pensions;
- (c) pensions for physically challenged persons;
- (d) pensions for destitute women;

- (e) health and accident insurance;
- (f) post-matric scholarship for education of students belonging to Scheduled Castes, Backward Classes and minorities;
- (g) marriage grants to girls belonging to the Scheduled Castes, Backward Classes and minorities;
- (h) financial assistance to acid attack victims;
- (i) un-employment allowance; and
- (j) any other purpose, as may be prescribed.

Management of Fund.

6. (1) The Fund constituted under section 4 shall be managed by a Trust established by the Government. Such Trust shall be registered under the Indian Trusts Act, 1882.

(2) The Governing Body of the Trust shall comprise of the Chief Minister, Punjab, Finance Minister, Punjab, Social Security Minister, Punjab and Welfare of Scheduled Castes and Backward Classes Minister, Punjab, as ex-officio members.

(3) The Chief Minister shall be the Chairman of the Trust.

(4) The Government shall nominate three persons of eminence in the field of public finance and social welfare as non-official members of the Trust.

(5) The Finance Secretary, Punjab shall be the ex-officio Member-Secretary of the Trust.

Manner of collection of Social Security Surcharge.

7. (1) The authorities empowered to assess, re-assess or collect tax under the Punjab Value Added Tax Act, 2005, the Punjab Motor Vehicles Taxation Act, 1924, the Punjab Electricity (Duty) Act, 2005 and the Punjab Tax on Lotteries Act, 2005, shall assess, re-assess or collect the Social Security Surcharge levied under this Act from each of the persons liable to pay such a tax under these Acts.

(2) The Corporate Social Responsibility contributions as per Schedule VII under section 135 of the Companies Act, 2013 to the Social Security Fund shall be collected in such manner, as may be prescribed.

(3) The authorities referred to in sub-sections (1) and (2), shall deposit the proceeds of Social Security Surcharge collected from the persons liable to pay such a surcharge either in cash or by cheque or by direct electronic transfer in a specified Punjab Social Security Fund account.

8. The procedure for maintenance of accounts and submission of returns of Social Security Surcharge levied under this Act, shall be the same as is prescribed under the Punjab Value Added Tax Act, 2005, the Punjab Motor Vehicles Taxation Act, 1924, , the Punjab Electricity (Duty) Act, 2005, the Punjab Tax on Lotteries Act, 2005 and the Companies Act, 2013. Procedure for maintenance of accounts and submission of Social Security Surcharge.
9. (1) The proceeds of the Social Security Surcharge collected under this Act shall be deposited in the Fund account on weekly basis but not later than fifteen days from the date of collection of such surcharge. Procedure for deposit of Fund and meeting obligations.
- (2) The Government shall open account(s) in any of the Schedule Banks for managing and carrying out the transactions with respect to the Fund.
- (3) The Government on the recommendations of the Governing Body of the Trust may,—
- (i) after meeting their obligations as specified in sub-section (2) of section 5, invest the surplus Fund including the Government securities in such manner, as it may deem fit;
  - (ii) constitute one or more advisory committees or engage suitable advisors to advise the Government for the efficient utilization of the Fund;
  - (iii) enter into and perform all such agreements, as it may deem necessary or expedient for performing any of its functions; and
  - (iv) perform such other acts, as it may deem necessary or expedient for the proper conduct of its functions and for carrying out the purposes of the Act.
10. The Government may borrow and raise money in such manner as it deems fit and secure the repayment of any money borrowed or raised, by mortgage, charge, standard security, lien or other security upon the whole or any part of Government assets (whether present or future), and also by a similar mortgage, charge, standard security, lien or security, guarantee for the performance of any obligation or liability, it may undertake or which may become binding on it. Power of the Government to borrow and raise money.
11. The accounts of the Fund shall be audited by the Local Fund Examiner, Punjab. Audit.
12. No suit, prosecution or other legal proceeding shall lie against the Government or any other officer of the Government in respect of anything, which is done in good faith or intended to be done in pursuance of the provisions of this Act, rules made or any order issued thereunder. Prosecution of action taken in good faith.

Power to make rules.

13. (1) The Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Every rule made under this section, shall be laid as soon as may be, after it is made, before the house of State Legislature while it is in session for a total period of ten days, which may be comprised in one session or in two or more successive sessions and if, before the expiry of the session in which, it is laid or the successive sessions as aforesaid, the house agrees in making any modification in the rules or the house agrees that the rules should not be made, the rules shall thereafter have effect only in such modified form or be of no effect as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

Power to remove difficulties.

14. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order, make such provisions including any adaptation or modification of any provision of this Act, as appears to the Government to be necessary or expedient for the purpose of removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

Repeal and saving.

15. (1) The Punjab Social Security Act, 2000 (Punjab Act No.11 of 2000), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Act referred to in sub-section (1), shall be deemed to have been done or taken under the corresponding provisions of this Act.

**VIVEK PURI,**

Secretary to Government of Punjab,  
Department of Legal and Legislative Affairs.