

COAL MINES PENSION SCHEME, 1998

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COAL MINES PENSION SCHEME, 1998

Ministry of Coal, Noti. No. G.S.R. 123(E), dated March 5, 1998, published in the Gazette of India, Extra., Part II, Section 3(i), dated 5th March, 1998, pp. 35-53, No. 75 [File No. 20/36/96-ASO] In exercise of the powers conferred by Section 3E of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948) and in supersession of the Coal Mines Family Pension Scheme, 1971, except as respects things done or omitted to be done before

such supersession, the Central Government hereby makes the following Scheme, namely :-

1. Short title, commencement and application :-

(1) This Scheme may be called the Coal Mines Pension Scheme, 1998.

(2) It shall come into force from such date as the Central Government may, by notification in the Official Gazette, appoint.

(3) It shall apply to the employees of the coal mines to which the Coal Mines Provident Fund Scheme, 1948, the Andhra Pradesh Coal Mines Provident Fund Scheme, 1956 and the Rajasthan Coal Mines Provident Fund Scheme, 1958, framed under Section 3 of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, apply.

2. Definitions :-

In this Scheme, unless the context otherwise requires,-

(a) 'Act' means the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948);

(b) 'appointed day' means the date appointed under sub-paragraph (2) of Paragraph 1 of the Scheme;

(c) 'authorised officer' means the Regional Commissioner or the Assistant Commissioner or any other officer appointed under sub-section (2) of Section 3C ;

(d) 'average emoluments' means the average of the notional salary payable to an employee for the last ten months before retirement from the service;

(e) 'Board' means the Board of Trustees constituted under Section 3A ;

(f) 'Commissioner' means the Coal Mines Provident Fund Commissioner appointed under sub-section (1) of Section 3C ;

1 (fa) "date of his retirement" means the date of retirement beginning on or after the first day of April, 1994.

(g) 'employee' means an employee of the Coal Mines in respect of which the Coal Mines Provident Fund Scheme have been made applicable;

(h) 'family' in relation to an employee means-

(i) wife in the case of a male employee or husband in the case of a female employee,

(ii) a judicially separated wife or husband, such separation not being granted on the ground of adultery and the person surviving was not held guilty of committing adultery, and

(iii) son who has not attained the age of twenty-five years and unmarried daughter who has not attained the age of twenty-five years including such son, or daughter adopted legally before superannuation;

(i) 'form' means the form annexed to the scheme;

(j) 'Fund' means the provident fund established under the Coal Mines Provident Fund Scheme;

(k) 'notional salary' means the monthly emoluments comprising basic pay and dearness allowance payable to an employee notwithstanding the actual salary drawn for that month;

(l) 'pension', means superannuation pension, retiring pension, disablement pension, widow or widower pension, children pension and orphan pension;

(m) 'pensionable age' means the age of superannuation;

(n) 'Pension Fund' means the fund established under sub-section (2) of Section 3E ;

(o) 'pensionable service' means-

(i) the two-third of the period of actual service rendered by an employee from the date of opting for the Coal Mines Family Pension Scheme, 1971 and up to the 31st day of March, 1989, except the period for which no- contribution has been made to the Family Pension Fund, and

(ii) the actual service rendered by an employee from the first day of April, 1989 or the date of joining the service whichever is later, to the date of retirement or the death in service except the period for which no contribution has been made to the Family Pension Fund or the Pension Fund, as the case may be;

(p) 'Provident Fund Scheme' means the Coal Mines Provident Fund Scheme, 1948, the Andhra Pradesh Coal Mines Provident Fund

Scheme, 1956 and the Rajasthan Coal Mines Provident Fund Scheme, 1958;

"(q) 'retirement' in relation to an employee who is a member of the Pension Scheme means exit of an employee on completion of ten years of pensionable service"

(r) 'salary' means the monthly emoluments based on which the contribution to the Fund is deducted every month;

(s) 'Schedule' means the Schedule annexed to the Scheme;

(t) 'section' means section of the Act;

(u) 'superannuation' in relation to an employee who is a member of the Pension Scheme means the attainment by the said employee of such age as is fixed in the contract or conditions of service as the age on the attainment of which such employee shall vacate the employment;

(v) 'year' means the period of twelve months from the first day of April of the year to the thirty-first day of March of the following year; and

(w) all other words and expressions used herein and not defined but defined in the Act, shall have the meanings respectively assigned to them in the Act.

1. In Scheme 2, clause (fa), shall be inserted by Coal Mines Pension (Amendment) Scheme, 2003. , Published in the Gazette of India, Extra., Part II, Section 3(i), dated 13th February, 2003, pp. 3-4, No. 73

3. Establishment of the Pension Fund :-

From the appointed day the pension fund shall stand established which shall have the sole purpose the provision of the payment of pension in accordance with the Scheme to the employee or his family or the payment of any amount which may have accrued under the provisions of the Coal Mines Family Pension Scheme, 1971 immediately before the appointed day. The Pension Fund shall consist of the following:-

(a) net assets of the Coal Mines Family Pension Scheme, 1971 as on the appointed day;

(b) an amount equivalent to two and one-third per cent of the salary of the employee, being the aggregate of equal shares of the

employee and the employer from their respective contributions to the Fund, to be transferred from the appointed day from the Fund of the employee;

(c) an amount equivalent to two per cent of the "basic and dearness allowance paid" of the employee from the first day of April, 1989 or the date of joining, whichever is later, up to the 31st day of March, 1996 and two per cent of the notional "basic and dearness allowance paid" of the employee from the 1st day of April, 1996 or the date of joining, whichever is later, to be transferred from his "basic and dearness allowance paid" ;

(d) an amount equivalent to one increment to be calculated on the basis of the salary of the employee as on the first day of July, 1995 or the date of joining, whichever is later, to be transferred from the first day of July, 1995 or the date of joining, whichever is later, from the salary of the employee; and

(e) an amount equivalent to one and two-third per cent of the salary of the employee to be contributed by the Central Government from the appointed day :

Provided that in the case of an employee whose salary exceeds rupees one thousand six hundred per month, the contribution payable by the Central Government shall be equal to the maximum of the amount payable on the salary of rupees one thousand six hundred per month only;

(f) amounts to be deposited in terms of the provisions of the proviso to sub- paragraphs (2) and (4) of Paragraph 4.

4. Eligibility for pension :-

(1) An employee who was a member of the Coal Mines Family Pension Scheme, 1971 immediately before the appointed day and has not attained the age of superannuation shall be deemed to be eligible for pension under the provisions of this Scheme from the appointed day.

(2) An employee who had not opted for the Coal Mines Family Pension Scheme, 1971 but is covered by the Provident Fund Scheme, may opt for pension under the provisions of this Scheme within a period of sixty days from the appointed day and he shall be deemed to have become the member of the Scheme from the date of his exercising the option in Form PS-1: **1**

"Provided that an employee exercising the option under the provisions of this sub-paragraph shall have to deposit in the Pension Fund either in cash or by way of deduction in instalments from his monthly salary or by transfer from his provident fund account to the Pension Fund, the arrears equivalent to the amounts specified in clauses (b), (c), (d) and (e) of Paragraph 3, along with interest from the first day of March, 1971 till the date of exercising the option in respect of arrears,

(i) specified in clause (b), at the rate admissible from time to time to the monies in Coal Mines Provident Fund;

(ii) specified in clauses (c) and (d), at the rate of twelve per cent per annum; and

(iii) specified in clause (e), at such rate as the Central Government, from time to time, credited interest in respect of its contributions to the Coal Mines Family Pension Scheme, 1971."

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"(2A) An employee who has not opted for the Coal Mines Family Pension Scheme, 1971 but is covered by the Provident Fund Scheme, may opt for Pension under the provisions of this Scheme within a period of nine months from the date of this notification and he shall be deemed to have become the member of the Scheme from the date of his exercising the option in Form PS-I"

3(2B) An ex-employee who had not opted for the Coal Mines Family Pension Scheme, 1971 but was covered by the Coal Mines Provident Fund Scheme and had superannuated within 1-4-1994 to 31-3-1998 may opt for pension under the provisions of this scheme within a period of nine months from the date of this notification in the Official Gazette and he shall be deemed to have become the member of the Scheme from the date of his exercising the option in Form PS-1 :

Provided that an ex-employee exercising the option under the provisions of this sub-paragraph shall have to deposit in the Pension Fund either in cash or by transfer from his Provident Fund account to the Pension Fund the arrears equivalent to the amounts specified in clauses (b), (c), (d) and (e) of Paragraph 3, along with interest from the 1st day of March, 1971 till the date of exercising the option in respect of arrears:

(i) Specified in clause (b) at the rate admissible from time to time to the monies in Coal Mines Provident Fund;

(ii) Specified in clauses (c) and (d), at the rate of twelve per cent per annum: and

(iii) Specified in clause (e) at such rate as the Central Government from time to time, credited interest in respect of its contribution to the Coal Mines Family Pension Scheme, 1971."

EXPLANATORY MEMORANDUM

1. Section 7 of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948) empowers the Central Government to add to, amend or vary a scheme framed under the Act either prospectively or retrospectively.

2. The Coal Mines Pension Scheme, 1998 came into force with effect from the 31st day of March, 1998. The said scheme restricted the benefit of pension to those Family Pension members who superannuated between 1-4-1994 and 31-3-1998. Later on, the Board of Trustees, Coal Mines Provident Fund in its 133rd meeting held on 9-8-2001 approved the proposal to give the membership of pension scheme to those employees also who were not the members of family pension under Coal Mines Family Pension Scheme, 1971. The amendment is given retrospective effect from 31st March, 1998 in order to make it more beneficial and equitable to all the employees.

3. The amendment to the said scheme with retrospective effect will not adversely affect the interest of any employee.

(3) An employee joining the service on or after the appointed day shall be governed by the provisions of this Scheme from the date of his joining.

(4) An employee who was a member of the Coal Mines Family Pension Scheme, 1971 on the date of his superannuation on or after the first day of April, 1994, may also opt for the pension under the provisions of this Scheme from the date of his superannuation within a period of one hundred and eighty days from the appointed day and he shall be deemed to have become the member of the Scheme from the date of his exercising the option in Form RS-2 : 4" and a member who died on or after the first day of April, 1994 to the appointed date shall be deemed to

have exercised the option of joining the Scheme on the date of his death"

Provided that an employee exercising his option ⁴"or the deemed optee" under the provisions of this sub- paragraph, shall have to deposit in the Pension Fund in cash the amounts received by him on or after the date of his superannuation by way of-

(a) retirement-cum-withdrawal benefits accrued under the provisions of the Coal Mines Family Pension Scheme, 1971;

(b) an amount equivalent to two per cent of the salary of the employee from the first day of April, 1989 till the date of his superannuation;

(c) an amount equivalent to one increment to be calculated on the basis of the salary of the employee as on the first day of July, 1995 from the first day of July, 1995 till the date of his superannuation, Along with interest at the rate of 8.5 per cent per annum for the period from the date of receipt of such sums to the date of exercising the option.

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(4A) An employee who was a member of the Coal Mines Family Pension Scheme, 1971 on the date of his ⁷["superannuation or date of his retirement,"] on or after the first day of April, 1994 may also opt for the pension under the provisions of this Scheme from the date of his superannuation or retirement within a period of nine months from the date of this notification and he shall be deemed to have become the member of the Scheme from the date of his exercising the option in Form PS-2.

Explanatory Memorandum :- The Gazette notification for extension of time in respect of submission of Forms PS-1 and PS-2 was published on 22.03.1999 and the submission date expired on 31.3.1999, that is only after 8 days of publication of the notification. With the issue of amending notification to the Principal Scheme of 1998 vide G.S.R. 689(E) dated 29.8.2000 some more categories of employees have become eligible to opt for the Scheme. Hence, most of the eligible members could not exercise their options in the stipulated time. Therefore, the present amendment shall make them eligible under the Pension Scheme.

8 (5) An employee, who was a member of the Central Coalfields

Limited Staff Provident Fund, Darbhanga House, Ranchi, hereinafter referred to as CCLSPF, or the Coal Mines Authority Limited Staff Provident Fund constituted under the Coal Mines Nationalisation Provident Fund Rule, 1976, hereinafter referred as CMALSPF retired or superannuated on or after first day of April, 1994 or has become the member of Coal Mines Provident Fund, shall be deemed to have, become the member of this Scheme and eligible to draw pension from the date, following the date of superannuation or retirement in respect of members superannuated or retired on or before 7th October, 2002, and other members as per the provisions of this Scheme from 8th October, 2002 :

Provided the employee or the ex-employee or the family (in the event of death of an ex-employee) deposits into the pension fund the arrears, equivalent to the amounts specified in clauses (b), (c), (d), (e) and (f) of Paragraph 3, along with interest till the date of deposit from the first day of March, 1971 or the date of joining service, whichever is later, till 7th October, 2002 or the date of superannuation or, retirement, as the case may be, by way of authorising transfer of such amounts from his/her provident fund accumulations, in respect of members who have not withdrawn their Provident Fund accumulations, and for other member's cases, by way of Demand Draft.

Note. for the purpose of this paragraph,

(i) A deemed member under this paragraph shall have the option not to join this scheme. For this, he shall inform the Commissioner in writing within one year from the date of publication of this notification. The option once exercised shall be final.

(ii) The amounts specified in clause (b) of Paragraph 3 shall carry an interest at the rates admissible to Coal Mines Provident Fund members, for clause (c) and (d) of Paragraph 3, at the rate of 12% per annum and the amounts under clause (e) of Paragraph 3, at such rate, fixed by the Central Government from time to time credited interest in its contributions to the Coal Mines Family Pension Scheme, 1971 till 31-3-1998, and at the rate of 8.5% with effect from 1-4-1998.

(iii) The pensionable service shall be counted in terms of Paragraph 2(O) deeming that they were the members of ceased Coal Mines Family Pension Scheme, 1971 or Coal Mines Pension Scheme, 1998, as the case may be, from 1-3-1971 or from the date of joining into

CMALSPF or CCLSPF, whichever is later till 7th October, 2002 or date of superannuation or retirement, as the case may be.

(iv) In case of any dispute regarding pensionable service the decision of the Commissioner shall be final."

Explanatory Memorandum:- Section 7 of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948) empowers the Central Government to add to, amend or vary a Scheme framed under the Act either prospectively or retrospectively. The Coal Mines Pension Scheme, 1998 came into force with effect from 31st day of March, 1998. The member of the Coal Mines Authority Limited Staff Provident Fund and Central Coalfields Limited Staff Provident Fund who are in service as on 8th October, 2002 have become the members of the Coal Mines Provident Fund with effect from 8th October, 2002 as per Notification No. GSR 687(E), dated 8-10-2002. The Board of Trustees of Coal Mines Provident Fund in its 133rd meeting held on 9-8-2001 under agenda Item XVI recommended that Coal Mines Provident Fund members who were not members of Family Pension Scheme under Coal Mines Family Pension Scheme, 1971 but made on exit from the services between 1-4-1994 to 31-3-1998 may also be allowed to give option to join Coal Mines Pension Scheme, 1998. This option will also be extended to Central Coalfields Limited Staff Provident Fund and Coal Mines Authority Limited Staff Provident Fund members and to those who are deemed to have become the member of Coal Mines Provident Fund, by virtue of the Notification No. G.S.R. 687(E), dated 8-10-2002. The members of the Coal Mines Provident Fund, who were not members of Coal Mines Family Pension Scheme, 1971, superannuated between 1-4-1994 to 31-3-1998 have already been given option to this effect vide Notification No. GSR 482(E), dated 8th July, 2002. This proposed amendment will extend such benefit also to those ex-members of Coal Mines Authority Limited Staff Provident Fund and Central Coalfields Limited Staff Provident Fund who were superannuated or retired between 1-4-1994 to 7-10-2002 and have become the members of Coal Mines Provident Fund on 8th October, 2002 to become the members of this scheme.

1. Proviso shall be substituted by Coal Mines Pension (Amendment) Scheme, 2001 Ministry of Coal, Noti. No. G.S.R.256(E), dated April 12, 2001, published in the Gazette of India, Extra., Part II, Section 3(i), dated 12th April, 2001, pp. 2-3, No. 174

2. In Scheme 4, after sub-scheme (2), sub-scheme (2A) shall be

- inserted, by Coal Mines Pension (Amendment) Scheme, 2001, Noti. No. F. No. 20/30/1998, ASO/PRIW, date. 09/01/2002, Gazette of India, Exty., Part. II, Sec. 3(i), No.14, date. 09/01/2002, page. 2.
3. In Paragraph 4, sub-paragraph (2-B) shall be inserted by Coal Mines Pension (Amendment) Scheme, 2002., Noti. No.G.S.R. 482(E), dated July 8, 2002, published in the Gazette of India, Extra., Part II, Section 3(i), dated 8th Julv, 2002, pp. 2-3, No. 311
4. Inserted by the Coal Mines Pension (Amendment) Scheme, 2000.
6. In Scheme 4, after sub-scheme (4), sub-scheme (4A) shall be inserted, by Coal Mines Pension (Amendment) Scheme, 2001, Noti. No. F. No. 20/30/1998, ASO/PRIW, date. 09/01/2002, Gazette of India, Exty., Part. II, Sec. 3(i), No.14, date. 09/01/2002, page. 2.
7. In Scheme 4, sub-scheme (4), the words "superannuation or retirement," shall be substituted by Coal Mines Pension (Amendment) Scheme, 2003. , Published in the Gazette of India, Extra., Part II, Section 3(i), dated 13th February, 2003, pp. 3-4, No. 73
8. In Scheme 4, sub-scheme (5), shall be inserted by Coal Mines Pension (Amendment) Scheme, 2003. , published in the Gazette of India, Extra., Part II, Section 3(1), dated 13th February, 2003, pp. 4-6, No. 72

5. Particulars to be furnished by an employee :-

- (1) An employee eligible for pension under the provisions of sub-paragraphs (1) and (3) of Paragraph 4, shall within a period of sixty days from the appointed day submit to his employer the particulars of his family members in triplicate in Form PS-3 and nomination in triplicate in Form PS-4 which after proper verification and due attestation shall be forwarded by the employer to the authorised officer concerned.
- (2) An employee who opts for pension under the provisions of sub-paragraphs (2) and (4) of Paragraph 4, shall submit to his employer the particulars of his family members in triplicate in Form PS-3 and nomination in triplicate in Form PS-4 while exercising the option which after proper verification and due attestation shall be forwarded by the employer to the authorised officer concerned.
- (3) Where an employee eligible for pension under the provisions of the Scheme does not have a wife/husband at the time of making the nomination he may -indicate the names and particulars of the guardian of his minor son or daughter for the purpose of receiving the benefits under the provisions of the Scheme.
- (4) Whenever there is any change in the particulars submitted by an employee under the provisions of sub-paragraphs (1), (2) and

(3), he shall intimate the same to his employer who within a period of seven days from its receipt shall forward the same after verification and attestation to the authorised officer concerned.

(5) At the time of making the nomination if an employee is having a family, the nomination shall be made only in favour of one or more members belonging to his family. A nomination made by an employee in favour of any person other than his family member shall become invalid on his acquiring a family.

6. Maintenance of accounts and records by the authorised officer :-

(1) The authorised officer shall be responsible for maintenance of proper accounts, records and Registers of the Pension Fund in such form as may be specified by the Commissioner from time to time.

(2) The authorised officer shall be the sanctioning authority for the purpose of pension and other benefits under the provisions of the Scheme and shall also be responsible for disbursement of the same.

7. Calculation of contributions :-

(1) The rate of increment referred to in clause (d) of Paragraph 3 in respect of time-rated or piece-rated category of employee shall be twenty-six times of his daily rate of increment.

(2) Where an employee exercises his option under the provisions of sub-paragraph (2) of Paragraph 4 and is unable to deposit in full the amounts referred to in that sub-paragraph on or before the date of his superannuation, the amount of his pension shall be reduced by an amount calculated on the basis specified in Schedule 1.

(3) Where the amount of Pension Fund referred to in clauses (c) and (d) of Paragraph 3 had not been deducted from the salary of the employee by an employer till the appointed day or had been deducted in part or in full but not remitted to the authorised officer on or before the appointed day, such amount shall be remitted to the authorised officer within a period of one hundred and twenty days from the appointed day and an interest of twelve per cent per annum accrued on such amount as on the appointed day shall have also to be remitted by the employer to the authorised officer.

(4) Any amount to be paid into or out of the Pension Fund shall be calculated to the nearest rupee, fifty paise or more to be counted

as the next higher rupee and fraction less than fifty paise to be ignored.

(5) In case no contribution to the Pension Fund is payable in a week or fortnight or month, only because of rounding off under sub-paragraph (4), the week or fortnight or month, as the case may be, shall not be excluded from the period of pensionable service. In the case of weekly-paid employee, the number of weeks for which there is contribution to the Pension Fund shall be divided by four and in the case of fortnightly-paid employee, the number of fortnights shall be divided by two to arrive at the number of months for which there is contribution to the Pension Fund. Fraction of a month so determined shall be rounded off by treating half or more as a complete month, ignoring fraction less than half.

8. Responsibilities of the Employer :-

(1) Every employer of the employee shall submit to the Commissioner on or before the 30th day of every month a return of contributions for the preceding month towards the Pension Fund along with the details of contributions towards provident fund in Form PS-5.

(2) Every employer shall be responsible for payment of the amount equivalent to one and one-sixth per cent of the salary of the employee to be transferred from the Fund as employer's share in terms of clause (b) of Paragraph 3 and the same shall not be deducted from the salary or other benefits of the employee.

9. Investment, etc. of Pension Fund :-

(1) The total amount vested in and transferred to the Pension Fund in accordance with the provisions of clause (a) of Paragraph 3, except such amount as may be required from time to time for making the payment of pension and other benefits under the Scheme, shall be deposited on the appointed day by the Commissioner with the Central Government in the Public Account.

(2) The Commissioner shall make suitable banking arrangements in respect of the amount vested in the Pension Fund in accordance with the provisions of clauses (b), (c) (d) and (e) of Paragraph 3 and such amount shall be invested in accordance with such pattern of investment as may be determined by the Central Government in the Ministry of Finance from time to time.

10. Monthly Pension :-

(1) An employee after completion of thirty years of pensionable service and on attaining the age of superannuation shall be eligible to receive monthly pension at the rate of twenty-five per cent of the average emoluments or not less than rupees three hundred fifty from the date following the date of superannuation till the date of his death.

(2) Where an employee has not completed thirty years but has completed ten years' pensionable service on attaining the age of superannuation, the pension shall be determined on the following basis :- Length of Pensionable Service 25 per cent of _____ x the average 30 emoluments

(3) Where an employee having completed ¹Ten years of pensionable service and would be attaining the age of superannuation within a ² ["period of twenty years"], opts to retire from the service before attaining the age of superannuation, the amount of monthly pension payable to such employee shall be determined on the basis specified in Schedule 2.

(4) Where an employee, who has not completed ten years of pensionable service on attaining the age of superannuation, or opts to leave service, or his services are terminated, or becomes disabled before completion of ten years of pensionable service, the amounts payable by way of return of contribution to such employee shall be determined on the basis specified in Schedule 3.

1. Substituted for "fifteen years" by the Coal Mines Pension (Amendment) Scheme, 2000.

2. In Scheme 10 , in sub-Scheme (3), the words "period of ten years" shall be substituted by Coal Mines Pension (Second Amendment) Scheme, 2001. Noti. No. F.No. 20/16/2001-PRIW, dt. 23/11/2001, Gaz. of India, Exty., Part.II, Sec. 3(i), No. 589, dated. 23/11/2001 page.2

11. Disablement Pension :-

Where an employee after rendering ten years of pensionable service becomes permanently handicapped or disked on account of bodily or mental infirmity during his service time and has been declared as such by a competent medical board, he shall be entitled to a disablement pension to be computed at the rate of twenty-five per cent of the average emoluments or not less than rupees three

hundred fifty per month.

12. Monthly widow or widower pension :-

(1) After the death of an employee from the date following the date of his/her death and till the date of her/his death or re-marriage whichever is earlier, his/her legally wedded wife/husband shall be entitled for widow or widower pension, as the case may be.

(2) If an employee is having more than one legally wedded wife at the time of his death, all the surviving widows shall be entitled to receive in equal share the amount of widow pension till the date of their death or re-marriage, whichever is earlier.

(3) The amount of monthly widow or widower pension payable on the death of an employee after the date of ¹["superannuation or date of his retirement,"] , shall be equal to sixty per cent of the monthly pension of the employee as on the date of his/her death or not less than rupees two hundred and fifty.

(4) In case an employee dies in service before attaining the age of superannuation, the amount of monthly widow or widower pension payable shall be equivalent to sixty-six and two upon three per cent of monthly pension of the employee for which he/she would have become entitled on the date of his/her death or not less than ² "rupees three hundred and twenty".

1. In Scheme 12, sub-scheme (3), the words "superannuation or retirement," shall be substituted by Coal Mines Pension (Amendment) Scheme, 2003. , Published in the Gazette of India, Extra., Part II, Section 3(i), dated 13th February, 2003, pp. 3-4, No. 73

2. Substituted for "rupees two hundred and fifty" by the Coal Mines Pension (Amendment) Scheme, 2000.

13. Children Pension :-

(1) After the death of an employee from the date following the date of his/her death, along with surviving wife/husband, two of the eldest sons or unmarried daughters, as the case may be, till they attain the age of twenty-five years or in the case of unmarried daughter till the date of her marriage, whichever is earlier, shall be entitled to children pension.

(2) The amount of monthly children pension payable after the death of an employee shall be equal to twenty-five per cent of the amount of widow or widower pension for each son or daughter, as

the case may be, or not less than rupees one hundred for each child.

14. Orphan Pension :-

(1) In case there is no surviving widow or widower at the time of the death of an employee, from the date following the date of his/her death, or otherwise the date of the death of the widow/widower, two of the eldest sons or unmarried daughters, as the case may be, till they attain the age of twenty-five years and in the case of unmarried daughter till the date of her marriage, whichever is earlier, shall be entitled for orphan pension in lieu of chidden pension.

(2) The amount of monthly orphan pension payable after the death of the employee or the widow/widower shall be equivalent to fifty per cent of the amount of widow/widower pension of not less than rupees one hundred and ten for each orphan.

15. Option to be exercised by employee :-

(1) An employee entitled for pension under the provisions of the Scheme may opt at the time of making an application for pension in From PS-6, either to draw,-

(a) the full admissible amount of pension; or

(b) ninety per cent of the total admissible amount of the pension till the date of his death; or

(c) ninety per cent of the total admissible amount of pension till the date of his death, and eighty per cent of his total admissible amount of pension as widow/widower pension in favour of his/her wife/husband during her/his lifetime.

(2) Where an employee exercises his option to receive ninety per cent of the total admissible amount of the pension during his lifetime, then after his death, in addition to the widow/widower pension, and children pension or orphan pension, as the case may be, his/her nominee shall be entitled -to receive in lump sum an amount equivalent to hundred times of his/her full monthly pension.

(3) Where an employee under sub-paragraph (1) exercises option to receive ninty per cent of the total admissible amount of the pension during his/her lifetime and eighty per cent of the total

admissible amount of pension as widow/widower pension in favour of his/her wife/husband during her/his lifetime, then the nominee shall be entitled to receive an amount equivalent to ninety times of the full monthly pension after the remarriage or death of the widow/widower whichever is earlier.

(4) The option once exercised under this paragraph shall be final.

16. Ex gratia payment :-

Where an employee before attaining the age of superannuation dies in service, an amount of rupees five thousand shall be payable in lump sum to surviving widow/widower and in case there is no widow/widower, to surviving children in equal share, or where there is no widow/widower and children to the nominee.

17. Payment of outstanding benefits :-

Where an employee dies in service or after ¹ ["superannuation or date of his retirement"] and certain amounts accrued under the provisions of this Scheme have not been paid, such amounts shall be paid in equal share to the surviving widow/widower or in case there is no widow/widower, to surviving children in equal share, or where there is no widow/widower and children, to the nominee.

1. In Scheme 17, "superannuation or retirement," shall be substituted by Coal Mines Pension (Amendment) Scheme, 2003. , Published in the Gazette of India, Extra., Part II, Section 3(i), dated 13th February, 2003, pp. 3-4, No. 73

18. Administration of the Scheme :-

(1) An account called the 'Pension Administration Account', for recording all the administrative expenses of the Scheme shall be maintained by the Commissioner in such manner as may be specified by the Board, with the approval of the Central Government. The Pension Administration Account shall contain such details as may be necessary to determine the sums payable by the Central Government for the administration of the Scheme in accordance with the provisions of Section 3F . The liability of the Central Government to pay the expenses on administration of the Scheme shall be as decided by the Central Government from time to time.

(2) All expenses for administering the Scheme, not including therein the cost of any benefit admissible under the Scheme, but including proportionate expenses of officers and in respect of employees, expenses for meetings of the Board and its

Committees, fees and allowances of Trustees, litigation expenses, hiring of service of experts, the cost of stationery, office equipment furniture and rent for office accommodation, audit expenses and any other expenditure required for the purpose of giving effect to the Scheme shall be debited to the Pension Administration Account. Where any services, supplies and buildings are utilised for the common purposes of the Scheme and the Provident Fund Schemes, the cost of such services and supplies and buildings shall be appropriated between the Pension Administration Account and the Administration Account of the Coal Mines Provident Fund by the Commissioner with the approval of the Board and the Central Government.

(3) In case the sums made available by the Central Government under the provisions of Section 3F for administration of the Scheme are found to be inadequate, the expenditure over and above such sums shall be met out of the Administration Account of the Coal Mines Provident Fund, including one-time initial expenditure involved in implementation of the Scheme, with the approval of the Board of Trustees and the Central Government.

19. Budget :-

(1) The Commissioner shall place before the Board in January each year a budget showing separately probable receipts and expenditure which is expected to be incurred therefrom during the year commencing on the first day of April of that year. The Budget as approved by the Board shall be submitted for sanction to the Central Government before the fifteenth day of February each year.

(2) The Central Government may with or without any modifications sanction the Budget.

(3) The Commissioner may make budgetary re-appropriation of funds subject to the condition that the total budget sanctioned under sub-paragraph (2) is not exceeded. Such re-appropriation shall be placed by the Commissioner before the Board at its first meeting after such re-appropriation for its approval and the approval of Central Government shall also be obtained for the same before the expiration of the financial year.

20. Audit :-

The accounts of the Pension Fund shall be audited every year by the Comptroller and Auditor-General of India.

21. Annual Audit Report, Balance Sheets, etc :-

The Commissioner shall place a report on the working of the Scheme relating to the previous year along with audited annual accounts at a meeting of the Board to be held before fifteenth day of November each year and the Board shall submit such report with the audited accounts to the Central Government for placing the same before the Parliament by the end of December each year.

22. Valuation and review of the Pension Fund :-

(1) The Commissioner shall be responsible for valuation of the Pension Fund every third year by an Actuary to be appointed by the Board. The recommendations of the Actuary shall be placed by the Commissioner before the Board.

(2) The Commissioner may initiate action for enhancement and revision of the amount of family pension admissible under the Coal Mines Family Pension Scheme, 1971 and after approval of the Board may recommend to the Central Government for amendment in the provisions of this Scheme.

(3) At any time, when the Pension Fund so permits, the Board on the recommendation of an Actuary may recommend to the Central Government and with its approval may amend the rates of contribution payable under the Scheme or the scale of any benefits admissible or the period for which such benefit may be allowed.

23. Recovery of damages for default in payment of contributions :-

(1) It shall be the responsibility of the employer to deduct from the salary of an employee the contributions towards the employee's share under the Scheme and remit the same to the Commissioner in Form PS-5.

(2) Where any employer makes a default in the remittance of any contribution to the Commissioner, the Commissioner shall be competent to recover damages for such delayed remittance on the rates specified in Schedule 4.

(3) Where an employer makes default in remittance of any contribution to the Commissioner, such default in remittance on the part of the employer shall not make any adverse effect on the benefits admissible to an employee under the Scheme.

[See sub-paragraph (2) of Paragraph 7] Basis of calculation of amount of reduction The amounts not deposited to be multiplied by the following factor for the period from the appointed day to the date of superannuation divided by 100. Example.-Rupees 4000 not deposited, the employee superannuates in the year 2001. The period from appointed day to the date of superannuation is 4 years. Factor for more than 4 years is 1.536, so reduction in pension 'will be-' $4000 \times 1.536 = 61.40$ say Rupees 61.00 100

Number of years from the appointed day to the date of superannuation	Factor
(1)	(2)
Less than 1	1.049
Less than 2	1.154
Less than 3	1.269
Less than 4	1.396
Less than 5	1.536
Less than 6	1.689
Less than 7	1.858
Less than 8	2.044
Less than 9	2.248
Less than 10	2.473
Less than 11	2.720
Less than 12	2.992
Less than 13	3.292
Less than 14	3.621
Less than 15	3.983
Less than 16	4.381
Less than 17	4.819
Less than 18	5.301
Less than 19	5.801
Less than 20	6.414
Less than 21	7.056
Less than 22	7.761
Less than 23	8.537
Less than 24	9.390

SCHEDULE 2

2

[See sub-paragraph (3) of Paragraph 10]	
Basis for determining the pension payable to an employee opting to draw pension before attaining the age of superannuation.	
Period in year(s) for	For every Rupees 100 payable at age of

Superannuation	superannuation, the amount payable
	to the employee
0	100
1	97
2	94
3	91
4	89
5	86
6	83
7	81
8	78
9	76
10	73
11	71
12	69
13	66
14	64
15	62
16	60
17	58
18	56
19	54
20	52

SCHEDULE 3

3

[See sub-paragraph (4) of Paragraph 10]	
Basis for determining the amount payable to an employee who has not completed ten years of pensionable service.	
(A) Entire pensionable service rendered with effect from 1 -4-1989 :	
Number of years of pensionable service, rounded to the nearest year	Number of times the monthly salary drawn on the date of superannuation
1	.60
2	1.23
3	1.86
4	2.51
5	3.17
6	3.84
7	4.52
8	5.22

