

### Coal Mines Pension Scheme - 98

#### Some definitions :

1. **Appointed Day** – 31/3/1998 ( It is the day of notification of CMPS'98 in Official Gazette)
2. **Average emoluments** – means the average of Notional Salary payable to an employee for the last ten (10) months before retirement from service.
3. **Family** – in relation to an employee means ----
  - i) Spouse
  - ii) Sons who have not attained the age of 25 years
  - iii) Unmarried daughters who have not attained the age of 25 years.
4. **Notional Salary** – means the monthly emoluments comprising Basic pay and Dearness Allowance payable to an employee notwithstanding the actual salary drawn for that month.
5. **Pension** – means Superannuation pension, Retiring pension, Disablement pension, widow/Widower pension, Children pension and Orphan pension
6. **Pensionable Service** – means
  - i) Two-third of period of actual service rendered by an employee from the date of opting for the CMFP scheme, 1971 and upto the 31<sup>st</sup> day of March , 1989, except for 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 1<sup>st</sup> 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.
7. **Retirement** in relation to an employee who is a member of the pension scheme means exit of an employee on completion of ten (10) years pensionable service.

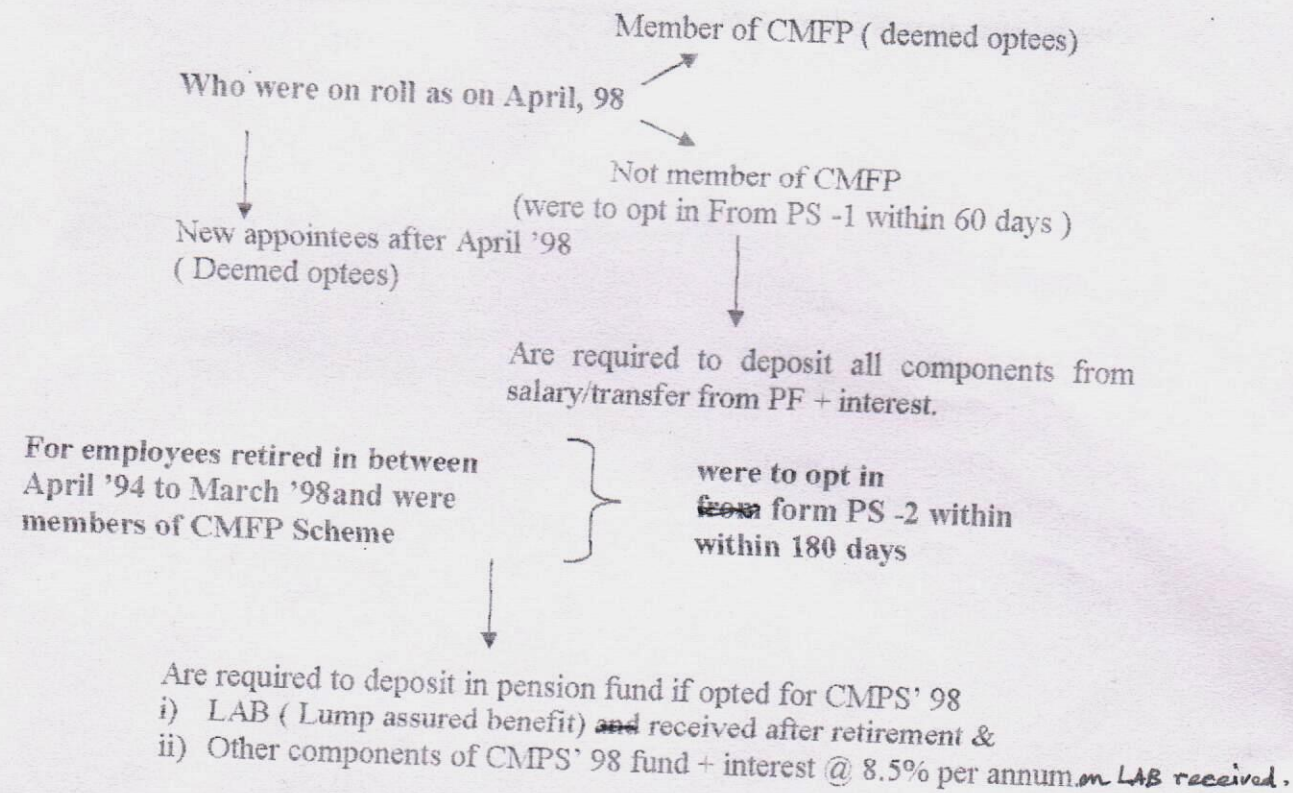
#### The pension fund shall consist of the following :

- i) Net assets of the Coal Mines F P Scheme, 1971 as on the appointed day
- ii) An amount equivalent to 2 & 1/3 % of the salary of the employee, being the aggregate of equal shares of the employee and the employer from their respective contribution to the fund, to be transferred from the appointed day from the fund of the employee ( i.e. 1.16 % of Basic & D A as the FP contribution from April'98 )
- iii) An amount equivalent to 2% of the Basic & DA paid of the employee from the 1<sup>st</sup> day of April, 1989 or the date of joining whichever is later, upto March, 1996 and 2% of the notional salary of the employee from April, 1996 or the date of joining , whichever is later, to be transferred from the salary of an employee.
- iv) An amount equivalent to one increment to be calculated on the basis of the salary of the employee as on the 1<sup>st</sup> day of July, 1995 or the date of joining, whichever is later, to be transferred from the salary of the employee.



- v) An amount equivalent to 1 & 2/3 % or 1.66 % of the salary of the employee to be contributed by the Central Government from the appointed day i.e. April '98 ( Max Salary limit @ Rs. 1,600/- PM)
- vi) Amounts to be deposited in terms of the provisions of paragraph- 4

**Paragraph – 04 : Eligibility for pension -**



PS- 1 : who were on roll as on April ' 98 but were not the member of Family Pension scheme

PS -2 : who were retired in between April '94 to March '98 and were member of Family Pension Scheme

PS -3 (dependents)

PS -4 (Nomination)

\*PS -5 Return of contribution to CMPFO

PS -6 Pension claim form

Before April '98

**P P RETURN**

- ▶ P F
- ▶ F P
- ▶ Voluntary contribution (if any)
- ▶ Administrative charges @ 3%

From April '98

**\* PS -5 RETURN**

- ▶ P F
- ▶ F P
- ▶ Voluntary contribution (if any)
- ▶ 2 % Pension
- ▶ One additional increment
- ▶ Administrative charges @ 3%



**Calculation of pension :**

1. For completing 30 years of pensionable service = 25 % of the average emoluments.
2. Completing 10 years but not completing 30 years =

$$\frac{\text{Length of Pensionable Service}}{30} \times 25\% \text{ of the average emoluments}$$



## COAL MINES PROVIDENT FUND SCHEME

Coal Mines Provident Fund Organization is a statutory organization and was established under Coal Mines Provident fund and Miscellaneous Provisions Act, 1948 for administration and implementation of following Schemes. The salient features of the Scheme are enumerated below:-

**Coverage** : It applies to all Coal Mines & Contractors' Workers working therein in the States of West Bengal, Bihar, Orissa, Madhya Pradesh, Maharashtra, Rajasthan, Assam, Jharkhand, Chhattisgarh, Andhra Pradesh, J&K and now applicable to all parts of India.

**Membership** : Any employee working in Coal Mine qualifies for membership from the beginning of the first periods for quarters after completion of 30 days of attendance.

**Contribution** : 12% of total emoluments comprising Basic Pay and other admissible allowances as employees share and additional 12% matching contributions as employers share in addition. Voluntary contribution to the extent of 12% of the total emoluments is permissible.

"Total emoluments" means the total cash emoluments inclusive of all allowances, overtime, difficulty allowance, remuneration for paid holidays, whether earned while on duty or any kind of leave with pay, but does not include -

- (i) Bonus under the Coal Mines Bonus Scheme.
- (ii) Any travelling allowance or the value of any travelling concession.
- (iii) Any sum paid to the ~~pension~~ <sup>person</sup> employed to defray special expenses entailed on him by the nature of his employment.
- (iv) Any gratuity payable on discharge.
- (v) Any retrenchment compensation.
- (vi) Any commission and
- (vii) Any ex-gratia payment.

**Posting of contribution:** Done through annual VV Statement received from the Unit Management at the close of financial year between 1<sup>st</sup> April to 15<sup>th</sup> May of the succeeding financial year. Interest is allowed as per rate fixed by the Central Government and Passbooks are updated and kept in the custody of the Management.

### Transfer of Accumulations from the Fund to other Provident Funds and vice-versa in case of change of Establishment :

If a member leaves the service of Coal Mine and joins another establishment covered by other Provident Fund without withdrawing his accumulations or vice-versa, then the entire accumulation with interest can be transferred to other Provident Fund or can be received from other Provident Fund Department, as the case may be

Application Forms: TRANS- 4 & TRANS-1(Through his employer)



### Submission of return of qualified employees – (Para-38)

Every employer shall send by registered post or through a messenger to Commissioner a return (in triplicate) –

- (i) in Form "HH" within 15 days of the completion of calendar quarter following quarter ending March, 1988 showing the particulars of employees, who qualified for membership of the Fund under Para 25A during the preceding month and also details of person whose services ceased on account of superannuation, resignation, death, medical fitness or for other reasons.
- (ii) Declaration in Form "A" furnished in duplicate by persons qualifying for the membership of the Fund shall accompany the returns in Form "HH". One copy of declaration in Form "A" shall be retained in the Regional Office and the duplicate copy duly authenticated by the Regional Commissioner shall be returned to the employer who shall make over the same to the member for his record.

Form "HH" B - Member transferred to other Colliery during quarter.

Form "HH" C - Details of persons who joined colliery on transfer from other Colliery.

Form "HH" D – Details of persons whose service terminated due to resignation/medically unfit/Death/ any other reason.

Form "HH" E – Details of persons who are due to retire within next six months due to superannuation.

### Allotment of Account Number (Para 39) :

On receipt of the return required under Paragraph 38, the Commissioner shall promptly allot an Account Number to each person who has qualified to become a member and shall communicate the Account Number to the employer.

### Nomination (Para 62) :

Each member shall make in his declaration in Form "A" a nomination conferring the right to receive the amount that may stand to his credit in the Fund in the event of his death. The nomination so made may, at any time be modified by the member after giving a written notice of his intention of doing so in Form "M" or Form "M" (Revised).

**"Family"** as per Para 2(h) means –

- (i) In the case of male member, his wife, children (whether married or unmarried), his dependant parents and his deceased son's widow and children.
- (ii) In the case of a female member, her husband, children (whether married or unmarried), her dependant parents, her husband's dependant parents and her deceased sons' widow and children.

**"Children"** as per Para 2(d) means – legitimate children and includes adopted children, if the Commissioner is satisfied that under the personal law of the member adoption of a child is legally recognized.



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Refund of Coal Mines Provident Fund Accumulations:

- (A) In case the member is alive – The entire Contribution inclusive of interest is payable to the member himself on superannuation, voluntary retirement, resignation and medical separation.

**Form of application – Refund Alive Application.**

- (B) In case of death –

(i) The entire contributions together with interest is payable to the nominee nominated under Para 62 of the CMPF Scheme in the event of death of the member.

(ii) If nomination does not subsist or is invalid, then the entire accumulations is distributed equally among all the surviving family members, provided that no share is payable to major sons, married daughters (if her husband is alive) and major sons and daughters of the deceased son.

(iii) When nomination does not subsist and the deceased has not left behind any family member under Para 2(h), then the entire accumulations (exceeding Rs.25,000/-) is payable to the legal heirs of the deceased on production of succession certificate from a Competent Court of Law. When the amount does not exceed Rs. 25,000/-, it is payable on production of Indemnity Bond in prescribed proforma.

**Form of application – Refund claim on account of Member's death.**

Benefits payable during the period of Service:

**1. Marriage Advance(Form of application Adv, 26)**

Purpose – For the marriage of self, sons, daughters and dependant sisters, twice during the service period.

Amount of Advance – 50% of the member's own share or the amount applied for, whichever is less.

**2. Education Advance(Form of application Adv. 27)**

Purpose – To meet expenses in connection with Post Matriculation education of children. (For two children).

Amount of Advance – Three months salary, subject to ceiling of 50% of the member's own share.

**3. House Building Advance (Form of application ADV-5 for outright purchase and Adv-6 for construction with supported documents pertaining to the land/house proposed to be purchase or constructed).**



**Eligibility** – Employees who have completed 12 years of service.

**Purpose** – For purchase of ready-built house, construction of house on site purchase/out of advance from CMPF or otherwise acquired by himself and for addition/alteration to the house.

**Amount payable** – 100% of member's share and 75% of employers share or 36 months total emoluments or amount applied for the purpose, whichever is less.

In addition of advance, six months total emoluments or the member's own share including interest, which ever is less, is admissible for further addition, alteration or improvement of the dwelling house.