NMDC Personnel Manual

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NMDC SERVICE REGULATIONS

(Governing the Recruitment, Conditions of Service,
Pay and Allowances, Discipline, Conduct and
Retiring Benefits to the Employees' of the Company)

1.0 Short title and commencement:

1.1 These regulations may be called the NMDC Service Regulations.

1.2 These regulations shall be deemed to have superseded all earlier regulations on the subject and shall come into force from 20.02.1962, unless otherwise stated.

2.0 Interpretation:

In these regulations, unless the context otherwise requires:

a. "Appointing Authority" in relation to an employee means the authority empowered to make appointments to the post or category or grade of posts which the employee for the time being holds;

b. "Board" means the Board of Directors of the Company;

c. "Company" means NMDC Limited ;

d. "Chairman" means the Chairman cum Managing Director of the Company;

e. "Day" means a calendar day beginning and ending at midnight;

f. "Employee" means any person who holds a post under the Company, other than a casual employee, a member of the work charged establishment, a person paid from contingencies or a person whose conditions of service are governed by the Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946, and includes any person whose services are temporarily placed at the disposal of the Central Government, State Government, a Government Industrial Undertaking or a local or other authority."

g. "lien" means the title of an employee to hold substantively, either immediately or on the termination of a period or periods of absence, a permanent post to which he has been appointed substantively;

h. "regulations" means the NMDC Service Regulations;

i. words denoting the masculine gender shall include the feminine gender; and

j. words denoting the singular number shall include the plural number and vice versa.

3.0 Application and Scope:

3.1 The regulations shall apply to all employees whose conditions of service the Company is competent to regulate, including employees whose services may be temporarily placed at the disposal of the Central Government, a State Government, a Government industrial undertaking or a local or other authority, in respect of persons who may be required to execute a formal contract, these regulations shall apply in so far as they are not inconsistent with any provisions of the contract, and in respect of any matter not covered by the contract. Employees to whom the Factories Act, 1948 and the Industrial Disputes Act, 1947, apply, shall be governed by these regulations subject to the provisions of these Acts and relevant Standing Orders.

3.2 Provided that employees of the Central Government, a State Government, a Government Industrial undertaking or a local or other authority, whose services are temporarily lent to the Company, shall, while holding a post under the Company be governed by the terms of their deputation as mutually agreed upon between the Company and the lending authority.

4.0 If the Board is satisfied that, in the special circumstances of any case, it is necessary or expedient so to do, it may relax the provisions of any of these regulations in such a case.

5.0 No new regulations or alterations in the existing regulations shall have force until such new regulations or alterations have been approved by the Board.

6.0 Any matters not provided for in these regulations shall until requisite provisions in that behalf are made in these regulations, be dealt with and disposed of, as far as may be, in accordance with

the rules and orders issued from time to time by the Central Government with respect to their employees and in relation to similar matters.

7.0 Recruitment:

7.1 Recruitment to posts under the Company shall be:

a. By direct recruitment:

(i) from open market;

(ii) by appointment of military personnel sponsored by the Defence Services Liaison Office;

(iii) by appointment of surplus personnel from other PSEs ;

(iv) by appointment of persons from the Central Government/State Government, Government Industrial Undertakings, local or other authority;

(v) by re-employment of retired government servants; and

(vi) by absorption of persons on deputation with the Company.

b. by borrowing/appointment of:

(i) Pool Officers from the CSIR and Ministry of Labour and Employment;

(ii) Scientists registered in the National Register; and

(iii) Persons on deputation from Government Department/PSEs.

c. by promotion of the employees of the Company.

7.2 The Company shall -

a. constitute such central cadres for different categories of posts under it as the Board may, from time to time, consider necessary and proper; and

b. frame Recruitment Rules with respect to each grade of each category of posts included in the central cadres referred to in (a) above, so as to provide, *interalia* for -

(i) Minimum educational qualifications and/or experience to be possessed by candidates for entry into service;

(ii) age limits for entry into service and relaxation thereof where necessary;

(iii) proportion of vacancies to be filled by direct recruitment and promotion respectively; and

(iv) standards for promotion from one grade to the next higher grade, including minimum length of service in the lower grade.

7.3 In making appointments to posts under Company, whether direct recruitment or by promotion, the Company shall endeavour to provide for special representation to candidates belonging to the Scheduled Castes/Scheduled Tribes/Other Backward Classes/ Persons with Disabilities/Ex-Servicemen. For this purpose, the Company shall follow generally the principles laid down, from time to time, in this behalf by the Central Government with respect to posts under their control.

8.0 (1) All appointments in the case of recruitment by direct appointment except in the case of posts in the lowest scale in workmen category will be made by the Company on the recommendations of appropriate selection Committees which may make selections by holding a written examination or by interview, or by both. The Selection Committees shall be constituted by or under the authority of the Appointing Authority.

(2) Appointments by promotion will be made by the Company on the recommendations of appropriate Departmental Promotion Committees. The number and composition of the Departmental Promotion Committees shall be such as may, from time to time, be prescribed by the appointing authority.

Provided that (i) no employee shall be promoted from a lower post to a higher post unless he has served in the lower post for a minimum period of three years; and (ii) the appropriate Departmental Promotion Committee may in suitable cases, and for reasons to be recorded in writing, reduce the minimum period of three years referred to in (i) above.

9.0 Seniority:

9.1 Seniority shall be determined by the order in which appointments are made to any category of posts;

Provided that where more than one person is selected simultaneously for the same category of posts by a selection committee, the seniority of such persons, *inter se*, shall be as recommended by the selection committee, and in the absence of such recommendation, be determined by seniority in age of the candidates.

Provided further that the seniority of a person whose services are obtained on deputation, and who is subsequently absorbed in the service of the Company shall be determined with reference to the date of his joining the Company on deputation in that post.

9.2 Seniority of employees recruited as trainees shall count from the date of their appointment as trainees and in cases where two or more trainees are appointed on the same date to the grade or where the training in respect of some of the candidates is extended for a period of not more than one month on account of late joining of the course (for which specific orders are issued by NMDC) their seniority will be determined in accordance with their ranking in the merit list at the time of selection as trainees.

Explanations:

Certain doubts have been expressed about the application of Regulation 9 of the NMDC Service Regulations.

In order to make the position clear and to evolve uniform procedure in the determination of the seniority in any particular category of posts, the following principles shall be followed:

(i) The grant of an initial pay, higher than the minimum of the scale, will not in itself confer on an employee, seniority above those who are drawing lower pay, in the particular category of posts.

(ii) (a) Candidates selected for appointment at an earlier selection shall be senior to those selected later, irrespective of the dates of their joining, provided the candidate selected joins not later than three months from the date of issue of appointment letter.

(b) Candidates duly selected for promotion at an earlier date shall be senior to those selected for promotion at a subsequent selection.

(iii) Any case of seniority not covered by the above provisions shall be decided by the Appointing Authority in accordance with the provisions contained in the Regulation 6 of the NMDC Service Regulations.

10. General conditions of service:

10.1 No person who has directly or indirectly, by himself/herself or of his/her partner or agent, any share or interest in any contract by or on behalf of the Company, or in any employment under, by or on behalf of the Company, otherwise than as an employee thereof shall become or remain an employee of the Company. The decision of the Appointing Authority, as to whether a person appointed or to be appointed to a post has direct or indirect interest in any contract, shall be treated as final.

10.2 No person shall be appointed to a post under the Company unless he furnishes a medical certificate of fitness in such form, from such medical authority, and within such period of time, as may, from time to time, be prescribed by the Company. The rules in this behalf, currently in force, are given in Annexure-I to these rules.

10.3 Every person appointed to a post under the Company shall, on assuming office take an oath of allegiance to the Constitution of India in such form as may be prescribed by the Company.

10.4 No person who has more than one wife living, or who having a spouse living, marries in any case in which such marriage is void by reason of its taking place during the life time of such spouse, shall be eligible for appointment to a post under the Company.

Provided that the Company may, if it is satisfied that there are special grounds for so ordering, exempt any person from the operation of this clause.

10.5 No woman whose marriage is void by reason of the husband having a wife living at the time of such marriage, or who has married a person who has a wife living at the time of such marriage shall be eligible for appointment to a post under the Company .

Provided that the Company may, if it is satisfied that there are special grounds for so ordering, exempt any person from the operation of this clause.

10.6 Every person, on first appointment to a post under the Company, shall sign a declaration that, if married, he does not have more than one wife living, and that he will not contract another marriage

during the life time of his wife, without prior permission from the Company, even if such subsequent marriage is permissible, under the personal law applicable to him.

10.7 (a) No person being a partner or relative of a Director of the Company within the meaning of Section 314 of the Companies Act, 1956, shall be appointed to a post with a total monthly remuneration of Rs.500/- or more under the Company except with the consent of the Company accorded by a special resolution; and in case the total monthly remuneration is Rs.3000/- or more prior consent of the Company by a special resolution and also approval of the Government, as prescribed under Section 314 of the Companies Act, 1956.

(b) Every person, on first appointment to a post under the Company shall sign a declaration to the effect whether he is or is not a partner or a relative of a Director of the Company within the meaning of Section 314 of the Companies Act, 1956, and that, in the event of acquiring such relationship, he would notify the fact to the Company.

10.8 (a) The whole time of an employee will be at the disposal of the Company and every employee may be employed in any manner in the service of the Company without any claim for additional remuneration.

(b) Every employee shall be liable to be transferred to a post at the Head Office or in any Project assigned to the Company, at the discretion of the management, without detriment to his status and emoluments.

10.9 An employee shall, unless the Appointing Authority, for reasons to be recorded in writing otherwise directs, be on probation for a period of one year from the date of commencement of his service.

Provided that the period of one year may be extended or reduced in any case by the Appointing Authority.

10.10 Probationary period shall count as service towards increment only if the probation is on the time-scale of pay prescribed for the post to which the employee has been appointed wherever such time scale exists and not at a probationary stage outside such time scale.

Provided that where the period of probation is extended, all the due increments shall be granted from the date of completion of probation as so extended and no arrears shall be paid.

Further that, in the case of a probationer, appointed on probation to a permanent post probationary period shall count as service towards increment, only if it is followed by confirmation.

10.11 Not more than one employee shall be appointed to the same post at the same time, nor shall an employee be appointed, except in an officiating capacity, to a post on which another employee holds a lien.

10.12 The services of an employee in permanent employment may be terminated by the Company if-

a. his post is abolished; or

b. he is declared on medical grounds to be unfit for further service.

10.13 An employee of the Company, whether temporary, on contract, or permanent, may also be removed from service or dismissed from service, or otherwise proceeded against, on the grounds and in the manner provided, in matters relating to conduct and discipline in the NMDC Employees' (Conduct, Discipline and Appeal) Rules, 1978.

10.14 The services of an employee who has been declared to have successfully completed his period of probation (on first appointment) can be terminated at 3 months' notice on either side or by paying 3 months' salary (ie Basic Pay plus DA) in lieu of notice or by adjustment of leave for the same period standing to his credit.

Provided that -

a. The service of an employee on probation (on first appointment) can be terminated by one month's notice in writing on either side or by paying one month's salary in lieu of notice or by adjustment of leave for the same period standing to his credit.

b. If in any case, a shorter notice than three months is given the employee shall pay a sum equal to his pay for the period by which the notice actually given falls short of three months or by adjustment of leave for the same period.

c. The Appointing Authority may waive payment in lieu of the period of notice in exceptional cases.

d. Acceptance of the resignation may be withheld in the interest of the Company until a suitable substitute is appointed.

e. The resignation of an employee who has been declared to have successfully completed his period of probation and whose conduct is under enquiry for misappropriation of the Company's money/stores shall in no circumstances, be accepted without the sanction of authority competent to dismiss him.

f. The Company reserves the right not to accept the resignation of an employee if the disciplinary proceedings are pending or a decision has been taken by the competent authority to issue a charge sheet against him.

g. An employee shall not in any circumstances quit service until he is formally released from duty.

10.15 A person who has not attained the age of 18 years, or whose age exceeds 57 years, shall not ordinarily be admitted into the service of the Company.

Provided that the appointing authority may, at its discretion, relax this provision in individual cases, in the interest of the Company:

Provided further that this regulation shall not apply in the case of a retired employee of the Central or State Government who may be re-employed by the Company to a post under it.

10.16 (a) Employees shall retire from the service of the Company on reaching the age of 60 years.

(b) Subject to approval by Board, the Company may, in exceptional cases, grant extension to employees beyond the age of superannuation for a period of 2 years or in blocks of 2 year.

Explanation:

The date of retirement shall be as below:

1. If the date of birth is first day of a month, an employee will retire on the afternoon of the last day of the preceding month.

2. If the date of birth is any other date of a month, the employee will retire on the afternoon of the last day of that month.

10.17 Service records, leave accounts and annual confidential reports of all employees shall be maintained in such manner and in such form as may be prescribed by the Company.

10.18 Appointment to any post in the Company shall be subject to the satisfactory verification of character and antecedents of the person proposed to be appointed.

10.19 All the Engineering or Medical Graduates to any post in the Company after the 27th day of January, 1965, shall if so required by the Appointing Authority, be liable to serve in any Defence Service or post connected with the Defence of India, for a period of not less than four years including the period spent on training, if any;

Provided that such persons shall not -

a. be required to serve as aforesaid after the expiry of ten years from the date of their appointments; and

b. ordinarily be required to serve as aforesaid after attaining the age of 40 years in the case of Engineering Graduates and after attaining the age of 45 years in the case of Medical Graduates.

11.0 Except in a case in which it is provided otherwise, an employee of the Company shall begin to draw pay and allowances attached to his post from the date he assumes the duties of that post, and shall cease to draw them as soon as he ceases to discharge these duties.

12.0 Initial pay will ordinarily be fixed at the minimum of the time-scale wherever such time scale has been prescribed for a post. Fixation of pay in excess of the minimum of the time-scale and the grant of advance increments, shall require the sanction of the Competent Authority.

13.0 Notwithstanding the provisions of Regulation 12 (wef 01.01.2007) -

13.1 Where an employee in regular scale of pay is promoted to a higher post, his pay in the higher scale shall be fixed by adding one notional increment at the prescribed percentage rate of basic pay, in the lower post as on the date of promotion and rounding off the amount so arrived at to the next multiple of Rs.10/-. On promotion, the standard date of increment ie 1st January or 1st July in the pre-promoted post will remain unchanged. If the standard date of increment and date of promotion are different, he will also be allowed his annual increment on standard date of

increment. However, the next increment shall be released after satisfactory completion of probation.

13.2 This formula will also apply to cases of pay fixation on appointment to a higher post.

13.3 In case of any other anomaly arising out of wage/pay revision and other reasons, the Rules would be prescribed from time to time, as and when needed, by the Company with the approval of Chairman-cum-Managing Director.

14.0 a. Increments in a time-scale shall be earned by approved service for the prescribed period in the time-scale. Service in a similar or higher post, and all authorised leave, will count for Increment in the time-scale. An increment shall ordinarily be drawn as a matter of course unless it is withheld. When an increment is ordered to be withheld, the order shall state the period for which it is to be withheld and whether the postponement shall have the effect of postponing future increments also (wef 01.01.2007).

b. (i) Employees whose increment dates fall between 1st January to 30th June will draw their increments on 1st January and those whose increments fall between 1st July to 31st December on 1st July.

(ii) In the case of leave without pay and other periods of service not counting as qualifying service for increment, the date of increment will be determined by adding the above periods to the fixed date of increment. If the date of increment so arrived at falls within the first half of the calendar year the increment will be drawn from the 1st January and if the date of increment falls in the second half of the year the increment will be sanctioned on 1st July. In other words, if the period of service not counted for increment is less than six months, it will not postpone increment but will do so if it is more than six months;

(iii) If an employee is on leave on the due date of increment, the effective date of increment shall not be changed from 1st January or 1st July unless the period of leave is more than six months and does not count as service for the purpose of increment. However, the higher pay due after the increment will be drawn only from the date of resumption of duty;

(iv) In the case of employees on probation on initial appointment or on promotion to next higher scale, the first

increment will be allowed to be drawn with effect from the date of successful completion of probation or after one year of service whichever is later, without bringing to the standard date of increment. All subsequent increments will, however, be given on the standard dates determined with reference to the anniversary date of joining. In other words, the increment will not be brought to one of the standard dates in the calendar year in which the probation has been completed successfully but will be brought on to the standard dates from the next calendar year.

c. Employees who will be retiring from the service of the Company on superannuation on 31st December and 30th June and their annual increments, falling due on 1st January and 1st July, be released for the purpose of calculation of Gratuity and Leave Encashment benefits.

15.0 Pay and fixed allowance shall be paid monthly in arrears, i.e., the pay and allowances for a month shall be due for payment on the last working day of the month.

Provided, however, that in case the last four days of a month are public holidays, the Company may authorize payment of monthly pay bills on the last working day before the holidays.

16.0 Travelling Allowances:

The grant of Travelling Allowances to employees of the Company shall be regulated by NMDC Employees' (Travelling Allowances) Rules, 1990.

17.0 Medical Attendance and Treatment:

Employees shall be entitled to medical attendance and treatment in the manner prescribed in the NMDC Employees' (Medical Attendance, Treatment and Reimbursement) Rules, 1996.

18.0 Leave, Leave salary and joining time:

18.1 Leave and leave salary of employees of the Central Government or a State Government, whose service have been lent to the Company, shall be regulated by the rules of the Government concerned. Unless otherwise specifically provided in any contract,

leave and leave salary of all other employees of the Company shall be governed by the NMDC Leave Rules, 1972.

18.2 All applications for leave on medical grounds should be supported by a medical certificate from such medical officer as may be prescribed by the Competent Authority.

18.3 No employee who has been granted leave on medical grounds may return to duty without producing a medical certificate of fitness to resume duty.

18.4 Except in the case of sudden illness or in emergency, an application for leave should be submitted to the sanctioning authority atleast one month before the date from which leave is applied for.

18.5 An employee, who remains absent without leave having been properly sanctioned, is entitled to no pay during such absence, unless it is subsequently covered by proper sanction of leave.

18.6 An employee shall be entitled to joining time to enable him to join a new post to which he is appointed while on duty in another post under the Company, or to join a post on return from leave. Joining time admissible shall ordinarily be six days, exclusive of Sundays, for preparation plus the actual time taken for the journey by the shortest route. When the transfer does not involve any change of station, only one day is admissible as joining time, a holiday counting as a day for this purpose. An employee on joining time shall be regarded as on duty, and shall be entitled to be paid:

(i) when on transfer to a new post while on duty, the pay and allowances admissible in the old or the new post, whichever is less; and

(ii) (a) when returning from leave other than extra-ordinary leave, the leave salary which he last drew while on leave.

(b) If an employee takes leave while in transit from one post to another, the period which has elapsed since he handed over charge of his old post must be included in his leave. On the expiry of the leave, the employee may be allowed normal joining time, provided that in cases where leave on medical grounds is taken after availing of normal joining time, the split-up of the spell of absence allowing joining time first and leave afterwards may be allowed to stand.

(c) If an employee is appointed to a new post while on earned leave not exceeding four months, he shall be entitled to joining time calculated from his old station, or from the place at which he

received the order of appointment whichever is less. The Company may, in special circumstances, extend the joining time or grant a longer period of joining time than is admissible under this regulation, in any case not exceeding 30 days (inclusive of Sundays and holidays) on such conditions as it may think fit.

19.0 Conduct and Discipline:

Employees of the Company shall be governed in matters relating to conduct and discipline by the NMDC Employees' (Conduct, Discipline and Appeal) Rules, 1978.

20.0 Provident Fund:

Employees of the Company shall be governed by the provisions of the NMDC Employees' (Provident Fund) Rules, 1974.

21.0 Advances:

21.1 Subject to availability of Funds in the budget of the Company from year to year, and to the provisions of the NMDC Employees' Advances (Grant and Recovery) Rules, 1972, employees of the Company may, in cases where it is considered necessary in the interest of service under the Company, be sanctioned an interest bearing advance for the purchase of a motor car, motorized two wheeler.

21.2 Advance of two months' pay and estimated travelling allowances may be sanctioned to an employee under order of transfer from one station to another. The advance of pay will be recovered in twelve equal monthly instalments, commencing from the pay or leave salary bill of the first month after the advance is drawn. Advance of travelling allowance will be recovered in one lumpsum from the travelling allowance bill, which should be submitted within a month from the date of taking over charge at the new station. If no travelling allowance bill is submitted within three months of the transfer, the advance will be recovered from pay in three equal monthly instalments.

21.3 Advance for journeys on tour, of an amount sufficient to cover the actual travelling expenses, may where necessary, be granted to an employee when proceeding on tour. The advance should be adjusted on completion of the tour. Except in special circumstances, a second advance shall not be granted until the previous advance has been fully accounted for and adjusted.

22.0 Forwarding of application for outside employment in respect of Executives and Jr Officers:

22.1 In case of new recruits, no application will be forwarded during the period of first three years of service. One application in a calendar year may be forwarded at the discretion of the Management thereafter.

22.2 In case of promotees, no application will be forwarded during the period of first two years, after promotion. One application in a calendar year may be forwarded at the discretion of Management provided the employee has successfully cleared his probation and completed two years of service after promotion.

22.3 In case of employees who are on bond and serving the Company during the bond period, no application will be forwarded during such period.

23.0 Interpretations:

On all questions of interpretations of these Regulations, the decision of the Board shall be final.

24.0 Delegation:

The Board and the Chairman-cum-Managing Director may respectively delegate to the Chairman-cum-Managing Director and any other officer of the Company, any or all of its or his powers under these Regulations.

25.0 Modification, amendment or cancellation of these regulations:

The Company reserves to itself the right to modify, amend or cancel any or all of these Regulations or orders issued thereunder and to give effect to such modifications, amendments, or cancellation from such date as it may deem fit.

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Annexure -I

Rules relating to medical examination of employees of the Company

[Please see Regulation 10 (2)]

1. Every person, on first appointment substantively to a post under the Company, or on appointment to a temporary post under the Company for a period exceeding one year, shall be called upon to produce a medical certificate of fitness from a Medical Officer in the manner hereinafter prescribed in rules (2) and (3). Persons belonging to the following categories shall not, however, be required to produce a medical certificate of fitness:

   (i) an employee of the Central Government, or a State Government or a PSE, appointed to a post under the Company, on deputation, on transfer or after resigning from his post in the Government/PSE provided that :

      (a) the employee was medically examined and found fit while in the service of Government/PSE.

      (b) the period between the date of his resignation from the service of Government/PSE and the date of his taking over in the Company does not exceed one year ; and

      (c) the employee's resignation from service was not occasioned due to ill health.

   (ii) a retired or retrenched employee of the Central Government or a State Government who is re-employed after retirement, or re-employed after retrenchment, as the case may be, provided that the break between retirement/retrenchment and subsequent re-employment/employment does not exceed one year.

      Note:

      (a) If a person is employed afresh after resignation from the service of the Company or after forfeiture of past service under the Company; he shall be subject to medical examination of such fresh employment.

      (b) A candidate who is appointed to a temporary post under the Company for a period not exceeding one year need not be called upon to produce a medical certificate of fitness.

2. The medical certificate of fitness, referred to in rule (1) above, shall be as given at Annexure IA. In furnishing the certificate of medical fitness, the Medical Officer shall use his own discretion as to the scope of general physical examination in each case and shall judge each case on its merits after taking into consideration the nature of the duties to be performed by the candidate in the service of the Company.

3. The following shall be the Medical Officers for the purpose of these rules:

   (i) District Medical Officers or Assistant District Medical Officers in Government Hospitals/Dispensaries, in the case of all classes of employees other than employees appointed or proposed to be appointed to (a) ministerial posts and (b) other posts in the scale of pay of RS1.

   (ii) Assistant Surgeons/Physicians or Registered Medical Practitioners of corresponding status, in the case of employees appointed or proposed to be appointed to (a) ministerial posts and (b) other posts in the scale of pay of RS1.

   Note:

   (a) In the case of a female candidate employee, the appointing authority may accept a certificate signed by a female Medical Practitioner.

   (b) In the case of a candidate appointed to a post, in the scale of pay of RS1, the Appointing Authority may accept a certificate signed by a Medical Graduate or Licentiate in the service of the Central Government or a State Government, or failing this by any other Medical Graduate or Licentiate.

4. The appointing authority, or any authority superior to it, may require any employee or any category of employees to undergo medical check-up on such occasions and/or at such intervals, and before such Medical Officer or Medical Board as may, by general or special order, be prescribed by it, in order to ensure that the employee continues to retain the requisite standard of physical fitness for the satisfactory performance of the duties devolving on him, apart from such examination being in the interest of the employee himself.

5. In the event of any of the medical certificates furnished by the Medical Officers not containing an unqualified certificate of medical

fitness in favour of a candidate, the appointing authority or such other authority subordinate to it as may be authorised in this behalf, shall have the discretion to decide whether or not, having regard to all the attendant circumstances of the case, the candidate concerned should be appointed to, or continued in the post.

Annexure -IA

FORM OF MEDICAL CERTIFICATE OF FITNESS

I hereby certify that I have examined Shri/Smt/Kum._____ a candidate for employment in NMDC Limited and cannot discover that he/she has any disease (communicable or otherwise), constitutional weakness or bodily infirmity, except _____ I do not consider this is a disqualification for employment in NMDC Limited.

Shri/Smt/Kum. _____'s age is, according to his/her own statement _____ years, and by appearance about _____ years.

Station: Signature of the
Date: Medical Officer

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NMDC EMPLOYEES' (TRAVELLING ALLOWANCE) RULES, 1990

1.0 Objective:

1.1 To define and lay down Company's policy and rules on reimbursement of expenses incurred on official travel in India.

2.0 Policy:

2.1 To ensure that employees are reimbursed expenses incurred on travel, boarding and lodging, when they are required to undertake journeys on duty as provided under these rules.

2.2 To meet expenses incurred by the employees for transportation of their household goods on transfer, as provided under these rules.

3.0 Scope:

3.1 These rules shall cover all employees of the Company including those under contract (to the extent not otherwise specified in the contract) for journeys in India.

3.2 Deputationists in the Company's service or Company's employees on deputation outside, shall be governed by the terms and conditions of their deputation.

3.3 These rules shall also cover trainees (other than Apprentice Trainess under Apprenticeship Act, 1961), candidates called for interview or any other person required to perform Company's work.

4.0 Definitions:

4.1 "Employee" means a person employed by the Company but does not include part-time or casual employee.

4.2 "Family" means an employee's wife or husband, as the case may be, residing with the employee, parents, step-mother, unmarried and widowed sisters, minor brothers, legitimate children and step-children residing with and wholly dependent upon the employee.

Note:

i) Not more than one wife is included in the term 'Family' for the purpose of TA Rules.

ii) An adopted child shall be considered to be a legitimate child, if under the Personal Law of the employee, adoption is legally recognised as conferring on such child the status of a natural child.

iii) Major sons, married daughters (including widowed daughters) are included in the term 'Family' so long as they are residing with and wholly dependent upon the employee.

iv) Legitimate children or step-children, parents, unmarried and widowed sisters and minor brothers who reside with the employee and whose income from all sources, including land and property, rent from house building, interest from bank deposit, dividend from investment commuted pension as also pensionary equivalent arising out of CPF and the like does not exceed ₹.1500/- per month (wef 21.09.2001), are deemed to be wholly dependent upon the employee. Dearness Relief payable to the retirees may be ignored for arriving at this income ceiling.

v) Employee is required to intimate to the Company changes, if any, in his family declaration submitted earlier.

4.3 "Pay" means basic pay together with deputation pay, personal pay, special pay and non-practicing allowance.

4.4 "Day" for the purpose of calculating daily allowance is to be taken as the period of 24 hours from the scheduled time of departure from the Headquarters in respect of any particular tour.

4.5 "Travelling Allowance" means allowance which an employee draws for journeys performed in connection with Company's work.

4.6 "Transfer" means movement of an employee from the Headquarters to another station where he is posted.

4.7 For the purpose of entitlement of TA/DA etc. under these Rules, the employees of the Company are categorized as under (wef 29.04.2011):

Group A	All Workmen in the regular scale of RS-1 and RS-2
Group B	All Workmen in the regular scale of RS-3 to RS-10
Group C	All JOs and Executives in the regular pay scale of E0 and E1
Group D	Executives in regular pay scale of E2 and E3
Group E	Executives in regular pay scale of E4 and E5
Group F	Executives in regular pay scale of E6 and E7
Group G	Executives in the regular pay scales of E8 and E9
Group H	Directors and Chairman

Note: The regular scale of pay held by an employee will only be the basis for determining the Group to which he/she belongs as above and the PG scale, if any, held will not be considered.

5.0 Travelling Allowance:

5.1 Eligibility:

An employee shall be eligible for travelling allowance, if journeys are undertaken for the following purposes:

- Tour.
- Appearing in departmental examination, interview or selection test conducted by the Company.
- Recall from leave.
- Transfer.
- Medical examination and/or treatment.
- Participation in sports/cultural events representing the Company.
- Participation in training programmes, seminars and conferences.
- Appearing in Courts as jury, assessor, witness (only for Company work), departmental or vigilance enquiry.
- Superannuation/retirement, journey of family in the event of death of employee, discharge/termination on medical grounds.
- Appearing for interview for appointment in the Company.
- Receiving National Awards.
- Appearing as prosecution witness on behalf of the State.

Clarifications:

1. In cases in which other PSEs need our employees as "prosecution witness" on their behalf, such undertakings may be requested to pay TA/DA as per entitlement under NMDC Rules.

2. All temporary transfers shall be treated as on tour.

5.2 Entitlement:

5.2.1 (a) Entitlement of employees in different groups for modes of travel for performing official duty is as follows (wef 27.12.2007):

Group A	2nd Class/Sleeper Class by rail/Bunker Class by any of the ships or 2nd Class Cabin or other equivalent/₹.1.25 per km by road or actuals, whichever is lower.
Group B	I Class/AC-3 by rail/I Class cabin/'A' Class cabin by any of the ships/₹.2.95 per km. by road or actuals, whichever is lower.
Group C	AC-2 by rail/1st Class Cabin/'A' Class Cabin by any of the ships/₹.2.95 per km by road or actuals, whichever is lower.
Group D	AC-2 by rail/Deluxe Cabin by any of the ships/₹.5.90 per km by road or actuals, whichever is lower.
Group E and above	Air/AC 1st Class by rail/highest class by any of the ships/₹.8.00 per km by road or actuals, whichever is lower.

(b) The above entitlement will be applicable in respect of Leave Travel Concession Rules also.

Note:

(i) Directors and CMD will be entitled to travel in the Executive Class by air while performing journeys under TA Rules.

(ii) Executives in the pay scale of E9 may travel in business class while on Foreign Tour for official purposes. Executives in the scale of E8 while travelling with Chairman, Directors or with high level delegates may also travel in business class. However, their travel by air within the Country will continue to be by economy class.

(iii) An employee entitled to travel by 1st Class/AC-3, travels by AC-2 while availing LTC or on official tour, the expenditure incurred on travel by AC-2 shall be reimbursed to him.

(iv) The claims of employees in the grades of RS3 to RS10 (Group B), who are entitled to travel by 1st Class/AC-3 while on LTC or on official tour when they travel by higher mode of transport including travel by Air and incur more expenditure than their entitlement, such claims shall be restricted to AC-2 rail fare.

(v) Employees entitled to stay in 3 or 4 star hotels, but stay in lower star hotels while on tour, the actual room tariff charged by such star hotels are reimbursable.

5.2.2 Normally, journey by road wherever required is to be undertaken by public transport and actual fare of public road transport shall be admissible. In respect of employees entitled/permitted to travel by road by car for reasons of economy or time-saving or on grounds of expediency at places where Company facility for making necessary transport arrangements do not exist, employees may hire taxi or travel by own car, with the approval of Competent Authority. In case of travel by taxi, actual charges shall be reimbursable. Reimbursement of charges in case an employee travels by his own car shall be least of the following:

(i) The fare by entitled class limited to I Class by train, or
(ii) Entitled road mileage.

5.2.3 Return tickets shall be purchased wherever possible. Reservation charges shall be admissible. The Company, with the approval of controlling officer, shall reimburse cancellation charges, if the journey is cancelled due to official reasons.

5.2.4 (i) Executives in Group E and above may perform journey by road or rail or air at their discretion.

(ii) However, executives in receipt of basic pay of ₹.28,890/- (wef 15.06.2011) and above in the regular pay scale of E-2 and executives in E-3 under Group D, can also for journeys on tour travel by air, availing as far as possible, the low cost airlines. Other employees under the normal circumstances shall undertake journeys by rail. However, they may travel by road or in a class higher than entitlement, subject to specific approval by the Competent Authority.

(iii) For this purpose, Heads of Projects and HoDs/Directors at Head Office shall be the Competent Authority to approve 'Air Travel' for employees in Group D as above on case to case basis.

Note for (ii) above: Air Travel is not applicable in case of journeys on superannuation and on transfers.

5.2.5 (i) An employee shall be eligible to reimbursement of actual fare for journeys from residence/place of stay to the Railway Station/Airport/Bus Stop and vice-versa.

(ii) For journeys undertaken while on tour from place of residence to duty point and/or from one duty point to another and back, reimbursement of actual fare for each day of performance of

journeys shall be limited to one daily allowance as admissible for stay in Hotel at that place.

(iii) The reimbursement will be on the basis of expenditure actually incurred and certified by the employee and approved by the controlling officer, subject to the condition; that the employees in the regular pay scale of E2 and above, shall be eligible to travel by Taxi, and all others by Auto-rickshaw.

Note: In special cases, relaxation for (ii) and (iii) above, can be granted by the Head of the Department. Heads of Department in the scale of E5 and above will be their own Controlling Officer for this purpose.

5.2.6 An employee should travel by the shortest route. He may travel by any other convenient route if approved by the Competent Authority.

5.2.7 For rail journeys, ticket numbers shall be indicated in the TA bills. For road/steamer/air journeys, tickets/receipts/boarding pass, shall be attached to TA bills.

While in general, the stipulation of submission of Railway ticket numbers and submission of tickets etc., will continue to be followed, the Heads of Department are authorised, if considered necessary, to waive such stipulation in genuine cases when they are satisfied.

5.2.8 TA/DA for Trade Union Affairs:

(a) Outside Trade Union leaders:
When they undertake journeys on the invitation of the Management for negotiations/official meetings will continue to get DA and conveyance charges at the rates applicable to the officers of the Company who are in Group D.

(b) Trade Union Officials (Employees of the Company):

(i) Members of the Apex Joint Council/Corporate Level Bipartite Committee/Sub-Committees of AJC/Bipartite who are required to attend the above meetings conveyed by the Management are entitled for Hotel Charges and Daily Allowance as applicable to the employees under Group C and to travel by AC-2 by rail.

(ii) Hotel charges/Daily Allowance in respect of other Trade Union Officials who are not members of the above said forums will continue to be regulated as per normal TA/DA rules of the Company.

(iii) Trade Union members nominated as members to attend the Corporate Level Tripartite Safety Committee meetings conveyed by Head Office are also entitled for Hotel Charges, Daily Allowance and travel by AC-2 by rail as applicable to the employees under Group C.

Note: Workmen PF Trustees shall be treated on par with Group C employees for purpose of regulating DA and hotel charges only whenever they attend PF Trust meetings.

5.2.9 (a) An employee while on official tour proceeds on sanctioned leave is not entitled for TA/DA, hotel charges, etc for the leave period. The employee shall be eligible for TA/DA, hotel charges as per entitlement from the day he reports back to tour station, including TA/DA for return journey period from tour station to place of posting (Headquarter).

(b) In case the employee returns to his place of posting directly from the leave station without reporting back to tour station, the admissibility of TA/DA shall be limited to as if the journey has been performed from tour station to the place of posting of the employee.

6.0 Daily Allowance:

6.1 Eligibility:

An employee shall be eligible for daily allowance if journeys are undertaken for official purposes such as:

(a) Tour

(b) Appearing in departmental examination, interview or selection; test conducted by the Company.

(c) Participation in sports/cultural events representing Company.

(d) Attending training programmes, seminars or conferences.

(e) Receiving National Awards.

(f) Appearing in Court as jury, assessor or witness (only for Company's work)

(g) Appearing as accused/witness in vigilance/departmental enquiries.

(h) Appearing as prosecution witness on behalf of the State.

Note: If the Defence Assistant/Assisting Officer taken by accused employee to attend departmental enquiry at an outstation to represent his case is from within the Organization, he will be treated as on tour, and will be paid TA/DA, as per his entitlement.

6.2 Entitlement of employees for hotel charges and Daily Allowance is given at Annexure-I.

Clarifications:

a. All A1 and A class cities and the following cities will be treated as specified locations for the purpose of drawal of DA:

Vizag; Jammu; Srinagar; Nagpur; Pune; Jabalpur; Jaipur; Jodhpur; Simla; Bhopal, Raipur, Bilaspur, Bhubaneswar, Tuticorin, Trivandrum, Jagadalpur and any other city that may be notified, from time to time.

b. The composite rate will not be applicable in respect of tours to NMDC projects where guesthouse accommodation exists. For tour to these places, employees will be entitled to only DA at the rates indicated under Colum 4 in Annexure-I.

c. The monetary limits indicated in the Annexure-I as Hotel/Lodging charges will apply only in respect of cities/towns where there is no classification of hotels on the pattern of 3/4/5 star hotels as approved by the Department of Tourism, or where officers do not stay in 3/4/5 star hotels.

d. For stay in any place, an employee may opt for split rate of DA or composite rate of DA for complete spell of tour. During the same spell and at the same station, an employee is not entitled partly for split rates and partly for composite rate.

e. An employee while on tour to a place where he has been entitled to retain family accommodation will be permitted to 50% of DA as indicated in Column 4 of Annexure-I. He will not be entitled for reimbursement of hotel/lodging charges at such places.

f. Dearness Allowance/hotel charges are admissible only in case of employees on official tour involving enforced halts and not in case of transfer.

Note:

(i) Service charges and taxes levied by the star hotels can be reimbursed in full, provided the accommodation occupied is within the entitlement of the employee.

(ii) The ceiling on lodging (hotel) rates would exclude the levies, taxes, etc.

(iii) Taxes levied by some State Governments such as luxury tax etc, for non-star hotels may also be reimbursed over and above the ceiling limit.

(iv) While on tour, an employee will be reimbursed the actual lodging charges, including service charges and taxes in respect of star hotels if he stays in a hotel of the entitled or lower star ranking.

(v) If an employee stays either in a non-star hotel or a star-hotel ranking higher than his entitlement, he will be reimbursed the actual lodging charges limited to the rates prescribed for stay in non-star hotels.

(iv) Inclusion or exclusion of breakfast in hotel bill will be ignored (employees staying in ITDC hotels may avail the discounts that are available for PSE employees).

(vii) When treated as guest in a guesthouse of any other Organisation, the rate of DA (food and incidentals) will be 50% of an employee's entitlement. In the case of employees who are deputed for training to outside institutes within India and where such training is "residential" in nature with boarding and lodging provided, the daily allowance admissible would be 50% of the employee's entitlement. In cases where, though the nature of training programme is termed as 'residential' and the participants are asked to make their own arrangements for dinner, the employees may be paid 3/4th DA for food and incidentals. Except for the above, there would not be any situation where employees would be offered a guest status in a hotel. In fact, no employee of the Company should expose himself to such situations.

(viii) During the actual travel time, the DA rate shall be admissible as per Column 4 of Annexure-I. While travelling by Rajdhani Express, the DA would be 50% of the employee's entitlement, indicated in Column 4 of Annexure-I.

(ix) An employee will be required to submit hotel bills for reimbursement of expenses. No bills are required for claiming DA towards food and incidentals or composite rate of DA. Where bills do not separately indicate rates for boarding and lodging, 50% of charges shall be reimbursed towards lodging, subject to the ceiling prescribed, provided what are included in the bills are normal boarding charges, as per all-inclusive rates.

Reimbursement of boarding charges shall be limited to entitlement.

(x) Those executives who are entitled to avail single room in hotels may also avail single occupancy in double room, as per their eligibility.

(xi) Lodging charges may be reimbursed on production of bills even if the employee has to pay lodging charges for more number of days than for which DA is admissible under the TA Rules on account of the checking-in and checking-out timings.

(xii) When during tour, an employee has to pay for hotel accommodation for the same day at two stations, hotel bills for stay in both the hotels may be reimbursed, subject to the ceiling rates.

6.3 Period of absence shall begin when an employee leaves his Headquarters and ends when he returns to the same Headquarters. The period of delay in departure/arrival time will be taken into consideration.

6.4 DA while on tour will be payable as follows (wef 01.07.2002):

a. Full DA (Food and Incidentals) for every completed period of 24 hours and for each additional period less than 24 hours but exceeding 12 hours.

b. 50% of full DA (Food and Incidentals) for period less than 12 hours.

Note: For this purpose within (i) Bailadila Complex and Bhansi; (ii) Donimalai Complex; (iii) Panna-Majhgawan and (iv) Allahabad-Lalapur, no DA would be admissible.

6.5 Full Daily Allowance shall be admissible upto 30 days for halt at any one place; and at 75% rate beyond 30 days and upto 180 days.

Payment of Daily Allowance at full rate beyond 30 days can be granted by CMD, in special cases.

Accommodation charges can, however, be reimbursed as per employee's entitlement upto 180 days.

6.6 Daily Allowance and hotel charges are admissible for enforced halts in excess of 6 hours.

6.7 Daily Allowance shall be admissible for holidays during tour but not when employee avails leave during tour.

7.0 Travel on Transfer:

(i) Transfer Expenses:

An employee on transfer shall be entitled to reimbursement for the following:

(A) Travel by Air/Rail/Steamer:

(a) Movement for self and family in the entitled class, as on official tour, plus two extra fares as entitled, but limited to AC-2 by rail or entitled class rail fare whichever is less (wef 29.04.2011).

(b) In addition to the above, an employee shall be entitled to road mileage between residence and railway station/bus stand/airport.

Note:

1. Employee transferred from one place to another and family did not accompany him to the new station during first journey, he is eligible to claim TA for self either for first journey or for subsequent journey along with the TA claim of his family.

2. The TA claim has to be regulated as per his eligibility on the date of relief from the old station.

(B) Travel by own car:

An employee travelling in his own car along with his family members, on transfer, shall be reimbursed as follows:

(i) For transportation of the vehicle in terms of clause 7(iii) (c) of the TA Rules. The reimbursement would be freight admissible had the vehicle been transported by the passenger train in a 4/6-wheeler wagon at Railway's risk.

(ii) Two fares as per entitlement, limited to AC-2 by rail or entitled class rail fare whichever is less (wef 29.04.2011) as incidentals.

Note:

1. The employee and/or his family members will not be entitled to separate fare by rail/air or to a separate road mileage in such cases.

2. In case rail facility does not exist between the two places, the amount admissible would be calculated on the basis of equivalent distance by road and as if the car is transported by train.

(C) Journey by road between places not connected by rail or partly connected by road and partly by rail:

Two-road mileage as per Rule 5.2.1 for self, and one additional mileage per member, subject to a maximum of two.

(ii) Transportation of Personal Effects:

An employee shall be entitled to reimbursement of actual expenses, subject to limits as under, for transportation of personal effects by goods train:

Category	Entitlement for transportation by goods train
Group A	3000 kgs
Group B	6000 kgs
Group C and D	Full wagon (120 quintals)
Group E and above.	Full wagon (120) quintals or two containers by Railway Container Service.

Note:

1. In the case of employees in scales of pay lower than E4, cost of transportation by Railway Container Service may be reimbursed, subject to the monetary limit of entitlement for transportation by goods train.

2. The entitlement for transportation of personal effects shall be by a 8-wheelar wagon sent by a goods train. The maximum wagonload will be 120 quintals.

3. (a) If an employee transports personal effects by passenger train/truck instead of goods train, the claim will be restricted to actuals or the per km per kg rate for door delivery of over dimensional goods provided in the annual rate contract entered into by the Company for transportation of various consignments within the Country. This rate will be circulated centrally by Head Office for uniform adoption by all the Projects/Units/ Offices.

(b) The rate for door delivery of over dimensional goods provided in the annual rate contract entered into by the Company is ₹.3.59/- per km per 1000 kg (wef 29.04.2011).

4. For transportation of personal goods by road when the places are not connected by rail, the reimbursement shall be as under:

Group – A	₹.2.00 per Km
Group - B	₹.2.30 per Km
Group - C	₹.4.50 per Km
Group - D	₹.9.00 per Km
Group – E & above.	₹.10.00 per Km

(iii) Transportation of Vehicle:

An employee shall be entitled to reimbursement of transportation cost of his vehicle (one motor car, motor cycle, scooter, or bicycle) as under:

(a) If transported by goods train - actual cost of packing and freight between the two stations.

(b) If transported by passenger train - actual freight charges by the Railways.

(c) If motor car is transported by road (either by truck or under its own propulsion) freight admissible had the vehicle been transported by passenger train in a 4/6-wheeler wagon.

Note: Executives in the Grades of E1 and above only are entitled to transportation of car.

(iv) Transfer Grant:

Transfer Grant will be given to cover setting up of establishment and causing disturbance to the employees. The amount admissible will be one month's basic pay plus DA only. NPA is not to be included.

(v) Packing Charges:

Packing charges shall be payable as under:

Group – A	₹.3,000/-
Group – B	₹.4,500/-
Group – C	₹.7,000/-
Group – D	₹.9,000/-
Group – E and above	₹.12,000/-

Note: Reimbursement of taxes etc: Octroi duty, entry taxes, terminal taxes and insurance charges for transportation of personal effects will be paid extra on production of receipts.

(vi) If both husband and wife are employees of the Company working at the same Headquarters and are transferred within six months from one place to another, only one of them shall be entitled to the transfer benefits under sub-clauses (ii) to (v). Other shall be entitled to benefits under sub-clause (i) only.

(vii) An employee on transfer to the Units which are located in cities will be entitled to reimbursement of hotel charges for a single room accommodation for a period not exceeding three days at the new station provided that guest house/transit camp accommodation of the Company is not available.

(viii) Retention of family at employee's old station:

(1) An executive on transfer to a new station may retain his residential accommodation for a period of 6 months or till the conclusion of the academic session, whichever is later, subject to approval of Competent Authority at Corporate Office.

(2) On actual transfer to any Project/Feasibility/Office, an employee will have an option to keep his family at the previous station of posting or at cities where NMDC has its offices, ie, Delhi, Mumbai, Kolkata, Chennai, Hyderabad, Bangalore, Raipur, Visakhapatnam, etc.

(3) During the period the accommodation is allowed to be retained at the previous station of posting or at any of the cities referred to in (2) above, the employees may be allowed, at the discretion of the competent authority, the following facilities:

a. House Rent Allowance and medical facilities for dependent members of the employee's family as admissible at the previous station of posting or any of the cities referred to in clause (2) above.

b. In respect of dependent members of the family the place where the family stays in terms of clause (2) above, will be deemed to be the station of posting for the purpose of LTC Rules;

c. Transfer TA:

(i) one fare for self as per the entitled class and transfer grant.

(ii) transfer TA for dependent members of the family, transportation of personal effects as per the rules of the Company, if the family moves within a period of one year to:

(a) a city referred to in clause (2), or
(b) to the place of posting from the place of previous posting.
(c) no transfer TA and other benefits will be admissible if the movement is made after one year.
(d) he will be entitled for bachelor/shared/ hostel accommodation at the Project during the period he retains his family at the previous station.
(e) whenever an employee happens to come on tour to the station where he is keeping his family, he will be entitled to draw only half of the DA. However, in such places, he will not be entitled to any accommodation charges during the period of such tour.

(4) In case of employees, who are transferred from Project to other units, normally they will not be entitled to retain the accommodation in the Project because of shortage of accommodation. But in exceptional cases, CMD may allow such employees to retain accommodation in the Project for a period of six months or till completion of the academic session of the children of employees, whichever is earlier, subject to availability of accommodation at the Project.

8. Admissibility of transfer TA to Graduate Engineers/Executive Trainees during training period:

8.1 Graduate Engineers/Executive Trainees will be eligible for Transfer TA on par with their counter part employees.

8.2 TA/DA for Executive Trainees:

(i) For the purpose of TA/DA entitlement, Executive Trainees will be treated at par with regular employees of their equivalent status in the regular scale of pay of E1, ie, Group C under NMDC TA Rules.

(ii) The Executive Trainees shall be entitled to TA (single travelling fare) and DA while on tour in connection with their training to any station other than the station to which they are assigned for initial training of one year. They will not draw DA at places where they are posted for the initial period of training.

(iii) Whenever the Executive Trainees are required to travel from one Project/Office to another Project/Office in connection with their training

alongwith TA they will also be entitled for DA, local conveyance charges and hotel charges for transit stay (wef 31.10.2011).

(iv) Daily Allowance during residential training (wef 31.10.2011):

Whenever the ETs are deputed for residential training to outside Institutes, within India, the eligibility for DA will be as follows:

a. Residential Training with lodging and full boarding – 50% of DA.

b. Residential Training with lodging and half boarding (ie where the trainees are required to make their own arrangements for a major meal) - 3/4th of DA.

Clarification:
Graduate Engineers' who are required to move from one Unit to another during the course of training, will be eligible only for single travelling fare and will not be entitled to any transfer benefits for such movements during the training period. However, those departmental candidates who have been selected as Graduate Engineers/Executive Trainees and move from one Unit to another will be entitled to transfer benefits only once when they shift their Establishment from their Headquarters.

9.0 Joining time on Transfer:

9.1 When an employee is transferred from one station to another, joining time shall ordinarily be six clear working days, exclusive of Sundays and holidays, for preparation plus the actual time taken for the journey by the shortest route. When the transfer does not involve change of station, only one working day will be allowed.

9.2 In the case of air journey, journey time will be limited to the day of travel only.

9.3 (a) However, in cases of emergency where an employee will be required to report at the new station immediately, the difference between the entitled joining time/journey time and the actual time availed shall be credited to a special leave account, which can be availed of by the employee within six months of reporting at the new station.

(b) Joining time should be availed at one stretch only.

(c) Special leave should either be prefixed to regular leave or casual leave and not to both. Inter-fixing is not allowed.

9.4 If an employee receives a transfer order while availing leave at a place other than his Headquarters, he would be entitled to joining time, as admissible for transfer, from the station where he is spending his leave or from his headquarters, whichever is less.

9.5 Where an employee over-stays beyond the admissible joining time, such period of overstay will be treated as Extra Ordinary Leave (EoL). The Authority empowered to transfer may, however, grant leave of the kind due to the employee, on merits of each case.

9.6 In case of transfer within the same station necessitating change of residence due to such transfer, a settling-in allowance of ₹.1000/- is admissible. In such cases, however, the employees will not be entitled for any other payment under these rules.

10.0 Eligibility for Travelling Allowance for medical examination/ treatment:

10.1 If journey is approved by the Company's Medical Officer for medical examination and/or treatment, travelling allowance shall be admissible to:

(a) an employee/any member of his family, who is entitled to free medical facilities of the Company, and/or

(b) an attendant to accompany the patient if recommended by the Company's Medical Officer. The attendant in authorised situations, shall be entitled to Travelling Allowance, as per the entitlement of the employee.

Clarification:
When an employee is referred to higher centres for medical treatment, he is entitled for Travelling Allowance and reimbursement of local conveyance only. He shall not be entitled for any DA, Special Casual Leave, hotel charges.

10.2 The employees who accompany/escort the patients referred to higher centres for medical treatment by the Projects/Units, to the following places, are entitled for –

a. one day stay at the place of medical reference, in addition to the actual journey period; and
b. the journey period and stay are considered for payment of TA/DA to the escort (ie employee).

From	To
Bailadila Sector	Hyderabad/Raipur/Vizag/Bhilai/Bilaspur
NISP	Hyderabad/Raipur/Vizag/Bhilai/Bilaspur
DMP, Panna	Hyderabad/New Delhi/Jabalpur/Bilaspur
DIOM, Donimalai	Hyderabad/Bangalore
Regional Office, Vizag	Hyderabad
NMDC-SIU, Paloncha	Hyderabad

Note: In respect of employees of Diamond Mining Project, Panna, who escort patients to Satna, only journey period will be allowed.

11.0 Eligibility for TA for participating in sports/cultural events representing the Company:

11.1 Travelling Allowance shall be admissible as on tour. If boarding alone, or both boarding and lodging are provided by the Company or other Organization(s), Daily Allowance shall be paid at the rate of ₹.50/- per day. If lodging alone is provided, DA as on tour, shall be paid.

11.2 The above provision is also applicable to the participants of Inter Project Tournaments where the host Project provides free boarding and lodging.

12.0 Eligibility of Travelling Allowance and Entertainment Allowance for participation in training programmes/ seminars/conferences:

12.1 The Competent Authority may sanction a lumpsum amount as entertainment allowance to executives in the grades of E1 and above, as under, depending on the duration of the training programme/seminar/conference:

Duration of the Programme	Entertainment Allowance
Upto 6 days	₹.1,000/-
7 - 14 days	₹.1,500/-
15 - days and above	₹.2,000/-

Note: When executives are attending the Senior Executives programme of 8 weeks duration at the Administrative Staff College of India, the entertainment allowance plus daily allowance shall be ₹.600/- fixed. In addition, they will also be reimbursed club fee of ₹.300/-

Clarifications:

(i) Other training programmes of three months' and above duration, may also be treated at par with these programmes.

(ii) An amount equivalent to 25% of basic pay (subject to a maximum of ₹.500/-) is admissible to be paid in lumpsum for the entire duration of the course.

(iii) Entertainment allowance under the TA Rules is not admissible for attending the DSW course at Calcutta or any other course coming under the above category.

12.2 If an employee who is not sponsored by the Company, attends a training programme/seminar/conference, etc, travelling allowance may be approved (limited to I class by rail) by the Competent Authority, provided the employee's participation is considered useful to the Company.

12.3 If an employee receives any travel expenses or daily allowance from a professional body/institution for attending a training programme/seminar, etc, he shall refund the amount to the Company if he claims TA/DA from the Company.

12.4 Participation as a faculty member:
Executives participating as faculty members would be treated as on tour.

13.0 Eligibility of Employees and non-Employees for TA/DA for appearing in courts as jury/assessor/witness (only for Company's work)/departmental or vigilance enquiry:

13.1 Any amount received from the Court for attendance, boarding and lodging, etc, shall be refunded to the Company if an employee claims his travelling/daily allowance from the Company.

13.2 If a departmental or vigilance enquiry is held at an out-station at the request of an employee, no travelling/daily allowance shall be admissible.

13.3 Grant of TA/DA to accused employee for attending vigilance enquiry at an out-station:

(i) No TA/DA will be allowed if the enquiry is held at an out-station at the request of the employee.

(ii) In other cases, TA/DA as on tour, may be allowed for attending vigilance enquiries.

(iii) In respect of employees under suspension, TA/DA as on tour from Headquarters to the place of enquiry, or from the place at which he has been permitted to reside during suspension, to the place of enquiry, whichever is less, at the rate admissible to him according to the grade to which he belonged prior to his suspension, may be allowed.

13.4 The entitlement of ex-employees called to appear in court, departmental enquiries, vigilance enquiries, etc as Management's witness will be eligible for TA/DA as per their eligibility before cessation from the service of the Company.

13.5 TA/DA for Non-employees:

Non-employee called as prosecution witness etc will be entitled for TA as per Group C by shortest route from their place to the place they have been called for appearing as prosecution witness on behalf of NMDC, subject to production of evidence for onward journey. They are also entitled for Dearness Allowance and hotel charges as per Group C.

14.0 Eligibility of Transfer TA on superannuation/retirement or journey of family in the event of death of the employee or journey on discharge/termination of employee on medical grounds:

In the event of –

(i) Superannuation/Retirement;

(ii) Death of the employee; and

(iii) Discharge/Termination of the employee on medical grounds:

The employee and/or his family will be entitled to reimbursement as per para 7 (i), (ii), (iii) and (v) for settling, either at their declared home town or at a place where the employee and/or his family intends to settle in India. The journey should commence within six months from the date of retirement/termination/death, or within such extended time, as may be approved by the Competent Authority.

Clarifications:

(i) Employees who want to shift their family members to the place of settlement in order to arrange education of their children in schools before-hand, would be allowed to draw TA advance six months in advance of the date of retirement in respect of their family members.

(ii) Transfer Grant will not be admissible in respect of the cases covered under Rule 14.0.

(iii) Guidelines regarding settlement of claims:

(1) In the case of a retiring employee who intends to settle in his declared hometown, the TA advance as admissible, may be paid in full and the amount so paid be treated as final charge in the accounts (which means that the employee concerned need not submit any adjustment claim subsequently).

(2) In the case of a retiring employee who intends to settle at any place in India other than his declared hometown, TA advance shall be paid to him in full restricting his claim to his declared hometown or intended place of settlement whichever is less. The balance, if any, shall be paid to the employee only in receipt of a TA bill from the employee concerned duly supported by necessary receipts, like railway tickets, lorry receipts etc as required under the rules, in proof of his having performed the journey to his intended place of settlement.

(3) For the purpose of his drawing TA advance as above a retiring employee/family member has to submit a claim in regular TA bill form duly counter signed by Controlling Officer furnishing the particulars relating to self and members of his family who will be performing the journey, the cost of transportation of his personal effects etc, to his hometown or to any other place where he intends to settle. The employee has also to furnish a declaration in the claim that he would perform the journey along with his family within six months from the date of retirement.

(4) An employee who intends to settle in a place in India other than his hometown has to furnish a declaration to that effect prior to his retirement. In the case of deceased employee, the family members have to declare this within one month from the date of death of the employee. His claim for the difference between the actual expenditure incurred by him and the advance already drawn by him has to be submitted within six months after the date of employee's retirement/death. If no such claim is received within this period, the amount of advance already drawn by him shall be treated as final charge in accounts.

15.0 Entitlement of Travelling Allowance for outside candidates to appear for interview, pre-employment medical examination and on appointment:

15.1 Travelling Allowance to outstation candidates called for interview and pre-employment medical examination will be paid, as under:

Candidates being considered for the posts in E7 and above pay scales.	Single Air/AC-1 rail fare for onward and return journey.
Candidates being considered for the posts in E1 to E6 and above pay scales.	Single 1st Class/AC-2 rail fare by shortest route for onward and return journey.
Others.	Single 2nd Class rail fare by shortest route for onward and return journey.

15.2 Where a candidate travels by bus between two points not connected by rail, he will be reimbursed such fare, subject to the limit of rail fare by the appropriate class for the road distance involved.

15.3 The surcharge levied for certain fast trains and reservation charges, including sleeper charges of all trains will be reimbursed, subject to actuals.

15.4 Candidate joining from other PSU/Government:

A candidate who joins the Company on appointment, from other PSUs/Government, shall be eligible for reimbursement of fares as per entitled class for self and dependent family members and transportation charges for shifting of personal effects on production of bills.

15.5 Candidate joining from Private Sector:

A candidate who joins the Company on appointment, from private sector, shall be eligible for reimbursement of fare as per entitled class for self and dependent family members and also transportation charges for shifting of personal belongings on production of bills. Amount of fare for self shall be reimbursed on joining, the fare for family members and transportation charges shall be reimbursed after six months from the date of joining. This is subject to the condition that in case he leaves NMDC within 2 years of joining, the amount so reimbursed shall have to be refunded to the Company.

16.0 Entitlement of Travelling Allowance for receiving national awards:

16.1 Travelling Allowance and Daily Allowance will be admissible as on tour.

17.0 Entitlement of TA/DA for Consultants/Advisors:

17.1 Where the terms and conditions of appointment of Consultants/Advisors do not mention regarding their eligibility for their TA/DA while on tour, their eligible will be as per Group C.

18.0 Applicability:

(A) These Rules shall come into force with effect from 1st April 1990.

(B) The Chairman-cum-Managing Director may relax any of the provisions of these rules in individual cases for reasons to be recorded specifically in writing.

(C) The Chairman-cum-Managing Director reserves the right to modify, cancel or amend all or any of these rules or any supplementary rules issued in connection with these rules, without any previous notice of the intention, as well as the right to give effect to these Rules from the date of issue.

(D) In case of any dispute, the power to interpret these rules finally vests in the Chairman-cum-Managing Director.

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Annexure-I

Rule No: 6.2 Entitlement for Boarding & Lodging Charges under TA Rules (effective from 29.04.2011)

Category of employees in the regular pay scales	Lodging		Food & incidentals Hotel/Guest House	Composite DA in lieu of 2 or 3 & 4
	Specified Locations	Others Locations	All stations	All stations
1	2	3	4	5
Group A (RS1 & RS2)	₹.700/-	₹.600/-	₹.300/-	₹.450/-
Group B (RS3 to RS10)	₹.1200/-	₹.1000/-	₹.400/-	₹.600/-
Group C (JO, E0 to E1)	Single AC room in 3-Star hotel or actuals in non-star hotel limited to ₹.2200/-.	Single AC room in 3-Star hotel or actuals in non-star hotel limited to ₹.2000/-.	₹.500/-	₹.900/-
Group D (E2 & E3)	Single AC room in 3-Star hotel or actuals in non-star hotel limited to ₹.2500/-.	Single AC room in 3-Star hotel or actuals in non-star hotel limited to ₹.2200/-.	₹.600/-	₹.1000/-
Group E (E4 & E5)	Single AC room in 4-Star hotel or actuals in non-star hotel limited to ₹.3500/-.	Single AC room in 4-Star hotel or actuals in non-star hotel limited to ₹.3000/-.	₹.700/-	₹.1100/-
Group F (E6 & E7)	Single AC room in 4-Star hotel or actuals in non-star hotel limited to ₹.4000/-.	Single AC room in 4-Star hotel or actuals in non-star hotel limited to ₹.3500/-.	₹.900/-	₹.1400/-
Group G (E8 & E9)	Actuals	Actuals	₹.1000/-	₹.1500/-
Group H - Dirs. & CMD	Actuals	Actuals	₹.1500/-	₹.2500/-

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NMDC LEAVE RULES 1972

1.0 Title:

1.1 These rules may be called “NMDC Leave Rules, 1972”.

2.0 Commencement:

2.1 These rules shall supersede NMDC Leave Rules 1962 and come into force with effect from 14th November 1972.

3.0 Scope:

3.1 These rules shall apply to all employees of the Company but shall not apply to:

(i) Employees of the Central Government or a State Government on deputation to the Company.

(ii) Employees on contract, and

(iii) Causal labour.

4.0 Kinds of Leave:

4.1 Leave is classified as:

(i) Casual Leave.

(ii) Special Casual Leave.

(iii) Earned leave (on full pay) or (half pay) including leave pending retirement.

(iv) Extra-ordinary leave without pay.

(v) Leave not due.

(vi) Maternity leave.

(vii) Special Disability Leave.

(viii) Special Leave.

5.0 Rules of procedure:

(i) Leave is earned on duty only. Duty includes duty on Foreign Service also.

(ii) Leave ordinarily begins on the day on which transfer of charge is effected and ends on the day preceding that on which charge is resumed. The Competent Authority may, however, permit an employee to prefix or suffix holidays to leave.

(iii) An employee on leave may not take any service or accept any employment without obtaining the previous sanction from the Company. This does not however, apply to casual literary work or to service as an examiner or similar employment; nor does it apply to acceptance of Foreign Service.

(iv) When leave has been granted on medical certificate, the employee will be allowed to resume duty only after producing a medical certificate of fitness from a Registered Medical Practitioner.

(v) Unless permitted by the Competent Authority who sanctioned the leave, an employee on leave may not return to duty before the expiry of the leave sanctioned.

(vi) The amount of earned leave that can be availed of at a time is limited to the entire amount of leave at credit subject to a maximum of 120 days leave on full pay and not exceeding 24 months' leave on half pay.

(vii) Leave cannot be claimed as a right. The authority required to grant leave has discretion to refuse or revoke it at any time according to the exigencies of the Company's service. Such authority shall not, however, alter the nature of leave asked for by the applicant except on the written request of the applicant.

(viii) Any kind of leave, other than the casual leave admissible under these rules, may be granted in combination with, or in continuation of any other kind of leave.

(ix) An employee returning from leave is not entitled to resume as a matter of course at the post from which he proceeded on leave. He must report his return and await orders.

(x) In cases where all applications for leave cannot in the interest of the Company be granted, the Competent Authority would take into account the following considerations:

1. the employees who can for the time being best be spared.
2. the amount of leave due to different applicants;
3. the amount and character of the service rendered by each applicant since he last returned from leave;
4. the fact that any such applicant was compulsorily recalled from his last leave;
5. the fact that any such applicant has been refused leave.

(xi) The Competent Authority may, at its discretion, cancel the leave granted to an employee. In the event of recall to duty of an employee who has left the place of headquarters, single railway fare of the appropriate class by the shortest route from the place where he/she may be spending his/her earned leave to the place of his/her headquarters will be admissible to him/her. When an employee is compulsorily re-called from leave, the leave will be treated as expired on the date on which he starts from the place of his residence during leave for rejoining the post. However, if the recall is optional to the employee, the leave will be considered as expired on the date the employee reports for duty and no fare will be payable for the journey, he may have to undertake for such resumption of duties.

(xii) A leave account shall be maintained for each employee in accordance with the rules in the form as prescribed by the Company.

(xiii) For purposes of Provident Fund contribution deductions will be made from the leave salary of an employee on the basis of emoluments drawn while on leave. No deduction will be made for the periods of leave for which an employee is not allowed any pay.

6.0 Leave Period qualifying for Increments:

6.1 The periods as mentioned below will be reckoned as qualifying service for increments:

(i) All periods of casual leave and special casual leave will be treated as duty for the purpose of earning increments and for earning leave with pay;

(ii) Service in another post, whether in a substantive or officiating capacity, and leave other than extra-ordinary leave shall count for increments in the time scale applicable to the post on which the employee holds a lien.

(iii) All leaves other than extra-ordinary leave shall count for increments in the time scale applicable to a post in which an employee was officiating at the time of proceeding on leave and would have continued to officiate but for his proceeding on leave. Provided that the Controlling Officer may, in any case in which he is satisfied that the extra-ordinary leave was taken on account of illness or for any other cause beyond the employee's control, direct that extra-ordinary leave shall be counted for increments under sub-rule (ii) or (iii).

(iv) If the date of increment falls due within a spell of leave, such increment will be drawn only from the date of expiry of such leave, but this will not have the effect of postponing subsequent increments.

7.0 Casual leave:

(i) Casual leave is a concession granted to an employee to enable him to be absent from duty for short periods on account of illness or to enable him to attend to private affairs.

(ii) An employee will ordinarily be eligible for casual leave with full pay and allowances to the extent of 12 days in a calendar year.

(iii) Casual leave shall not be cumulative and any portion of such leave unavalied of will lapse at the end of each calendar year.

(iv) Casual leave can be availed of only after it is sanctioned by the Competent Authority except in emergent and unforeseen circumstances of which full proof must be produced to the satisfaction of the sanctioning authority.

(v) Casual leave should not normally be sanctioned in excess of 10 days at a time and should not be combined with leave of any other kind except special casual leave.

(vi) Holidays, Restricted Holidays or Sundays intervening a spell of casual leave will not be included as casual leave.

(vii) A record of casual leave taken by each individual should be kept in the Attendance Register.

Note:

1. Existing practice of grant of half a day Casual leave is discontinued wef 01.07.2001.

2. The Competent Authority to grant Casual leave to the employees, who join the Company in mid-year, will have the discretion to

grant either full period of 12 days or only a portion thereof, after taking into account all the circumstances of the case.

8.0 Special Casual Leave:

8.1 Subject ordinarily to a maximum of 30 days in a year, the Competent Authority may grant special casual leave to an employee under the following circumstances:

(i) An employee, having been ordered on transfer to take an employment at another station immediately without availing of joining time, is entitled to have and may be granted special casual leave in lieu of joining time after his joining duty during within a reasonable time.

(ii) For tournaments/sports as a member of the Company's team.

(iii) Republic Day parades when participating as a member of the Company.

(iv) For attending meetings of technical and scientific institutes, conferences such as the Institute of Engineers, Institute of Chartered Accountants, Institute of Cost & Works Accounts, Indian Statistical Institute etc.

(v) Quarantine due to infectious diseases.

(vi) To regularise absence on account of natural calamities and civil/political disturbance.

(vii) For donation of Blood for the day on which blood donation is done.

(viii) Special Casual leave is admissible to all regular employees of the Company who undergo sterilization operation or IUCD Insertion to the extent indicated below:-

(a) Special casual leave not exceeding six working days to male employees who undergo sterilization operation (Vasectomy):

(b) Special Casual Leave not exceeding 6 days to such male employees who undergo vasectomy operation for the second time on account of failure of the first operation, on production of a certificate from the medical authority concerned to the effect that the second operation was performed due to the failure of the first operation.

(c) One days' special casual leave to such female employee who have had IUCD insertions/re-insertions.

(d) Special casual leave not exceeding 14 days to female employees who undergo tubectomy operation (both puerperal or non-puerperal).

(e) Special casual leave not exceeding 14 days to female employees, who undergo salpingectomy operation after Medical Termination of Pregnancy (MTP).

(f) Special casual leave not exceeding 14 days to such female employees who undergo tubectomy operation for the second time on account of failure of the first operation, on production of a certificate from the medical authority concerned to the effect that the second operation was performed due to the failure of the first operation.

(g) Special casual leave upto 7 days to male employees whose wives undergo either puerperal or non-puerperal tubectomy operation for the first time or for the second time due to the failure of the first operation (under the Family Welfare Programme) or whose wives undergo salpingectomy after MTP on production of a certificate stating that their wives have undergone such operation(s).

(h) Additional Special Casual leave upto 7/14 days (over and above the period of special casual leave for 6/14 days) to the male/female employees respectively who, after sterilisation operation, do not remain hospitalised; but at the same time, are not found fit to go to work, subject to production of a certificate from the medical authority of the concerned hospital.

(i) An employee who requires special casual leave beyond the limits laid down for undergoing sterilisation operation, owing to the development of post operation complications may be allowed special casual leave to cover the period for which he or she is hospitalized on account of the post operational complications subject to the production of a certificate from the concerned hospital authorities.

(j) Special casual leave upto a period of 21 days or actual period of hospitalization whichever is less to the employees who undergo operation for re-canalisation. Special casual leave can also be granted to cover the actual period of journey (to and fro) performed for undergoing this operation.

Grant of special casual leave for re-canalisation operation is subject to the following conditions:

(i) The operation should have been performed in the hospital/ medical college/Institute where the facilities for re-canalisation are available. If the operation is performed in a private hospital, it should be the one nominated by the State Government/Central Government/Union Territory/the Company.

(ii) Request for grant of special casual leave should be supported by a certificate from the Doctor who performed the operation, stating that hospitalisation of the employee for the period stipulated therein was essential for the operation and post operation recovery.

(iii) Special casual leave is admissible to the employee who are:

a) un-married, or

b) have less than two children, or

c) desire recanalisation for substantial reasons, ie the person has lost all male children or all female children after vasectomy/tubectomy operation as the case may be.

Explanatory Note:

(i) Sundays and closed holidays intervening in a period of special leave [except in the case of Rule viii (a) above] are not to be ignored for calculating special casual leave.

(ii) Special casual leave connected with sterlisation, recanalisation under Family Welfare Programme may be suffixed as well as prefixed to regular leave or casual leave. However, special casual leave should not be allowed to be prefixed both to regular leave and casual leave. Special casual leave should either be prefixed to regular or casual leave and not to both. The intervening holidays and/or Sundays may be prefixed/suffixed to regular leave, as the case may be.

9.0 Earned Leave on Full Pay & Leave on Half Pay:

(A) Full Pay Leave:

(i) An employee will be eligible for earned leave with full pay at the rate of 30 days per calendar year of service or 2.5

days per month of service or part thereof expressed in number of days.

(ii) For the purpose of calculation of leave under sub-rule (i) an employee will earn leave even during the period he is on leave, with pay/half pay only.

(iii) An employee will cease to earn such leave as is referred to in sub-rule (i) when the earned leave on full pay to his credit amounts to 300 days (wef 01.04.2001).

(iv) An employee may be granted a maximum earned leave of 120 days at a time. If the leave is applied for on medical grounds supported by a Certificate or for prosecution of higher studies, earned leave up to 240 days may be granted at a time.

(v) An employee will be entitled to House Rent Allowance and Allowances during leave period only on production of a certificate that he continued to incur additional expenditure as before proceeding on leave.

(vi) An employee on earned leave is entitled to leave salary equal to the pay drawn immediately before proceeding on leave.

(B) Half Pay Leave:

(i) An employee shall be entitled to half pay leave for 20 days for each completed calendar year of service and proportionately in the first year of service and in the year of superannuation from the service of the Company. Period of suspension, if treated as duty, shall count for calculation of half pay leave. In the event that the period of suspension is not treated as duty, calculation of half pay leave for the year will be made proportionately.

Note: In view of the above amendment, the half-pay leave may be credited at the rate of 5/3 days for every completed calendar month of service during the first year of service and the year of superannuation/VRS/death of an employee (wef 01.06.1994).

(ii) An employee on half-pay leave and leave not due is entitled to leave salary equal to half the amount specified in sub-rule A (vi) above.

(iii) Earned leave on half pay may be commuted into earned leave on full pay for half the period at the option of the employee. An employee on commuted leave is entitled to leave salary equal to the amount admissible under sub-rule A (vi) above.

(iv) An employee will be entitled to get full Dearness Allowance during leave on half pay.

(v) There is no limit on the accumulation of half pay leave, and the employee can avail of half pay leave up to a maximum of 24 months at a time.

(C) Leave Preparatory to Retirement:

An employee may be granted before his retirement or superannuation the entire leave on full pay and leave on half pay due to him subject to the following conditions: -

(a) the leave granted should not exceed 4 months on full pay and 24 months on half pay;

(b) the leave period should not extend beyond the date of superannuation and

(c) he does not rejoin duty.

10.0 Extra-ordinary leave without pay:

(i) An employee may be granted extra-ordinary leave without pay for a period which shall not ordinarily exceed two months on one occasion provided there is no other leave available to him, or when the employee specifically applies for extra-ordinary leave. Extra-ordinary leave may be granted up to a maximum of 18 months under special circumstances (such as on account of illness of the kind TB, Leprosy etc.)

(ii) The authority competent to sanction leave may sanction extra-ordinary leave without pay in combination with or in continuation of any other kind of leave to which the employee may be eligible, and may commute period of absence into such leave with retrospective effect.

(iii) No pay or allowance will be payable for the period of extra-ordinary leave.

Note: An employee will be entitled to draw HRA during leave at the same rates at which he/she was drawing these allowances before proceeding on leave. For this purpose,

leave means total leave of all kinds (including EOL) not exceeding 120 days but does not include terminal leave whether running concurrently with the notice period or not. When vacation or holidays are combined with leave, the entire period of vacation or holidays and leave should be taken as one spell of leave.

(iv) Where an employee fails to resume duty on the expiry of the maximum period of extra-ordinary leave granted to him or where an employee who is granted a lesser amount of such leave than the maximum amount admissible remains absent from duty for any period which together with the extra-ordinary leave granted, exceeds the limit up to which he could have been granted such leave under the provisions of Rule 10 (i) of NMDC Leave Rules, 1972, he shall unless the Chairman-cum-Managing Director, in view of the exceptional circumstances of the case, otherwise determines be deemed to have resigned his appointment and shall accordingly cease to be in the service of the Company.

11.0 Leave not due:

(i) Leave not due may be granted to an employee of the Company who has put in three years continuous service on medical certificate only, if the authority competent to sanction such leave is satisfied that there is a reasonable prospect of the employee returning to duty on the expiry of the leave and earning an equal amount of half pay leave thereafter.

(ii) Such leave is limited to 180 days during the entire service.

(iii) The leave will be debited against the half pay leave, which the employee earns subsequently.

12.0 Maternity Leave:

(i) A female employee will be eligible for maternity leave on full pay for a period of 90 days from the date of its commencement provided that the total maternity leave availed of during the entire service of the employee shall not exceed a period of 9 months.

(ii) Maternity leave may be combined with leave of any other kind, but any leave applied for in continuation of the former may be granted only if the request is supported by a certificate from the authorised Medical Officer.

(iii) Maternity leave may also be granted in case of miscarriage including abortion, subject to the following conditions: -

(a) that the employee if temporary, has been in service for not less than one year before the commencement of the leave.

(b) that the leave does not exceed six weeks; and

(c) that the application is supported by a certificate from the authorised Medical Officer.

(iv) Maternity leave shall not be debited to the leave account.

13.0 Special Disability Leave:

(i) Special Disability Leave may be granted to an employee who is disabled by injury intentionally inflicted and/or caused in, or in consequence of the due performance of his official duties, or in consequence of his official position. This leave will be admissible subject to the following conditions:

(a) That the disability manifested itself within three months of the occurrence to which it is attributed and the person disabled acted with the promptitude in bringing it to the notice of the Competent Authority.

(b) That the period of leave shall be such as is certified by a Medical Board constituted for the purpose will be necessary. It may be extended on the recommendation of a Medical Board, but the special disability leave for any one occasion shall not exceed a period of 24 months.

(c) In the case of a person to whom the Employees' Compensation Act, 1923, applies, the amount of leave salary payable under this rule shall be reduced by the amount of compensation payable under the said Act.

(ii) Special disability leave may also be granted to an employee who is disabled by injury accidentally incurred or in consequence of the due performance of his official duties or in consequence of his official position or by illness incurred in the performance of any particular duty which has the effect of increasing his liability to illness or injury beyond the ordinary risk. The grant of this concession is subject to the following conditions:

(a) that the disability, if due to disease, has been certified by a Medical Board constituted for the purpose to be directly attributable to the performance of duty;

(b) that the disability is, in the opinion of the Medical Board so exceptional in character or in the circumstances of its occurrence as to justify such unusual treatment as the grant of special disability leave;

(iii) Special disability leave may be granted to an employee who gets injured while taking part in tournaments/sports as a member of Company team.

(iv) The amount of special disability leave granted on full pay shall not exceed a period of 90 days.

(v) Special disability leave may be combined with leave or any other kind.

(vi) Special disability leave shall be regulated as period spent on duty in computing the period of total service rendered for the purposes of calculating gratuity.

(vii) An employee shall during the period of special disability leave draw leave salary equal to full pay for the first 90 days and half pay thereafter. On the expiry of the first 90 days of special disability leave when only half pay is admissible an employee at his option may draw full pay, provided leave on full pay is otherwise admissible to him. The maximum period of leave for which an employee can draw full pay shall, however, be restricted to 120 days.

(viii) The first 90 days of special disability leave on full pay and the full period of such leave on half pay shall not be debited to the employee's leave account. Special disability leave shall be debited to the employee's leave account only for half the period in excess of 90 days when taken on full pay.

(ix) a. However in terms of clause 8 (2) of Memorandum of Settlement dated 15-02-1976, if a workman is disabled due to accident arising out of and in the course of employment, he/she shall get full wages and Dearness Allowance from the date of the accident till he/she is declared fit by the Company's Medical Officer/duly authorized Medical Officer.

b. In case any workman claims compensation under Employees' Compensation Act, 1923, in addition to the facilities extended by NMDC for accidents while on duty, the salary/wages paid during the period of IOD may be adjusted from the compensation awarded, if the same exceeds the salary/wage paid and the balance amount of compensation

only be paid to the workman concerned or deposited with the Commissioner, Employees' Compensation.

Clarification:

The cases of injury while on duty should be referred only to an authorized Medical Officer or a Government Hospital/recognized Hospital for treatment. Those employees who undergo treatment for injury while on duty shall submit a 'certificate of fitness' from a recognized Hospital/or an authorized Medical Officer from whom they obtain treatment, at the time of joining duty after treatment.

14.0 Special Leave:

14.1 Employees of the Company governed by NMDC Leave Rules or Standing Orders and posted at four mining Projects viz Kirandul Complex, Bacheli Complex (including Central Workshop), Donimalai-Kumaraswamy and Panna are eligible for Special Leave at the rate of eight days per calendar year on the following terms and conditions:

a) The Special Leave shall be on pro-rata basis for the period of service rendered at the Mining Projects mentioned above, excluding period of unauthorized absence and/or EOL if any, for 30 days or more and Study Leave;

b) The Special Leave should be availed within the relevant calendar year after which it shall lapse;

c) The Special Leave shall not be carried forward and unavailed leave, if any, in a calendar year may be encashed, at the end of the year;

d) In respect of those getting relieved on transfer on or before 15th of a month from a Mining Project to another Office/Unit, where such Special Leave is not admissible, or vice-versa, entitlement of leave or otherwise for that month shall arise at the new place of posting only;

e) A separate Leave Account shall be maintained in respect of each employee by the respective Personnel Department for regulating this Special Leave.

f) On transfer, the details of Special Leave account shall be specifically indicated in the letter forwarding the Service Book of

the employee to the new place of posting alongwith other leave records.

Clarification:

1. Special Leave of 8 days in a calendar year, may be credited @ 2 days per quarter in advance on 1st January, 1st April, 1st July and 1st October.

2. Employees who join the Mining Project in any quarter, may be allowed credit of 2 days leave for that quarter, regardless of the month of joining.

3. Similarly, in respect of those employees leaving the Mining Projects, the leave already credited for a quarter in advance will not undergo any change, irrespective of the month of relief.

4. While availing Special Leave, intervening holidays and weekly day of rest, if any, will not be counted as Special Leave.

5. Special Leave can be combined with other types of regular leave. It can be prefixed, suffixed or can be availed in the middle of other regular leaves.

6. Trainees are not eligible for grant of Special Leave.

15.0 Eligibility of Leave to Executive Trainees:

15.1 Earned Leave on full pay and leave on half pay:

The Executive Trainees are eligible for earned leave and half pay leave at par with regular employees of the Company. However, half pay leave will be credited after successful completion of training period.

15.2 Casual Leave:

Executive Trainees who join for training mid-year will be entitled to CL on pro-rata basis ie one day per month during the first year. From the second year onwards they will be entitled for 12 days CL during the calendar year. They will be entitled for 2 days RH in case they join during the first half of the calendar year and one day RH if they join during the second half of the year.

16.0 Transfer of EL/HPL from NMDC to another PSE/Government and vice versa:

16.1 Employee who has joined another PSE/Government, through proper channel, may request for transfer of his EL/HPL accumulation to his new employer. The amount equalivent to the outstanding EL/HPL shall be transferred to the PSE/Government of such employee subject to receipt of consent from his new employer.

Similarly, an employee joining NMDC from another PSE/Government may request the Company for transfer of amount equivalent to his outstanding EL/HPL.

17.0 Leave beyond the date of compulsory retirement:

No leave shall be granted beyond the date on which an employee is due to superannuate under the rules of the Company.

18.0 Over-stayal of leave:

Without prejudice to any disciplinary action that it may be necessary to take against an employee who remains absent from duty after the expiry of leave granted to him, the period of such absence from duty shall, unless the leave is extended by the Competent Authority be treated:

(a) Leave on half pay to the extent that such leave is due if supported by a medical certificate; or

(b) Extra-ordinary leave without pay for the entire period of absence or for the period by which leaves due on medical certificate falls short of the period of absence from duty. Unless the Competent Authority, in his discretion chooses to decide otherwise.

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NMDC STUDY LEAVE RULES

1. Short Title:

These rules may be called the “NMDC Study Leave Rules, 1972”.

2. Definition:

In these rules, unless there is anything repugnant in the subject or context:

(a) ‘Company’ means NMDC Limited;

(b) ‘Board’ means the Board of Directors of the Company;

(c) Masculine includes the feminine.

3. Application:

These rules shall apply to all regular employees of the Company.

4. Commencement:

These rules shall come into force from 14th November 1972.

5. Conditions for grant of Study Leave:

(i) Subject to the conditions specified in these rules, Study Leave may be granted to an employee with due regard to the exigencies of the Company work to enable him to undergo, in or out of India, a special course of study consisting of higher studies or specialised training in a professional or technical subject having a direct and close connection with the sphere of his duty.

(ii) Study Leave may also be granted for course of training or study tour in which an employee may not attend a regular academic or semi-academic course if the course of training or the study tour is certified to be of definite advantage to the Company, and is related to the sphere of duties of the employee.

(iii) Study Leave shall not be granted unless:

(a) it is certified by the authority competent to sanction leave that the proposed course of study or training shall be of definite advantage from the point of view of the Company, work.

(b) it is for prosecution of studies in subjects other than academic or literary:

(iv) Study Leave out of India shall not be granted for the prosecution of studies in subjects for which adequate facilities exist in India.

(v) Study Leave shall not ordinarily be granted to an employee:

(a) who has rendered less than 3 years of service in the Company;

(b) who is due to retire or superannuate within 5 years of the date on which he is expected to return to duty after the expiry of the leave;

(c) who has been educated or trained abroad either at the cost of the Company or otherwise unless at least 5 years have lapsed since his return from abroad;

(d) who is not in the scale of E0 and above

(vi) Study Leave shall not be granted to an employee with such frequency as to remove him from contact with his regular work or to cause cadre difficulties owing to his absence on leave.

6. Authorities competent to sanction leave:

Study Leave may be granted to an employee by the Chairman-cum-Managing Director of the Company or an officer so authorised on his behalf.

7. Period of Study Leave that may be granted:

(a) Study Leave may ordinarily be granted for a period not exceeding twelve months to any employee but may be extended in special cases to thirty six months at the discretion of the Chairman.

(b) The maximum period of Study Leave which may be granted to an employee shall not exceed thirty six months in all during his entire service.

8. Grant of Study Allowance:

(a) An employee on study leave may be granted, at the discretion of Chairman, study allowance equal to half the amount of pay and DA admissible to him immediately before proceeding on leave, or Rs.1500/-pm, whichever is less.

(b) Study leave will not be debited to employee's leave account.

(c) The period for which this allowance may be granted shall not exceed twenty four months in all.

9. Execution of bond:

An employee who is granted study leave, shall be required to execute a bond to the effect that on return from his study leave, he will serve the Company for a minimum period of 3 years in case the study leave is for a duration of 12 months or less, and 5 years when the study leave is for a duration of more than 12 months. In case of default, he will pay to the Company such amount as may be specified in the bond.

10. Counting of Study Leave for the purpose of increment, seniority and leave:

(a) Study Leave shall count as service for increments, but financial benefit of the increment will accrue only from the date of the rejoining of the post by the employee concerned after the expiry of his leave.

(b) The period spent on Study Leave shall not count for earning any kind of leave other than half pay Leave.

(c) Study Leave shall count towards seniority and eligibility for promotion and incumbent on Study Leave shall not be superseded by his juniors provided he is otherwise suitable for promotion. Enhanced pay on promotion will however be given to him only with effect from the date of his duty rejoining the post after the expiry of the leave.

(d) Study Leave shall count as service for gratuity.

11. Regulation of Study Leave extending beyond course of study:

When the course of study falls short of the Study Leave sanctioned, the employee shall resume duty on the conclusion of the course of study unless the previous assent of the authority competent to

sanction leave to treat the period of shortfall as ordinary leave has been obtained.

12. Scholarship/Stipend during Study Leave:

An employee who is granted study leave, may be permitted to receive, in addition to the amount stipulated under Rule no.8 of the scheme, any scholarship or stipend that may be awarded to him from a Government or non-Government source. The employee shall, however, not be permitted to accept any regular job during the period he remains on study leave.

13. Submission of report on the studies prosecuted:

On return from the Study Leave, an employee shall submit a report on the studies prosecuted or training received by him to the competent authority which decide whether the studies prosecuted by him (or training received by him) is useful to the Company.

***

Bond for the employees of the Company who are granted leave for prosecuting higher studies and who are not sponsored by the Company.

KNOW ALL MEN BY THESE PRESENTS THAT WE _____ son of _____ of village _____ district _____ state and** _____ son of _____ of village _____ district _____ state _____ do hereby jointly and severally bind ourselves and our respective heirs, executors and administrators to pay to the NMDC Limited (hereinafter called "the Company") on demand the sum of Rs._____ (Rupees _____) or if payment is made in a country other than India, equivalent of the sum in the currency of that country converted at the official rate of exchange between that country and India.

WHEREAS the Company at the request of Shri _____ (hereinafter called "the Bounden"*) has granted him Study Leave for the period commencing from _____ in order to enable him prosecute higher studies to receive higher training in _____ (Institute/University, etc.,) and WHEREAS it has been agreed between the Bounden and the Surety on the one hand and the Company on the other that for the better protection of the interest of the Company, the said Bounden* _____ and the Surety** _____ should execute such Bond as above written and with such conditions as hereunder mentioned.

NOW THE CONDITIONS OF THE ABOVE WRITTEN OBLIGATION ARE THAT:

In the event of the above Bounden* _____ failing to rejoin on the expiry of the leave sanctioned to him, the post originally held by him or in a higher post, by virtue of his promotion during Study Leave and serve the Company after rejoining for a minimum period of three years or refusing to serve the Company in any other capacity as may be required by the Company in the existing terms and conditions and as per rules of the Company or the said Bounden contracting a marriage with a non-Indian national during the continuance of these present, without prior permission of the Company the Bounden* _____ and said Surety** _____ or their heirs, executors and administrators shall forthwith refund to the Company on demand the said sum of Rs._____ (Rupees _____) plus interest thereon calculated at Company's borrowing rate from the date of demand.

And upon his making such-refund the above written obligation shall be void and of no effect, otherwise it shall be and shall remain in full force and virtue.

PROVIDED ALWAYS that it is hereby agreed and declared that the decision of the Company as to whether the above Bounden* _____ has or has not performed and observed the obligation and conditions herein before recited shall be final and binding.

PROVIDED FURTHER that the liability of the said Surety** _____ hereunder shall not be impaired or discharged by reason of time being granted or by any forbearance, act or omission of the Company or any person authorised by the Company whether with or without the consent or knowledge of the said Surety** _____ nor shall it be necessary for the Company to sue the above Bounden* _____ being sued the said*** _____ for amounts due hereunder.

PROVIDED FURTHER that this bond shall in all respects be governed by the laws of India.

In witness of the above written bond and the conditions therefor, I, Shri_____* and I, Shri _____ ** have hereunto set our hands the _____ day of _____ (month) two thousand and _____ (year).

In the presence of ** _____ at _____ (place). Signed and delivered* _____ by the above Bounden in the presence of *** _____ at _____ (place).

DATED this _____ day of _____ two thousand and _____.

Signature of the Bounden.

Signed and delivered by the above Surety** _____.

Signature of the Surety
with full address

* Full name of the Bounden.
** Full name of the Surety.
*** Signature, name, designation and full address of the attesting Officer with his official seal, if any. The officer attesting the Bond should be a Gazetted Officer in the employment of the Government or any officer of the Company.

***

NMDC RULES FOR ENCASHMENT OF LEAVE

1.0 Objective:

1.1 To have codified rules for encashment of leave with a view to encourage employees to avail leave in a planned and systematic manner with necessary funds to meet their social obligations and other expenditure during leave period and also to reduce long absenteeism with consequent load on the staff requirements.

2.0 Scope:

2.1 The rules for encashment of leave shall cover all regular employees of the Company, excluding those on deputation from Government/other organisations.

3.0 Policy:

3.1 Encashment of leave will enable employees to meet part of the expenses of travel and holiday out of their accumulated leave.

4.0 Sanctioning Authority:

4.1 The authorities who are competent to sanction leave shall be the "sanctioning authority" for approving encashment of leave under these rules.

5.0 Encashment Benefits:

5.1 The encashment of leave shall be regulated on the basis of last pay drawn which includes basic pay, dearness allowance, non-practising allowance, family planning allowance, stagnation increment and personal pay, if any, but shall not include incentive bonus, acting/officiating allowance and other allowances.

Clarification:
Arrears against leave encashment on account of increase in DA are payable to the employees.

5.2 The encashment benefit shall not be reckoned as wage/salary while working out overtime, gratuity, provident fund, bonus under the Bonus Act, etc.

6.0 Eligibility:

6.1 While in service:

(a) Earned Leave standing to the credit of an employee may be encashed at his option only once in a calendar year provided that the quantum of leave to be encashed in each case is not more than 50% of the earned leave at credit or 30 days earned leave whichever is less.

(b) The workmen will be eligible for encashment of earned leave in a calendar year upto a maximum of 60 days or 50% of the earned leave at their credit, whichever is less.

6.2 On resignation:

Earned leave standing to the credit of an employee, on resignation may be allowed to be encashed after serving the full notice period or after adjusting leave in lieu of notice period before his/her relief.

6.3 On dismissal or removal:

The encashment of leave will not be admissible on dismissal or removal from service of an employee. In case of termination simplicitor an employee will be eligible for encashment of Earned Leave as per rules above.

Clarification:

(a) Workmen who are governed by NMDC Standing Orders and are entitled for Earned Leave as per Standing Order no. 13 (i) (a) and (b) are eligible for encashment of unavailed Earned Leave in case of dismissal or removal from service as provided for in Standing Order no.13 (i) (f).

(b) However, in the case of Workmen who are governed by Standing Orders but getting leave as NMDC Leave Rules, falling in the categories covered under Standing Order no.42 (Saving Clause), are not eligible for encashment of Earned Leave.

6.4 On retrenchment:

The employee shall be paid leave salary in lieu of Earned Leave due to him.

6.5 On Superannuation:

If any leave due to an employee is not utilised, he shall be allowed to encash the unavailed portion of the Earned Leave with full pay upto a

maximum of 300 days and also unavailed portion of Half-pay Leave without any ceiling.

6.6 On death of an employee:

Leave salary in respect of Earned Leave standing with full pay and Half-pay standing to his credit shall be paid to the legal heir(s) of the employee upto a maximum of 300 days Earned Leave on full pay and also unavailed portion of Half-pay Leave without any ceiling.

7.0 Encashment of Special Leave:

7.1 The Special Leave shall not be carried forward and encashment of unavailed leave, if any, in a calendar year may be released, in the month of January of the following year automatically without waiting for an application by the employee.

7.2 The unavailed Special leave will also be encashed automatically in the event of separation of an employee from the company due to superannuation/VRS/death/being declared medically unfit etc.

7.3 At the time of transfer to a place where Special Leave is not admissible, the relieving project may allow encashment of the leave at credit, without any requirement of keeping an account of this leave at the new place of posting.

7.4 Special Leave shall be treated similar to that of Earned Leave for the purpose of encashment.

8.0 Procedure:

8.1 For leave encashment under rule 6.1 while in service, an employee shall be required to apply in writing to the sanctioning authority. In all other cases it shall be settled by appropriate authority.

8.2 '30 days a month' will be adopted for the purpose of calculation of leave encashment (wef 11.12.2008).

8.3 Leave encashment amount shall not be considered for deduction of Provident Fund subscription.

9.0 Tenure

9.1 These rules shall come into force with effect from January 1, 1978.

NMDC Group Leave Encashment Scheme

Circular No.1(127)Rules/06/04 dated 08.12.2004

Sub: Group Leave Encashment Scheme

The Board of Directors in its 380th Meeting held on 27.10.2004 approved the proposal to create a Fund under Group Leave Encashment Scheme with LIC of India Hyderabad.

Accordingly, a Policy has been taken with LIC of India, Hyderabad for payment of Leave Encashment a copy of which is enclosed. As per the Policy, the Leave Encashment amount payable to the Employees as per rules of the company as applicable to them on separation ie, superannuation, death, discharge on being found medically unfit and voluntary retirement/resignation etc, will be reimbursed by LIC. In case, separation is on account of Death, an additional Lump sum amount of Rs.5000 will be paid by LIC. The Policy comes into effect from 29.10.2004.

In this connection, it has been decided that the units can pay the Leave Encashment to the Employees on account of Separation including additional lump sum amount of Rs.5000/-, (in case of death during service), as per the existing procedure and details of such payment made towards leave encashment be sent to Head Office Finance Department for getting the reimbursement from LIC. A credit TC will be raised on the unit after receipt of the amount from LIC.

Accordingly claims as per proforma attached in respect of Leave Encashment paid to Employees on account of separation covered as above repeat only on account of Separation from the Corporation on or after 29.10.2004 may be sent to Head Office Finance.

As already stated above an additional amount of Rs.5000/- can be claimed in respect of Employees separated on account of death enclosing death certificate in addition to Leave Encashment in credit of separated Employee. This amount of Rs.5000/- may be paid to the nominee of deceased employee who died on or after 29.10.2004 and claim sent to HO. For the sake of clarity it is stated that no claim is to be sent for "Leave Encashment" paid to the Employees while in service.

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NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED
10-3-311/A, 'Khanij Bhavan', Masab Tank,
Hyderabad-500 028

Name of the Unit: _____ **Month: _____**

Sl. No	Name & Designation & UEC No. S/Shri	Reason for Separation	Date of Separation	Type of leave viz. EL/HPL & No. of days encashed	Leave Encash-ment Amount (Rs.)	Insurance Amount (in case of death) (Rs.)	Total Amount (Rs.)
1. 2. 3. 4. 5.							

* **Insurance amount payable in case of Death only duly supported by certified copy of death certificate.**

Manager (Per) **Manager (Fin)**

***

NMDC Limited
Group Leave Encashment Scheme

Section-I

Definitions, Eligibility & Requirements for Membership

1. Definitions:

In these Rules, where the context so admits, the masculine shall include the feminine, the singular shall include the plural and the following words and expressions shall, unless repugnant to the context, have the following meanings :-

i. "The Firm/Company" shall mean National Mineral Development Corporation Limited, Khanij Bhavan, Masab Tank, Hyderabad - 500 028.

ii. The Employer shall mean the Company/The Firm as defined in (i) above and shall include by any Firm, Agency or body corporate which may be purchase, amalgamation or otherwise take over the whole or substantially the whole of the business of the Firm/Company to continue the obligation of the Company/Firm under these presents and releasing the Firm/Company from all further liabilities thereof.

iii. "the Corporation" shall mean the Life Insurance Corporation of India established under Section 3 of the Life Insurance Corporation Act, 1956.

iv. "the Scheme of Fund " shall mean the National Mineral Development Corporation Ltd., Employees' Group Leave Encashment Assurance Scheme described in these Rules.

v. "Rules" shall mean the Rules of the Scheme as set out below and as amended from time to time.

vi "Employees" shall mean the employees participating in the Leave Encashment Fund other than personal and domestic servants and shall be deemed to include the Directors who are whole time bonafide employee of the Company and do not beneficially own shares in the Company carrying more than 5% voting right in the company.

vii. Earned Leave: Earned Leave on Full Pay/Half Pay shall mean leave credited to the Employees Account due to continuous employment as defined by the Company in the valuation date submitted to the Corporation.

viii. "Member" shall mean an employee who has been admitted to the membership of the Scheme.

ix. "Beneficiary" shall mean the member and in case of his death his widow, children or dependants of the member.

x. "Effective Date" in relation to the Scheme shall mean the 1st April 2004 being the date as from which the scheme takes effect.

xi. "Annual Renewal Date" in relation to the Scheme shall mean the 1st April 2005 and the 1st of April in each subsequent year.

xii. "Normal Retirement Date" shall mean in respect of each member the date on which he completes the age of 60 years or the age of retirement prevailing at the time of separation.

xiii. "Salary" includes Dearness Allowance if the terms of employment so provide but excludes all other Allowances & perquisites. A day's salary will be calculated as 1/26th of the monthly salary.

xiv. "Entry Date" shall mean (a) in relation to the Original Members the Effective date and (b) in relation to new Members admitted to the Scheme after the Effective date, the Annual Renewal Date which is coincident with or which next follows the date on which they become eligible.

xv. "Contribution" means any sum credited by an employer out of his own money to the individual account of the employee and shall not include any sum credited as Interest.

2. Eligibility:

(a) All the regular employees of the company excluding those on deputation from government/other organizations shall be eligible to participate in the Scheme.

Employees in the above category/categories who are in the service of the Employer on the Effective Date shall join the Scheme as from that date. Present employees who are not in the above category/categories on the Effective Date and employees appointed by the Employer after the Effective Date shall join the Scheme on the Annual Renewal Date which is coincident with or which next follows the date on which they become eligible.

(b) No member shall withdraw from the Scheme while he is still an employee within the category stated above.

(c) If any employee leaves the service voluntarily before he attains at the specified age of retirement, the encashment of the EL to the credit of the member will be payable, as per the Rules of the Company.

3. Evidence of Age:

Evidence of age of every employer satisfactory to the Corporation shall be furnished before he is admitted to the Scheme and if the age of the Member is conclusively proved later to have been incorrectly stated in the evidence submitted, the Corporation shall make appropriate adjustment in the benefits having regard to its normal practice.

4. Evidence of Insurability:

For the purpose of effecting Term Assurance in respect of the Member, evidence of insurability satisfactory to the Corporation shall be required prior to the employee's entry into the Scheme and on each occasion when an increase in Sum Assured is to be granted.

Section – II

5. Contributions:

There shall be paid by the Employer to the Corporation for providing the Leave Encashment benefits to the Members under a Scheme of Insurance, in respect of each Member the contributions mentioned in sub-paragraph (i) below annually in advance on the date of entry of the Member into the Scheme and on the relevant Annual Renewal Dates and the contributions mentioned in sub-paragraph (ii) below in one lump sum on the date of entry or in not more than five

equated annual instalments commencing from the date of entry into the Scheme.

(i) Ordinary Annual Contribution: The ordinary annual contribution shall be such amount as shall be determined and recommended by the Corporation for securing the benefits herein below described. The contribution shall be 7.35% of the salary of each member and may be varied from time to time on the basis of an evaluation of the benefits to be made at intervals of not more than three years. The contributions will be paid throughout the future service of the members.

(ii) Initial Contribution: The Employer shall pay any sums by way of initial contributions in respect of Members relating to their past service with the Employer as shall be determine and recommended by the Corporation for securing the benefits relating to such past services and on paying such sums shall advise the Employer their allocation to all or specified members.

6. Scheme of Insurance:

(i) The employer shall enter into a Scheme of Insurance with the Corporation for providing the benefits to the members, subject to the provisions Rule 4, an Assurance will be affected on the life of each member under One Year Renewable Team Assurance Plan for a sum assured equal to Rs.5000/- (Rupees five thousand only). The Assurance will be renewed on the Annual Renewal Dates for appropriate sums assured.

(ii) After appropriating the required amounts towards the premium payable year to year for the life assurance benefit received from the Employer as provided in Rule 5 the balance of the contributions will be held by the Corporation in the running account for the credit of the Employer. The Corporation will allow interest on the balances remaining in the above mentioned running account for each financial year ending 31st March at a rate to be determined by the Corporation at the close of the year.

(iii) When Leave Encashment becomes payable to a member on his retirement or cessation of services or to his Beneficiary in

the event of his death the Corporation shall pay to the Employer the benefits payable according to the Rules out of the balance in running account and also under the Term Assurance in case of death.

Section – III

Benefits:

7. Benefits on retirement or after normal retirement date early retirement due to ill health and death while in service after normal retirement date:

Upon retirement of a member on or after Normal Retirement Date or upon whilst in service after Normal Retirement Date or upon retirement owing to ill health or incapacitation, the benefits payable will be equal to Encashment of the balance leave to the Credit of the member.

8. Benefits on death before normal retirement date:

Upon the death of a member whilst in service before Normal Retirement Date, the benefits payable will be equal to the total of:

i) the sum assured of Rs.5000/- (Rupees five thousand only) under Term Assurance on the date of death; and
ii) Encashments of EL to the credit of the member as per the RULES of the Company.

9. Benefits on leaving service:

Upon a member leaving the service of the employer on resignation, the benefits payable will be as per the rules of the employer.

10. Forfeiture of encashment of leave:

a) Encashment of Leave shall be wholly forfeited in case of termination of service of the member (i) for riotous or disorderly conduct or any other act of violence on his part or (ii) for any act which constitutes an offence involving moral turpitude provided such offence is committed by him in the course of his employment.

b) In case of termination of service for any act, willful omission or negligence of the member causing any damage or loss or destruction of property belonging to the Employer Encashment of Leave payable under the Scheme shall be forfeited to the extend of the damage or loss so caused.

c) The Encashment of leave forfeited in the aforesaid manner or otherwise shall remain in the running account only held by the Corporation to the credit of the Employer and shall be utilised in the payments of the encashment of leave to the eligible employees.

11. The Encashment of leave payable in respect of any member under the Scheme shall be paid in one lumpsum only through the Employer.

Section – IV

Miscellaneous Provisions

12. Restraint on anticipation or encumbrance:

The benefits assured under the Scheme are strictly personal and cannot be assigned, charged or alienated in any way.

13. Except as provided in these Rules, no member or his Beneficiary shall have any legal claim, right or interest in the Scheme. Provided always that the Employer shall administer the Scheme for the benefit of the members and their Beneficiaries in accordance with the provisions of these Rules.

14. Jurisdiction: The Master Policy issued under the Scheme shall be an Indian contract subject to the laws of India, and to any legislation subsequently introduced. All benefits under the Scheme shall be payable only in India.

15. Master Policy:

The Corporation will issue a single Master Policy to the Employer to provide for the benefits to the members under the Scheme.

Income tax and other taxes:

In any case where the Corporation or the Employer are liable to account to the Income Tax Authorities for income tax on any

payment made under the Rules, the Corporation or the Employer as the case may be shall deduct a sum equal to such tax from any such payment made and shall not be liable to the members for the sum so deducted.

16. Appointment of Beneficiary/ies Nominee/s:

a) Every Member shall appoint his spouse, child/children or dependants as Beneficiary or Beneficiaries under the Rules to receive the benefits hereunder in the event of his death. If a member dies whilst in service the Employer shall hold the benefit in force under the Assurance on his life upon trust for payment to the Beneficiary or Beneficiaries as shall have been appointed by the Member in accordance with the remaining paragraphs of this Rule.

b) Every appointment made under this Rule shall be in writing signed by the Member and attested by two witnesses and shall be according to the form of nomination as given in Appendix (1) hereto and shall remain in full force and effect until the death of the Beneficiary or until the same shall be revoked in writing by the Member and a fresh appointment made in the manner aforesaid.

c) A member may from time to time or at any time without the consent of the Beneficiary change the Beneficiary by filling a written notice of the change to the Employer in the prescribed form satisfactory to the Employer whereupon an acknowledgement of the change and the registration of the name of the new Beneficiary will be given to the Member by the Employer. The new appointment shall take effect on the date the notice was signed whether or not the Member is living on the date of acknowledgement of the change without prejudice to the Corporation or the Employer on account of any payment made before the acknowledgement of the change.

d) If a Beneficiary shall at the time of his appointment be a minor or otherwise under disability to give a legal receipt of discharge to the Employer the member must at the time of such appointment as aforesaid, appoint a person who is major and who is capable of giving a legal receipt or discharge to the Employer and to whom the benefits are to be paid for and on behalf of such Beneficiary.

e) If more than one Beneficiary is appointed and in such appointment the Member has failed to specify their respective interest, the Beneficiaries so named shall share the benefits equally. If the Beneficiary predeceases the Member, the interest of such Beneficiary shall terminate and his share shall be payable equally to such of the remaining Beneficiaries as survive the Member unless the Member has made written request otherwise to the Employer in the prescribed form.

f) If a Beneficiary is not appointed the benefits shall be paid to the Members spouse, failing which to his child/children in equal shares, failing which to his dependants in equal shares. If the Member does not leave a spouse, child/children or dependants, then the benefits shall be realised by the employer and credited to the Running Account.

17. Interpretation of Rules:

It shall be a condition of membership of the Scheme that on any question arising on any point of interpretation of these rules or any point relating to admission of new Members and cessation of Membership, the decision of the Employer shall be final.

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NATIONAL MINERAL DEVELOPMENT CORPORATION
ADVANCES (GRANT AND RECOVERY) RULES

Section I - General

1. (i) These Rules may be called "The National Mineral Development Corporation Advances (Grant and Recovery) Rules".

   (ii) These rules shall come into force in suppression of the existing rules with effect from 14th November 1972

   (iii) Unless there is anything repugnant to the context, the expression "employees" occurring in these rules shall have the meaning assigned to it in the National Mineral Development Corporation Service Regulations.

2. No advance which involves a breach of the canons of financial propriety can be sanctioned

3. The rate of interest in the case of interest-bearing advances shall be the rate as applicable to the Central Government employees on the date the advance is drawn. The interest shall be calculated on the balance out-standing on the last day of each month.

   Note: (Interest on motor car advance is 12% pa wef 01.11.95 (10/Rules/92/60/95 dated 22.12.95))

4. When an advance is adjustable by monthly recoveries from the pay bills of the employees concerned, the amount to be recovered monthly should not be affected by the fact of an employee going on leave of any kind with leave salary. The sanctioning authority may, in exceptional cases, order a reduction in the amount of monthly instalment, provided however, that in the case of interest-bearing advances the period within which the full amount of advance is to be recovered is not exceeded.

5. An advance drawn by an employee in excess of what is admissible under the rules shall be refunded by the employee in cash. It is, however, open to the Corporation to effect appropriate recoveries in such cases from the pay bill and/or Travelling Allowance bills of the employee concerned.

5.A Employees shall be eligible for sanction of Conveyance Advance for a maximum of three times in the entire service. Further, second and subsequent Conveyance Advance shall be sanctioned only after

repayment of entire previous Conveyance Advance along with interest or six years from the date of sanction of previous advance whichever is later and on production of a certificate from the RTO or from a Mechanical Engineer of the Corporation not below the rank of Sr. Manager to the effect that the vehicle is not road worthy.
(Inserted vide Office Order No.10/Rules/72/Vol.III/28/2001 dated 29.10.2001 and MOS dated 17.08.2001)

Section II - Type of Advances

6. The following are the various kinds of advances which can be granted to the employees:

A. Interest-Free Advances:

(i) Advance of Travelling Allowance on tour,
(ii) Advance of Pay and Travelling Allowance on transfer,
(iii) Grant of Travelling Allowance Advance on retirement,
(iv) Advance of Leave Salary and Leave Travel Concession,
(v) Festival Advance.
(vi) Multi purpose Advance.

B. Interest bearing advances:

Advance for purchase of conveyance:

(a) for purchase of bicycle,
(b) for purchase of motor-car,
(c) for purchase of motor-cycle/scooter.
(d) for purchase of moped
(e) for purchase of computer

C. Advances under special circumstances:

D. Study Advance

Section III - Terms and conditions for the grant of advances

7. The above advances are granted subject to the following terms and conditions:

A. Interest-free Advances:

(i) Advance of Travelling Allowance on tour:

1. The controlling officer may sanction an advance to cover the personal expenses of an employee who is declared as controlling officer for a period not exceeding 30 days, including his expenses on contingent charges arising out of tour. The advance should be so regulated that the final Travelling Allowance claim will not normally fall short of the advance.

   Note:(a) "Personal Expenses" cover rail, air or steamer fares, incidental charges', road mileage and daily allowance.

   (b) "Contingent Charges" cover expenses of hire of conveyance for the carriage of records, tents or other Corporation's property.

2. It is very important that the amount of advance granted is adjusted immediately or at any rate within a fortnight of the completion of the tour. In cases where the amount of advance drawn is in excess of the Travelling Allowance claim preferred by the employee, the balance should be paid in cash immediately by the employee. If the employee fails to submit the Travelling Allowance bills within the period specified above, the whole amount of the advance is liable to be adjusted from the salary/salaries next drawn by him.

3. A second advance cannot be made to an employee under this Section until the first advance has been accounted for and adjusted.

(ii) Advance of pay and Travelling Allowance on transfer:

1. An employee under orders of transfer whether he is on duty or on leave, when he receives the order of transfer, may be granted under the sanction of the Controlling Officer an advance upto the amount not exceeding his two month's pay which he is in receipt of immediately before his transfer or the pay he is entitled to after transfer, whichever is less, plus travelling allowance to which he may be entitled under the Corporation's Travelling Allowance Rules in consequence of transfer. The advance should be recorded on the last pay Certificate of the employee concerned.

2. If an employee has not drawn any advance at the old station. he may be permitted, with the sanction of the competent authority to draw an advance not exceeding two month's pay within a fortnight of his arrival at the new station on the production of a last pay certificate showing that no advance was drawn by him at the old station.

3. The advance of pay should be recovered from the pay of the employee in not more than twelve equal monthly installments commencing from the month in which the employee draws full month's pay and/or leave salary on joining his new appointment.

4. The advance of Travelling Allowance should be recovered in full on submission of the employee's travelling allowance bill. If an employee does not submit the Travelling Allowance bill within a month of his joining duty, the entire amount of advance is liable to be recovered from his next salary bill/bills. No new advance will be granted till the settlement of the old advance.

5. An employee may also be allowed second advance to cover the travelling allowance of any member of his family to follow him within six months or a longer period, as permitted by the competent authority, from the date of transfer, provided no advance of Travelling Allowance has already been drawn in this respect.

6. When a single lump sum advance of Travelling Allowance is drawn to cover travelling expenses both of the employee himself and his family, it may be adjusted by the submission of more than one bill if it so happens that the members of his family do not actually make or complete the journey with him. In such cases the employee should certify on each adjustment bill submitted by him that a further bill in respect of his family (to be specified) who have not yet completed the journey will be submitted in due course and is expected to include an amount not less than the advance left unadjusted in that bill.

7. In the case of employees of the Corporation who have not completed three years' service it would be

necessary for them to produce surety from another permanent Government servant or a Corporation employee with more than 3 years' service, not governed by the Payment of Wages Act in the form of surety bond given at Annexure I.

(iii) Grant of Travelling Allowance Advance on Retirement:

TA amount admissible by the entitled class shall be paid to a retiring employee in full and this amount will be treated as a final charge in accounts. For this purpose, a retiring employee has to submit claim furnishing detailed particulars relating to self, family and cost for transportation of his personal effects to his home-town or any other place (in the latter case the TA shall be restricted to the amount admissible had he proceeded to this home-town. (Head Office letter No.1(15)/Rules/75 dated 30.06.1981).

(iv) Advance of Leave Salary and Leave Travel concession:

(a) ADVANCE OF LEAVE SALARY

1. An employee who is granted earned leave for a period of not less than 30 days, may be granted an advance of pay not exceeding one month's leave salary (excluding allowances less deductions for Provident Fund, Advances, Income Tax, etc.) prior to his proceeding on leave. The advance shall be fixed in whole rupees.

2. The advance of leave salary drawn will be adjusted in full through the next pay/leave salary bill drawn in favour of the employee.

(b) LEAVE TRAVEL CONCESSION :

1. An employee who is eligible to get leave travel concession may be granted, in addition, an advance to meet his travelling expenses at the rates admissible under the Leave Travel Concession Rules of the Corporation.

2. The amount of advance paid for leave travel concession will be adjusted against the claim of leave travel concession submitted by the employees on return from leave. If an employee does not submit his claim for leave travel concession within a fortnight

of his resuming duty on expiry of leave, the whole amount of advance granted is liable to be recovered from his pay bill.

(v) Festival Advance:

Festival advance may be granted to all workmen and Jr. Officers (other than Executives) on the eve of important Festivals, subject to the following terms and conditions:

1. The amount of advance will be granted as follows:

S1	-	S3	Rs.3,500/-
S4	-	S6	Rs.4,500/-
S7	-	S10	Rs.5,500/-
Jr Officers			Rs.5,500/-

(vide o/o no.10/Rules/72/Vol.III/24&25/2K dated 27.12.2000)

2. An application for the advance should be submitted by the employee concerned at least a fortnight before the festival, and the advance must not be drawn more than a week before the festival, concerned commences.

3. The advance is admissible only to those on duty or on leave on full pay or leave/on half pay at the time the advance is drawn. It is also admissible to female employees on maternity leave at the time of the drawal of the advance.

4. The advance will be admissible only on one occasion in a calendar year for members serving in an establishment. The occasion on which such advances are to be granted to members shall be fixed by the Chairman or by the Heads of the Projects, as the case may be, after taking into consideration the importance attached locally to such festivals and in consultation with recognised associations of staff where such associations exist.

5. The advance will be recovered in not more than 10 equal monthly instalments' the first recovery commencing with the pay bill prepared immediately after the advance has been drawn. The amount of each instalment should be rounded off to the nearest rupee, any balance being recovered in the last instalment.

6. The advance should not be granted to Corporation employees, who have not rendered three years' service unless they give a surety from a Corporation employee with more than three years' service and who is not covered by the Payment of Wages Act. Form of surety bond is given in Annexure I).

7. The advance should not be paid to employees who are not likely to continue in service for a period of at least six months beyond the month in which the advance is paid.

8. In case the festival falls twice in a calendar year, the advance will be admissible only on one occasion.

9. The authorities competent to sanction these advances would be in terms of the powers delegated/sub-delegated to various officers.

Note: The application forms for the grant of advances on account of Travelling Allowance on tour, Leave Travel Concession and leave salary will be as per Annexures 'A', 'B' and 'C' respectively.

10. The grant of Festival advance is subjected to the following additional conditions:

    a) Festival Advance admissible once in a calendar year, and at the option of the workman will be paid one week before the occurrence of particular festival chosen by the individual workman by crediting individual's bank account. There shall be no deduction out of this Festival Advance and such payment shall not be made in cash.

       Alternatively, if any workman desires to receive the Festival Advance in cash or desires to receive the advance through bank in advance, the advance shall be released along with wages of the previous month of the festival either by cash disbursement or by crediting the bank account, as the case may be, in terms of the existing practice.

       For this purpose the workmen may exercise necessary option.

b) Recovery of first installment shall start from the wages payable for the succeeding month from the month in which the advance was paid.

c) If, due to any reasons whatsoever, the recovery of Festival Advance could not be made in 10 consecutive equal monthly instalments from the wages of the workmen concerned, they will not be eligible for grant of Festival Advance in the succeeding calendar year. Thus such workmen will be debarred from grant of advance in the succeeding calendar year for the said chosen festival.

B. Interest-bearing advances:

(a) For purchase of Bicycle:

An employee who is in the pay scale of N1 to N5 may be granted by the competent authority an advance for the purchase of a bicycle subject to the following conditions :

(i) The amount of advance shall not exceed *Rs.1,500/- for bicycle or the anticipated price of the vehicle whichever is less. If the actual price paid for the cycle is less than the advance taken, the balance should forthwith be refunded to the Corporation in cash.
(* vide MOS dated 17.08.2001)

(ii) Necessary provision exists in the budget.

(iii) An advance may be sanctioned to an employee (also with less than three years' service) provided:

(a) he is likely to continue in service till such time as the advance is completely recovered; and

(b) he produces an acceptable surety (Annexure I) from any Corporation employee not governed by the Payment of Wages Act and having more than three years' continuous service at his credit provided that the sanctioning authority is reasonably satisfied that the surety is likely to continue in the service of the Corporation till such time the amount of advance

together with interest thereon is fully recovered.

(iv) Recovery will be made by deducting from the monthly salary bill of the employee 1/25th part of the advance. The employee shall have the option of repaying the advance in less number of equal instalments provided that the number of such lesser instalments in which he desires recovery to be effected is intimated by him to the Corporation before the commencement of the recovery.

(v) The amount of interest at the prescribed rate will be recovered in one instalment in the month following that in which repayment of the principal has been completed.

(vi) Subsequent advance for purchase of a bicycle shall not ordinarily be admissible within a period of five years from the date of drawal of the previous advance unless the sanctioning authority is satisfied that the bicycle purchased by taking the earlier advance, has been stolen or damaged beyond repairs or has become unserviceable and the first advance is fully recovered.

(b) For purchase of motor-car:

An employee having not less than 3 years' continuous service with the Corporation and in the grade of E2 and above may be granted by the Chairman or the Head of the Project as the case may be, advance for the purchase of motor-car subject to the following conditions:

(i) The employee should have completed successfully his first period of probation and furnish an acceptable surety as provided under Rule 7 B(b)(v) for purchase of car and 7 B(b)(c) for purchase of Motor Cycle and moped.
(O/O no.10/Rules/12/97, dated 15.03.97)

(ii) The advance will be given only if the Chairman or the Head of Project as the case may be, considers that it is in the interest of the Corporation that the employee should use a car in the discharge of is duties and also that the employee is likely to remain in the service of the Corporation or in Government service till such

time as the advance and the interest thereon is fully recovered.

Note: In the case of an employee on deputation from a Government Department, advance may be granted with the permission of the parent department.

(iii) The total amount of advance to an employee should not exceed *Rs.2,00,000/- or 35 months' pay (including dearness pay where admissible) of the employee or the anticipated price of the car, whichever is less. If the actual price paid is less than the advance drawn the balance must be refunded forthwith to the Corporation in cash. Such an advance may also be granted to an employee who having applied for an advance purchases a motor-car and arranges to pay for it by raising temporary loan, provided the motor-car was purchased within three months of his applying for an advance.
(* Amount revised vide o/o no.10/Rules/92/Vol.III/ 28/2k1 dated 29.10.2001)

(iv) Necessary provision exists in the budget.

(v) The advance will be granted subject to the employee furnishing an acceptable surety from any of Corporation's employee of the same or higher status to the applicant not governed by the Payment of Wages Act and who has put in continuous service of not less than 8 years, provided that the sanctioning authority is reasonably satisfied that the surety is likely to continue in the service of the Corporation till such time the advance together with interest is fully recovered. In case the applicant himself has put in 8 years continuous service in the Corporation, he will be exempted from furnishing a surety.

(vi) The recovery will be made in 100 monthly instalments from the pay bill of the employee concerned. The employee shall, however, have the option of repaying the advance in lesser number of such instalments than 100 in which he desires the recovery to be effected, is intimated by him to the Corporation before commencement of recovery. The recovery will commence with the first issue of pay after the advance is drawn. The amount of

interest calculated will be in accordance with Rule 3 under Section I- General, and will be recovered in not exceeding 44 monthly instalments; each such instalment being not greater than the instalment for principal. The recovery of interest will commence from the month following that in which repayment of the principal has been completed.

Note I: The amount of the advance to be recovered monthly should be fixed in whole rupees except in the case of last instalment when the remaining balance including a fraction of a rupee should be recovered.

Note II: In the case of employees, who are due to retire before the completion of a period of 144 months from the first issue of pay after the drawal of the advance, the number of instalments should be so regulated that the recovery of the advance and interest thereon would be completed well before the time of issue of the last pay to the employee before retirement.

(vii) At the time of drawing the advance the employee should be required to execute an agreement (in the form given in Annuxure II) and on completing the purchase he should further be required to execute a mortgage bond (Annexure III) hypothecating the car to the Corporation as security for the advance. The cost price of the car purchased should be entered in the schedule of specifications attached to the mortgage bond. When an advance is sanctioned the sanctioning authority should furnish to the Accounts Officer concerned a certificate that the agreement form has been signed by the employee drawing the advance and that it has been found to be in order. The sanctioning authority should see that the car is purchased within one month from the date on which the advance is drawn and should furnish the mortgage bond promptly to the Accounts Officer concerned for examination before final record.

Note I: Form of mortgage bond executed by the employee drawing the advance for purchase of motor car provides for insurance against full loss by fire, theft or accident: The insurance policy must

provide complete and unqualified coverage against loss as aforesaid; no conditional policies will be acceptable for purpose of this rule. Such insurance should be effected simultaneously with the purchase of a car. On receipt of a certificate prescribed in clause (vii) above, the Corporation will obtain from the employee drawing the advance a letter (in the form given at Annexure IV) to Insurance Company with whom the motor car is insured to notify to them the fact that the Corporation is interested in the insurance policy secured. The Corporation will itself forward this letter to the company with the endorsement, as indicated in the Annexure IV, and obtain their acknowledgement. In the case of insurance effected on annual basis the procedure prescribed above, should be repeated every year until the advance has been fully repaid to the Corporation. Contravention of this provision will render an employee liable to refund the whole of the advance with interest accrued. The amount for which the car is insured during any period shall be not less than the out standing balance of the advance with interest accrued at the beginning of that period and the insurance should be renewed from time to time until amount due is completely repaid. If at any time and for any reason, the amount insured under current policy is less than the outstanding balance of the advance including the interest already accrued, the employee should refund the difference to the Corporation. The amount to be refunded must be recovered in not more than 3 monthly instalments.

Note II: The term "Motor Vehicle" appearing in the form of agreement as well as in "Mortgage bond" will mean "Motor Car" "Scooter" or "Motor Cycle" as the case may be.

(viii) Except when an employee proceeds on leave, other than earned leave not exceeding 120 days, or retires from service or is transferred to an appointment the duties of which do not render the possession of a car necessary, the previous sanction of the sanctioning authority is necessary to the sale by him of the car purchased with the aid of an advance which, with interest accrued in accordance with Rule 3 Section--I above, has not been fully repaid. If an employee wishes to

transfer such a car to another officer who performs duties of a kind that render the possession of a motor car necessary, the sanctioning authority may permit the transfer of the liability attaching to the car to the latter officer provided that he records a declaration that he is aware that the car transferred to him remains subject to the mortage bond and that he is bound by its terms and provisions.

(ix) In all cases in which a car is sold before the advance received for its purchase with the interest accrued thereon has been fully repaid, the sale proceeds must be first applied, so for as may be necessary, towards the repayment of such outstanding balances, provided that when the car is sold only in order that another car may be purchased, the sanctioning authority may permit an employee to apply the sale proceeds towards such purchase, subject to the following conditions:

(a) The amount outstanding shall not be permitted to exceed the cost of the new car.

(b) The amount outstanding shall continue to be repaid at the rate previously fixed; and

(c) The new car must be insured and mortgaged to the Corporation as required by these rules. If the sale proceeds of the car are not sufficient to purchase another car, the sanctioning authority may grant second advance the amount of which must be restricted to the excess of the price of the newly purchased car over the sale proceeds of old car, provided that the advance so granted should not exceed the price of the newly purchased car, or Rs.2,00,000/- at any stage.

Note: An employee who draws an advance for the purchase of a motor car is expected to complete his negotiations for the purchase of, and pay finally for the car within one month from the date on which he draws the advance, failing such completion and payment the full amount of the advance drawn with interest thereon for one month must be refunded to the Corporation except in such

cases where Chairman at his discretion may extend the time limit for special reasons.

(c) For purchase of motor-cycle/scooter:

An employee who is in the pay scale of N6 and above may be granted an advance subject to the same conditions as are applicable to the grant of advance for the purchase of a motor car except that clause (v) of Rule 7B (b) will not apply. The advance will be granted to an employee subject to his furnishing an acceptable surety from a Corporation employee of the same or higher status to the applicant not governed by the Payment of Wages Act and who has put in continuous service of not less than 5 years provided that the sanctioning authority is reasonably satisfied that the surety is likely to continue in the service of the Corporation during the period the recovery is completed. In case the applicant himself has put in 5 years continuous service in the Corporation, he will be exempted from furnishing a surety. The amount of advance shall, however, not exceed *Rs.25,000/- or ten months' basic pay or the anticipated price of the vehicle whichever is less and recovery will be made by deducting monthly instalments equal to 1/48th part of the advance.
(* Amount revised vide o/o no.10/Rules/92/Vol.III/ 28/2k1 dated 29.10.2001)

(d) For purchase of Moped:

All employees who are in the pay scale of N1-N5 also may be granted an advance for the purchase of moped subject to the same conditions as are applicable to the grant of advance for purchase of motor cycle. The amount of advance shall however not exceed *Rs.12,000/- or anticipated price of the vehicle whichever is less.
(* Amount revised vide o/o no.10/Rules/92/Vol.III/ 28/2k1 dated 29.10.2001)

(e) For purchase of computer:

Please see sub rule at the end of the advances rule.

C. Advances under Special Circumstances:

The Chairman/General Manager/Head of the Project may sanction an advance of a month's pay (Basic + DA) to any employee under special circumstances, for example, if the employee's camp is burnt or if serious damage is caused to his belongings due to flood, fire, theft etc. Such advance can also be granted under any other special circumstances, considered as justifying the grant of advance by the sanctioning authority. Such advance must be recovered in ten equal monthly instalments beginning with the month in which a full month's pay or leave salary is drawn after drawal of advance. This advance shall be free of interest.

D. Study Advance:

An advance not exceeding one month's pay (Basic + DA) may be granted to the employees who are in the regular employment of the Corporation and have completed the period of probation successfully to enable them to pursue courses of studies, participate in examinations etc., which would enable them to advance in their profession as well as in their career under the Corporation. The advance will be recoverable in twelve equal monthly instalments commencing with the month following that in which the advance is drawn. This advance shall be free of interest.

***

Annexure I

SURETY FORM IN RESPECT OF ADVANCES GRANTED
TO TEMPORARY EMPLOYEES

KNOW ALL MEN BY THESE PRESENTS that I _____ son of _____ a resident in the District of _____ at present employed as a permanent _____ in the _____ (hereinafter called `the Surety') am held and firmly bound unto the National Mineral Development Corporation Limited (hereinafter called `the Corporation') in the sum of Rs._____ (Rupees_____ only) to be paid to the Corporation FOR WHICH PAYMENT to be well and truly made I hereby bind myself, my heirs, executors, administrators and representatives firmly by these presents. As witness my hand this _____ day of _____ two thousand and _____ .

WHEREAS _____ son of _____ a resident of _____ in the District of _____ at present employed as a temporary _____ in the _____ (hereinafter called `the Borrower') has, at his own request been granted by the Corporation advance of Rs._____ (Rupees _____ only) for _____ (here insert the nature and purpose of the advance),

AND WHEREAS the Borrower has undertaken to repay the said amount in _____ equal monthly instalments.

AND WHEREAS in consideration of the Corporation having agreed to grant the aforesaid advance to the borrower the Surety has agreed to execute the above bond with such condition as hereunder is written.

NOW THE CONDITION OF THIS OBLIGATION IS such that if the said Borrower shall, while employed in the said _____ duly and regularly pay or cause to be paid to the Corporation the amount of the aforesaid advance owing to the Corporation by instalments until the said sum of Rs._____ (Rupess _____ only)shall be duly paid, then this bond shall be void, otherwise the same shall be and remain in full force and virtue. BUT SO NEVERTHELESS that if the Borrower shall die or become insolvent or at any time cease to be in the service of the Corporation the whole or so much of the said principal sum of Rs. _____ (Rupees _____ only) together with interest if any as shall then remain unpaid shall immediately become due and payable to the Corporation and be recoverable from the Surety in one instalment by virtue of this bond.

The obligation undertaken by the surety shall not be discharged or in any way affected by an extension or any other indulgence granted by the Corporation to the said Borrower.

The Borrower has agreed to bear the stamp duty, if any, for this document.

Signed and delivered by Shri _____, _____ the said _____ at _____ this _____ day of _____ 2000.

Signature of surety
Name & designation
(Office which attached)

In the presence of

1. _____

2. _____

Signature, address & occupation
of the Witnesses

***

Annexure II

FORM OF AGREEMENT TO BE EXECUTED AT THE TIME OF DRAWING AN ADVANCE FOR THE PURCHASE OF A MOTOR VEHICLE

AN AGREEMENT made on _____ day of _____ two thousand _____ and _____ BETWEEN _____ of _____ (hereinafter called "the Borrower" which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the National Mineral Development Corporation Limited (hereinafter referred to as "the Corporation" which expression shall be deemed to include its successors and assigns), of the other part.

Whereas the Borrower has under the provisions of the National Mineral Development Corporation Advances (Grant and Recovery) Rules (hereinafter wards called the Rules) applied to the Corporation for a loan of Rs. _____ for the purchase of a motor vehicle and whereas the Corporation has agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained NOW IT IS HEREBY AGREED between the parties hereto that in consideration of the `Borrower the receipt of which the Borrower hereby agrees with the Corporation (1) to pay the Corporation the said amount with interest calculated according to the said rules by monthly deductions from his salary as provided in the said Rules and hereby authorizes

the Corporation to make such deductions and (2) within one month from the date of these presents to expend the full amount of the said loan in purchase of a motor vehicle or if the actual price paid is less than the loan to repay the difference to the Corporation forthwith and (3) to execute a document hypothecating the said motor vehicle to the Corporation as security for the amount lent to the Borrower as aforesaid and interest in the form provided by the said Rules and IT IS HEREBY LASTLTY AGREED AND DECLARED THAT IF THE MOTOR VEHICLE has not been purchased and hypothecated as aforesaid within one month from the date of these presents or if the Borrower within that period becomes insolvent or quits service of the Corporation or dies the whole amount of the loan and interest accrued thereon shall immediately become due and payable.

IN WITHNESS whereof the BORROWER and _____ for and on behalf of the Corporation have hereunto set their hand the day and year first before written.

*Signed by the said _____ in the presence of _____

_____ _____
(Signature of witness) (Signature and designation of
(Signed by (name and designation) the Borrower)

_____
for and on behalf of the Corporation in the presence of

_____ _____
_____ _____
(Signature of witness) (Signature and designation
of the Officer)

*Name and designation of the Borrower.

***

Annexure III

FORM OF MORTGAGE BOND FOR MOTOR VEHICLE ADVANCE

THIS INDENTURE made this _____ day of _____ two thousand and _____ Between _____ (hereinafter called "the Borrower" which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the National Mineral Development Corporation Limited (hereinafter referred to as "the Corporation" which expression shall be deemed to include its successors and assigns) of the other part.

WHEREAS the Borrower has applied for and has been granted an advance of Rupees _____ to purchase a Motor Vehicle on the terms of the National Mineral Development Corporation Advances (Grant/Recovery) Rules (hereinafter referred to as "The Rules") AND WHEREAS one of the conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will/would hypothecate the said Motor vehicle to the Corporation as security for the amount lent to the Borrower AND WHEREAS the Borrower has purchased with or partly with the amount so advanced as aforeasaid the Motor vehicle particulars whereof are set out in the Schedule hereunder written.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the consideration aforesaid the Borrower both hereby covenant to pay to the Corporation the sum of Rs._____ aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payments of Rs. _____ each on the day on which pay is disbursed to him each month and will pay interest on the sum for the time being remaining due and owing calculated according to the said Rules and the Borrower both agree that such payments may be recovered by monthly deductions from his salary in the manner provided by the said Rules, and in further pursuance of the said agreement the Borrower both hereby assign and transfer unto the Corporation the Motor vehicle the particulars whereof are set out in the Schedule hereunto written by way of security for the said advance and the interest thereon as required by the said Rules.

And the Borrower both hereby agree and declare that he has paid in full the purchase price of the said Motor vehicle and that the same is his absolute property and that he has not pledged and so long as any money remains payable to the Corporation in respect of the said advance will not sell, pledge or part with the property in or possession of the said Motor Vehicle. PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said instalments or principal or interest shall not be paid or recovered in the manner aforesaid within ten days after the same are due or if the Borrower shall die or not or at any time cease to be in the Corporation's service or if the Borrower shall sell or pledge or part with the property in or possession of the said Motor vehicle or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgement against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest there on calculated as aforesaid shall forthwith become payable .

AND IT IS HEREBY AGREED AND DECLARED THAT THE Corporation may in the happening of any of the events hereinbefore mentioned seize and take possession of the said Motor vehicle and either remain in possession thereof without removing the same or else may remove and sell the said Motor vehicle either by public auction or private contract and may out of the sale moneys, retain the balance of the advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, expenses, and payments properly incurred or made in maintaining, defending or realizing its rights hereunder and shall pay over the surplus, if any, to the Borrower, his executors, administrators or personal representatives PROVIDED FURTHER THAT the aforesaid power of taking possession or selling of the said Motor vehicle shall not prejudice the right of the Corporation to sue the Borrower or his personal representative for the said balance remaining due and interest or in the case of the Motor vehicle being sold the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Corporation, he, the Borrower will insure and keep insured the said Motor vehicle against loss or damage by fire, theft or accident with an Insurance company to be approved by the Corporation that the Motor Insurance Company with whom the said Motor vehicle is insured have received notice that the Corporation is interested in the Policy AND the Borrower hereby further agrees that he will not permit or suffer the said Motor vehicle to be destroyed or injured or to deteriorate in a grater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident happening to the said Motor vehicle and Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of Motor Vehicle	:	_____
Maker's Name	:	_____
Description	:	_____
No. of Cylinders	:	_____
Engine Number	:	_____
Chassis No.	:	_____
Cost Price	:	_____

IN WITNESS whereof the said _____ (Borrower's name) and _____ for and on behalf of the Corporation have hereunto set their respective hands the day and year first above written.

*Signature by the said in the presence of _____.

(Signature and designation
of the Borrower)

1. _____

2. _____

(Signature of witnesses)

for and on behalf of the Corporation in the presence of

(Signature & designation
of the Officer)

1. _____

2. _____

(Signature of witnesses)

*Name and designation of the Borrower.

***

Annexure IV

(Please see rule 12)

LETTER TO BE OBTAINED FROM EMPLOYEES DRAWING MOTOR VEHICLE ADVANCE-INTIMATING TO THE INSURANCE COMPANY THE CORPORATION'S INTEREST IN THE INSURANCE POLICY.

From
(Employee)
_____
_____

To
(Insurance Company)
_____
_____

Dear Sir,

I beg to inform you that the National Mineral Development Corporation Limited is interested in the motor car/cycle/scooter Insurance Policy No. secured in your Company and to request that you will kindly make a note of the fact in the records of the Company.

Yours faithfully,

Signature
Name & Designation

Place :
Date :

Forwarded. It is requested that the undersigned may kindly be informed whenever any claim is paid under the policy and also If the premium is not paid periodically for renewal. The receipt of this letter may kindly be acknowledged.

Place:_____
Date :_____ (Signature of Officer signing on behalf Corporation)

***

Annexure 'A'

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

APPLICATION FORM FOR ADVANCE OF TRAVELLING ALLOWANCE ON TOUR

1. Name in block letters
2. Designation
3. Head-quarters
4. Department/division/section
5. Basic pay
6. Likely duration of tour from-to
7. Purpose of journey
8. Authority for journey
9. Details of railway fare
   From _____ to _____ Class Rs
10. Details of air fare
    From_____ to_____ Class Rs.
11. Daily allowance
    For_____ days @ _____ Rs.
12. Incidental expenses _____ Rs.
13. Road mileage _____ Rs.
    _____ Km @_____
14. Total advance required Rs.
15. Details of previous advances outstanding

against the officer with reasons for non-adjustment _____

An advance of Rs._____ may kindly be sanctioned/paid. Certified that no previous TA advance is out standing against me/adjustment bill for advance of Rs._____ has been forwarded on _____

Signature of Applicant
Name & Designation

Date:

The advance of Rs._____ (Rupees) _____ as applied for sanctioned.

Signature of Controlling Officer
Designation & Department

Date:

FOR USE IN ACCOUNTS DEPARTMENT

Passed for payment of Rs._____ (Rupees _____)

Asst Manager (Fin)

Dealing Assistant Junior Officer ----------

Dy Manager (Fin)

NOTE: The adjustment claim should reach the Accounts Department within fortnight from the date of return to the headquarters; otherwise the advance will be recovered from the salary of the individual.

***

Annexure 'B'

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED
APPLICATION FORM FOR LTC ADVANCE

1. Name in block letters :
2. Designation :
3. Headquarters :
4. Department/division/sections :
5. Scale of pay :
6. Basic of pay :
7. Date of joining service in the corp. :

Date of absorption after training :
(For trainees and apprentices) :

8. Home town :
9. Nearest railway station :
10. Duration of leave : From _____ to _____
11. Number of days of leave :
12. Probable date of commencement of journey :
13. Probable date of return to HQ :
14. Details of family :
    (i) wife /husband
    (ii) sons number __ ages _____
    (iii) daughters number ___ages ___
    (iv) parents
15. Details of railway fares :
    Forward journey :
    Return journey :
    Less (a) 20% ad-hoc reduction, payable after completion of the journey.
16. Amount of advance required.
    An advance of Rs._____ Rupees_____)
    may kindly be sanctioned.

Certified that:

1. I/my family members have not availed of LTC previously in the block _____.
2. I have not submitted any application for the grant of advance of LTC for the block _____.
3. No previous LTC Advance is outstanding against me. Adjustment bill for advance of Rs._____ has been forwarded on _____.
4. My wife/husband is not employed in NMDC Ltd.
5. The members of the family for whom the LTC Advance is claimed are wholly dependent upon me and are residing with me.

Signature of the Applicant
Name & Designation

The advance of Rs._____ (Rupees_____) as applied for is sanctioned. Leave as mentioned above has been sanctioned. Signature and particulars of the applicant have been verified.

Certified that Shri/Smt/Ku_____ has rendered continuous service for one year or more on the date of commencement of outward journey.

Signature of the Controlling Officer
Name, Designation & Department

Passed for payment of Rs._____ (Rupees _____)

Asst Manager (Fin)

Dealing Assistant Junior Officer ----------

Dy Manager (Fin)

Note: The adjustment claim should be submitted to the Accounts Department immediately on completion of the return journey to Head Quarters. If no adjustment claim is received within a fortnight of the completion of the journey, the advance will be recovered from the pay of the individual.

***

Annexure 'C'

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED
FORM FOR APPLICATION FOR PAYMENT OF
LEAVE SALARY ADVANCE

To
The Asst Manager (Fin)
NMDC Limited

Sir,

I request you to pay me one month's salary as advance. I have been sanctioned leave for _____ days from _____ to _____ as per leave order No._____ dated _____.

Date: Signature
Name & designation
Department

SANCTIONING AUTHORITY'S ENDORSEMENT

The particulars furnished by the applicant are correct and above advance asked for is sanctioned.

Signature of the Controlling Officer,
Name, Designation & Department:

Date:

FOR USE IN ACCOUNTS DEPARTMENT

Passed for payment of Rs._____ (Rupees _____only)

Asst Manager (Fin)

Dealing Assistant Junior Officer ----------

Dy Manager (Fin)

***

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

APPLICATION FORM FOR ADVANCE FOR THE PURCHASE OF NEW/SECOND HAND CAR/SCOOTER/MOTOR CYCLE/MOPED

1. Name of applicant
2. Applicant's designation
3. Date of appointment
4. Whether temporary or permanent
5. Head Quarters of the applicant
6. PAY:
   - i) Substantive pay
   - ii) Officiating pay or Pay drawn in a temporary post
   - iii) Special/Personal pay
7. Anticipated price of Scooter/Car/Motor Cycle/moped
8. Amount of advance required
9. Date of superannuation or retirement or date of expiry of contract in case of a contract officer
10. No. of instalments in which the advance is desired to be repaid
11. Whether advance for the purchase of any conveyance was obtained previously and if so
    - i) date of drawal of the advance
    - ii) the amount of advance and the interest thereon still outstanding if any
12. Whether the intention is to purchase
    - a) a new or an old motor car/ cycle/

scooter/moped

b) In case of purchase of second hand vehicles please furnish name and address of such person from whom it is proposed to be purchased.

13. Whether the officer is on leave or is about to proceed on leave...

14. a) the date of commencement of leave
b) the date of expiry of leave

15. Are any negotiations or preliminary enquiries being made so that delivery may be taken of the Motor Car/Cycle/ Scooter/Moped within one month from the date of drawal of the advance. Necessary proof may be produced.

16. a) Certified that the information given above is complete and true.

b) Certified that I have not taken delivery of the vehicle on account of which I apply for the advance that I shall complete negotiations for the purchase of the vehicle finally and take possession of, the vehicle before the expiry of one month from the date of drawal of the advance, and that I shall insure it from the date of taking delivery of it.

Signature of the applicant
Name & Designation

Certified that it is in the interest of the Corporation that Shri/Smt._____ uses the vehicle in the discharge of his/her duties.

Signature of the
Controlling Officer

***

Orders and clarifications regarding Advances (Grant & Recovery) Rules

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(1)

Circular no.10/Rules/72 dated 05.05.1983

The existing rules/orders regarding grant of advance to the employees of the Corporation for purchase of Car/Motor cycle and Scooter have been reviewed and the following guidelines are issued to regulate grant of such advances in future;

1. The controlling officer/sanctioning authority should verify before sanction of advance whether the employee is already owning a Car, Scooter/Motor Cycle. If the employee owns a car, scooter/motor cycle which is road worthy, he is not entitled to conveyance advance.

2. The advance will be granted only if the controlling officer is satisfied that the vehicle to be purchased with the advance is necessary for the employee in the discharge of his official duties.

3. In case the transaction involves only mutual transfer of vehicles between corporation employees, applications for advance will not be entertained.

4. If the proposal is to purchase second hand vehicle, the employee shall indicate in the application for grant of advance the name and address of the party from whom the vehicle is proposed to be purchased.

5. Second and subsequent advance/advances may be granted only after lapse of a minimum period of four years after grant of the first/earlier advance for the purpose and after such advance has been fully repaid. Under no circumstances the conditions of 4 years for sanctioning second/subsequent advance will be relaxed.

   Accordingly application form for grant of advance for purchase of new/second hand motor car/motor cycle/scooter has been suitably modified. A modified copy is enclosed for information and necessary action.

***

(2)

Letter no.10/Rules/72 dated 15.04.1983

Sub: NMDC Advances (Grant and Recovery) Rules Payment of Leave Salary Advance- Clarification.

According to the existing NMDC Advances (Grant and Recovery) Rules, an employee who is granted leave for a period of not less than 30 days may be granted an advance of pay not exceeding one month's leave salary (excluding allowances) less deductions for P.F., Income-Tax, etc. Since certain doubts have been raised regarding the leave salary it is clarified that the term "leave salary" shall include pay plus DA less all usual deductions.

The above clarification is effective from 01/04/1983.

***

(3)

Circular no.10/Rules/72-Pt.II dated 02.01.1990

In terms of the Office Order No.10/Rules/72-Pt.II dated 15/12/1989, workmen in the pay scales of N1 and N2 (since revised to L1 and L2) are entitled to an amount of Rs.600/- or actual cost, whichever is less, as bicycle advance and workmen in the pay scales of N3, N4 and N5 (since revised to L3, L4 and L5) are entitled to Rs.4,500/- or actual cost, whichever is less, for purchase of a moped. In this connection, a doubt has been expressed whether such workmen can draw the conveyance advance as per their entitlement and can purchase a vehicle of higher capacity i.e. moped/scooter meeting the balance cost, if necessary, from their own funds and whether the conveyance allowance/rei-bursement of local travelling expenses can be granted to them for using moped/scooter. It is hereby clarified that workmen who draw a particular type of conveyance advance of purchase of bicycle/moped/scooter etc. as per their entitlement, as indicated in the above office order, must purchase only that type of vehicle for which advance has been drawn from the Corporation. Grant of conveyance allowance will also depend on the type of vehicle for which advance has been drawn from the Corporation. However, there is no objection to grant to the employees the conveyance allowance/reimbursement of local travelling expenses at the rates prescribed for using a scooter provided such conveyance has been purchased by them out of their own funds, and no conveyance advance has been drawn by them from the Corporation.

***

(4)

Circular No.10/Rules/72-Pt.II dated 23.01.1990

1. In terms of the provisions contained in the Circular No.10/Rules/72 dated 5th May 1983, employees are eligible for grant of 2nd/subsequent advance(s) for purchase of Scooter/Motor Cycle after a lapse of minimum period of 4 years from the date of grant of first/earlier advance and that the earlier advance has been fully repaid. Further, if an employee owns a vehicle which is road-worthy, he/she is not entitled to 2nd/subsequent advance(s).

2. It has now been observed that the employees, for the purpose of availing second Conveyance Advance, are making declaration invariably in their applications that the existing scooter/moped/ motor-cycle is not road-worthy without any evidence. The facility of second advance is permitted by the management in special circumstances when the vehicle is damaged by an accident or otherwise to the extent that it is not road-worthy and he is necessarily required to purchase another vehicle. It is, therefore, requested that whenever an application is made for second/subsequent advance, authentic evidence to the satisfaction of sanctioning authority that his vehicle is not road-worthy must be produced.

***

(5)

Circular No.10/Rules/72-Pt.II dated 15.07.1992

As per the existing Advances (Grant & Recovery) Rules, employees who have been sanctioned Conveyance Advance for purchase of car/scooter/moped, have to purchase the vehicle within one month from the date of drawal of the said advance, mortgage the vehicles with the Corporation by executing mortgage deeds get the mortgage endorsed in the RC Books by the RTA concerned and submit the copies of relevant documents to the Personnel Department. However, it has been noticed that some of the employees do not comply with the above instructions and the advances drawn by them are forced to be recovered in lump sum due to their default.

2. The matter has been reviewed. It has been decided that incase of such default, in addition to recovery of the advance in lump sum monthly instalments, penal interest at the prevailing rate shall be

recovered from the employees concerned and they will also be debarred for grant of Conveyance Advance for purchase of any vehicle in future.

***

(6)

Circular no.1 (51)/Rules/79 dated 15.12.1994

As per communications received from the Income Tax Officer, any allowance paid/reimbursed towards Conveyance Allowance/expenses need to be substantially justified that the allowance/reimbursement received has been utilised fully for discharging day-to-day official duties for the purpose of getting exemption from Income Tax.

Accordingly, conveyance allowance being paid to the executives alongwith monthly salary is taxable unless they furnish requisite justification that the allowance drawn by them has been fully utilised for the official purpose.

Therefore, it has been decided that all the Executives who are drawing conveyance allowance/reimbursement of conveyance expenses shall furnish a certificate as per the proforma enclosed herewith. This certificate is to be furnished quarterly. For the current financial year 1994-95 certificate for the period April'94 –September'94 has to be furnished immediately. Thereafter, certificates furnished separately by 15th January '95 upto the period December'94 and by 20th March'95 covering upto March'95. For subsequent years this certificate is to be furnished by 15th July, 15th October, 15th January and 20th March in every year until specified otherwise. These certificates are to be sent directly to FINANCE (Salary Section). Income Tax exemption will not be allowed without furnishing the utilisation certificate for conveyance allowance/reimbursement of conveyance expenses in view of the instructions from the Income Tax authorities. However, the employees, who have been already furnishing such certificates while drawing the conveyance allowance/reimbursement, need not submit a separate certificate.

CERTIFICATE

This is to certify that I have maintained a Car/Scooter/Motor Cycle bearing No._____ which is registered in my name and is owned by me in proper running condition and have utilised the same in the performance of official duties. Expenditure, wholly, exclusively and necessarily incurred on the maintenance and running of the aforesaid vehicle in connection with the official duties during the period from

_____ to _____ was in excess of Rs._____ (Rupees_____).

Signature
Name & designation
Employee code

Date:

***

(7)

Office order no. 10/Rules/72-095/94 dated 16.12.94

In partial modification of office order no.10/Rules/72 (Pt) dated 29th May, 1992, the Competent Authority has been pleased to revise and enhance the amount of festival advance from Rs.750/- to Rs.1200/- (Rupees one thousand and two hundred only) to all eligible Jr Officers with immediate effect. This advance is recoverable in ten equal monthly instalments.

All other terms and conditions governing the grant of festival advance remain unaltered.

***

(8)

Letter no.10/Rules/72-Pt.II/14/95 dated 15.06.95

In terms of this office circular of even number dated 2nd January, 1990, the workmen who draw a particular type of conveyance advance for purchase of Bicycle/Moped/Scooter as per their entitlement must purchase only that type of vehicle for which advance has been drawn from the Corporation. The grant of Conveyance Allowance will also depend on the type of vehicle purchased by them with the Conveyance Advance drawn from the Corporation. However to those employees who purchase the conveyance with their own funds, the conveyance allowance has been granted based on the type of vehicle purchased and not on the entitlement.

2. The matter has been re-examined with reference to the entitlement of workmen for grant of Conveyance Advance as well as the grant of reimbursement of conveyance expenses as per the individual entitlement.

3. In order to have a uniform application in all the units, the entitlement of workmen for grant of conveyance advance and reimbursement of conveyance expenses is given below:-

Pay scale of workmen	Entitlement to Conveyance advance	Entitlement to reimbursement of conveyance expenses/ conveyance allowance
L1 to L5	a) Moped	a) Moped
	Note: even if Scooter/Motor Cycle is purchased with company advance sanctioned for Moped or own funds also the employee is entitled to conveyance allowance as applicable to Moped only.	
L6 and above	a) Scooter/Motor Cycle b)Moped/Scooter/Motor cycle, if purchased with own funds.	a) Scooter/Motor Cycle b) Actual vehicle being used.

CLARIFICATION:

(A) In case the workmen purchase a higher mode of vehicle than their entitlement , the reimbursement of expenses/conveyance allowance will be restricted to their entitlement. In other words, those workmen in L-1 to L-5 scales who are entitled to grant of conveyance advance for purchase of moped, will be entitled to reimbursement of conveyance expenses/conveyance allowance only for moped provided they draw advance for purchase of moped only. In case of Workmen who draw advance for moped but purchase higher mode of vehicle they will be entitled to reimbursement of conveyance expenses/conveyance allowance for moped only.

(B) The workmen in L-6 and above scales who are entitled to grant of advance for purchase of scooter/motor cycle/moped or when they purchase either of the vehicles with own funds, will be entitled to draw reimbursement of conveyance expenses/conveyance allowances for scooter/motor cycle/moped actually used by them. They will not to be permitted to purchase a lower vehicle with the advance granted to them.

(C) Those workmen who have already been sanctioned and drawing reimbursement of conveyance expenses/conveyance allowance for use of scooter/motor cycle, though they were entitled to grant of conveyance advance for a lower type of vehicle before and upto 31.3.1995 will continue to draw the conveyance allowance as personal to them till such time they use the present vehicle or they become entitled to draw conveyance expenses/conveyance

allowance on higher type vehicle or till they continue in the service of the Corporation, which ever is earlier.

(D) Grant of reimbursement of conveyance expenses/conveyance allowance with effect from 1.4.1995 will be regulated strictly as per their entitlement as indicated in (A) and (B) above.

***

(9)

Office Order no.10/Rules/92 (Pt)/038/95 dated 06.10.95

In partial modification of earlier orders on grant of study advance and advance under special circumstances like flood, fire, theft etc, the competent authority has been pleased to revise the existing limits of amount of advance as follows:

Study advance: An amount not exceeding one month's basic pay + DA of the employee may be granted.

Advance under special circumstances: An amount not exceeding one month's basic pay + DA of the employee may be granted.

Other terms and conditions for grant and recovery of above advances will remain unchanged.

***

(10)

Office order no.10/Rules/92-Vol III/037/95 dated 06.10.95

Sub: Grant of conveyance advance for purchase of Bicycle/moped/ scooter

The competent authority has been pleased to increase the conveyance advance for the purchase of Bicycle/Moped/Scooter/Motorcycle to workmen, Jr Officers and Executives in the Corporation as follows with immediate effect:

Sl. No.	Category of employee	Type of advance to which they are entitled	Maximum amount of advance
1	Workmen in	i) Bicycle	Rs.1200/- or actual

	the pay scale of S1 to S5	ii) Moped	cost whichever is less. Rs.8000/- or actual cost whichever is less.
2	Workmen in the pay scale of S6 & above/Jr Officers/ Executives	i) Moped ii)Scooter/Motor cycle	Rs.8000/- or actual cost whichever is less Rs.15000/- or actual cost whichever is less.

The relevant provisions of NMDC Advances (Grant & Recovery) Rules shall be treated as amended accordingly. However, the Conveyance Advance as amended above, will be sanctioned subject to other terms and conditions as provided in the NMDC Advances (Grant & Recovery) Rules for grant of Conveyance Advance.

Payment of advance will however, be made subject to budget provision.

***

(11)

Office Order no. 10/Rules/92/060/95 dated 22.12.95

The Competent Authority has been pleased to revise the existing limit of conveyance advance for purchase of motor car to a maximum of Rs.1,20,000/- to the executives in E2 pay scale and above (that is 5400-9050 (IDA) and Rs.3000-4500 (CDA & above).

2. The above revised limits of advance will be effective from 01.11.95.

3. However, the existing rate of interest on the advance for purchase of motor car has been revised to twelve per cent per annum.

4. The applications received from the executives for grant of advance for motor car on or after 01.11.95 will be considered at the revised limits. The applications which were received prior to 01.11.95 but were pending for grant of advance shall also be considered at the revised limits.

5. The revised rate of interest shall also be applicable on the amount of outstanding advance as on 01.11.95, for those cases who have drawn such conveyance advance earlier.

6. Other terms and conditions governing grant of conveyance advance for purchase of motor car shall remain unchanged.

***

(12)

Letter no. 10/Rules/92 Vol. III/015/96 dated 31.05.96

Sub: Conveyance Advance for purchase of Car/Scooter/Motor cycle.

Under the extant rules governing grant of Conveyance Advance for purchase of Car/Scooter/Motor cycle, an employee having less than 3 years future service before superannuation is not eligible for grant of conveyance advance for purchase of Car/Scooter/Motor cycle. In view of the representations received form the employees, the matter has been examined and the Competent Authority is pleased to accord approval for grant of advance for purchase of Car/Scooter/Motor cycle to those employees who are having less than 3 years of service before superannuation. The entitlement of advance in such cases will be 1/3 of the Basic Pay + DA drawn by the employee at the time of application which will be multiplied by ¾ of the leftover service in months or the actual cost of the vehicle whichever is less. The total amount of advance so granted and the amount of instalment to be recovered from the monthly salary of the employee will however be regulated so that the total recovery from the salary including other deductions shall not exceed 50% and the recovery of entire advance with interest shall be completed from the last salary before retirement. Other terms and conditions for sanction of conveyance advance will however remain unchanged.

The above will come into force with immediate effect.

***

(13)

Office order no. 10/Rules/92/Vol. III/018/96 dated 05.06.96

The Board in its 303 meeting held on 23.05.1996 has approved the proposal to grant Conveyance Advance for purchase of Motor cycle/Scooter to workmen in the S-1 to S-5 pay scales who have put in 15 years or more service in the Corporation in the regular scales of pay. Accordingly, the following clause has been incorporated under Rule No. 7(B) (c) of NMDC advances (Grant and Recovery). Rules as an additional para:-

"A workman who is in the pay scale of S-1 to S-5 may also be granted advance for purchase of a Motor cycle/Scooter, if he/she has put in not less than 15 years of continuous service in regular scales of pay".

In view of the above amendment, such workmen who are in S-1 to S-5 pay scales and granted Conveyance Advance after puting in 15 years of service in NMDC for purchase of Motor cycle/Scooter are also entitled to draw reimbursement of Conveyance expenses for the same.

All other terms and conditions governing grant of Conveyance Advance and reimbursement of local travelling allowance/Conveyance allowance shall remain unchanged. This will be effective from the date of issue of this Office Order.

***

(14)

Letter no.10/Rules/92/Vol. III/012/97 dated 15.03.97

Sub: Amendment to NMDC Advance (Grant and Recovery) Rules 1972 – Reg

In terms of Head Office Clarification no.10/Rules/92/Vol.III/015/96 dated 31.05.1996, employees who are having less than three years of service before superannuation are eligible for grant of advance for purchase of a car/motor cycle/scooter subject to certain conditions.

Further, in terms of Rules 7(B)(b) (i) of the above rules, an employee who has put in a minimum three years service in the Corporation is eligible for grant of conveyance advance. The Board in its 307th meeting held on 03.01.1997 has approved the following amendment to Rules 7 (B) (b) (i):

Existing Provision	Amended Provision
The employee should have atleast three years service in Corporation.	The employee should have successfully completed his first probation period and furnish an acceptable surety as provided under Rules 7 (B) (b) (v) for purchase of a motor car/ and Rule 7 (B) (c) for purchase of a Motor Cycle/Scooter/ Moped.

All other terms for grant of conveyance advances will remain unchanged.

This will come into force with immediate effect.

***

(15)

Letter no.10/Rules/72/12/99 dated 06.07.99

In continuation of this office O/O no.1(64)Rules/80-94/94 dated 16.12.94, this is to convey that the Competent Authority has been pleased to extend the benefit of grant of festival advance of Rs.1,200/- once a year to the eligible Departmental Fine Ore Loading Piece Rated Labour also. This advance is recoverable in 10 equal monthly instalments.

All other terms and conditions governing the grant of festival advance remain unaltered.

***

(16)

Office Order no.10/Rules/72/Vol.III/24/2K dated 27.12.2000

The Management is pleased to revise the quantum of Festival Advance payable to the eligible workmen as under effective from Festivals falling during calendar year 2001.

	Scale	Amount
1.	S-1 to S-3	Rs.3500/-
2.	S-4 to S-6	Rs.4500/-
3.	S-7 to S-10	Rs.5500/-

The procedure for grant and disbursement of Festival Advance under NMDC Advances (Grant & Recovery) Rules prescribed in Head Office letter No.5(107)/Rules/98/Vol.I/44/98, dated 10.12.1998 will continue to be followed subject to the following:

a) Festival Advance admissible once in a calendar year, and at the option of the workmen will be paid one week before the occurrence of particular Festival chosen by the individual workman by crediting individual's bank account. There shall be no deduction out of this Festival Advance and such payment shall not be made in cash.

   Alternatively if any workman desires to receive the Festival Advance in cash or desires to receive the advance through bank in advance, the advance shall be released along with wages of the previous month of the festival either by cash disbursement or by crediting the bank account, as the case may be, in terms of the existing practice.

   For this purpose the workmen may exercise necessary option.

b) Recovery of first instalment shall start from the wages payable for the succeeding month from the month in which the advance was paid.

c) If, due to any reasons whatsoever, the recovery of Festival Advance could not be made in 10 consecutive equal monthly instalments from the wages of the workmen concerned, they will not be eligible for grant of Festival Advance in the succeeding calendar year. Thus such workmen will be debarred from grant of advance in the succeeding calendar year for the said chosen festival.

***

(17)

Office order no.10/Rules/72/Vol.III/25/2k dated 27.12.2000

In partial modification of this office order No. 10/Rules/72/095/94 dated 16.12.1994, the Competent Authority is pleased to revise the quantum of Festival Advance payable to the eligible Junior Officers from Rs.1200/- to Rs. 5500/- effective from Festival falling during calendar year 2001.

The procedure for grant and disbursement of Festival Advance under NMDC Advance (Grant & Recovery) Rules prescribed in Head Office letter no. 5(107)/Rules/98/Vol.I/44/98, dated 10.12.1998 will continue to be followed.

All other terms and conditions governing the grant of Festival Advance remain unaltered.

***

(18)

Office Order No.5 (107)/Rules/98/Vol.I/44/98 dated 10.12.1998

Sub: Grant of Festival Advance under NMDC Advances (Grant and Recovery) Rules.

1.0 As you are aware, all the workmen and Jos are eligible for grant of festival advance once in a calendar year and the amount of advance is recoverable in not more than 10 equal monthly instalments. Under the existing system, the individual employee applies for festival advance and either a single or consolidated sanction order is issued from time to time depending on the recognised festival by the personnel department. It has been our experience that around 90% of the workmen and Jos avail themselves of this advance every year involving all round work in all the departments of the project/Offices throughout the year.

2.0 With a view to eliminating the need for individual application every year and further processing in the personnel and finance departments involving avoidable paper work, the Competent Authority has approved obtaining a "one time application'' from the employee concerned and issuing a standing sanction order by which the employee will be paid festival advance every year subject to no outstanding of previous advance. Accordingly, the following revised procedure for uniform adoption by all the Projects/Offices/Units is prescribed.

a. All the eligible employees for grant of festival advance may make a "one time application" (in the format enclosed), for one of the recognised festivals, based on which a standing one time sanction order could be issued in a consolidated manner depending on the festival applied for.

b. Under the revised procedure, it is intended that the festival once indicated by the employee will be taken for the purpose of payment of festival advance every year, so long as the employee remains as a workman or JO. The payment of Festival Advance would be made along with the salary/wage payable for the month preceding the date of festival thus dispensing with the present system of separate payment of Festival Advance.

c. Such automatic payment of festival advance every year is subject to there being no previous outstanding of festival advance.

d. If during the course of recovery of previous advance, any employee does not wish to take the advance next time/year, he/she can intimate the Personnel Department for stopping payment of further advance.

3.0 The following procedure may be followed for releasing the advance alongwith salary.

Personnel Department of the relevant Project/Unit shall forward to Finance Department, a list of employees to whom advance is to be paid in the relevant month duly considering and after satisfying about the eligibility criteria/control points for drawal of advance viz changes in the cadre of the employee, no outstanding balance of previous advance, non-drawal of advance for any particular year based on information given by the concerned employee, information as to change of festival etc. The said list shall be sent alongwith attendance particulars for drawal of salary based on which payment of festival advance will be made by the Finance Department of the concerned Project/Unit alongwith salary.

4.0 The above revised procedure may be implemented from the calendar year 1999 onwards.

5.0 All other terms and conditions governing the grant of festival advance will remain unchanged.

***

(19)

Office Order No.10/Rules/72/Vol.III/27/2K1 dated 9.10.2001

The Management is pleased to grant an interest free advance of Rs.7500/- as Multi purpose advance once in a calendar year to the Executives of the Corporation who have completed more than one year's service in the Corporation to meet contingency requirements with effect from the calendar year 2001.

The advance will be granted based on a written application by the Executive concerned in the proforma enclosed at Annexure-I. Applications received for grant of Multi purpose Advance on or before 10th of a month will be considered and paid alongwith the salary of that month.

Executives who desire to avail this advance shall submit the application in the prescribed proforma directly to Finance.

The advance will be recovered in 10 equal monthly instalments and the first recovery will commence from the salary of the succeeding month. If due to any reasons whatsoever, the recovery could not be made in 10 consecutive equal installments from the salary of the executives concerned, they will not be eligible for grant of such advance only in the calendar year thereafter.

However, in respect of Executives who have rendered less than 3 but more than one years of service including the training period, the above advance shall be granted subject to furnishing a surety from any Executive of the Corporation having more than 3 years service in the proforma given in Annexure-II.

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

Application for grant of Multi-Purpose Advance
(Applicable to Executives)

1. Name of the Employee

2. Designation

3. Token No./Emp.No.

4. Department/Section

5. Date of joining the Corporation in regular scale of pay.

6. Name of the Surety & Designation & Token No./Emp. No. in case of applicant who has not put in three years of service. (Attach the original Surety Bond)

7. Total of Pay + DA

Certificate:

a. I request that admissible Multi-Purpose Advance may be paid to me.

b. The details furnished in the application are true to the best of my knowledge and belief.

c. I undertake to refund the entire balance amount of advance in the event of my leaving the service of the Corporation.

d. No multipurpose advance is outstanding against me and this is the first multipurpose advance drawn by me during this calendar year _____.

Signature
Name & designation
Token no.
Department/Section
Name of the Project/Unit

HOD
DGM (FIN)

ANNEXURE-II

SURETY FORM IN RESPECT OF MULTI PURPOSE ADVANCES GRANTED TO THE EXECUTIVES

KNOW ALL MEN BY THESE PRESENTS THAT I _____ Son of _____ a resident in the District of _____ at present employed as a permanent _____ in the _____ (herein after called 'the Surety') am held and firmly bound unto the National Mineral Development Corporation Limited (herein after called 'the Corporation') in the sum of Rs._____/- (Rupees_____ only) to be paid to the Corporation FOR WHICH PAYMENT to be well and truly made I hereby bind myself, my heirs, executors, administrators and representatives firmly by these presents. As witness my hand this _____ Day of _____ one thousand two thousand _____.

WHEREAS _____ Son of _____ a resident of _____ in the District of _____ at present employed as a temporary _____ in the _____ (hereinafter called 'the Borrower') has, at his own request been granted by the Corporation advance of Rs_____/- (Rupees_____only) for _____ (here insert the nature and purpose of advance),

AND WHEREAS the Borrower has undertaken to repay the said amount in _____ equal monthly instalments.

AND WHEREAS in consideration of the Corporation having agreed to grant the aforesaid advance to the borrower the Surety has agreed to execute the above bond with such condition as hereunder is written.

NOW THE CONDITION OF THIS OBLIGATION is such that if the said Borrower shall, while employed in the said _____ duly and regularly pay or cause to be paid to the Corporation the amount of the aforesaid advance owing to the Corporation by instalments until the said sum of Rs_____/- (Rupees_____only) shall be duly paid, then this bond shall be void, otherwise the same shall be and remain in full force and virtue. BUT SO NEVERTHELESS that if the Borrower shall die or become insolvent or at any time cease to be in the service of the Corporation the whole or so much of the said principal sum of Rs_____/- (Rupees_____only) together with interest if any as shall then remain unpaid shall immediately become due and payable to the Corporation and be recoverable from the Surety in one instalment by virtue of this bond.

The obligation undertaken by the surety shall not be discharged or in any way affected by an extension or any other indulgence granted by the Corporation to the said Borrower.

The Borrower has agreed to bear the stamp duty, if any, for this document.

Signed and delivered by _____
The said _____ (Signature of Surety)
at _____ This _____ Designation _____
day of _____ 200 (Office which attached)

_____
_____
_____

In the presence of-

Signature, address and occupation 1._____
of the Witness 2._____

***

Letter No.10(Rules)/72/Vol.III/2/2k2 dated 07.01.2002

In continuation of this office order no.10(Rules)/72/Vol.III/28/2K1 dated 29.10.2001 and with reference to the provisions of tripartite settlement dated 17.09.2001 regarding grant of Conveyance Advance to the eligible employees of the Corporation, it is clarified that in case of employees who had purchased vehicle out of advance from the Corporation, subsequent application for grant of advance shall also be considered on production of

a certificate from the RTO or from a Mechanical Engineer of the Corporation not less than the rank of Sr Manager to the effect that the vehicle purchased earlier out of advance from NMDC is either not road worthy or uneconomical for use, subject to fulfilling other conditions.

Further, it is also clarified that if any employee is eligible for a higher type of vehicle and Conveyance Advance drawn earlier was for lower type of vehicle, the grant of Conveyance Advance for purchase of a higher type of vehicle shall be considered without insisting for certificate of non-road worthiness/not being economical but subject to fulfilling other conditions viz. completion of six years period, number of times advance drawn etc. For the purpose of determining the number of times Conveyance Advance drawn by an employee all previous advances drawn irrespective of the type of vehicle will be taken into account.

All other terms and conditions for grant of Conveyance Advance shall remain unchanged.

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Office Order no.10/Rules/72/Vol.III/28/2001 dated 29.10.01

Sub: Grant of Conveyance Advance for purchase of Car/Motor Cycle/Scooter/Moped.

The Competent Authority has been pleased to enhance the amount of Conveyance Advance for purchase of Car/Motor Cycle/Scooter/Moped to Jr. Officers and Executives in the Corporation as follows w.e.f.01.10.2001:

For	Type of Vehicle	Amount of Advance
(i) Executives in E-2 scale of pay and above.	Car	Rs. 2 lakhs or actual cost whichever is less
(ii) JOs & Executives	(i) Moped	Rs.12,000/- or actual cost whichever is less
	(ii) Motor Cycle	Rs.25,000/- or actual cost whichever is less.

2. The relevant provisions of NMDC Advances (Grant & Recovery) Rules shall stand amended to the extent as above. Other terms and conditions of the NMDC Advances (Grant & Recovery) Rules for grant of Conveyance Advance shall remain unchanged.

3. Payment of Conveyance Advance will however be made subject to budget provisions.

4. Executives/JOs shall be eligible for sanction of Conveyance Advance for purchase of Car/Motor Cycle/Scooter/Moped for a maximum of three times in the entire service. Further, second and subsequent Conveyance Advance shall be sanctioned only after repayment of entire previous Conveyance Advance along with interest or six years from the date of sanction of previous advance whichever is later and on production of a certificate from the RTO or from a Mechanical Engineer of the Corporation not below the rank of Sr Manager to the effect that the vehicle is not road worthy.

5. The applications received for grant of Conveyance Advance on or after 01.10.2001 will be considered at the revised limit. The applications which were received prior to 01.10.2001 but are pending for grant of advance shall also be considered at the revised limit.

***

Memorandum of Settlement dated 17.08.2001

10.2 Conveyance Advance

10.2.1 The amount of Conveyance Advance shall be revised as follows:

(a)	For purchase of Scooter/Motor Cycle	Rs.25,000/-
(b)	For purchase of Moped	Rs.12,000/-
(c)	For purchase of Bicycle	Rs. 1,500/-

10.2.2 Workmen shall be eligible for sanction of Conveyance Advance for maximum 3 times in the entire service. Further, second and subsequent Conveyance Advance will be sanctioned only after repayment of entire previous conveyance advance along with the interest or six years from the date of sanction of previous advance whichever is later and, on production of a Certificate from the RTO or from a Mechanical Engineer of the Corporation of not less than the rank of a Sr Manager to the effect that the vehicle is not roadworthy.

***

NMDC Employees'
House Building Advance Rules' 1983

1.0 OBJECTIVE:

To establish uniform policy and rules relating to grant of House Building Advance to employees of the Company.

2.0 POLICY:

To grant house building advance as a purely welfare measure, this will not confer any right or benefit on the employee nor impose any obligation or liability on the Company.

3.0 SCOPE:

3.1 These rules will be implemented, subject to availability of funds in the annual operation budget of the Company.

3.2 These rules shall cover all the permanent employees, who have put in seven years continuous service. If an employee joins the Company from the central/state government or a public sector undertaking without break, service rendered by him/her under the previous employer shall also be counted for this purpose, provided however that he/she has served the company for a minimum period of three years and has not drawn house building advance in his service in earlier Company. These shall not apply to casual, part time, those on contract, those on daily wages, trainees, work-charged and probationers.
(Amended vide Office Order no.1(80)Rules/83/Vol.III/028/97 dated 20.09.1997).

3.3 Deputationists in the Company's service or Company employee's deputation outside shall be governed by the terms and conditions of such deputation.

4.0 ADVANCES, INTEREST, INSURANCE AND REPAYMENT:

4.1 ADVANCE:

A) <u>For the workmen</u>

(i) For new construction
   (a) 60 times the basic pay plus dearness allowance the workman at the time of application or

(b) 75 percent of the total value of purchase/acquisition of land and house to be constructed or 75% of the value of purchase of ready-built house or
(c) * Rs.3,50,000 - whichever is less.

(* Consequent upon MOS dated 17.08.2001 wef 01.10.2001)

(ii) For enlarging living accommodation
(a) 75% of cost of enlargement
or
(b) Rs.75,000 - whichever is less.

B) <u>For non-workmen</u>

(i) For construction of house
(a) 60 times the basic pay plus DA of the employee at the time of application or
(b) Total value of purchase/acquisition of the land & house to be constructed or ready-built house or
(c) * Rs.7,00,000 - whichever is less.

(* O/order no.10/Rules/72/31/2k1 dated 29.10.2001 wef 01.10.2001)

(ii) For enlarging living accommodation of existing house
(a) 75% of the estimated cost.
(b) Rs. 1,20,000 - whichever is less.

The Company may retain at its own cost an Architect who will render the necessary services to assess the property valuation and a Lawyer to check the documents.

C) Notwithstanding 4.1 above, the advance shall be restricted to the amount which the employee may be expected to be in a position to repay by convenient monthly deductions from his/her pay before the date of his/her superannuation under the rules of the Company.

D) For the purpose, it shall be taken that an employee shall commence repayment of advance 18 months after the date of the payment of the advance by the Competent Authority and that the instalment calculated up to 33 1/3 % of pay will be within his paying capacity.

E) The repayment of the advance with interest shall be secured by obtaining from the employee the documents as security, as specified in these rules.

CLARIFICATIONS :

i) 'Pay' as in Rule 4.1. (D) of the HBA Rules will include basic pay, personal pay, special pay and non-practising pay, but would exclude any allowance other than dearness allowance. For this purpose, deputation allowance would also not be taken into account.

ii) Before sanctioning HBA, it should be ensured that the employee would be in a position to repay the advance along with the interest before superannuation in accordance with clauses 4.1 (C) and 4.1 (D) of HBA Rules so that the employee is not put to undue hardship and the recovery of the advance can be effected.

4.2 INTEREST:

A) Rate of interest charged on the advance:

i) For the workmen

Upto Rs.1.00 lakh	-	5.5 % per annum
Above Rs.1.00 lakh and upto Rs.2.00 lakh	-	8.0 % per annum
Above Rs.2.00 lakh and upto Rs.2.50 lakh	-	10.0% per annum
Above Rs.2.50 lakh and upto * Rs.3.50 lakh	-	12 % per annum

(Vide MOS dated 17.08.2001)

ii) For the non-workmen

Upto Rs.1.00 lakh	-	5.5 % per annum
Above Rs.1.00 lakh and upto Rs.2.00 lakh	-	8.0 % per annum
Above Rs.2.00 lakh and upto Rs.2.50 lakh	-	10.0 % per annum
Above Rs.2.50 lakh and upto * Rs.7.00 lakh	-	12.0 % per annum

(Vide Memorandum of settlement dated 18.09.1995)

iii) In the interest payable on the loan shall be worked out on the reducing balance of the principal amount on monthly basis. The principal shall be recovered first and the interest accrued thereon shall be recovered subsequently.

iv) In the process of recovery, the portion of the loan carrying the higher rate of interest will be treated as having been refunded first.

B) It has been decided to charge 1/2% (half percent) less than the normal rates of interest on house building advance from employees who volunteer for sterilisation in respect of themselves, or their spouses under the Family Planning Programmes, on the following conditions:

(i) The employees must be within the reproductive age group. In the case of a male employee, this would mean that he should not be over 50 years and his wife should be between 20 to 45 years of age. In the case of a female employee, she must not be above 45 years and her husband must not be 50 years of age.

(ii) The employee should have two or three children. Persons who have undergone sterilisation after one child only, will not be entitled to the incentive. Persons who have had twins after the birth of their first two children will be eligible for receiving the incentive although with the twins they have four children.

(iii) The sterilisation operation must be conducted and the sterilisation certificate must be issued by a Government Hospital (Central/State) or Company doctor or Medical Consultant of the Company; where this is not possible, by an institution recognised by the Central Government or by voluntary organisations receiving grants from Government for undertaking the sterilisation.

(iv) The incentive is admissible only after going in for sterilisation and not for hysterectomy or other family planning devices,

(v) The concession will be admissible only to the employees who undergo the sterilisation operation on or after 29/09/1982 provided that the sterilisation is undergone before the release of the first instalment of house building advance after registration with Government Housing Boards and such like agencies.

(vi) Standard format of sterilisation certificate to be issued by the hospital concerned is at Annexure-I. Employees desirous of availing themselves of this incentive are required to furnish an undertaking as prescribed at Annuxure-II.

4.3 INSURANCE:

Immediately on completion of the building or purchase of the land or house, as the case may be the employee shall insure the house at

his/her own cost, with the Insurance Corporation, for the actual cost of such property, and shall keep the property insured against damage as to fire, flood, riot, lightning and earthquake, till the amount of the advance together with interest is fully repaid to the Company. The insurance policy shall be assigned in favour of the Company, and deposited with the Company until the amount with interest is repaid in full. The premium must be paid regularly and receipts produced for inspection by the competent authority.

4.4 REPAYMENT:

4.4.1 The advance, granted under these rules, together with interest thereon, shall be repaid in full by equal monthly instalments within a period not exceeding 20 years. Firstly, the recovery of the advances shall be made in not more than 180 monthly instalments, and then interest shall be recovered in not more than 60 monthly instalments.

4.4.2 The amount to be recovered shall be fixed in whole rupees, except in the case of the last instalment when the remaining balance, including any fraction of a rupee shall be recovered.

4.4.3 Recovery of the advance granted for construction of a new house shall commence from the pay of the month following the completion of the house, or the pay of the 18th month after the date on which the first instalment of the advance is paid to the employee, whichever is earlier. In the case of an advance taken for purchasing a ready-built house, recovery shall commence from the pay of the month following that in which the advance is drawn.

CLARIFICATIONS:

(i) The recovery of house building advance granted for acquisition of flats under various housing schemes offered by the Government agencies shall commence after 36 months from the date on which the house/flat is allotted to the employee by the Government agency or from the month following the one when the flat/house is handed over to the employee whichever is earlier. This, however, will be subject to the condition that the employee has adequate service left to enable him to repay the entire loan with interest before the date of his superannuation, as provided in clause 4.1 (C) and (D) of the HBA Rules.

(ii) Recovery in case of HBA for acquisition of land from Government agencies shall commence after 18 months from the month of allotment of land or from the month following completion of house thereon whichever is earlier.

(iii) There will be no change in the manner/procedure of recovery of advance granted for the purpose of construction of house on land acquired other than through Government agencies and purchasing a ready built house.

4.4.4. It will be open to the employee to repay the amount in a shorter period. In any case, the entire advance must be repaid in full (with interest thereon) before the date on which the employee is due to retire or separate from service.

4.4.5. In case the employee does not repay the balance of the advance due on or before the date of his/her retirement, it shall be open to the Company to enforce the security of the mortgage at any time thereafter, and recover the balance of the advance due, together with the interest and cost of recovery, by sale of the house in such manner as may be permissible under the law.

4.4.6. Recovery of the advance shall be effected through the monthly pay/ leave salary/subsistence/allowance bills of the employee.

4.4.7. If an employee of the Company ceases to be in service for any reason other than normal retirement / superannuation, or if he/she dies, before repayment of the advance in full, the entire outstanding amount shall become payable to the company forthwith. The Board of Directors, may however, in deserving cases, permit the employee concerned, or his/her successors in interest as the case may be, if the house has not been completed and/or mortgaged to the Company by the time, to repay the outstanding amount together with interest thereon in suitable instalments. Failure on the part of the employee or his/her successors (as the case may be) to repay the advance for any reason whatsoever, will entitle the Company to enforce the mortgage and take such other action to effect recovery of the outstanding amount, as may be permissible.

4.4.8. Title deeds deposited to the Company as a security for the moneys advanced shall be reconveyed to the employee concerned at his/her cost (or his/her successor in interest, as the case may be) after the advance together with interest thereon has been paid in full.

4.4.9. Notwithstanding the benefit of repayment of the advance by instalment as above, in the event of any default or breach of these rules or the mortgage security, it shall be open to the Company to enforce the security at any time thereafter and recover the balance advance outstanding including interest and costs, other charges, or proceed against the employee in such other manner as is permissible under the law and the entire amount shall, in such a case, become immediately due and payable to the Company.

5.0 CONDITIONS:

5.1 The grant of advance under these rules, shall be for the following purposes:

i) Acquisition or purchase of land (free-hold or long term lease) and construction of house, thereon.

ii) Construction of house on such land already owned or purchased or acquired on long term lease by the employee in his name or jointly in the names of the employee and his spouse.

iii) For enlarging living accommodation of existing house.

iv) Purchase of a newly built house or flat on ownership basis.

v) Purchase of a flat under Self-Financing Schemes of Government, Central or State, Municipalities, Local bodies and Co-operative Housing Societies.

NB: The plot of land should be a developed one, on which construction could be started immediately.

5.2 i) The advance shall be admissible for construction/acquisition of house/flats at the place of duty or work of the employee or anywhere in India where the employee wishes to settle down on superannuation.

ii) However, these rules shall apply to construction of new houses or enlarging living accommodation of existing.

5.3 In cases where both husband and wife are employees of the Company, the advance shall be admissible only to one of them.

5.4 No employee shall be eligible for the advance if:

a) He is to superannuate within 24 months.

b) He is on deputation from the Central or State Government.

c) He/She owns a house in his/her own right individually or jointly.

d) The wife minor children or any other legal dependent of such employees own a house whether individually or jointly.

CLARIFICATION:

House building advance may be granted to those employees who have a fragmented holding in ancestral property the total value of which is small. The Chief Executive of the Company in his discretion may allow house building advance in such cases, depending on the merits of each case where he feels that the applicant having small holding in his ancestral property should not be deprived of the facility of the house building advance.

5.5 Only one loan shall be granted to acquire land and construct or purchase a house in the service career of the employee. However, the Chairman cum Managing Director, may at his discreation, consider re-grant of House Building Advance –

If the employee could not utilise in full or part of the House Building Advance drawn by him and/or could not proceed with the construction due to unforeseen circumstances beyond his control viz (a) the property went into litigation after the agreement but before transfer; (b) non-approval of plans by concerned Civic/Urban Authorities etc.

In such cases, the employee shall repay to the corporation the entire money drawn towards House Building Advance by him/her together with interest which shall be equivalent to the then prevailing bank lending rate of interest on personal advances plus two and half percent of per annum.

Upon receipt of the money advanced by the Corporation towards House Building Advance together with interest, as stated above, a Committee which may be constituted for the purpose, shall examine the veracity of each individual case and put up their recommendations to a Committee of whole time Directors who shall examine and put up final recommendation to the Chairman-cum-Managing Director for his consideration. Such an option shall be limited to be exercised only once in the service of the employee. (Vide No. 1(80)/Rules/83-Vol-II (049/94) dated 29.3.94).

NB: No loan shall be granted to acquire land and construct or purchase a house tenement on lease- hold land unless the unexpired residue of the lease period on the date of grant of loan is not less than 25 years.

5.6 The construction of the house shall be carried out exactly in accordance with the approved plan and specifications on the basis of which the amount of the advance has been computed and sanctioned. The plan specifications should not be departed from without the prior approval of the competent authority. The employee shall certify, when applying for the instalments of the advance

admissible at the plinth/roof level that construction is being carried out strictly in accordance with the plan reached plinth/roof level that the amount already drawn has actually been used on the construction of the house. The Company, if necessary, may arrange to have an inspection carried out to verify the correctness of the certificates given, at the cost of the employees. Construction of the house should be completed within 18 months of the date on which the first instalment of advance is paid to the employee. Failure to do so, will render the employee liable to refund the entire amount advanced to him/her (together with interest thereon) in one lump sum. An extension of the time limit may be allowed up to 6 months by the competent authority and for a longer period by the Chairman in cases where the work is delayed due to circumstances beyond the control of the employee.

CLARIFICATION:

1. In case of construction of house on land acquired through Government agencies, the construction of the house should be completed within 18 months of the date on which the land has been handed over by the Government agencies.

2. It is further clarified that:

   a) 50% of the cost of such inspection towards TA/DA to the place of construction (excluding the charges towards lodging, wherever applicable) shall be borne by the employee concerned and deducted from his salary.

   b) Where there is adverse report by the inspecting authority on construction status, the entire cost of such inspection shall be recovered from the employee concerned without prejudice to such other departmental action as deemed fit.

5.7 The date of completion of construction must be reported to the competent authority without delay.

5.8 The house must be maintained in good repair by the employee at his/her own cost. He/She shall also keep it free from all encumbrances, and shall continue to pay all the Municipal and other local rates and taxes regularly until the advance has been repaid to the Company in full, The employee shall furnish an annual certificate to this effect to the competent authority.

5.9 After the completion of the house, annual inspections may be carried out by any authorised officer to ensure that it is maintained in good repair until the advance has been repaid in full. The employee concerned shall afford necessary facility for these inspections by the officer (s) designated for the purpose.

5.10 The Company may, from time to time formulate procedures for making the application for loan under this scheme, for declaration, statements and undertakings to be furnished for execution, of the mortgage for disbursement of advance and other purposes. The employee shall be bound to adhere to the said procedures as applicable and any deviation therefrom will not be permitted, except by previous consent of the Company. In all cases before disbursement of the loan, an employee shall be bound to comply with all legal formalities and to make out an indisputable and marketable title to the property free from all encumbrances. If the Company or its legal advisers reject such title, the Company shall not be bound to advance or to make disbursement of any sum. The grant of the advance shall be at the sole discretion of the Company.

CLARIFICATIONS:

a) The form to be used by employees for applying for house building advance is enclosed as Annexure-H.

b) After the employee has been sanctioned the house building advance under the rules, the sanction of the competent authority will be conveyed to the employee in the enclosed format (Annexure-I).

5.11 An employee availing himself/herself of this scheme and not complying with any or all the provisions of the scheme or furnishing wrong or false information or certificate or misusing the facility in any form will be guilty of misconduct and render himself/herself liable to disciplinary action involving major penalties apart from liability to refund the entire amount of the loan outstanding and interest with interest which shall be equivalent to the prevailing Bank lending rate of interest on personal advances plus two and half percent per annum.

Such cases other than those covered under Rule 5.5 shall not be considered for sanction of House Building Advance again.
(Vide no.1(80)/Rules/83-Vol II (049/94) dated 29.03.1994.

6.0 HOUSE RENT ALLOWANCE:

6.1 An employee who takes an advance under these rules for construction of house shall be eligible for house rent allowance, as per the House Rent Allowance Rules.

7.0 PROCEDURE:

7.1 An employee will apply for the advance in the prescribed form and shall submit the same with documentary evidence in support of the statements or declarations made therein (Annexure H).

7.2 The application for the purchase of land or construction of house or purchase of newly built house/flat should be accompanied by necessary agreement for the purchase of the land or the flat, and non encumbrance certificates.

7.3 The disbursement of the advance sanctioned by the competent authority shall be made as follows:

For purchase of land:

a) If the land is to be acquired by the employee, he/she shall obtain the title deed from the seller and submit the same to the competent authority or the officer nominated by him/her in order to enable him to ascertain that the title deed is free from all encumbrances and is marketable.

b) If the title is clear and free from all encumbrances, the advance may be sanctioned on production of the agreement for purchase of land with the seller.

c) The advance of money shall be against promissory note in the format prescribed in Annexure 'A' and on the undertaking of the employee to deposit the title deeds of the land as and when the same are made available to him/her, payment not exceeding 20% of the total sanctioned advance will be made.

d) The employee shall deposit the title deeds with the Company as and when the same are conveyed to him/her.

e) The employee shall thereafter execute a memorandum of deposit of title deeds as specified in Annexure 'C'

f) The employee shall thereafter execute an irrevocable power of attorney in the format prescribed in Annexure 'D'

For construction of House:

a) On mortgaging the land purchased along with the house to be built thereon by the employee and on his/her indicating a schedule of construction of the house, a further amount not exceeding 20% of the advance will be sanctioned. A further advance not exceeding 30% of the advance shall be sanctioned when the house reaches plinth level. The remaining 30% of the advance shall be sanctioned when the house reaches roof level. The employee shall ensure that the construction of the house is carried on according to schedule and is completed in all respects within 18 months of the drawal of the first instalment of his/her advance.

b) Each advance to the employee shall be against a promissory note in the format prescribed in Annexure 'A' and on his/her undertaking to mortgage the said house in favour of the Company as and when the same is constructed.

c) The employee shall deposit the title deeds as and when the house is constructed and shall further execute an undertaking in the format prescribed in Annexure 'B'.

d) The employee shall thereupon execute the memorandum of deposit of title deeds, as prescribed in Annexure 'C'.

e) Thereafter the employee shall execute an irrevocable power of attorney in favour of 'National Mineral Development Corporation Limited' and the authorised officer of the Company in the format prescribed in Annexure 'D'.

7.3.2. Construction of House on land already purchased/owned by the employee.

a) The employee shall submit to the competent authority, the title deed of land or plot and an estimate of its value for an investigation into his/her title. If the title is clear and the advance is sanctioned an amount not exceeding 30% of the sanctioned advance will be paid after the employee mortgages the land purchased/owned by him/her in favour of the Company.

b) 40% of the advance sanctioned will be paid when the house reaches the plinth level against the execution of promissory note in the format prescribed in Annexure 'A' and a simultaneous undertaking by the employee to mortgage the house as and when it is completed in favour of the company as a security for the money advanced.

c) The remaining 30% of the sanctioned advance will be paid when the house has reached roof level, including casting of roof slab.

d) Thereafter the employee will be required to deposit the title deeds of the house.

e) Subsequent to the deposit of the title deeds, the employee shall execute a memorandum of deposit of title deeds in the format prescribed in Annexure 'C'

f) The employee will also be required to furnish an undertaking in the format prescribed in the Annexure 'B'

g) The employee shall lastly execute in favour of 'National Mineral Development Corporation Limited' and the authorised officer of the Company, a power of attorney in form prescribed in Annexure 'B'

NOTE: Deposit of title deeds as regards the land already owned or purchased by the employee and advance of money against such deposit of title deed in case the title deeds with respect to the money advanced be not enough to secure such loan, the loan should be secured through a promissory note, in the format at Annexure 'C'. Subsequent advances ought to be secured by a fresh promissory note as and when such advances are made unless the value of the land in respect of which the title deeds have already been deposited is sufficient to secure the advance to the employee.

7.3.3. Purchase of ready built house:

a) When the advance is required for the purchase of ready built house, the employee shall submit the title deeds to the competent authority or the officer nominated by him/her who will arrange for verification of the seller's title and ascertain whether it is marketable and free from all claims, charges or encumbrances.

b) The amount of the advance sanctioned shall be paid to the employee in one lump sum on his/her executing a promissory note for the amount advanced in the format described in Annexure 'A' and on his/her giving a simultaneous undertaking to mortgage the property in favour of the Company as and when the title deed of the same are made available to him/her.

c) The employee shall deposit the title deeds as and when the same are made available to him.

d) The employee shall there after execute the memorandum of deposit of title deeds in the format prescribed in Annexure 'C'.

e) Subsequent thereto, the employee shall give an undertaking in the format prescribed in Annexure 'B'.

f) The employee shall thereafter execute an irrevocable power of attorney in favour of National Mineral Development Corporation Limited and the authorised officer of the Company in the format prescribed in Annexure 'D'.

7.3.4. Purchase of Flat under Self-Financing Housing Scheme or from Housing Cooperative Societies.

a) The total loan to be given by the Company shall be restricted to the advance admissible under these rules. The rate of interest, recoveries and all other matters will be governed by the provisions of these rules.

b) After the application of the employee is accepted by the concerned housing scheme, he/she will be allowed to draw as and when required the amounts which are to be deposited with the concerned authority of the said housing scheme. Each advance allowed to the employee shall be against execution of a promissory note in the format prescribed in Annexure 'A'. The advance will be subject to overall ceiling of the quantum to which the employee is eligible under these rules.

c) The employee shall thereupon execute a letter of undertaking in the format prescribed in Annexure 'E'.

d) In the event of the employee's request for allotment not being accepted by the relevant housing scheme, the amount of initial deposit refunded by the said housing scheme shall be paid back to the Company by the employee immediately at one lump sum.

e) In case the relevant housing scheme takes any part or the whole of the amount deposited with them from the employee for not complying with any of their requirements or for any other reasons, the same will be on the individual employee's account and the Company will not undertake any liability in this regard.

f) When the house or flat with respect to which the advances have been effected, had been allotted to the said employee he/she shall forthwith deposit the title deeds with respect to the same to the Company.

g) Subsequent to the deposit of the title deeds, the employee shall execute a memorandum of deposit of title deeds in the format prescribed in Annexure 'C'.

h) Subsequent thereto, the employee shall execute an irrevocable power of attorney in the format prescribed in Annexure 'D'.

EXPLANATION:

In cities like Bombay, houses/flats are constructed by the promoters/builders and the property is conveyed to the Cooperative Housing Society that would be formed by the builders after selling all the flats in the proposed building. The property vests in the Cooperative Housing society and no individual member can mortgage his/her flat. The purchasers of the flats are enrolled as members of the society and by virtue of the membership are entitled to allotment and occupation of the flat purchased by them. The price paid by the purchaser of the flat to the builders/promoters is treated as his contribution for the value of land and the cost of construction of the building. The Cooperative Society being a limited body issues share certificates to its members and such share certificates constitute the title of the member concerned as regards his/her membership of the Society. Whenever a member desires to sell his/her right of occupancy and allotment in respect of his/her flat he/she has to sell the shares held by him/her in the society together with the right of occupancy and allotment of the flat as the said right is linked with his/her membership of the society and holding of the requisite number of shares.

2. Employees may also be permitted to purchase flats through Housing Cooperative Societies of the type mentioned in para 1 and would be eligible for House Building Advance in such cases. Such cases may be regulated in the following manner: -

a) The agreement for the purchase of the flat may be obtained from the builders/promoters in the joint names of the employee and National Mineral Development Corporation Limited as the purchaser. This will ensure that the employee concerned cannot dispose of the flat to anyone without the knowledge and consent of the NMDC. The format of the agreement will be as at Annexure 'F'.

b) After the Cooperative Housing Society is formed and the property is transferred to the Society, the employee who has been granted House Building Advance, would be required to deposit the share certificate with the Company (NMDC). Membership of the

Cooperative Housing Society as well as the issue of share of the said Society will be in the joint names of the Company and the employee concerned.

c) The employees would be required to give an undertaking (Annexure 'G') that he/she will not sell or mortgage the flat without the prior consent and approval of NMDC.

d) The undertaking at(c) above will be registered with the Cooperative Housing Society.

e) The property will remain in the joint names of the employee and Company (NMDC) till the house building advance in full with interest thereon is repaid to the Company.

f) After amount of house building advance in full with interest thereon is repaid to the Company, the property will be transferred in the sole name of the employee and if there is a cost on this transfer, the same would be borne by the employee.

g) The grant of House Building Advance in such cases would be further subject to the other provisions of the House Building Advance Rules.

CLARIFICATIONS:

The following procedure may be followed while sanctioning House Building Advance for the purpose of enlarging living accommodation of existing house.

(i) The employee shall submit to the Competent Authority for investigation/verification:

(a) Title Deed of the house,
(b) Approved plan of proposed construction/enlargement of house,
(c) Estimated cost of proposed construction.

(ii) After scrutiny of the documents as at (i) above, the amount of advance shall be sanctioned and will be paid in one lump sum against the execution of promissory note in the form as prescribed in Annexure 'A' of House Building advance Rules and simultaneous undertaking by the employee to mortgage the house as and when it is completed, in favour of the Company as a security for the money advanced.

(iii) Thereafter the documents as prescribed at Annexure 'C', 'B', 'D' of House Building Advance Rules are to be executed.

(iv) The employee shall submit a completion certificate issued by the Competent Authority.

(v) Other applicable conditions as prescribed in House Building Advance Rules will be followed.

7.4 GENERAL CONDITIONS:

a) The promissory note is to be executed on revenue stamp of requisite value.

b) The Letter of Undertaking as at Annexure 'B' the Memorandum of Deposit of Title Deeds as at Annexure 'C', the Irrevocable Power of Attorney as at Annexure 'D' and the Letter of Undertaking as at Annexure 'E' are to be executed in non-judicial stamp paper of appropriate value as prescribed by the concerned State Government/Union Territory.

c) Mortgage by deposit of title deeds can be effected only at such places as specified by the Central Government. In areas where mortgage by deposit of title deeds is not permissible, the advance will be secured by an English mortgage.

d) It must be ensured that the promissory note does not get time barred. To avoid this eventuality, the Company must take an acknowledgement from the borrowing employee every year as given below:

"I hereby acknowledge my debt Rs._____ to the National Mineral Development Corporation Limited in respect of which I have executed a promissory note dated _____."

Date: Signature
Name & designation

CLARIFICATION:

Under the Transfer of Property Act, a mortgage by the deposit of title deeds can only be made in the Presidency towns of Calcutta, Bombay and Madras and in the cities and towns notified by the State Government concerned.

For ready reference, mortgage by the deposit of title deeds can be made in the following towns as declared by Government.

Calcutta, Madras, Bombay, Adilabad, Adoni, Agra, Ahmedabad, Ajmer, Allahabad, Alleppey, Alwar, Alwaye, Ambala City, Anakapalli, Anantapur, Arrah, Bangalore, Baroda, Bellary, Bhagalpur, Bahvnagar, Bhilwara, Bhimavaram, Bikaner, Cannanore, Changanacherry, Chapra, Chirala, Chittor, Cocanada, Cochin, Coimbatore, Cuddalore, Cuddappah, Darbhanga, Davengere, Delhi, Dharwar, Dhubri, Dibrugarh, Eluru, Earnakulam, Ganganagar, Gauhati, Gaya, Gondal, Greater Gwalior, Gudivada, Guntakal, Gurgadu, Hissar, Hubli, Indore, Irinjalakuda, Jaipur, Jamnagar, Jind, Jodpur, Jorhat, Junagadh, Kanpur, Karimnagar, Karnal, Kayamkulam, Khammam, Kothagudem, Kottayam, Lucknow, Madurai, Mahabubnagar, Mangalore, Morvi, Mothuari, Muzaffarpur, Mysore, Nalgonda, Nandyal, Narayanganj, Negercoil, Narnaul, Nellore, New Delhi, Nizamabad, Poli Palitana, Palghat, Patna, Pollachi, Porbandar, Proddutur, Purnea, Quilon, Rajahmundry, Rajkot, Ratlam, Rohtak, Sharsa, Salem, Sangreddy, Shillong, Silchar, Srikakulam, Surendranagar, Surat, Telecherry, Tenali, Tezpoor, Thanjavur, Tiruchi, Tirunelveli, Tirupati, Trichur, Trivandrum, Tuticorin, Udaipur, Ujjain, Vellore, Veraval, Vijayapuri, Virudhunagar and all Districts Headquarters towns in the State of Mysore, Ahmedanagar, Akola, Alibag (Kolaba), Amaravati, Bhandara, Bhir, Buldoana, Chandrapur, Dhulia, Jangaon, Kolhapur, Nagpur, Nanded, Nasik, Osmanabad Prabahni, Poona, Ratnagiri, Sangli, Satara, Sholapur, Thana, Wardha, Yeotmal, Bhiwani, Kurukshetra and Sonepet.

Any amendment/addition to this effect by notification(s) by Government will also be followed.

(e) It must be ensured that the employee depositing the title deeds to secure the loan holds the property as sole owner and not jointly with his/her spouse and not as a member of HUF. In latter two cases, the memorandum of deposit of title deeds must be signed by all persons who claim a title to the property in respect of which the mortgage is sought to be created.

***

Annexure 'A'

PROMISSORY NOTE

On demand, I/We _____ promise to pay to the National Mineral Development Corporation Limited, or order the sum of Rs._____ (Rupees _____only) with interest @ _____% for value received.

(Requisite Revenue Stamps
to be crossed by
signature)
Address of the
Executant.

***

Annexure 'B'

LETTER OF UNDERTAKING

The National Mineral Development
Corporation Limited,
Masab Tank
Hyderabad

Dear Sirs,

Sub: Grant of Housing Loan

Further to the Memorandum of Deposit of Title Deeds in respect of my property as a security for due repayment by me of the amounts advanced/to be advanced, I also hereby agree and undertake that I shall as and when required by you, execute the documents creating a legal mortgage or any other type in respect of my said property including the building thereon when constructed and/or such other document/documents, as may be desired by you for fully securing to you the due repayment of all amounts advanced with interest and other charges payable by me to you.

Yours faithfully,

Signature of the employee
Name & designation

***

Annexure 'C'

MEMORANDUM OF DEPOSIT OF TITLE DEEDS

By this Memo of Deposit I, _____ son/daughter/wife of _____ resident of _____ hereby confirm and acknowledge having already deposited with you the title deeds pertaining to my property known as _____ and detailed in the schedule hereunder written as a security for the amounts advanced and that may be advanced under the Housing Scheme Loan of _____. I also confirm having already agreed that all my rights, title and interest in the said property including the construction raised thereon shall not be further mortaged except in your favour, or further alienated or in any manner dealt with by me till such time the amount of debt owing by me to you has been duly repaid and the said property shall continue to be a security till the entire debt and the interest thereon is liquidated.

Signature of the employee
Name & Designation

Witnesses:

1.

2.

***

Annexure 'D'

BE IT KNOWN TO ALL BY THIS POWER OF ATTORNEY, that I,_____ , aged _____ years, son/daughter/wife of _____, residing at _____ do hereby nominate, constitute and appoint THE _____ of National Mineral Development Corporation Limited (A Government of India Undertaking) and having its registered office at 10-03-311/A, Castle Hills, Masab Tank, Hyderabad-500028 and to do all or any of the following acts, deeds or things jointly or severally as my attorney or attorneys :

1. To make and execute a mortgage of the premises described in Schedule 'A' to these presents in favour of National Mineral Development Corporation Limited on such terms and conditions and incorporating therein such powers and provisions as the said attorney(s) may deem fit and reasonable.

2. To do all such acts, deeds and things whatsoever which may be deemed necessary or expedient by my attorney(s) for completing and registering the mortgage of the said premises.

3. To insure the premises described in Schedule `A' in my name and on my behalf against damage by flood, fire, riot, lightening and earthquake and to assign the insured policy in favour of National Mineral Development Corporation Limited till such time as the amount advanced with interest by National Mineral Development Corporation Limited is repaid in full.

4. This power of attorney will not be revoked by me as long as the loan advance agreement dated _____ entered into between me and National Mineral Development Corporation Limited is in force and as long as the moneys advanced by the National Mineral Development Corporation Limited along with interest remain outstanding.

5. AND I HEREBY ratify and agree to ratify and confirm all and whatsoever acts, deeds, and things, the said Attorney or Attorneys shall lawfully do or caused to be done pursuant to the powers hereby granted.

   IN WITNESS WHEREOF this power of attorney has been executed at _____ of this _____ day of _____ by me.

***

Annexure 'E'

LETTER OF UNDERTAKING

National Mineral Development
Corporation Limited,
_____
_____

Dear Sirs,

Sub : Grant of Housing Loan

In consideration of the moneys advanced to me on my application dated _____ to enable me to apply for purchase of a flat under _____ scheme and in consideration of further advances to be granted to me by you for the said purpose, I undertake as follows :

1. On getting possession of the house with respect to which advances have been made, I undertake to forthwith apply to the concerned authority for grant of permission to mortgage the premises to you as a security for the loan advanced by them.

2. I further undertake to pursue and follow up the said application to the best of my ability.

3. To adopt such form and procedure as may be directed by you in order to procure the said permission.

4. I undertake that I shall as and when required by you, execute the documents creating legal mortgage or any other type in respect of my said property, or such other documents as may be desired by you fully securing for you the due repayment of all amounts advanced with interest and other charges payable by me to you.

Yours faithfully

Signature
Name & designation

***

Clarification:

It is understood that in some of the recent allotments made by Delhi Development Authority under the Self-Financing Scheme, there is a clause that if an allottee desires assurance to mortgage from public sector undertaking for loan assistance for financing the Cost of the flat, then assurance to mortgage can be presumed to have been granted by DDA and no formal permission is required to be obtained from DDA. In view of this situation made by DDA, it has been decided that in the case of employees who have got allotment with this condition, it may not be necessary for them to execute a Letter of Undertaking in the prescribed format (Annexure-F to HBA Rules). In such circumstances, the format can be modified suitably. The specimen of modified Annexure-E which is to be executed by employees in such cases, is enclosed. The original Annexure-E which is to be executed by employees in such cases, is enclosed. The original Annexure-E to HBA rules will, however, continue to be in operation for other cases.

***

Annexure 'E'

LETTER OF UNDERTAKING

National Mineral Development Corporation Limited,
_____
_____
_____

Dear Sirs,

Sub: Grant of Housing Loan

In consideration of the moneys advanced to me on my application dated _____ in order to enable me to apply for purchase of a flat under self financing scheme and in consideration of further advances to be granted to me by you for the said purpose, I undertake as follows:

1. On getting possession of the house with respect to which advances have been made, I undertake to mortgage the premises to you as a security for the loan advanced.

2. I undertake that I shall as and when required by you, execute the documents creating legal mortgage or any other type in respect of my said property, or such other documents as may be desired by you for fully securing for you the due repayment of all amounts advanced with interest and other charges payable by me to you.

Yours faithfully,

Signature
Name & designation

***

Annexure 'F'

ARTICLES OF AGREEMENT MADE at _____ this day of _____ BETWEEN _____ aged _____ years hereinafter referred to as "the Employee" (which expression shall unless repugnant to the context or meaning thereof include his/her heirs, executors administrators and assigns) of the one part and National Mineral Development Corporation Limited, a Company registered under the Companies Act of 1956 and having its registered office at Hyderabad hereafter referred to as "the Company" (which expression shall unless repugnant to the context or meaning thereof include its, successors and assigns) of the other part.

WHEREAS

1. The Employee is at present employed with the Company as _____ at _____.

2. The employee is desirous of purchasing on ownership basis a residential flat being Flat No. _____ on the _____ Floor _____ of _____ the building now under construction on land bearing Survey No. _____ at _____.
   (hereafter referred to as "The said flat")

3. The said building of which the said flat is to form part is being constructed by _____.
   (hereafter referred to as "the Builders")

4. The total price payable to the Builders for the said flat is Rs._____.

5. The employee has requested the Company to advance to him/her the sum of Rs._____ to enable him/her to pay in part the purchase price for the said flat to the Builders.

6. The employee has undertaken to the Company that the balance purchase price for the said flat shall be raised by him/her from out of his/her independent resources.

7. The Company has agreed at the request of the employee to advance to him/her the sum of _____ on the following terms and conditions:

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The Company hereby agrees to advance to the employee the sum of Rs._____ to enable the employee to pay in part the purchase price for the purchase of the said flat.

2. The said sum of Rs. _____ (hereinafter referred to as "the Housing Loan") shall be advanced by the Company in suitable instalments as hereinafter mentioned and subject to the terms and conditions of this Agreement and provided at the time of each advance, there shall not be any subsisting breach of any of the terms and conditions of this Agreement on the part of the employee.

3. The employee has informed the Company that the total purchase price payable by him/her to the Builders for the said flat is Rs._____ The employee has agreed with and undertaken to the Company that he/she will from out of his/her own independent sources pay to the Builders the sum of Rs._____ towards the purchase price and shall utilise the housing loan strictly for payment to the Builders balance purchase price for the said flat.

4. The employee will not request the Company to disburse any amount from out of the housing loan until the employee shall have paid to the Builders the sum of Rs._____ which the employee has agreed to raise from his/her independent sources and the Company will have no objection to disburse any amount from out of the housing loan until the employee shall have produced to the Company's satisfactory evidence to show that he/she has paid to the Builders the sum of Rs. _____ .

5. The employee hereby agrees to procure the Agreement for sale for the said flat from the Builders in the joint names of the Company and the employee as the purchasers. The name of the Company

shall be shown first and the name of the employee shall be shown second. On the Co-operative Society of the purchasers of flats in the said building being formed the company and the employee shall become joint members of the society and shall take the allotment of the said flat in their joint names.

6. The employee shall not take possession of the said flat from the Builders. The possession shall be taken by the Company and the Company shall allow the employee to occupy the said flat. The employee shall have no right of any nature whatsoever to let, sublet give on lease and license basis or on caretaker basis the said flat or to part with the possession of the said flat or any part thereof, in any manner whatsoever. The employee shall use the said flat for the residence of himself and the members of his/her family. The employee shall regularly and punctually pay all the out goings in respect of the said flat including Municipal rates and taxes, water charges, electricity bills, maintenance and repair charges and other charges payable in respect of the said flat to the Municipal Corporation and other concerned Authorities and/or to the builders and the Society and produce the bills in respect thereof to the Company within two weeks of the receipt of the bills. The employee shall also use the said flat with due care and shall keep the same in proper repairs. In case the employee shall commit default in payment of the out goings, the Company shall be at liberty to pay the same and the employee shall forthwith on demand reimburse the same to the Company. The authorised representatives of the Company shall always be entitled to enter the said flat to view its state of repairs and the employee shall forthwith his/her own costs carry out repairs which the Company may require on the basis of the report of the authorised representatives.

7. It is expressly agreed that until the entire housing loan and interest thereon and other costs charges and expenses payable hereunder shall have been paid by the employee to the Company, the employee shall have no interest of any nature whatever in the said flat except as herein provided.

8. In case the employee has already entered into Agreement for sale in respect of the said flat with the Builders prior to the execution thereof, the employee shall procure from the Builders a confirmation in such form, as may be desired by the Company conforming to recognise the Company as a joint Purchaser along with the employee and agreeing to give possession of the said flat to the Company only.

9. The employee hereby agrees and undertakes that so long as the Housing loan, interest and other moneys payable by the employee to

the Company hereunder shall have been fully paid, the employee shall observe and perform all the terms and conditions of this Agreement and shall not do any act deed or thing whereby the Builders may terminate the said Agreement for sale of the said flat or whereby the Co-operative Society to be formed by the Purchasers of flats in the said Building may cancel or revoke the allotment of the said flat to the Company and the employee.

10. Before any disbursement of the Housing loan is made by the Company, the employee shall satisfy the Company's legal adviser that the title of the Builder to the piece of land on which the said building is under construction is clear and marketable.

11. On the title of the Builders being found marketable and the Company's Architects certifying that the value of the said flat is as represented by the employee and on the Agreement for Sale in respect of the said flat being executed by the Builders jointly in favour of the Company and employee or if the agreement for sale in already executed in favour of the employee alone then on the Builders executing the confirmation in favour of the Company as provided in clause-B, hereof and on the employee satisfying to the Company that he/she has already paid to the builders from out of his/her own resources the sum of Rs._____ , the Company will make disbursement of the housing loan to the employee in such instalments as shall synchronise with the instalments of the purchase price falling due under the Agreement for Sale with the Builders. IT IS EXPRESSLY AGREED THAT IF THE Agreement for Sale shall have been entered into jointly with the Company and the employee and if the employee has to arrange from his/her own resources and if the Builders shall make any demand on the Company, the Company shall be entitled to terminate the Agreement for Sale with the Builders and such termination shall be binding on the employee and the employee shall not have any right to claim any damages from the company on account of termination by the Company of the Agreement for Sale.

12. IT IS EXPRESSLY AGREED that all disbursements to be made by the Company in respect of the housing loan to the employee shall be made by payment directly to the Builders.

13. The employee covenants to repay to the Company the housing loan by _____ equal monthly instalments of Rs._____, each together with interest thereon at the rate as is charged by the Government of India to its employees on advances made to them. The first instalment of the Principal amount of the housing loan shall become payable by the employee to Company on the Builders delivering possession of the said flat or on the payment of the salary of the 18th

month to the employee after the first instalment of the housing loan is disbursed whichever shall be the earlier. Interest shall be payable by the employee every month on the balance of the principal remaining outstanding every month.

14. The employee hereby authorises the Company to deduct every month the instalments of principal and interest from out of the salary payable to the employee.

15. The employee hereby specially agrees that the Company shall have the first and paramount charge and lien on all the dues of the employee including wages and salary, dearness allowance, bonus, retirement benefits such as gratuity, ex-gratia payments, etc.

16. IT IS EXPRESSLY AGREED that notwithstanding anything herein contained the entire unpaid balance of the housing loan, interest and other moneys payable hereunder shall at the option of the Company forthwith becoming due on the happening of any of the following events:

    a) On the employee ceasing to be in the employment of the Company.
    b) On the employee committing breach of any of the terms and conditions of this Agreement.
    c) On the employee committing any breach of any of the service conditions applicable to him/her.
    d) On the employee being adjudicated insolvent or any attachment being levied by court or any other competent authority on his/her salary and wages.
    e) On the death of the employee.

17. On the happening of any of the events mentioned in Clause 16 hereof, the employee and his/her legal representatives shall forthwith on demand pay to the Company all the outstanding dues in respect of the housing loan, interest and other moneys. In the event of default in such payment, the Company shall be entitled to require the employee and/or his/her legal representative to vacate the flat on the expiry of two months' written notice given by the Company and the employee and/or the legal representatives shall on the expiry of such notice hand over peacefully and vacate possession of the said flat to the Company and the Company shall be at liberty to dispose of the said flat on such terms as it may determine and to appropriate the sale proceeds in payment of all its dues hereunder and the balance, if any, shall be paid over to the Employee and/or his/her legal representatives. The employee hereby irrevocably authorise the Company to execute in the name of the Transferee purchaser.

18. Until all the moneys due in respect of the housing loan shall be paid to the company the Agreement for Sale with the Builders the share certificates issued by the Cooperative Society and other documents of title in respect of the said flat shall remain in the custody and control of the Company.

19. The decision of the Chief Executive of the Company as to whether the employee has committed breach of any provision of this Agreement or as to whether the entire housing loan and interest and other monies have become refundable before their due dates shall be final and binding on the employee.

20. The terms and conditions of the House Building Advance Rules of the Company as in force from time to time shall also apply to the Housing Loan herein referred to and the said terms and conditions (as amended by the Company from time to time) shall always be treated as forming part of this Agreement.

21. On the employee paying over to the Company the Housing loan, interest and all other monies payable by him/her to the Company hereunder the Company shall execute such papers as may be necessary for vesting the said flat absolutely in the employee.

22. The parties agree to execute such documents and papers from time to time as may be necessary for implementing the terms of this Agreement.

23. IN WITNESS HEREOF THE Parties hereunto subscribed their respective hands the day year first herein above written.

SIGNED AND DELIVERED by the within
named employee in the presence of

1.

2.

SIGNED AND DELIVERED BY THE WITHIN
NAMED COMPANY NATIONAL MINERAL
DEVELOPMENT CORPORATION LIMITED
in the presence of

1.

2.

***

Annexure 'G'

LETTER OF UNDERTAKING

National Mineral Development
Corporattion Limited
_____
_____

Dear Sir,

Sub: Grant of Housing Loan.

In consideration of the moneys advanced to me on my application dated _____ in order to enable me to apply for purchase of a flat under _____ scheme and in consideration of further advances to be granted to me by you for the said purpose I undertake as follows:

1. On getting possession of the house with respect to which advances have been made I undertake to forthwith apply to the concerned authority for grant of permission to mortgage the premises to you as security for the loan advanced.

2. I further undertake to pursue and follow up the said application to the best of my ability.

3. To adopt such form and procedure as may be directed by you in order to procure the said permission.

4. I undertake that I shall as and when required by you execute the documents creating legal mortgages or any other type in respect of my said property or such other documents as may be desired by you for fully securing for you the due repayment of all amounts advance with interest and other charges payable by me to you.

5. I undertake that I shall not transfer any of my title, interests and or rights vested in the said property which is to be in the joint ownership with the Company i.e., National Mineral Development Corporation Limited, and me for which I have been granted house building advance of Rs._____ in any manner whatsoever without the prior knowledge and specific permission of National Mineral Development Corporation Limited and letter to this effect from

concerned Cooperative Society/name of the seller is produced herewith for your record.

Yours faithfully

Signature,
Name & Designation
of the employee

***

Annexure 'H'

APPLICATION FOR GRANT OF ADVANCE UNDER THE HOUSE BUILDING ADVANCE RULES

1.a) Name & designation
of the employee :

b) Date of appointment in the Company :

c) Department

d) Whether permanent employee/
temporary/on deputation/on contract/
on probation; specify :

e) Length of continuous service
rendered in the Company :

f) Date of birth :

g) Date of superannuation/expiry of contract :

h) Scale of pay and present basic pay :

i) Dearness Allowance :

j) Place of posting :

k) Nature of accommodation which the
employee has at present or is
him/her available to him/her :

2. Do you own a house in your own right
either individually or jointly; if so,
please give details :

3. Does your wife/husband minor children or any other legal dependents own a house whether individually or jointly; if so, give particulars :

4. Is your wife/husband an employee of the Company? If so, give particulars :

5. Please indicate the purpose for which advance is required, such as :

a) Acquisition or purchase of land (free-hold or long term lease) and construction of house thereon :

b) Construction of house on such land already owned or purchased or acquired on long term lease by the employee in his/her name or jointly in the names of the employee and his spouse :

c) For enlarging living accommodation of existing house :

d) Purchase of newly built house or flat on ownership basis :

e) Purchase of a flat under Self-Financing Scheme of Government or State, Municipalities, Local bodies and Cooperative Housing Societies :

6. In respect of any of the applicable items in Col.5, please furnish the following details :

a) Area of the plot of land already owned or proposed to be purchased and whether the same is freehold/ lease-hold :

b) Value of the plot of land to be purchased/already purchased by the employee :

c) The name of the city or town where the plot of land is situated and the exact address and details there of :

d) The name of the Municipality or other Public Body or Local Authority in whose jurisdiction the plot is located :

e) The name of the existing owner and the certified or attested copy of the agreement of sale deed or other title deed to prove the ownership and possession of the plot :

f) Is the plot a developed one on which construction could be started immediately :

7. In case of construction of house/ enlarging living accommodation of existing house please furnish the following additional information :

a) Plinth area of the owned house, if any house proposed to be expanded/new house proposed to be built, please attach an attested or Photostat copy of the approved site plan of the existing house/tentative site plan of the proposed house/expansion. :

b) Whether the plans for construction/ expansion of house are sanctioned/ approved/cleared ? If yes, :
i) Sanctioning authority :
ii) Sanction valid up to :
iii) Attested/Photostat copy of sanctioned plan :

c) In the event of the employee having a leasehold interest, a copy of the lease should be furnished and the number of years for which the leasehold interest is unexpired should be stated with the provision for renewals, if any :

d) Whether the property belongs to the employee in his/her own right or jointly with others, and if so the nature of interest of any such other person :

e) The estimated cost of the proposed construction/expansion :

8. In case the employee requires housing advance for purchasing a ready-built house or tenement, please furnish the following additional particulars :

a) The exact location of the house :

b) The floor area of the house in square meters :

c) Condition of the house and the approximate age thereof :

d) Original cost, municipal valuation or other authorised valuation of the house :

e) Name and address of the owner or leaser :

f) Approximate price to be paid/annual lease rent to be paid and the duration of the lease period :

g) Nature of interest of the owner/Leaser and whether any other person is entitled to the same :

h) The period of the lease which is unexpired and the provision of the renewal thereof. To also furnish a copy of the lease evidence that the Leaser has no objection to the mortgage of the lease-hold interest in favour of the Company :

9. Please furnish the following additional information :

a) Approximate value of the property acquired or intended to be acquired and the basis thereof :

b) Amount of advance required by the employee. Please indicate the cash requirement on financial year basis :

c) Whether you are in a position to repay the advance with interest by convenient monthly deductions from your pay before the date of your superannuation and partly if necessary from the gratuity to which you are eligible under the company Rules (Please refer to clause 4.1 (c) of the HBA Rules) :

d) Number of years in which the advance with accruing interest is proposed to be repaid :

e) Whether any advance has been taken in the past for this purpose from :
- i) The Company :
- ii) Provident Fund :
- iii) Insurance Co., :
- iv) Any other source :
- If so, give particulars :

f) Names of the Architect contractors, promoters and other persons concerned in the acquisition or construction of the property :

g) Is the advance admissible under Clause 5.2. of the Rules :

10. a) Is your title to the land/house to be acquired undisputed and free from encumbrances ?

b) Does the locality in which the plot of land/house is situated possess essential services like roads, water supply, drainage, sewerage, street lighting, etc (Please furnish a site plan with complete address) :

c) In case of owned land/owned house whether all rent, municipal and other taxes have been paid upto date. If so, please attach Photostat copy of the receipt :

11. DECLARATION:

I, Shri/Mrs/Ms _____, do solemnly declare that the information and particulars furnished by me in reply to the various items indicated above are true to the best of my knowledge and information and that I have not concealed any fact or statement and I undertake to produce as required by the Company from time to time, all other information and documents that may be required in support of the said statements. I also confirm and acknowledge having read the House Building Advance Rules and Regulations of the National Mineral Development Corporation Ltd. and agree to abide by the terms and conditions stipulated therein and confirm that any modifications or amendment to such Rules and Regulations and the forms and other conditions that may be prescribed by the Company from time to time will be valid and binding on me and no further consent or objection may be required from me for the purpose.

I further certify that my wife/husband is not an employee of the Company and has not applied for and/or obtained any housing advance under these Rules or any other loan or advance from any other source referred to in the Rules and Regulations nor made any withdrawal from the Provident Fund in connection with the purchase, acquisition or construction of a house or tenement.

I agree and undertake to execute all documents as may be required by the Company under the House Building Advance Rules in the event of the loan being sanctioned to me.

I also agree and undertake to take effective steps to acquire, purchase or complete the construction/expansion of the house/tenement for which the advance has been applied for within a period not exceeding 18 months or such other time as the Company may grant and shall not divert or utilise the fund so advanced for any other purpose whatsoever.

I declare that in the event of any of the statements made by me herein above or the particulars from time to time furnished by me are false or incorrect or misleading, the Company will be entitled to immediately recall entire house building advance without prejudice to any other rights available to the Company in this behalf.

Any issue relating to the interpretation of the above provisions or any doubt or dispute in relation to the house building advance applied for and sanctioned to me would be subject to the decision of the officer nominated by the Company and the same would be final and binding on me.

Solemnly declared at _____ on the _____ day _____ .

Signature, name & designation
of the employee

Date:
Department:

***

Annexure 'I'

No.1(80)/Rules/HBA/ Date:

SANCTION ORDER

Shri/Smt. _____, _____, has been granted an advance of Rs._____ (Rupees _____) for the purpose of *_____ in accordance with Rule No. 5.1 of NMDC House Building Rules.

The advance will be subject to the terms and conditions as laid down in HBA Rules.

1. Specifically

A. PURCHASE OF LAND AND CONSTRUCTION OF HOUSE

For Purchase of Land:

a) If the land is to be acquired by the employee he/she shall obtain the title deed from the seller and submit the same to the competent Authority or the officer nominated by him/her in order to enable him to ascertain that the title deed is free from all encumbrances and is marketable.

b) If the title is clear and free from all encumbrances the advance may be sanctioned on production of the agreement for purchase of land with the seller.

c) The advance of money shall be against promissory note in the format prescribed in Annexure-A and on the undertaking of the employee to deposit the title deeds of the land as and when the same are made available to him/her, payment not exceeding 20% of the total sanctioned advance will be made.

d) The employee shall deposit the title deeds with the Company as and when the same are conveyed to him/her.

e) The employee shall thereafter execute a memorandum of deposit of the title deeds as specified in Annexure-C.

f) The employee shall thereafter execute an irrevocable power of attorney in the format prescribed in Annexure-D.

* indicate the purpose of in terms of clause 5.1 of the NMDC HBA Rules.

For Construction of House:

a) On mortgaging the land purchased along with the house to be built thereon by the employee and on his/her indicating a schedule of construction of the house a further amount not exceeding 20% of the advance is sanctioned. A further advance not exceeding 30% of the advance will be sanctioned when the house reaches plinth level. The remaining 30% of the advance shall be sanctioned when the house reaches the roof level. The employee shall ensure that the construction of the house is carried on according to the schedule and is completed in all respects within 18 months of the drawal of the first instalment of his /her advance.

b) Each advance to the employee shall be against a promissory note in the format prescribed in Annexure A and on his/her undertaking to mortgage the said house in favour of the Company as and when the same is constructed.

c) The employee shall deposit the title deeds as and when the house is constructed and shall further execute an undertaking in the format prescribed in Annexure-B.

d) The employee shall thereupon execute the memorandum of deposit of title deeds as prescribed in Annexure C.

e) Thereafter the employee shall execute an irrevocable power of attorney in favour of NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED and the authorised officer of the Company in the format prescribed in Annexure D.

B. CONSTRUCTION OF HOUSE ON LAND ALREADY PURCHASED/ OWNED BY THE EMPLOYEE

a) The employee shall submit to the Competent Authority the title deed of land or plot and an estimate of its value for an investigation to his/her title. If the title is clear and the advance is sanctioned, an amount not exceeeding 30% of the sanctioned advance will be paid after the employee mortgages the land purchased/owned by him/her in favour of the Company.

b) 40% of the advance sanctioned will be paid when the house reaches the plinth level against the execution of promissory note in the format prescribed in Annexure A and a simultaneous undertaking by the employee to mortgage the house as and when it is completed in favour of the Company as a security for the money advanced.

c) The remaining 30% of the sanctioned advance will be paid when the house has reached roof level.

d) There after the employee will be required to deposit the title deeds of the house.

e) The employee will also be required to furnish an undertaking in the format prescribed in Annexure B.

f) Subsequent to the deposit of the title deeds, the employee shall execute a memorandum of deposit of title deeds in the format prescribed in Annexure C.

g) The employee shall lastly execute in favour of NMDC Limited and authorised officer of the Company a power of attorney in the form prescribed in Annexure D.

Note: Deposit of the title deeds as regards the land already owned or purchased by the employee and advance of money against such deposit of title deeds - In case the title deeds with respect to the money advanced be not enough to secure such loan the loan should be secured through promissory note in the format at Annexure A. Subsequent advances ought to be secured by a fresh promissory note as and when such advances are made unless the value of the land in respect of which the title deeds have already been deposited is sufficient to secure the advance to the employee.

C. PURCHASE OF READY BUILT HOUSE

a) When the advance is required for the purchase of ready built house the employee shall submit the title deeds to the Competent Authority or the officer nominated by him/her who will arrange for verification of the seller's title and ascertain whether it is marketable and free from all encumbrances.

b) The amount of advance sanctioned shall be paid to the employee in one lump sum on his/her executing a promissory note for the amount advanced in the format prescribed in Annexure A and on his/her giving a simultaneous undertaking to mortgage the property in favour of the Company as and when the title deeds of the same are made available to him/her.

c) The employee shall deposit the title deed as and when the same are made available to him/her.

d) Subsequent thereto, the employee shall give an undertaking in the format prescribed in Annexure B.

e) The employee shall there after execute a memorandum of deposit of title deeds in the format prescribed in Annexure E.

f) The employee shall thereafter execute an irrevocable power of attorney in favour of NMDC Limited and the authorised officer of the Company in the format prescribed in Annexure D.

D. PURCHASE OF FLAT UNDER SELF FINANCING HOUSING SCHEME OR FROM HOUSING COOPERATIVE SOCIETY

a) The total loan to be given by the Company shall be restricted to the advance admissible under these rules. The rate of interest recoveries and all other matters will be governed by the provisions of these rules.

b) After the application of the employee is accepted by the concerned housing scheme he/she will be allowed to draw as and when required the amounts which are to be deposited with the concerned authority of the said housing scheme. Each advance allowed to the employee shall be against execution of a promissory note in the format prescribed in Annexure A. The advances will be subject to overall ceiling of the quantum to which the employee is eligible under these rules.

c) The employee shall thereupon execute a letter of Undertaking in the format prescribed in Annexure E.

d) In the event of the employee's request for allotment not being accepted by the relevant housing scheme the amount of initial deposit refunded by the said housing scheme shall be paid back to the Company by the employee immediately in one lump sum.

e) In case the relevant housing scheme takes any part or the whole of the amount deposited with them from the employee for not complying with any of their requirements or for any other reasons the same will be on the individual employee's account and the Company will not undertake any liability in this regard.

f) When the house or flat with respect to which the advances have been effected has been allotted to the said employee he/she shall

forthwith deposit the title deeds with respect to the same to the Company.

g) Subsequent to the deposit of the title deeds, the employee shall execute a memorandum of deposit of title deeds in the format prescribed in Annexure C.

h) Subsequent thereto the employee shall execute an irrevocable power of attorney in the format prescribed in Annexure D.

Note: Out of 1 (A),(B),(C), & (D) strike out whichever is not applicable.

II a) In areas where mortgage by deposit of title deeds is not permissible the advance will be secured by an English mortgage in the prescribed form.

b) The advance for the construction of the house will only be released after payment of advance with interest is secured by the first legal mortgage or charge in favour of the Company or on the land and the house to be built thereon.

c) Even in these cases where the advance is secured by an English mortgage the other documents such as Promissory Note, Irrevocable Power of Attorney and letter of Undertaking wherever applicable, will continued to be executed.

III a) The Company shall have first and paramount charge and lieu on all the dues of the employee including wages and salary, dearness allowance, bonus, retirement benefits, such as gratuity, ex-gratia payment, etc.

b) Advance granted under these rules shall carry the same rate of interest as is charged by the Government of India from time to time while sanctioning advances to their employees. The amount of such interest shall be calculated on the balance of advance outstanding on the first day of each month.

c) Immediately on completion of building (or purchase of the land or house as the case may be) the employee shall insure the house at his/her own cost, with the Insurance Corporation, for the actual cost of such property, and shall keep the property insured against damage as to fire flood, riot, lightning and earthquake, till the amount of advance together with the interest is fully repaid to Company. The Insurance Policy shall be assigned in favour of the Company and deposited with the Company until the amount with interest is repaid in full. The premium must be paid regularly and receipts submitted for inspection by the Competent Authority.

d) The advance granted under these rules, together with interest thereon, shall be repaid in full by equal monthly instalments within a period not exceeding 20 years. The recovery of the advance shall be made in not more than 180 monthly instalments and then interest shall be recovered in not more than 60 monthly instalments. The amount to be recovered shall be fixed in whole rupee, except in the case of last instalment. Recovery of advance granted for construction of a new house shall commence from the pay of the month following the completion of the house or the pay of the 18th month after the date on which the first instalment of the advance is paid to the employee, whichever is earlier. It will be open to the employee to repay the amount in a shorter period. In any case, the entire advance must be repaid in full (with interest thereon) before the date on which he/she is due to retire or separate from service.

e) In case the employee does not repay the advance due on or before the date of his/her retirement, it shall be open to the Company to enforce the security of the mortgage at any time, thereafter, and recover the balance of the advance due together with interest and cost of recovery, by sale of the house or in such manner as may be permissible under the law.

f) Recovery of the advance shall be effected through the monthly pay/leave salary/subsistance allowance bills of the employee.

g) If the employee of the company ceases to be in service due to any reason other than normal retirement/superannuation, or if he/she dies, before repayment of the advance in full, the entire outstanding amount shall become payable to the Company forthwith.

h) The title deeds deposited to the Company as a security for the moneys advanced/the property mortgaged to the Company shall be reconveyed to the employee concerned (or his/her successor in interest as the case may be) at his/her cost after the advance together with the interest thereon has been repaid in full.

i) Notwithstanding the benefit of repayment of the advance by instalments as above, in the event of any default or breach of these rules or the mortgage security, it shall be open to the Company to enforce the security at any time thereafter and recover the balance advance outstanding including interest and costs and other charge or proceed against the employee in such other manner as is permissible by law and the entire amount shall in such a case become immediately due and payable to the Company.

j) The construction of the house shall be carried out exactly in accordance with the approved plan and specifications on the basis of which the

amount of the advance has been computed and sanctioned. The plan and specifications should not be departed from without the prior approval of the Competent Authority. The employee shall certify, when applying for the instalments of the advance admissible at the plinth/roof level, that construction is being carried strictly in accordance with the plan and estimates furnished by him/her and that the construction has actually reached plinth/roof level, and that the amount already drawn has actually been used on the construction of the house. The Company, if necessary, may arrange to have an inspection carried out to verify the correctness of the certificate given, at the cost of the employee. Construction of house should be completed within 18 months of the date on which the first instalment of the advance is paid to the employee. Failure to do so, will render the employee liable to refund the entire amount advanced to him/her (together with interest thereon) in one lump sum.

k) The date of completion of construction must be reported to the Competent Authority without delay.

l) The house must be maintained in good repair by the employee at his/her own cost. He/she shall also keep it free from all encumbrances, and shall continue to pay all the Municipal and other local rates and taxes regularly until the advance has been repaid to the Company in full. The employee of the Company shall furnish an annual certificate to this effect to the Competent Authority.

m) After the completion of the house, annual inspections may be carried out by any authorised officer to ensure that it is maintained in good repair until the advance has been repaid in full. The employee concerned shall afford necessary facility for these inspections by the officer(s) designated for the purpose.

n) An employee availing himself/herself of this scheme and not complying with any or all the provisions of the scheme or furnishing wrong or false information or certificate or misusing the facility in any form, will be guilty of misconduct and render himself/herself liable to disciplinary action involving major penalties, apart from incurring the liability to refund the entire amount of the loan outstanding and interest thereon.

Signature, name & designation
of the issuing authority

Copy to:

1. Individual concerned.
2. Head of the Project/Unit
3. Finance.
4. Chief Vigilance Officer.

***

Annexure 'J'

FORM OF MORTGAGE DEED FOR
HOUSE BUILDING ADVANCE

This Indenture made this _____ day of _____ 20_____ between _____ hereinafter called the mortgager (which expression shall whenever, the context as requires or permits be deemed to include his/her heirs executors administrators and assigns) on the one part and the NMDC Limited, (hereinafter called the mortgagee which expression shall unless excluded by or repugnant to the subject or context included its successors in office and assigns) of the other part whereas the mortgager is seized and possessed of and absolutely entitled as proprietor thereof to the hereditaments and premises hereinafter particularly set forth and described and intended to be hereby mortgaged free from all charges encumbrances liens and attachments and whereas the mortgager having occasion to borrow the sum of Rs._____ applied to mortgagee to advance the same which he/she has agreed to do on having the repayment thereof with interest thereon as hereinafter mentioned secured by such Conveyance by way of mortgage of land hereditaments and premises hereinafter fully set forth and described as hereinafter appear now this Indenture. Witness the that in pursuance of the aforesaid agreement and in consideration of the sum of Rs._____ well and truly paid by the mortgagee to the mortgager at or before the execution of these presents the receipt whereof the mortgager both hereby admit and of an from the same every part thereof discharge the mortgagee he/she the mortgager both hereby grant and convey unto the mortgagee All that

(Set out details of the property)

Or howsoever otherwise the said message land hereditaments and premises are known or reputed to be together with all buildings, fixtures, lights, yards, courts, areas sewers drain ways, paths, passages, common fences, walls, water water-courses rights liberties privileges easements and appurtenances to the said message land hereditaments and premises belonging or in any wise appertaining or usually held or occupied therewith or reputed to belong or to be appurtenant thereto and all the estate right title and interest of the mortgager or of any other person or persons claiming any interest on his/her behalf in the said message land hereditaments and premises and every part thereof to have and to be held the said message land hereditaments and all and singular other the premises hereinbefore granted or otherwise assured or expressed or intended so to be unto and to the use of the mortgagee for ever subject to the proviso for redemption hereinafter contained that is to say provided always and it is hereby agreed and declared that if the mortgager shall on the _____ day of _____ 20_____ pay or cause to be paid to the mortgagee the said sum of Rs. _____ with interest for

the same or at after the rate of _____ percent, by the year in the meantime payable by equal monthly installments without any deduction or abatement whatsoever and shall pay all rates taxes and impositions in respect of the said message land hereditements and premises and shall pay all costs and charges including costs as between attorney and client which he/she the mortgagee may have to pay or incur or be put to in or about the recovery of the moneys secured by these presents or otherwise howsoever then and in that case the mortgagee will at any time thereafter upon the request and at the cost of the mortgager reconvey the said hereditaments and premises hereby granted unto the mortgager or as he/she shall in that behalf order or direct free from all encumbrances whatsoever in the mean time made or committed by the mortgagee and mortgager both hereby convenient with the mortgagee that he/she the mortgager shall and will on the day of _____ 20____ pay to the mortgagee the said sum of Rs._____ and will also pay interest for the same in the meantime at the rate of Rs. _____ percent per annum payable by equal monthly installments as aforesaid and that if the said sum of Rs. _____ or any part there of shall remain unpaid after the said _____ day of _____ then he/she the mortgagee will so long as the said sum of Rs._____ or in part thereof shall remain unpaid, pay to the mortgage interest for the said some of Rs._____ or so much thereof as for the time being shall remain unpaid at the rate aforesaid by equal monthly payments such interest to be calculated and that he/she the mortgager shall pay all costs and charges including cost between attorney and client which the mortgagee shall incur or be put to or be liable to pay in and about the recovery of the moneys secured by these presents provided always and it is hereby expressly agreed and declared that should mortgager make default in paying or omit to pay to the whole of the mortgagee _____ consecutive monthly installments of interest as aforesaid then the whole of the moneys for the time being owing on the security of these presents shall notwithstanding anything herein contained at once become due and payable to the mortgagee and he/she shall thereupon be at liberty to exercise and enforce all his/her rights or remedies for the recovery of the moneys due and owing on the security of these presents and he/she the mortgager further covenants with the mortgagee that the mortgager is seized and possessed of and absolutely entitled to the said hereditaments and premises free and clear and freely and clearly and absolutely discharged saved harmless and kept indemnified against all estates and encumbrances whatsoever and that he/she the mortgager now hath in himself good right and full power to grant the said hereditaments and premises hereby granted unto and to the use of the mortgagee in manner aforesaid and that free from all encumbrances whatsoever and further that he/she the mortgager and all other persons having or lawfully and equitably claiming any estate or interest in the said hereditaments and premises or any part thereof shall and will from time to time and at all time hereafter at his/her own person

or persons acquiring the same do and execute or cause to be done or executed all such acts cost during the continuance of this securing and thereafter at the cost of the deeds and things for further and more perfectly assuring the said hereditaments and premises unto and to the use of the said mortgagee as shall or may be reasonably required in witness whereof the mortgage hath hereunto set and subscribed his/her hand and seal the day and year first above written

_____

Signed Sealed and delivered _____ at _____

in the presence of _____

Received this day from the within-named _____

Mortgages.

Rupees _____ being the consideration money within mentioned to be by him/her paid to me Rs. _____.

MEMO OF CONSIDERATION

***

Annexure 'K'

I hereby declare that the place, ie _____ village in _____ Taluk/Mandal of _____ District, where I have proposed to construct a house and for which I have applied for HBA from NMDC Limited is not covered under any District/Town and Country Planning Department (DTCP Department).

Signature
Name & Designation

NB: In case the area in which the house is proposed to be built falls in the District/Town and Country Planning Department Area, a Clearance Certificate obtained from that department shall also be submitted alongwith the approval/sanction of the Building Plan/Lay-out plan from the concerned Panchayat.

***

(Please see Rule no.4.2 (B) of hosue building advance rules)

Annexure-I

Sterilisation Certificate

1. I, Dr._____ hereby certify that I have conducted vasectomy/ tubectomy operation on Shri/Smt_____, husband/wife of Shri/Smt_____, employed as _____ at _____ on _____.

2. A sperm count was undertaken on _____ and on the basis thereof it is certified that the Vasectomy operation has been completely successful.

Signature &
seal of doctor

(Para 2 in the case of vasectomy operations only)

Delete words where not applicable.

***

Annexure-II

Undertaking to be given by employees

1. I/my spouse have undergone Vasectomy/Tubectomy operation at _____ on _____. Necessary sterilisation certificate issued by _____ is enclosed. In case I/my spouse have to take resort to recanalisation for any reasons whatsoever I undertake to repost this fact forthwith to the Company,

2. I also certify that my wife Smt _____ is not pregnant on this date.

(Para-2 for male employees only)

Signature, name &
designation of employee

***

Orders and clarifications regarding House Building Advance Rules

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Circular No.1(75)/Rules/82 dated 09.07.1985

Sub: Sanction of House Building Advance from HDFC

It has been observed that the demand from the employees for grant of House Building advance has been increasing from year to year. However, funds position of the Corporation, has become tight with the result that the corporation is not able to sanction house building advance to all the applicants. Therefore it has been decided with the approval of the Board that employees may be encouraged to obtain loans from other recognised financial institutions including HDFC.

As already mentioned in Head Office Circular No.1(10)Per/75/Vol.II dated,28/02/1985 (copy attached for ready reference) the Corporation will also subsidise the difference between the rate of interest charged by the recognised financial institutions and the Corporation's rate of interest had the house building advance has been sanctioned by NMDC.

The above is brought to the notice of all employees for information.

***

Office Order No.1(80)/Rules/83-Vol.II dated 22.02.1990

The maximum limit of House Building Advance in respect of workmen has been increased from Rs.80,000/- to Rs.1.00 Lakh with effect from 16.12.1989 i.e. the date of signing of the Memorandum of Settlement.

Other terms and conditions for grant of House Building Advance to workmen remain the same.

- Further increased to 2,50,000/- vide letter no.1(80)/Rules/83/ Vol.III/ 044/95 dated 19.10.1995
- Further increased to 3,00,000/- vide MOS dated 17.08.2001

***

Circular No.1(80)/Rules/90 dated 04.02.1991

At present, applications for grant of HBA are being received in two batches in a year viz. (i) January to June and (ii) July to December. Since

the employees have been representing that the six-monthly period is too long, the Management has re-considered the matter and it has now been decided that from the year 1991 onwards, HBA applications will be received in three batches - (i) January to April; (ii) May to August; and (iii) September to December and the House Building Advance will be granted within a reasonable time thrice in a financial year, subject, however to availability of funds.

2. All Units are requested to forward only such applications for House Building Advance from employees which are in order in all respects to enable Head Office to finalise the HBA sanctions in time.

Note: It has been decided that the HBA applications will be processed quarterly basis, vide letter no.1(80)/Rules/HBA/92/32/96 dated 25/27.09.1996.

***

Office Order No.1(80)/Rules/83-Vol.II dated 04.12.1992

The Board of Directors at their 277th meeting held on 03.06.1992 approved the proposal for revision of the entitlement of House Building Advance to the non-workmen for new construction of House/Purchase of House/Flat and for enlargement. The revised entitlement shall be as under:

For construction of new House/Purchase of ready build House/Flat

a) 50 times of Basic Pay of the employee at the time of application; or
b) total value of purchase/acquisition of the land and house to be constructed; or
c) the purchase price of a ready-built house; or
d) Rs.2,50,000/- whichever is less.

For enlarging Living accommodation of existing house

a) 50 times of Basic Pay of the employee at the time of application; or
b) Rs.60,000/- whichever is less.

2. The above revised maximum limits under the NMDC House Building Advance Rules shall be applicable only in respect of sanctions issued after 03/06/1992.

3. Employees who have drawn the entire amount of HBA before 03/06/1992 shall also be considered for the revised limits subject to the following conditions:

a) Pay for this purpose would be the notional Basic Pay reckoned on the date of issue of original HBA Order ;

b) The actual entitlement will be restricted to the repaying capacity computed on the basis of formula prescribed in HBA Rules of NMDC;

c) The revised amount of HBA calculated shall not exceed 50% of HBA previously sanctioned;

d) There will be no deviation from the approved plan of construction on the basis of which, the original sanction for HBA was accorded and the construction of the same has not been completed as per original approved plan;

e) The original cost taken into account at the time of sanctioning the original HBA would only form the basis. The Mortgage Bond, Personal Bond and Sureties will have to be drawn up afresh at the expense of the loanee;

f) The rate of interest as on the date of sanction of the revised orders will be applicable from the entire amount of HBA sanctioned to the loanee.

Only those employees who have availed HBA earlier and apply for the additional amount within three months of the date of issue of these orders and in whose case, the sanctioning authority is satisfied that he/she satisfied all the prescribed conditions would be eligible for the revised amount of advance.

4. All other terms and conditions of NMDC House Building Advance Rules shall remain unchanged.

(Further amended vide letter no.1(80)/Rules/83/059/95 dated 22.12.95)

***

Letter No.1(80)/Rules/83-Vol.III/045, dated 25.10.1995

Sub: Half percent concession in the rate of interest applicable on house building advance.

The Competent Authority has been pleased to grant Half percent concession in the rates of interest applicable on House Building Advance

sanctioned to workmen of the Corporation who have undergone/shall undergo sterilisation operations under small family norms.

The above benefit shall be extended to such workmen w.e.f. 18.09.1995 i.e. from the date of signing of the settlement subject to the condition that the sterilisation operation was done on or after 21.3.84.

***

Letter No.1(80)/Rules/83/Vol.III, dated 09.11.1995

Sub: Grant of HBA for construction/acquisition of house/flats in Panchayat areas.

In terms of clause (1) of the Circular letter of even number dated 11.8.95, if an employee desires to construct/acquire a house/flat in a Panchayat area, approval and other sanctions from the Competent Authority i.e Sarpanch/Executive Officer/Secretary as the case may be, of the concerned Panchayat has to be submitted. If the area is not covered under the District/Town and Country Planning Department a declaration to that effect shall be given by the employee and if the area is covered under the District/Town and Country Planning Department a certificate from that department shall also be submitted along with the approval/sanction from concerned Panchayat.

In this connection, a proforma declaration (Annexure-K) is evolved and sent herewith for submission by the employees alongwith the Application for grant of House Building Advance for construction/acquisition of house/flat in Panchayat area. It is requested that compliance of the guidelines communicated in our earlier letter dated 11.8.95 may kindly be ensured.

***

Letter No.1(80)/Rules/83.Vol.III dated 15.5.1996

Sub: Clarification on the grant of ½% concession in the rate of interest applicable on House Building Advance.

Under the extant rules, ½% concession in the rate of interest on House Building Advance is admissible to those employees who have undergone sterilisation operation on or after 29.8.1982 provided that the sterilisation operation was undergone before the release of first instalment of HBA after registration with Government Housing Boards and such like agencies. In view of the representations received from such employees, the matter has been examined and the Management has been pleased to extend ½% concession in the rate of interest chargeable on HBA to the employees who or whose spouses have undergone sterilisaiton operation on or after 29th August, 1982 (the date from which this benefit has been extended) even after drawal of the first instalment of HBA. The concession will however be admissible from the date of sterilisation operation. This will be further regulated subject to the following conditions:

1.0 The ½% concession in the rate of interest will be admissible to the officers and Jr.Officers who or whose spouses have undergone sterilisation operation on or after 29.8.1982 even after release of first instalment of HBA.

2.0 The ½% concession in the rate of interest will be admissible to the workmen who or whose spouses have undergone sterilisation operation on or after 21st March'84. However, the benefit will be admissible with effect from 18.9.1995 or the date of operation whichever is later.

***

Letter No.1(80)/Rules/HBA/92/32/96 dated 25.09.1996

Sub: Processing of applications – Issue of sanction order and release of instalments of HBA to employees.

As per the existing practice, the processing of applications, issue of sanction orders and release of instalments of HBA are being done centrally at Head Office. In order to minimise the time in processing of applications and release of instalments of BHA, the matter has been examined and it has been decided to modify the existing procedure as follows:

1.0 The processing of applications will be done quarterly instead of once in four months as at present centrally at Head Office. However, in respect of employees working at Bailadila-14, Bailadila-5, Donimalai and Panna Projects, subsequent HBA instalments as indicated below may be released at project level after verifying the required documents.

2.0 Construction of house on the land owned by the employee:

Sanction order and first instalment will be released by Head Office, second and subsequent instalments shall be released by respective projects.

3.0 Purchase of land and construction of house:

Sanction order, first and second instalments will be released by Head Office. Third and subsequent instalments will be released by respective projects.

4.0 Purchase of ready built house/Flat:

Sanction order and release of amount will be done by Head Office.

5.0 Purchase of flat/house under self-financing scheme/from Housing Boards.

Sanction order and first instalment will be released by Head Office. Further instalments will be released by the respective units. In case, the amount is to be released in one lumpsum, Head Office shall issue the order on receipt of required documents.

6.0 Enlargement of existing accommodation:

Sanction order and amount in one lumpsum shall be issued by Head office.

The Head of Projects at Bailadiala-14 and Bailadila-5, Panna and Donimalai have been authorised to release the instalments of HBA sanctioned as per the above procedure.

In case of employees working at Jodhpur, Bailadila - 10/11A, Central Workshop, Delhi, Vizag, Raipur and Calcutta Office and other investigation units, all the applications will be processed and instalments released from Head Office only.

After the instalments is/are released at the Project level, documents so collected shall be sent to Head Office for safe custody. Head Office has since issued instructions vide circular of even number dated 26th August'92 forwarding check lists indicating stagewise documents required to be submitted by the employees with a request to ensure that

applications are completed in all respects and verify the same before forwarding to Head Office. These guidelines may be followed for verification of documents before releasing HBA instalments at Project level. A committee consisting of representatives of Personnel, Finance and Civil may be constituted for this purpose which may scrutinise the documents and recommend release of instalment.

***

Letter No.1(80)/Rules/83/Vol-III dated 17.04.1997

Sub: Method of calculation of interest charged on HBA.

A doubt has been raised regarding the method of calculation of interest chargeable on House Building Advance granted to the employees of the Corporation, under various orders issued form time to time. For uniform application, the correct method of calculation is indicated in the enclosure, which may please be followed.

Enclosure to letter no.1(80)/Rules/83/Vol.III dated 17.04.1997

METHOD OF CALCUTATION OF INTEREST ON HBA

In respect of workmen:

a) As per letter no.1(80)/Rules/83-Vol.II dated 16.01.86 issued, in terms of clause 4.2 of the Memorandum of Settlement dated 17.09.83, the workmen were being sanctioned HBA based on the revised House Building Advance Rules of SAIL, with effect from, 21.3.84. Such workmen are being charged interest on the HBA sanctioned @ 4% per annum, and the entire principal amount and interest are to be recovered concurrently, that is on EMI pattern.

b) As per Office Order no.1(80)/Rules//83/Vol.III/044/95 dated 19.10.1995, the rate of interest charged on HBA in respect of workmen was amended as follows and the revised slab rate of interest was made applicable from 18.09.1995:

1) HBA sanctioned upto Rs.1.00 lakh	-	5.5% pa
2) Above Rs.1.00 lakh and upto Rs.2.00 lakhs	-	8.0% pa
3) Above Rs.2.00 lakh and upto Rs.2.50 lakhs	-	10.0% pa

Example: (For (b))

If a workmen was sanctioned Rs.1.50 lakhs as HBA on or after 18.9.95, the rate of interest chargeable on Rs.1.00 lakh is 5.5.% and 8%for the remaining Rs.50,000/- and in the process of recovery, the portion of the loan carrying the higher rate of interest will be treated as having been refunded first.

Thus, on the loan drawn upto 17.9.95 the rate of interest charged on HBA in respect of workmen was at the rate of 4% under the EMI pattern and on the loans drawn on or after 18.9.95, the slab rates were made applicable.

2. <u>In respect of Non-Workmen</u> :

a) Rate of interest as charged from time to time by the Government of India while sanctioning House Building Advance to their employees was made applicable to the Jr. Officers and Executives of NMDC.

b) Office Order no.1(80)/Rules/83-Vol.II dated 4.12.92 was issued revising the maximum limits of HBA to non-workmen and was made applicable in respect of sanction orders issued after 3.6.92. Employees

who had already drawn the entire amount of HBA before 3.6.92 were also sanctioned additional amount of HBA and the rate of interest as on the date of sanction of the revised orders was applicable on the entire amount of HBA sanctioned.

Example : (For (b))

If an employee was sanctioned an additional amount of Rs.50,000/- in pursuance to order dated 4.12.1992, and the total HBA worked out to Rs.1.50 lakhs, then 10% interest was chargeable on the entire amount.

c) As per office order no.1(80)/Rules/83/Vol.III/059/95 dated 22.12.1995 the rates of interest charged on HBA in respect of Jr.Officers and Executives was amended as follows and the revised slab rate of interest was made applicable with effect from 01.11.1995:

1) HBA sanctioned upto Rs.1.00 lakh - 5.5% pa
2) Above Rs.1.00 lakh and upto Rs.2.00 lakhs - 8.0% pa
3) Above Rs.2.00 lakh and upto Rs.2.50 lakhs - 10.0% pa
4) Above Rs.2.50 lakh and upto Rs.5.00 lakhs - 12.0% pa

Example : (For (a) & (c))

If an employee was sanctioned Rs.1.50 lakhs as HBA on or after 1.11.1995, the rate of interest charged on Rs.1.00 lakhs is 5.5% and 8% for the remaining Rs.50,000/- and in the process of recovery, the portion of the loan carrying the higher rate of interest will be treated as having been refunded first.

3. For the advance drawn prior to 1.11.1995 in respect of non-workmen the rate of interest charged on HBA was as per the Government rate upto 31.10.1995 and the revised rate was applicable from 1.11.1995.

On the outstanding amount as on 1.11.1995 the method of calculation of interest remains the same vide example quoted at para 2 (c). In respect of the advance outstanding as on 1.11.1995 the interest rate/recovery would be as shown above (example under 'C').

4. In respect of only those cases who were sanctioned additional amount of HBA as per the office order dated 4.12.92 (2(b) above) the interest is chargeable on the entire amount vide example quoted at para 2 (b).

***

Letter No.1(80)/Rules/83/Vol.III/Pt dated 14.08.1997

I am directed to refer to your office letters dated 14.3.97, 31.5.97 & 25.6.97 asking for clarification on the observation of local Finance regarding depositing the title deed in respect of the house constructed by the employee on the land already owned by him, with the HBA loan availed from the Corporation, as hypothecation.

The matter having been examined, the clarificatory opinion of the NMDC's Standing Counsel, Hyderabad is reproduced below for information and guidance:

Since the employee is depositing the original sale deed of the plot owned by him, there is no legal necessity; under the Transfer of Property Act to have an independent title deed for the house constructed thereon. The title to the building/house will be automatically perfected by the employee on purchase of the plot under the registered sale deed. The approved Municipal/Panchayat plan will be the only document for the construction of house. No further title deed which does not exist need be required.

***

Letter no.1(80)/Rules/HBA/Pt dated 12.04.2001

Some of the Projects/Units have sought clarification regarding inspection of Houses/Flats before releasing final instalment of HBA sanctioned to the employees concerned. In this connection, it is clarified that henceforth verification/inspection of construction by an Officer of the Corporation is to be made before release of final instalment of HBA. The cost of deputing NMDC Engineers/officials designated for the purpose is to be borne by the employee concerned. It is further informed that the inspection of the construction is to be carried out by the project concerned where the employee is posted. The Project concerned may however take the assistance of another Project/Unit, if the house in question is being constructed within/nearby places where NMDC's Projects/Units/Office are located and if such inspection of construction is agreed by other Project/Office/Unit. In such a case complete details of the house be sent to the concerned project to ensure inspection of right house/flat.

***

Letter No.1(80)/Rules/HBA/Pt dated 30.05.2003

Sub: Inspection of construction before release of final instalment of the sanctioned HBA - reg

Kindly refer to this office letter dated 12.04.2001 whereby it was clarified that verification/inspection of construction by an officer/engineer of the corporation shall be made before releasing the final instalment in terms of Rule 5.6 of NMDC House Building Advance Rules and the cost of deputing the officer shall to be borne by the employee concerned as per aforesaid rules.

However, representations were received for fixing certain norms/costs for such inspection to minimize the financial hardship to the employees. This has been examined and it has been decided, with the approval of the

competent authority, that for such inspection of house construction etc before releasing the final instalment of the sanctioned house building advance, following charges shall be borne by the employee concerned:-

1. 50% of the cost of such inspection towards TA/DA to the place of construction (excluding the charges towards lodging, wherever applicable) shall be borne by the employee concerned and deducted from his salary.

2. Where there is adverse report by the inspecting authority on construction status, the entire cost of such inspection shall be recovered from the employee concerned without prejudice to such other departmental action as deemed fit.

The above provision of House Building Advance Rules stand amended to the extent as mentioned above.

***

RULES AND REGULATIONS IN RESPECT OF INTEREST SUBSIDY ON HOUSE BUILDING LOANS

RULES AND REGULATIONS

1.0 SCHEME:

1.1 Interest Subsidy Scheme in respect of loans taken by the employees of NMDC Ltd., from Institutions like Life Insurance Corporation, Housing Development Finance Corporation, State Housing Boards Scheme for houses/flats on hire purchase basis, hereinafter called "Financial Institutions" for the purpose of construction/ purchase of already constructed houses/ additions or alternation to the existing house, will come into effect from 28th December, 1979.

2.0 ELIGIBILITY:

2.1 Employees who have put in at least five years of continuous service in regular pay scales in NMDC Ltd., are eligible for grant of Interest Subsidy. Service rendered under Government/Other Public Sector Undertakings without break will also be counted for the purpose of fulfillment of minimum five years service in NMDC.

2.2 House constructed by the employees on the land/site owned by their spouses shall also be covered.

2.3 Where both Husband and Wife are employees of NMDC Ltd.,, only one of them will be eligible for the interest subsidy.

2.4.1 Interest Subsidy Scheme shall also be applicable to the employees who have already taken loans from different financial institutions for the purpose of building/buying their own houses and presently repaying the principal and interest thereon.

2.4.2 No employee shall be eligible for interest subsidy if he/she already owns a house in his/her own right individually or jointly or the wife or minor children or any other legal dependent of such employee whether individually or jointly.

3.0 CONDITIONS:

3.1 The eligible employee shall have taken loan for the purpose of construction of house, etc, from Financial Institutions viz, Life Insurance Corporation, Housing Development Finance Corporation Houses/Flats purchased from State Housing

Boards on hire purchase basis and any other Institutions such as scheduled Commercial Banks and the Housing Finance Companies promoted by such scheduled Commercial Banks/Public Financial Institutions.

3.2 The house should be in the name of the employee for claiming interest subsidy.

3.3 Grant of interest subsidy can be availed of only once for any of the following:

1. For construction of a new house.

2. For purchase of ready-built house/flat; and

3. For alteration/addition to the House owned by the employee.

4.0 SUBSIDY:

4.1 For the purpose of grant of subsidy in respect of loan taken by the employees from the Financial Institutions, the maximum qualifying limits of the loan amount for the subsidy will be the actual amounts of loan obtained from the recognised financial institution or the entitlement of the employee for drawal of advance under the NMDC Employees' (House Building Advance) Rules, whichever is lower.

4.2 The rate of payment of subsidy will be the difference between the Company's rate of interest on House Building Advance and the rate of interest charged by LIC/HDFC, other approved financial institutions, if the rate of interest charged by other approved financial institutions is less than or equal to the rate of interest charged by LIC/HDFC. In case, the rate of interest charged by other approved financial institutions is higher than the rate of interest by LIC/HDFC, the subsidy shall be limited to the difference between the Company's rate of interest on House Building Advance and the LIC/HDFC rate of interest.

4.3 The Company's rate of interest for the purpose of calculation of subsidy are as indicated at Rule No.4.2.1 of NMDC Employees' (House Building Advance) Rules.

4.4 Subsidy shall be granted to the eligible employee as long as he continues to remain in service in NMDC or the actual or notional period or repayment of loan whichever is the earliest.

4.5 Claims for interest subsidy shall be entertained only after the completion/occupation of the house in the cases where employee builds the house. In cases of purchase of residential house, interest subsidy shall be from the date the transaction of purchase is completed. However, the subsidy reimbursed will be with reference to the dates when the loan amount is drawn.

4.6 In case of any default in the repayment of either principal or interest thereby attracting penal interest, interest subsidy shall not be payable in respect of such default penal interest.

4.7 Subsidy shall be granted both in respect of loans which envisage schedule repayment of principal and interest (i.e., equated monthly instalments in mortgage scheme of LIC and loans where repayment of principal is adjusted only on maturity of insurance policies i.e. when loan is taken against insurance policies. While grant of subsidy in the former case will be on the basis of certificates of payment obtained from the Financial Institution, the grant of subsidy in the latter case shall be regulated as illustrated in para 4.7.1 below. If the loan comprises both EMI and against policies', subsidy shall be calculated proportionately for the amounts under each scheme.

4.7.1 ILLUSTRATION:

Loan obtained is Rs.50,000 against insurance policies whose maturity dates and amounts are as under:

Year	Rs.	Average repayment of principal per year
5th	10,000	Rs.10,000 ÷ 5 = 2,000
10th	15,000	Rs.15,000 ÷ 5 = 3,000
15th	20,000	Rs.20,000 ÷ 5 = 4,000

Therefore, principal to be reckoned for payment of interest subsidy shall be as under:

At the end of 1st year	Average repayment	Rs.48,000
At the end of 2nd year	of Rs.2,000 per year	Rs.46,000
At the end of 3rd year		Rs.44,000
At the end of 4th year		Rs.42,000
At the end of 5th year		Rs.40,000
At the end of 6th year	Average repayment	Rs.37,000
At the end of 7th year	of Rs.3,000 per year	Rs.34,000

At the end of 8th year		Rs.31,000
At the end of 9th year		Rs.28,000
At the end of 10th year		Rs.25,000
At the end of 11th year	Average repayment	Rs.21,000
At the end of 12th year	of Rs.4,000 per year.	Rs.17,000
At the end of 13th year		Rs.13,000
At the end of 14th year		Rs. 9,000
At the end of 15th year		Rs. 5,000

NOTE: Commencement of the loan for the determination of Notational repayment will be reckoned from the date of drawal of the full amount of loan.

4.8 Where loans are obtained under OYH or other schemes wherein repayment of principal is envisaged beyond 15 years from the date of drawal of loan, interest subsidy shall be calculated on the basis of repayment of principal amount in equal instalments over a period of 15 years or date of retirement or superannuation whichever is earlier.

4.8.1 ILLUSTRATION :

A loan of Rs.70000/- where repayment of capital is not envisaged within 15 years and the employee has 10 years service for retirement.

1. Eligibility period for subsidy	10 years
2. Amount of loan	Rs.70000/-
3. Notational repayment towards principal per annum	Rs.7000/-
4. Principal on which interest subsidy to be reckoned at the end of 1st year.	Rs.70000/-
5. Principal on which interest subsidy to be reckoned at the end of 2nd year.	Rs.63000/-
6. Principal on which interest subsidy to be reckoned at the end of 3rd year.	Rs.56000/-
7. Principal on which interest subsidy to be reckoned at the end of 4th year.	Rs.49000/-
8. Principal on which interest subsidy to be reckoned at the end of 5th year.	Rs.42000/-

9. Principal on which interest subsidy to be reckoned at the end of 6th year. Rs.35000/-

10. Principal on which interest subsidy to be reckoned at the end of 7th year. Rs.28000/-

11. Principal on which interest subsidy to be reckoned at the end of 8th year. Rs.21000/-

12. Principal on which interest subsidy to be reckoned at the end of 9th year. Rs.14000/-

13. Principal on which interest subsidy to be reckoned at the end of 10th year. Rs. 7000/-

5. Employees have to apply for grant of interest subsidy and claim subsidy after furnishing the information in the prescribed forms Annexures-I & II attached to this Scheme.

***

APPLICATION FOR GRANT OF INTEREST SUBSIDY

1. (a) Name in block letters :

   (b) Designation :

   (c) U E C No. :

   (d) Department :

   (e) Place of Posting :

2. Father's Name :

3. Date of birth and age :

4. Permanent address :

5. Service in NMDC :
   a) Date of initial appointment :

   b) Present Designation :

   c) Scale of Pay :

   d) Present Pay :

6. If service in NMDC falls short of 5 years, please furnish particulars of previous service in Government/ Public Sector Undertakings prior to joining NMDC.
   a) Name of the Dept/ Org. :

   b) Designation :

   c) Scale of Pay :

   d) Last Pay :

7. Is your Wife/ Husband a Company employee? If so, give her/his name designation office etc., :

8. Particulars of the house/flat constructed/purchased/modified/ renovated with regard to which this application is made for interest subsidy

a) Situation :

b) Address :

c) Cost of land :

d) Cost of the construction of building/ house/ flat purchased from State Housing Boards etc., :

e) Cost of additions/ alterations/modifications :

f) How did you finance the purchase/modification of the building. :

g) Date on which the construction/ purchase/ modification was completed :

h) Date of occupation by the employee. :

9. Loan particulars :

a) Name of the Institution(s) from which the loan has been obtained/from where the house/flat has been purchased :

b) Amount of loan sanctioned/ cost of building purchased (evidence to be produced by The applicant) :

c) Details of loan amounts received :

Date **Amount**

d) Whether repayment of principal in instalments is envisaged? :

e) If so, the no. of instalments :

f) Date of last instalment of repayment of loan :

g) If the loan is against insurance policies, please furnish the following in respect of the each policy

i) Policy no. :

ii) Date of commencement :

iii) Period of policy :

iv) Amounts :

v) Date of maturity :

vi) Amount adjustable against the loan on maturity of loan :

vii) Balance loan outstanding :

h) Whether the property has been mortgaged to the Financial institutions. :

10. Interest

i) Rate of interest charged by the Financial Institution :

ii) Interest rate for self occupancy :

DECLARATION

I declare that the information furnished by me in reply to the various items indicated above is correct to the best of my knowledge and belief.

I certify that my wife/husband is not a Company employee.

My wife/husband who is a Company employee has not applied for and/or obtained Interest subsidy under these rules.

Station: Signature of applicant
Date : Designation
Department/Section
UEC No.

NOTE: Strike out whichever is not applicable.

CLAIM FORM FOR DRAWAL OF INTEREST SUBSIDY

1. (a) Name in block letters :

   (b) Designation :

   (c) U E C No. :

   (d) Department :

   (e) Place of Posting :

2. Reference to office order in which sanction for interest subsidy has been conveyed by Head Office. :

3. Loan particulars :
   a) Name of the Institution(s) from which the loan has been obtained/from where the house/flat has been purchased :

   b) Amount of loan sanctioned/ cost of building purchased : (evidence to be produced by The applicant)

   c) Details of loan amounts received :

      Date Amount

   d) Whether repayment of principal in instalments is envisaged? :

   e) If so, the no.of instalments :

   f) Date of last instalment of repayment of loan :

   g) If the loan is against insurance policies, please furnish the following in respect of the each policy

i) Policy no. :

ii) Date of commencement :

iii) Period of policy :

iv) Amounts :

v) Date of maturity :

vi) Amount adjustable against the loan on maturity of the policy :

vii) Balance loan outstanding :

h) Whether the property has been mortgaged to the Financial institutions. :

4. Interest
Rate of interest charged by the Financial Institution :

5. Particulars of present claim :

*a) Period to which the claim belongs :

*b) Instalment of the loan repayment :

i) Element of principal : Rs.

ii) Element of interest : Rs.

iii) Rate of interest charged by Financial Institutions :

iv) Interest rate for self-occupancy :

c) Amount of reimbursement :

d) Detailed calculation for the claim:

*(Evidence to be produced)

Place: Signature of the applicant
Date: Designation
UEC No.

***

NMDC Limited
Masab Tank, Hyderabad – 500 028

No.1(105)Rules/94/21/97 Date: 03.07.1997

To,
All Heads of Projects/Feasibilities/Offices

Sub: Introduction of NMDC Employees' House Building Advances/ Conveyance Advance Group Insurance Scheme wef 01.05.1997 - reg

With a view to mitigating the hardship of the dependents of the employees who die while in service in repayment of outstanding HBA/Conveyance Advance (Motor car/Motor cycle/Scooter/Moped) and interest accrued thereon, the Board has been pleased to approve introduction of Group Insurance Schemes by taking a Master Policy each from LIC of India so that the HBA/Conveyance advance and interest outstanding thereon on the date of death of the Borrower-employee, subject to certain monetary limit, is paid by LIC to NMDC. The Annual premium to LIC on this account will be paid by the Corporation. On the basis of outstanding figures of HBA/Conveyance advance together with interest accrued thereon as on 31.03.97 furnished by the projects/Units, the Annual premium payable to LIC has been calculated and paid for the Master Policy to be effective from 01.05.97.

A copy of the NMDC Employees' HBA and Conveyance advance Group Insurance Scheme 1997 is enclosed for information and necessary action.

It is particularly requested that the time schedule for submission of the monthly and annual returns prescribed in the scheme may please be adhered to and sent to the Manager (Per) Rules, Head Office in the interest of smooth operation and to keep the scheme alive by paying Annual Premium on scheduled time.

***

NMDC Employees' House Building Advance
&
Conveyance Advance Group Insurance Scheme 1997

1.0 Risk coverage

1.1 In the event of death of the Borrower employee covered under the scheme, the HBA and Conveyance Advance together with interest accrued thereon outstanding as on the date of death will be paid by LIC of India to NMDC which in turn will adjust it against HBA and Conveyance advance and interest accrued thereon outstanding on the date of death of employee. The maximum amount of risk coverage shall be as under:

(a) HBA and interest accrued thereon Rs. 5.50 lakhs
(b) Conveyance advance & interest accrued thereon. Rs.1.20 lakhs for cars and Rs.15,000/- in the case to two-wheelers.

1.2 Satisfactory evidence of health in respect of borrower employees whose outstanding amounts under the above two heads exceed Rs.3 lakhs, shall be furnished as per rules of LIC.

2.0 Eligibility

All the employees who have HBA and Conveyance advance and interest accrued thereon outstanding on or after 1.5.97 are covered by the scheme.

3.0 Premium

3.1 Liability

Premium will be borne by the Corporation @ Rs. 4/- per thousand per annum on the outstanding HBA/Conveyance advance and interest accrued thereon, subject to the maximum limit indicated in Para 1.1 above, as on the date of commencement of the scheme namely 1.5.97 and subsequent annual policy renewal date. The premium payable to LIC is subject to review after completion of one year from 1.5.97.

3.2 Payment

On the basis of the details of outstanding HBA/Conveyance advance and interest accrued thereon, Corporation as a whole as on 31st March of every year, the proposal for payment of annual premium to LIC will be processed by the Personnel department of Head Office. An half yearly review regarding the adequacy or otherwise of the Annual premium actually payable to LIC will be made by the Personnel department of Head Office as on 30th Septembet every year taking into account the progressive monthly repayment by the employees and release of further installments /new advances of HBA/Conveyance advance to them during the period subsequent to 1st April every year. For the current year, since the Annual premium paid on 1.5.97 is based on the outstanding amount of HBA/Conveyance advance together with interest accrued thereon as on 31.03.1997, such a review will be done as on 30.09.1997.

4.0 Information system

4.1 The Projects/Units are required to furnish monthly return showing further installments of HBA and new advances of HBA/Conveyance advance released and also the employees who ceased to be in service and/or from whom recoveries have been completed, as per the enclosed format at Annexure-I This return should reach the Manager (Per)-Rules, Head Office by 5th of every month. The first return for the months of April May June 97 may be furnished to him latest by 31st July 1997.

4.2 The Projects/Units are also required to furnish an annual return, showing the amount outstanding under the above two heads as on 31st March every year, as per the enclosed format at Annexure-II. This should reach the Manager (Per)-Rules, Head Office by 15th April of every year.

5 Settlement of claims

5.1 Claims of the deceased Borrower employees will be preferred by the concerned Projects/Units to the Manager (Per)-Rules, Head Office in the format at Annexure-III along with a copy of the death certificate duly attested by the Head of Personnel Department which in turn will be sent to LIC of India, Hyderabad.

5.2 The cheque for the claims from LIC of India will be received by Manager (Per)-Rules, Head Office and the amount will be transferred by Head Office finance to the Projects/Units concerned

where the deceased employee was working to carry our necessary adjustments against the amount outstanding .

5.3 In the event of the outstanding amount under the above two heads together with interest accrued thereon being more than the maximum amount indicated in para 1.0 above, the legal heir has to deposit the difference of amount actually outstanding after adjustment in the account of the deceased employee.

5.4 Return of original title deed of house property and release of hypothecation of vehicle.

5.5 After settlement of claim by LIC, and deposit if any as per para 5.3 above, the original title deed/documents of the house property deposited with Head Office will be returned to the legal heir of the deceased employee.

5.6 Similarly after settlement of claim by LIC and deposit if any as per para 5.3 above, an advice for de-hypothecation of the vehicle will be issued to the concerned RTA/RTO with a copy to the legal heir by the concerned Projects/Units.

***

Annexure III

Claim Form

Life Insurance Corporation of India
(Establishment by the Life Insurance Corporation Act 1956)
HYDERABAD

Employer's Statement
(To be completed by the Master Policy Holder)

1. i)	Name of the scheme	:	NMDC Employees' House Building Advance & Conveyance Advance Group Insurance Scheme, 1997
ii)	Master Policy No.	:	
iii)	Full name & address Of Master Policy Holder	:	NMDC Ltd., Khanij Bhavan Masab Tank, Hyderabad – 28
2. i)	Full name of the deceased member	:	
ii)	Employee no. and name of the unit	:	
iii)	Date of entry into the service	:	
iv)	Amount of Insurance cover under GI scheme	:	
v)	Date of entry into the scheme	:	
vi)	Date of death	:	
vii)	Time of death	:	
viii)	Place of death	:	
ix)	Was the member in the service of employer on the date of death	:	
x)	Date of birth as record-		

ed by the employer :

xi) Date when member last attended duty :

xii) Was the member absent due to sickness on the entry date :

We hereby declare that the above deceased employee was a Member of NMDC Employees' House Building Advance & Conveyance Advance Group Insurance Scheme and was in our service on the date and that the particulars provided above are true in every respect as per our records.

The cheque for the amount covered under this claim should be made our in favour of NMDC Ltd., Hyderabad.

We hereby declare that information furnished above is true in every respect as per our records.

Place :
Date :

For and on behalf
of NMDC Ltd

Encl: Death Certificate

Signature
(Head of the Personnel Department)

***

NMDC EMPLOYEES' (CONDUCT, DISCIPLINE AND APPEAL) RULES, 1978

Rule 1: Short title and commencement:

1.1 These rules may be called NMDC Employees' (Conduct, Discipline and Appeal) Rules, 1978.

1.2 These rules shall come into force with effect from 29th May 1978.

Rule 2: Application:

2.1 These rules shall apply to all employees.

Rule 3: Definitions:

3.1 In these rules, unless the context otherwise requires:

(a) 'Employee' means -

(i) a person in the employment of the Company including employees whose services are temporarily placed at the disposal of Government or any Public Undertaking but does not include casual employee, work charged or contingent staff or workmen as defined in the Industrial Employment (Standing Orders) Act 1946; and

(ii) Persons on deputation to the Company from Government or any other Public undertaking.

(b) 'Company' means the NMDC Limited.

(c) 'Board' means the Board of Directors for the time being of NMDC Limited and includes, in relation to the exercise of powers, any committee of the Board/Management or any other officer of the Company to whom the Board delegates any of its powers.

(d) 'Chairman & Managing Director' means the Chairman-cum- Managing Director of the Company appointed for the time being in terms of the relevant article of the Articles of

Association of the Company and under the relevant provisions of the Companies Act, 1956.

(e) 'Disciplinary Authority' means the Authority specified in the Schedule appended to these Rules and Competent to impose specified penalties enumerated in Rule 23.

(f) 'Competent Authority' means Authority (a) in respect of Rule 6.2, 8, 10, 13, 15 and 18.3 hereof, the Chairman-cum-Managing Director or any other authority specified by him; and (b) in respect of all other Rules, the Authority specified in the Schedule appended to these Rules.

(g) 'Government' means the Government of India or a State Government, as the case may be.

(h) 'Appellate Authority' means the authority specified in the Schedule appended to these Rules.

(i) 'Reviewing Authority' means the authority specified in the Schedule appended to these Rules.

(j) 'Family' in relation to an employee includes:

(i) the wife or husband, as the case may be, of the employee, whether residing with him or not but does not include a wife or husband, as the case may be separated from the employee by a decree or order of a competent court;

(ii) son or daughter or step-son or step-daughter of the employee and wholly dependent on him, but does not include a child or step-child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived by or under any law;

(iii) any other person related, whether by blood or marriage to the employee or to such employee's wife or husband and wholly dependent on such employee.

(k) 'Public Servant' shall mean and include a person as mentioned in Servant Section 21 of Indian Penal Code as amended from time to time.

(l) 'Schedule' means the Schedule appended to these Rules and includes any amendment made by Chairman-cum-Managing Director from time to time.

Rule 4: General:

4.1 Every employee of the Company shall at all times-

(i) maintain absolute integrity;
(ii) maintain devotion to duty; and
(iii) conduct himself at all times in a manner which will enhance the reputation of the Company.

4.2 Every employee of the Company holding a supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all employees for the time being under his control and authority.

Rule 5: Misconduct:

Without prejudice to the generality of the term "misconduct", the following acts of omission and commission shall be treated as misconduct:

5.1 Theft, fraud or dishonesty in connection with the business or property of the Company or of property of another person within the premises of the Company.

5.2 Taking or giving bribes or any illegal gratification.

5.3 Possession of pecuniary resources or property disproportionate to the known sources of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for.

5.4 Furnishing false information regarding name, age, father's name, qualifications, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.

5.5 Acting in a manner prejudicial to the interests of the Company.

5.6 Willful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of his superior.

5.7 Absence without leave or over-staying the sanctioned leaves for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.

5.8 Habitual late or irregular attendance or willful absence from duty.

5.9 Neglect of work or negligence in the performance of duty including malingering or slowing down of work.

5.10 Damage to any property of the Company.

5.11 Interference or tampering with any safety devices installed in or about the premises of the company.

5.12 Drunkenness or riotous or disorderly or indecent behavior in the premises of the Company or outside such premises where such behavior is related to or connected with the employment.

5.13 Gambling within the premises of the establishment.

5.14 Smoking within the premises of the establishment where it is prohibited.

5.15 Collection without the permission of the Competent Authority of any money within the premises of the Company except as sanctioned by any law of the land for the time being in force or rules of the company.

5.16 Sleeping while on duty.

5.17 Commission of any act, which amounts to a criminal offence involving moral turpitude.

5.18 Absence from the employee's appointed place of work without permission or sufficient cause.

5.19 Purchasing properties, machinery, stores, etc, from or selling properties, machinery, stores, etc, to the company without express permission in writing from the Competent Authority.

5.20 Commission of any acts subversive of discipline or of good behavior.

5.21 Abetment of or attempt or abetment of any act which amounts to misconduct.

5.22 Non Submission of Annual Returns of Movable and Immovable Property as required under Rule 16 of NMDC Employees' (Conduct, Discipline and Appeal) Rules, 1978.

5.23 Commission of any act amounting to sexual harassment of women. For this purpose, sexual harassment includes such unwelcome sexually determines behavior (whether directly or by implication) as:

a) physical contact and advances
b) a demand or request for sexual favours
c) sexually coloured remarks
d) any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

Note: The above instances of misconduct are illustrative in nature and not exhaustive.

Rule 6: Employment of near relatives of the employees of the Company in Private Undertaking enjoying patronage of the Company.

6.1 No employee shall use his position of influence directly or indirectly to secure employment for any person related, whether by blood or marriage to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.

6.2 No employee shall, except with the previous sanction of the Competent Authority, permit any member of his family to accept employment with any private firm with which he has official dealings, or with any other firm having official dealings with the Company.

Provided that where the acceptance of the employment cannot await the prior permission of the Competent Authority, the employment may be accepted provisionally subject to the permission of the Competent Authority, to whom the matter shall be reported forthwith.

6.3 No employee shall in the discharge of his official duties deal with any matter or give or sanction any contract to any firm or any other person if any of his relatives is employed in that firm or under that person or if he or any of his relatives is interested in such matter or contract in any other matter and the employee shall refer every such matter of contract to his official superior and the matter or the contract shall thereafter be disposed of according to the instruction of the authority to whom the reference is made.

NB: For purpose of this Rule, relative will be as defined in Indian Companies Act, 1956.

Rule 7: Participating in politics, elections and demonstrations:

7.1 Taking part in politics and elections:

Except in so far as may otherwise be specifically authorized by any law, no employee shall be a member of, or be otherwise

associated with, any political party or any organization which takes part in politics, or assist any political movement or activity, or stand for election, without the permission of the Company, as a member of a local authority or a legislative body.

7.2 Taking part in demonstrations:

No employee of the Company shall engage himself or participate in any demonstration which involves incitement to an offence.

Rule 8: Connection with Press or Radio:

8.1 No employee of the Company shall, except with the previous sanction of the Competent Authority, own wholly or in part, or conduct or participate in the editing or management of, any newspaper or other periodical publication.

8.2 No employee of the Company shall except with the previous sanction of the Competent Authority, or in the bonafide discharge of his duties, participate in a radio broadcast or write or publish a book or contribute an article or write a letter either in his own name or anonymously or pseudonymously or in the name of any other person to a newspaper or periodical.

Provided that no such sanction shall be required if such broadcast or such contribution is of a purely literary, artistic or scientific character.

8.3 No employee of the Company shall participate in or associate himself in any manner in the making of:

a) sponsored media (radio or television) programme or

b) a media programme commissioned by Government media but produced by a private agency; or

c) a privately produced media programme including video magazine.

Provided that no previous permission shall be necessary in case where the employee of the Company participates in a programme produced or commissioned by Government media in his official capacity.

Rule 9: Criticism of Government and the Company:

No employee shall, in any radio broadcast or in any document published under his name or under any pen-name or pseudonym or in any communication to the press, or in any public utterances, make any statement:

(a) which has the effect of adverse criticism of any policy or action of the Government or of the Company; or

(b) which is capable of embarrassing the relations between the Company and the public or between the Company and the Government.

Provided that nothing in this rule shall apply to any statement made or views expressed by an employee, of a purely factual nature which are not considered to be of a confidential nature in his official capacity or in due performance of the duties assigned to him.

Provided further that nothing contained in this rule shall apply to bonafide expression of views by him as an office-bearer of a recognized trade union, the purpose of safeguarding the conditions of service of such employees or for securing an improvement thereof.

Rule 10: Evidence before committee or any other authority:

10.1 Save as provided in sub-rule (10.3), no employee of the company shall, except with the previous sanction of the Competent Authority, give evidence in connection with an enquiry conducted by any person, committee or authority.

10.2 Where any sanction has been accorded under sub-rule (10.1), no employee giving such evidence shall criticize the policy or any action of the Government, or of the Company.

10.3 Nothing in this rule shall apply to:

(a) evidence given at any enquiry before an authority appointed by the Government, Parliament or a State Legislature or the Company.

(b) evidence given in any judicial enquiry; or

(c) evidence given at any departmental enquiry; ordered by authorities subordinate to the Government.

(d) evidence given at any departmental enquiry ordered by any Public Sector Undertaking.

Rule 11: Unauthorized communication of information:

No employee shall, except in accordance with any general or special order of the company or in the performance in good faith of the duties assigned to him, communicate, directly or indirectly any official document or any part thereof or information to any person to whom he is not authorized to communicate such document or information.

Rule 12: Gifts:

12.1 Save as otherwise provided in these rules, no employee of the Company shall accept or permit any member of his family or/ and person acting on his behalf, to accept any gift.

Explanation:
The expression "gift" shall include free transport, boarding, lodging, or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the employee.

Note:

(i) A casual meal, lift or other social hospitality shall not be deemed to be a gift.

(ii) An employee shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with him.

12.2 On occasion such as weddings, anniversaries, funerals or religious functions when making of gift is in conformity with the prevailing religious or social practice, an employee of the Company may accept gifts from his near relatives and personal friends having no official dealings with him, but shall make a report to the Company, if the value of such gift exceeds:

i) ₹.5000/- in the case of an employee holding any Group 'A' post,
ii) ₹.3000/- in the case of an employee holding any Group 'B' post,

iii) ₹.1000/- in the case of an employee holding any Group 'C' post,
iv) ₹.500/- in the case of an employee holding any Group 'D' post,

12.3 In any other case, an employee of Company shall not accept any gift without the sanction of the Competent Authority if the value exceeds:

i) ₹.1000/- in the case of an employee holding any Group 'A' and 'B' posts,
ii) ₹.250/- in the case of an employee holding any Group 'C' and 'D' posts,

12.4 Notwithstanding anything contained in sub-rules 12.2 and 12.3, an employee of Company being a member of the Indian delegation or otherwise, may receive and retain gifts from foreign dignitaries if the market value of the gifts received on one occasion does not exceed ₹.1000/-. In all other cases, the acceptance and retention of such gifts shall be regulated by the instructions issued by the Company in this regard from time to time.

12.5 An employee of Company shall not accept any gifts from any foreign firm which is either contracting with the Company or is likely to have official dealings. Acceptance of gifts by an employee of the Company from any other firm shall be subject to the provisions of sub-rule 12.3.

NB: The grouping of employees shall be the same as per Rule 16.4.

Rule 12-A: Giving or taking dowry:

No employee of the Company shall-

(i) give or take or abet giving or taking of dowry; or

(ii) demand, directly or indirectly from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.

Explanation:
For the purpose of this rule, "dowry" has the same meaning as in the Dowry Prohibition Act, 1961.

Rule 13: Private trade or employment:

13.1 No employee of the Company shall, except with the previous sanction of the Competent Authority, engage directly or indirectly in any trade or business or undertake any other employment or negotiate for taking an employment.

Provided that an employee may, without such sanction undertake honorary work of a social or charitable nature or occasional work of a literary, artistic or scientific character, subject to the condition that his official duties do not thereby suffer.

13.2 Every employee of the Company shall report to the Competent Authority if any member of his family is engaged in any trade or business or owns or manages an insurance agency or commission agency.

13.3 No employee of the Company shall, without the previous sanction of Competent Authority, except, in the discharge of his official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Companies Act, 1956 or any other law for the time being in force or any cooperative society for commercial purposes.

Provided that an employee of the company may take part in the registration, promotion or management of a Consumer/House Building Co-operative Society substantially for the benefit of employees of the Company registered under the Co-operative Societies Act, 1912 or any other law for the time being in force, or of a literary, scientific or charitable society registered, under the Societies Registration Act, 1860, or any corresponding law in force.

13.4 No employee of the Company may accept any fee or any remuneration or any pecuniary advantage for any work done by him for any Public body or any private person without the sanction of the Competent Authority.

13.5 No functional director of the Company including the Chief Executive who has retired/resigned from the service of the Company, after such retirement/resignation, shall accept any appointment or post, whether advisory or administrative, in any

firm or company, whether Indian or foreign, with which the Company has or had business relations, within one year from the date of retirement without prior approval of the Government. The term retirement includes resignation; but not the cases of those whose term of appointment was not extended by Government for reasons other than proven misconduct. The term 'business relations' includes 'official dealings' as well.

Rule 13-A: Sub letting and vacation of Company accommodation:

13-A.1 Save otherwise provided in any other law for the time being in force, no employee of the Company shall sub-let, lease, or otherwise allow occupation by any other person of Company accommodation which has been allotted to him.

13-A.2 An employee of the Company shall, after the cancellation of his allotment of Company accommodation vacate the same within the time limit prescribed by the allotting authority.

Rule 14: Investment, lending and borrowing:

14.1 No employee of the Company shall speculate in any stock, share, or other investment.

Provided that nothing in this sub-rule shall apply to occasional investments made through stock brokers, or other persons duly authorized and licensed or who have obtained a certificate of registration under relevant law, within the limits prescribed under Rule 16.4 (b)(ii).

Explanation:
Frequent purchase or sale or both of shares, securities or other investments shall be deemed to be speculation within the meaning of this sub-rule.

14.2 No employee of the Company shall make or permit any member of his family, or any person acting on his behalf to make any investment, which is likely to embarrass or influence him in the discharge of his official duties. For this purpose, any purchase of shares out of the quotas reserved for Directors of Companies or their friends shall be deemed to be an investment which is likely to embarrass the Government servant.

14.3 If any question arises whether any transaction is of the nature referred to in sub rules 14.1 and 14.2, the decision of the Chairman cum Managing Director thereon shall be final.

14.4 (i) No employee of the Company shall, save in the ordinary course of business with a Bank or a public limited company, either himself or through any member of his family or any other person acting on his behalf -

(a) Lend or borrow money, as a principal or an agent, to, or from or with any person or firm or private limited company within the local limits of his authority or with whom he is likely to have official dealings or otherwise place himself under any pecuniary obligation to such person or firm or private limited company; or

b) Lend money to any person at interest or in a manner whereby return in money or in kind is charged or paid;

Provided that an employee of the Company may give to, or accept from, a relative or a personal friend a purely temporary loan of a small amount free of interest, or operate credit account with a bona fide tradesman or make an advance of pay to his private employee.

Provided further that nothing in this sub-rule shall apply in respect of any transaction entered into by an employee of the Company with the previous sanction of the Competent Authority.

(ii) When an employee of the Company is appointed or transferred to a post of such nature as would involve him in the breach of any of the provision of sub rule 14.2 or sub-rule 14.4, he shall forthwith report the circumstances to the prescribed authority and shall thereafter act in accordance with such order as may be made by such authority.

14.5 A full-time Director or any executive/employee involved in the decision making process of fixation of price of an IPO/FPO of shares of a CPSE shall not apply either himself/herself or through any member of his/her family or through any other person acting on his/her behalf for allotment of shares (which includes all types of equity related instruments) in an IPO/FPO of such CPSE, even out of the category of preferential quota reserved for employees/ Directors of the CPSE.

14.6 All executives/employees including full time Directors of CPSEs who are in possession of unpublished price sensitive information would be prohibited from dealing/transacting either in their own name or through any member of their family in the shares of their own Company.

14.7 Full-time Director or executives/employee of a CPSE or any member of his/her family or any person acting on his/her behalf shall not apply for shares out of any preferential quota reserved for employees/Directors of other Companies.

14.8 All employees of the CPSEs would be required to disclose to the Company all transactions of purchase/sale in shares worth ₹.20,000/- or more in value or existing holding/interest in the shares worth ₹.20,000/- or more in his/her own Company either in his/her own name or in the name of any family member to report to the Company indicating quantity, price, date of transaction and nature of interest within 4 working days.

Rule 15: Insolvency and habitual indebtedness:

15.1 An employee of the Company shall avoid habitual indebtedness unless he proves that such indebtedness or insolvency is the result of circumstances beyond his control and does not proceed from extravagance or dissipation.

15.2 An employee of the Company who applies to be, or is adjudged or declared insolvent shall forthwith report the fact to the Competent Authority.

Rule 16: Movable, immovable and valuable property:

16.1 No employee of the Company shall, except with the previous knowledge of the Chairman-cum-Managing Director or any authority specified by him in this behalf, acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or otherwise, either in his own name or in the name of any member of his family.

16.2 No employee of the Company shall, except with the previous sanction of the Chairman-cum-Managing Director or any authority specified by him in this behalf, enter into any transaction concerning any immovable or movable property with a person or a firm having official dealings with the employee or his subordinate.

16.3 Every employee of the Company shall, within one month, report to the Chairman-cum-Managing Director or an authority specified by him in this behalf, every transaction concerning movable property owned or held by him in his own name or in the name of a member of his family, if the value of such property exceeds:

(i) ₹.50,000/- in the case of Executives; and
(ii) ₹.35,000/- in the case of Non-Executives

Explanation-1:
The term 'every transaction concerning movable property owned or held by him' includes all transactions of sale or purchase. For the purpose of these sub-rules, the expression “movable property” includes *interalia* the following:

(a) Jewellery, insurance policies, shares, securities and debentures;
(b) loans advanced by such employees whether secured or not;

(c) motor cars, motor cycles or any other means of conveyance; and
(d) refrigerators, television sets, etc.

Explanation-2:
Transaction entered into by the spouse or any other members of family out of his or her own funds (including stridhan, gifts, inheritance etc.) as distinct from the funds of the employee of the Company himself in his or her own name and in his or her own right, would not attract the provision of the above sub-rule.

16.4 Every employee shall, on first appointment in the Company submit a return of assets and liabilities in the prescribed form giving the particulars regarding:

(a) The immovable property inherited by him, or owned or acquired by him or held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person;

(b) (i) shares, debentures, and cash including bank deposits inherited by him or similarly owned, acquired or held by him;

(ii) The employees shall give intimation in the proforma given at Form No.VI to the prescribed authority, relating to the investment of shares, securities and debentures etc, in the following cases:

A) Group 'A' & 'B' Employees - If the total transactions in shares, securities, debentures or mutual funds scheme etc, exceeds ₹.50,000/- during the calendar year.

B) Group 'C' & 'D' Employees – If the total transactions in shares, securities, debentures or mutual funds scheme etc exceeds ₹.35,000/- during the calendar year. The above is in addition to the requirement contemplated under Rule 16.3.

Note: Employees are grouped into 4 groups as under:

Group-A: Executives in the regular pay scale of E1 and above

Group-B: Executives in the regular pay scale of E0, JOs and Workmen in the regular pay scale of RS10.

Group-C: Workmen in the regular pay scales of RS3 to RS9.

Group-D: Workmen in the regular pay scale of RS2 and below.

(c) other movable property inherited by him if similarly owned, acquired or held by him if the value of such property exceeds:

(i) ₹.50,000/- in the case of Executives; and
(ii) ₹.35,000/- in the case of Non-Executives.

(d) debts and other liabilities incurred by him directly or indirectly;

16.5 Every employee shall, beginning 1st January submit every year a return of immovable property inherited or owned or acquired or held by him on lease or mortgage, either in his name or in the name of any member of his family or in the name of any other person.

16.6 The Chairman-cum-Managing Director or any authority specified by him in this behalf may, at any time, by general or special order require an employee to submit within a period specified in the order, a full and complete statement of such movable or immovable property held or acquired by him or on his behalf or by any member of his family, as may be specified in the order. Such statement shall, if so required by the Competent Authority, include details of the means by which or the source from which such property was acquired.

Note:
The following proforma are prescribed by the Competent Authority for submitting the returns, reports etc, under this rule.

Form-I Statement of immovable property on first appointment/for the year ending 31st December, in terms of Rule 16.4.

Form-II Return of Assets and Liabilities on first appointment in terms of Rules 16.4.

Form-III Form for furnishing information/seeking permission/ approval for acquisition/disposal of movable/ immovable property in terms of Rules 16.1, 16.2, and 16.3. In respect of immovable property the Form IV is also to be enclosed along with Form III.

Form-IV Form for seeking permission for construction of house/purchase of ready built house/flat or making additions and/or alteration to existing house/flat.

Form-V Form of report after completion of building house/purchase of ready built house/ flat, or modifications/alterations to house/flat. This form shall be submitted invariably after completion of building the house or purchase of flat/modifications or alterations to house/flat.

Form-VI Form for giving information of transactions in shares, securities, debentures, and investments in mutual funds/scheme etc. This is in addition to submission of Form no.III mentioned above, in respect of movable property.

Rule 17: Canvassing of non-official or other influence:

No employee shall bring or attempt to bring any outside influence to further his interests in respect of matters pertaining to his service in the Company.

Rule 18: Bigamous marriages:

18.1 No employee shall enter into, or contract, a marriage with a person having a spouse living; and

18.2 No employee, having a spouse living, shall enter into or contract, a marriage with any person;

Provided that the Board may permit an employee to enter into, or contract, any such marriage as is referred to in the sub rule 18.1 and 18.2, if it is satisfied that:

(a) such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and

(b) there are other grounds for so doing.

18.3 An employee, who has married or marries a person other than an Indian National, he shall forthwith intimate the fact to the Competent Authority.

Rule 19: Consumption of intoxicating drinks and drugs:

19.1 An employee of the Company shall -

(a) strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be for the time being;

(b) not be under the influence of any intoxicating drink or drug during the course of his duty and shall also take due care that the performance of his duties at any time is not affected in any way by the influence of such drinks or drugs;

(c) refrain from consuming any intoxicating drink or drug in a public place;

(d) not appear in a public place in a state of intoxication.

(e) not use any intoxicating drink or drug to excess.

Explanation - 1
For the purposes of this rule, "Public Place" means any place or premises (including clubs, even exclusively meant for members where it is permissible for the members to invite non-members as guests, bars and restaurants, conveyance) to which the public have or are permitted to have access whether on payment or otherwise.

Explanation - 2
Consumption of intoxicating drinks even at official parties arranged by foreign missions whether within the Mission premises or in halls/lounges exclusively reserved; or at parties arranged by Government Organizations where foreigners are entertained or at similar parties hosted by officers also falls within the ambit of this rule.

Rule 20: Suspension:

20.1 The appointing authority or any authority to which it is subordinate or the disciplinary authority or any other authority empowered in that behalf by the Board by general or special order may place an employee under suspension.

(a) Where a disciplinary proceeding against him is contemplated or is pending; or

(b) Where a case against him in respect of any criminal offence is under investigation or trial.

20.2 An employee who is detained in custody whether on a criminal charge or otherwise, for a period exceeding 48 hours shall be deemed to have been suspended with effect from the date of detention, by an order of the appointing authority, and shall remain under the suspension until further orders.

20.3 Where a penalty of dismissal or removal from service imposed upon an employee under suspension is set aside on appeal or on review under these rules and the case is remitted for further enquiry or action or with any other directions, the order of his suspension shall be deemed to have continued in force on and from the date of the original order of dismissal or removal and shall remain in force until further orders.

20.4 Where a penalty of dismissal or removal from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of a court of law and the disciplinary authority, on consideration of the circumstances of the case, decides to hold a further enquiry against him on the allegations on which the penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension by the appointing authority from the date of the original order of dismissal or removal and shall continue to remain under suspension until further orders.

20.5 An order of suspension made or deemed to have been made under this rule may at any time be revoked by the authority which made or is deemed to have made the order or by any authority to which that authority is subordinate.

Rule 21: Subsistence Allowance:

21.1 An employee under suspension shall be entitled to draw subsistence allowance equal to 50% of his basic pay provided the disciplinary authority is satisfied that the employee is not engaged in any other employment or business or profession or vocation. In addition, he shall be entitled to Dearness Allowance admissible on such subsistence allowance of which he was in receipt on the date of suspension provided the suspending authority is satisfied that the employee continue to meet the expenditure for which the allowance was granted.

21.2 Where the period of suspension exceeds six months, the authority which made or is deemed to have made the order of suspension, shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first six months as follows:

(a) The amount of subsistence allowance may be increased to 75 percent of basic pay and allowances thereof, if, in the opinion of the said authority, the period of suspension has been prolonged for reasons to be recorded in writing, not directly attributable to the employee under suspension;

(b) The amount of subsistence allowance may be reduced to 25 percent of basic pay and allowances thereof, if, in the opinion of the said authority, the period of suspension has been prolonged due to the reasons to be recorded in writing, directly attributable to the employee under suspension.

21.3 If an employee is arrested by the Police on a criminal charge and bail is not granted, no subsistence allowance is payable. On grant of bail, if the competent authority decides to continue the suspension, the employee shall be entitled to subsistence allowance from the date he is granted bail.

Rule 22: Treatment of the period of suspension:

22.1 When the employee under suspension is re-instated, the competent authority may grant to him the following pay and allowances for the period of suspension:

(a) if the employee is exonerated and not awarded any of the penalties mentioned in Rule 23, the full pay and allowances which he would have been entitled to if he had not been suspended, less the subsistence allowance already paid to him; and

(b) if otherwise, such proportion of pay and allowances as the competent authority may prescribe.

22.2 In a case falling under sub-clause 22.1 (a), the period of absence from duty will be treated as a period spent on duty. In case falling under sub-clause 22.1 (b), it will not be treated as a period spent on duty unless the competent authority so directs.

Rule 23: Penalties:

23.1 The following penalties may be imposed on an employee, as hereinafter provided, for misconduct committed by him or for any other good and sufficient reasons.

Minor penalties:

(a) Censure;

(b) Withholding of increment of pay with or without cumulative effect;

(c) Withholding of promotion;

(d) Recovery from pay of the whole or part of any pecuniary loss caused to the Company by negligence or breach of order.

(e) Reduction to a lower stage in the time scale of pay for a period not exceeding 3 years without cumulative effect and not adversely affecting his terminal benefit.

Major Penalties:

(f) save as provided in clause (e) of Rule 23.1 reduction lower stage in the time scale of pay for specific period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period the reduction will or will not have the effect of postponing the future increment of pay.

(g) Reduction to a lower time scale of pay, grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and the seniority and pay on such restoration to that grade or post.

h) Compulsory retirement.

i) Removal from service, which shall not be disqualification for future employment under the Government or the Corporation/Company, owned or controlled by the Government.

j) Dismissal from service, which shall ordinarily be a disqualification for future employment under the Government, or the Company/Corporation owned or controlled by the Government.

Provided that, in every case in which the charge of possession of assets disproportionate to known sources of income or the charge of acceptance from any person of any gratification, other than legal remuneration as a motive or reward for doing or forbearing to do any official act is established, the penalty mentioned in clause (i) or (j) of Rule 23.1 shall be imposed.

Provided further that in any exceptional case and for special reasons recorded in writing any other penalty may be imposed.

Explanation:
The following shall not amount to a penalty within the meaning of this rule:

(i) Withholding of increment of an employee for his failure to pass a prescribed test or examination;

(ii) stoppage of an employee at the efficiency bar in the time scale, on the ground of his unfitness to cross the bar;

(iii) non-promotion, where in an officiating capacity or otherwise of an employee to a higher post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case;

(iv) reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered, after trial, to be unsuitable for such higher grade or post, or on administrative grounds unconnected with his conduct;

(v) reversion to his previous grade or post of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment.

(vi) Termination of service.

(a) of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment;

(b) of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment;

(c) of an employee appointed under contract or agreement, in accordance with the terms of such contract or agreement; and

(d) of any employee on reduction of establishment.

Rule 24: Disciplinary Authority:

24.1 The Board or the Disciplinary Authority, as specified in the schedule, may impose any of the penalties specified in Rule 23 on any employee.

Rule 25: Procedure for imposing major penalties:

25.1 No order imposing any of the major penalties specified in Clauses (e), (f) and (g) of Rule 23.1 shall be made except after an inquiry is held in accordance with this rule.

25.2 Whenever the Disciplinary Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against any employee, it may itself inquire into or appoint any executive of NMDC Limited, or any public servant or a Retired Government Servant/Retired Judge/Retired Public Sector Officer (hereinafter called the Inquiry Authority) to inquire into the truth thereof.

25.3 When it is proposed to hold the inquiry, the disciplinary authority shall frame definite charges on the basis of the imputations of misconduct or misbehaviour against the employee. The charges together with a statement of the imputation of misconduct or misbehaviour on which they are based, a list of documents by which and a list of witnesses by whom, the articles of charge are proposed to be sustained, shall be communicated in writing to the employees, who shall be required to submit within such time as may be by the Disciplinary Authority (not exceeding 15 days), a written statement whether he admits or denies any of or all the Articles of Charge.

Explanation:

It will not be necessary to show the documents listed with the charge sheet or any other documents to the employee at this stage.

25.4 On receipt of the written statement of the employee, if no such statement is received within the time specified, an inquiry may be held by the Disciplinary Authority itself, or by any other Public Servant or Retired Government Servant/Retired Judge/Retired Public Sector Officer appointed as Inquiry Officer.

Provided that it may not be necessary to hold an inquiry in respect of the charges admitted by the employee in his written statement. The Disciplinary Authority shall, however, record its findings on each such charge after taking such evidence as it may think fit.

25.5 Where the Disciplinary Authority itself inquires or appoints an inquiring authority for holding an inquiry, it may, by an order appoint a public servant to be known as the "Presenting Officer" to present on its behalf the case in support of the articles of charge.

Note:
Not more than two or three disciplinary enquires be entrusted to an Enquiry Officer/Presenting Officer at a time.

25.6 The employee may take the assistance of any other public servant to present the case on his behalf but may not engage a legal practitioner for the purpose.

Note:
The employee shall not take the assistance of any other public servant who has two pending disciplinary cases on hand in which he has to give assistance.

25.7 On the date fixed by the inquiring authority, the employee shall appear before the Inquiring Authority at the time, date and place specified in the notice. The inquiry authority shall ask the employee whether he pleads guilty or has any defence to make and if he pleads guilty to any of the articles of charge, the inquiring authority shall record the plea, sign the record and obtain the signature of the employee concerned thereon. The inquiring authority shall return a finding of guilt in respect of those articles of to which the employee concerned pleads guilty.

25.8 If the employee does not plead guilty, the inquiring authority shall adjourn the case to a later date not exceeding thirty days

after recording an order that the employee may, for the purpose of preparing his defence:

(i) Inspect the documents listed with the charge sheet;

(ii) Submit a list of additional documents and witnesses that he wants to examine; and

(iii) Be supplied with the copies of the statement of witnesses, if any, listed in the charge sheet.

Note: Relevancy of the additional documents and the witnesses referred to in sub-rule 25.8 (ii) above will have to be given by the employee concerned and the documents and the witnesses may be summoned if the inquiring authority is satisfied about their relevance to the charges under the inquiry.

25.9 The inquiring authority shall ask the authority in whose custody or possession the documents are kept, for the production of the documents on such date as may be specified.

25.10 The authority in whose custody or possession the requisitioned documents are, shall arrange to produce the same before the inquiring authority on the date, place and time specified in the requisition notice.

Provided that the authority having the custody or possession of the requisitioned documents may claim privilege if the production of such document will be against the public interest or the interest of the Company. In that event, it shall inform the inquiring authority accordingly. The inquiring authority shall on being so informed, communicate the information to the employee concerned.

25.11 On the date fixed for the inquiry, the oral and documentary evidence by which the articles of charge are proposed to be proved shall be produced by or on behalf of the disciplinary authority. The witnesses shall be examined by or on behalf of the Presenting Officer and may be cross-examined by or on behalf of the employee. The Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on a new matter, without the leave of the Inquiring Authority. The inquiring authority may also put such questions to the witnesses as it thinks fit.

25.12 Before the close of the prosecution case, the Inquiring Authority may, in its discretion, allow the Presenting Officer to produce evidence not included in the articles of charge or may itself call for new evidence or recall or re-examine any witness. In such

case, the employee shall be given an opportunity to inspect the documentary evidence before it is taken on record; or to cross-examine a witness, who has been so summoned.

25.13 When the case for the disciplinary authority is closed, the employee may be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case a copy of the statement of defence shall be given to the Presenting Officer, if any, appointed.

25.14 The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf if he so prefers. The witnesses produced by the employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the inquiring authority according to the provision applicable to the witnesses for the disciplinary authority.

25.15 The inquiring authority, may after the employee closes his case, and shall, if the employee has not examined himself, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.

25.16 After the completion of the production of the evidence, the employee and the Presenting Officer may file written briefs of their respective cases within 15 days of the date of completion of the production of evidence.

25.17 If the employee does not submit the written statement of defence referred to in sub-rule 25.3 on or before the date specified for the purpose or does not appear in person, or through the assisting officer or otherwise fails or refuses to comply with any of the provisions of these rules, the inquiring authority may hold the enquiry ex-parte.

25.18 Whenever any inquiring authority, after having heard and recorded the whole or any part of the evidence in an inquiry ceases to exercise jurisdiction therein, and is succeeded by another inquiring authority which has, and which exercises, such jurisdiction, the inquiring authority so succeeding may act on the evidence so recorded by its predecessor, or partly recorded by itself.

Provided that if the succeeding inquiring authority is of the opinion that further examination of any of the witnesses whose evidence has already been recorded is necessary in the interest

of justice, it may recall, examine, cross-examine and re-examine any such witnesses as herein before provided.

25.19 (i) After the conclusion of the inquiry, report shall be prepared and it shall contain:

(a) a gist of the articles of charge and the statement of the imputations of misconduct or misbehaviour;

(b) a gist of the defence of the employee in respect of each article of charge;

(c) an assessment of the evidence in respect of each article of charge;

(d) the findings on each article of charge and the reason therefor.

Explanation:

If in the opinion of the Inquiring Authority, the proceedings of the inquiry establish any article of charge different from the original articles of the charge, it may record its findings on such article of charge;

Provided that the findings on such article of charge shall not be recorded unless the employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

(ii) The inquiring authority, where it is not itself the disciplinary authority, shall forward to the disciplinary authority the records of inquiry which shall include:

(a) the report of the inquiry prepared by it under sub-clause (i) of 25.19;

(b) the written statement of defence, if any, submitted by the employee referred to in sub-rule 25.13;

(c) the oral and documentary evidence produced in the course of the inquiry;

(d) written briefs referred to in sub-rule 25.16, if any; and

(e) the orders, if any, made by the disciplinary authority and the inquiring authority in regard to the inquiry.

25.20 Schedule of time limits in conducting investigations and Departmental inquries:

The Competent Authority desires that the following time limits should be strictly adhered to so as to ensure that the disciplinary cases are disposed off quickly:

Sl. No.	State of Investigation or inquiry	Time Limit
1.	Decision as to whether the complaint involves a vigilance angle.	One month from receipt of the complaint.
2.	Decision on complaint, whether to be filed or to be entrusted to CBI or to be taken up for investigation by departmental agency or to be sent to the concerned administrative authority for necessary action.	-do-
3.	Conducting investigation and submission of report.	Three months.
4.	Department's comments on the CBI reports in cases requiring Commission's advice.	One month from the date of receipt of CBI's report by the CVO/Disciplinary Authority.
5.	Referring departmental investigation reports to the Commission for advice.	One month from the date of receipt of investigation report.
6.	Reconsideration of the Commission's advice, if required.	One month from the date of receipt of Commission's advice.
7.	Issue of charge-sheet, if required.	(i) One month from the date of receipt of Commission's advice. (ii) Two months from the date of receipt of investigation report.
8.	Time for submission of defence statement.	Ordinarily ten days or as specified in CDA Rules.
9.	Consideration of defence statement.	15 (Fifteen) days.
10.	Issue of final orders in minor penalty cases.	Two months from the receipt of defence statement.

11.	Appointment of IO/PO in major penalty cases.	Immediately (not more than four weeks) after receipt and consideration of defence statement.
12.	Conducting departmental inquiry and submission of report.	Six months from the date of appointment of IO/PO.
13.	Sending a copy of the IO's report to the Charged Officer for his representation.	i) Within 15 days of receipt of IO's report if any of the Articles of charge has been held as proved; ii) 15 days if all charges held as not proved. Reasons for disagreement with IO's findings to be communicated.
14.	Consideration of CO's representation and forwarding IO's report to the Commission for second stage advice.	One month from the date of receipt of representation.
15.	Issuance of orders on the Inquiry report.	i) One month from the date of Commission' advice. ii) Two months from the date of receipt of IO's report if Commission's advice was not required.

Rule 25(A): Consultation with the Chief Vigilance Officer before imposition of punishment in respect of disciplinary cases having vigilance angle:

The following procedure be followed strictly by the Disciplinary Authority in respect of disciplinary cases having vigilance angle to ensure timely completion of proceedings:

(i) First Stage Advice: In case of complaints in the Projects either received by the vigilance department or in case of deviations/procedural lapses or violation of systems detected by Vigilance Officers during surprise/regular checks, the matter has to be investigated and a report has to be submitted to the Disciplinary Authority for his information and further action. The investigation report, after perusal by the Disciplinary Authority, has to be forwarded to CVO for finding out whether there is any vigilance angel in the case and for taking a decision whether to go for minor/major penalty proceedings against the delinquent employee. The CVO will communicate his decision of minor/ major penalty proceedings and

accordingly, the disciplinary authority should issue orders. This is the first stage advice to be taken from the CVO in the process of vigilance cases.

(ii) Second Stage Advice: On receipt of Inquiry Report from the Inquiry Officer after completion of proceedings of the minor penalty/major penalty, the Disciplinary Authority may peruse the same and forward a copy along with enclosures to the CVO to enable him to scrutinize the inquiry report to ensure that the enquiry proceedings are conducted as per the procedures laid down and also to ensure that there is no violation of natural justice by way of giving opportunities to the delinquent employee in order to withstand the legal scrutiny by the courts at a later stage. After careful perusal of inquiry proceedings by the CVO, he suggests the proportionate penalty (major/minor) to be imposed on the delinquent employee on the basis of gravity of the misconduct committed and evidence adduced in the inquiry and then communicates back to the Disciplinary Authority for further action. This is the second stage advice to be given to the Disciplinary Authority by CVO.

Rule 26: Action on the inquiry report:

26.1 The disciplinary authority, if it is not itself the inquiring authority may, for reasons to be recorded by it in writing remit the case to the same or another inquiring authority for fresh or further inquiry and report and the inquiring authority shall there upon proceed to hold the further inquiry according to the provisions of Rule 25 as far as may be.

26.2 The disciplinary authority shall, if it disagreed with the findings of the inquiring authority on any articles of charge, record its reasons for such disagreement and record its own findings on such charge, if the evidence on record is sufficient for the purpose.

26.3 If the disciplinary authority having regard to its findings on all or any of the articles of charge is of the opinion that any of the penalties specified in Rule 23 should be imposed on the employee, it shall not withstanding anything contained in Rule 27, make an order imposing such penalty.

26.4 If the disciplinary authority having regard to its findings on all or any of the articles of charge, is of the opinion that no penalty is called for, it may pass an order exonerating the employee concerned.

Rule 27: Procedure for imposing minor penalties:

27.1 Where it is proposed to impose any of the minor penalties specified in clauses (a) to (e) of Rule 23, the employee concerned shall be informed in writing of the imputations of misconduct or misbehavior against him and given an opportunity to submit his written statement of defence within a specific period not exceeding 15 days.

The defence statement, if any, submitted by the employee shall be taken into consideration by the disciplinary authority before passing orders.

27.2 The record of the proceedings shall include:

(i) a copy of the statement of imputations of misconduct or misbehaviour delivered to the employee;

(ii) his defence statement, if any; and

(iii) the orders of the disciplinary authority together with the reasons thereof.

Rule 28: Communication of orders:

Orders made by the disciplinary authority under Rule 26 or Rule 27 shall be communicated to the employee concerned, who shall also be supplied with a copy of the report of inquiry, if any as also reasons for disagreement, if any, with the Inquiring Authority.

Rule 29: Common proceedings:

Where two or more employees are concerned in a case, the authority competent to impose a major penalty on all such employees may make an order directing that disciplinary proceedings against all of them may be taken in a common proceedings and the specified authority may function as the disciplinary authority for the purpose of such common proceedings.

Rule 30: Special procedure in certain cases:

Notwithstanding anything contained in Rule 25 or 26 or 27, the disciplinary authority may impose any of the penalties specified in Rule 23 in any of the following circumstances:

(i) the employee has been convicted on a criminal charge, or on the strength of facts or conclusions arrived at by a judicial trial; or

(ii) where the disciplinary authority is satisfied for reasons to be recorded by it in writing that it is not reasonably practicable to hold an enquiry in the manner provided in these Rules; or

(iii) where the Board/Chairman-cum-Managing Director is satisfied that in the interest of the security of the Company, it is not expedient to hold any inquiry in the manner provided in these rules.

Rule 30(A):

(i) Disciplinary proceedings, if instituted while the employee was in service whether before his retirement or during his re-employment, shall after the final retirement of the employee, be deemed to be proceeding and shall be continued and concluded by the authority by which it was commenced in the same manner as if the employee had continued in service.

(ii) During pendency of the disciplinary proceedings, the disciplinary authority may withhold payment of gratuity, for ordering the recovery from gratuity of the whole or part of any pecuniary loss caused to the Company if the employee is found in a disciplinary proceeding or judicial proceeding to have been guilty of offences/misconduct as mentioned in sub-section (6) of Section 4 of the Payment of Gratuity Act, 1972 or to have caused pecuniary loss to the Company by misconduct or negligence, during his service including service rendered on deputation or on re-employment after retirement. However, the provisions of Section 7(3) & 7(3A) of the Payment of Gratuity Act, 1972, shall be kept in view in the event of delayed payment in case the employee is fully exonerated.

(iii) The officer against whom disciplinary proceedings have been initiated will cease to be in service on the date of superannuation but the disciplinary proceedings will continue as if he were in service until the proceedings are concluded and final order is passed in respect thereof. The concerned officer will not receive any pay and/or allowance after the date of superannuation. He will also not be entitled for the payment of retirement benefits till the proceedings are completed and final order is passed thereon except his own contribution to CPF.

Rule 31: Employees on deputation from the PSE, Central Government or the State Government:

(i) Where an order of suspension is made or disciplinary proceedings is taken against an employee, who is on deputation to the Company from the Central or State Government or another Public Undertaking, or a local authority, the authority lending his services (hereinafter referred to as the "Lending Authority") shall forthwith be informed of the circumstances leading to the order of his suspension, or the commencement of the disciplinary proceeding, as the case may be.

(ii) In the light of the findings in the disciplinary proceeding taken against the employee:

(a) if the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him it may pass such orders on the case as it deems necessary after consultation with the Lending Authority;

Provided that in the event of a difference of opinion between the Disciplinary and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.

(b) if the Disciplinary Authority is of the opinion that any of the major penalties should be imposed on him, it should replace his services at the disposal of the Lending Authority and transmit to it the proceedings of the enquiry for such action as it deems necessary.

(iii) If the employee submits an appeal against an order imposing a minor penalty on him under sub-rule (ii) (a) of Rule 31, it will be disposed of after consultation with the Lending Authority.

Provided that if there is a difference of opinion between the Appellate Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority, and the proceedings of the case shall be transmitted to that authority for such action as it deems necessary.

Rule 32: Provision regarding employees lent to Government or other Public Undertaking, etc:

32.1 Where the services of an employee are lent to the Government or any authority subordinate there to or to any other public undertaking (hereinafter referred to as the "borrowing

authority") the borrowing authority shall have the power of the appointing authority for the purpose of placing such an employee under suspension and of the disciplinary authority for the purpose of conducting disciplinary proceeding against him.

Provided that the borrowing authority shall forthwith inform NMDC (hereinafter referred to as the Lending Authority) of the circumstances leading to the order of suspension of an employee or the commencement of the disciplinary proceedings as the case may be.

32.2 In the light of the findings of the inquiring authority against the employee:

(i) If the borrowing authority is of the opinion that any of the penalties specified in clauses a, b, c, d or e of Rule 23 (minor penalties) should be imposed on the employee, it may, after consultation with the lending authority, make such orders in the case as it deems necessary.

Provided that in the event of a difference of opinion between the borrowing authority and the lending authority, the services of the employee shall be replaced at the disposal of the lending authority.

(ii) If the borrowing authority is of the opinion that any of the penalties specified in clauses f, g, h, i or j of Rule 23 (major penalties) should be imposed on the employee, it shall replace his services at the disposal of the lending authority and transmit to it the proceedings of the enquiry for such action as it deems necessary.

Explanation:
The disciplinary authority may make an order under this clause on the record of inquiry transmitted to it by the borrowing authority or by holding such further enquiries, as it may deem necessary, as far as may be, in accordance with Rules 25, 26 or 27.

Rule 33: Appeals:

(i) An employee may appeal against an order imposing upon him any of the penalties specified in Rule 23 or against the order of suspension referred to in Rule 20. The appeal shall lie to the authority specified in the Schedule.

(ii) An appeal shall be preferred within one month from the date of communication of the order appealed against. The appeal shall be addressed to the Appellate Authority specified in the

schedule and submitted to the authority whose orders appealed against. The authority whose orders appealed against shall forward the appeal together with its comments and the records of the case to the Appellate Authority within 15 days.

The Appellate authority shall consider whether the finds are justified or whether the penalty is excessive or inadequate and pass appropriate orders within three months of date of appeal. The Appellate authority may pass orders confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority which imposed penalty or to any authority with such directions as it may deem fit in the circumstances of the case. Provided that if the enhanced penalty which the Appellate Authority proposes to impose is a major penalty specified in any of the clauses specified under Rule 23 and an inquiry as provided in the Rule 25 has not already been held in the case, The Appellate authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the inquiry and pass such orders as it may deem proper. If the appellate Authority decides to enhance the punishment but an enquiry as already been held as provided in Rule 25, the Appellate Authority shall give show cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The Appellate Authority shall pass final orders taking in to account the representation, if any, submitted by the employee.

Rules 34: Review:

Not withstanding anything contained in these rules, the reviewing authority as specified in the schedule may call for the record of the case within six months of the date of final order and after reviewing the case pass such orders thereon as it may deem fit.

Provided that if the enhanced penalty, which the reviewing authority proposes to impose, is a major penalty specified in any of the clauses under Rule 23 and an inquiry as provided in the Rule 25 has not already been held in the case, the Reviewing Authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the inquiry and pass such orders as it may deem proper. If the Reviewing Authority decides to enhance the punishment but an enquiry as already been held as provided in Rule 25 the Reviewing Authority shall give show cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The Reviewing Authority shall pass final orders after taking in to account the representation, if any, submitted by the employee.

Rule 35: Service of orders, notices, etc:

Every order, notice and other process made or issued under these rules shall be served in person on the employee concerned or communicated to him by registered post at his last known address.

Rule 36: Power to relax time-limit and to condone delay:

Save as otherwise expressly provided in these rules, the authority competent under these rules to make any order may, for good and sufficient reasons or if sufficient cause is shown, extend the time specified in these rules for any thing required to be done under these rules or condone any delay.

Rule 37: Savings:

(1) Nothing in these rules shall be construed as depriving any person to whom these rules apply of any right of appeal which had accrued to him under the rules, which have been superseded by these rules.

(2) An appeal pending at the commencement of these rules against an order made before the commencement of these rules shall be considered and orders thereon shall be made, in accordance with these rules.

(3) The proceedings pending at the commencement of the rules shall be continued and disposed as far as may be, in accordance with the provisions of these rules, as if such proceedings were proceedings under these rules.

(4) Any misconduct, etc., committed prior to the issue of these rules, which was a misconduct under the superseded rules, shall be deemed to be a misconduct under these rules.

Rule 38: Removal of doubts:

Where doubt arises as to the interpretation of any of these rules, the matter shall be referred to the Board for final decision.

Rule 39: Amendments:

The Board may amend, modify or add to these rules, from time to time, and all such amendments, modifications or additions shall take effect from the date stated therein.

***

1. Standard form of order of suspension
Rule 20 of the
NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

No. _____ Office _____

(Place of issue _____date _____)

ORDER

Whereas a disciplinary proceeding against Shri/Smt/ Kum_____ (name and designation of the employee) is contemplated/ pending.

Whereas case against Shri/ Smt/Kum _____ (name and designation of the employee) in respect of a criminal offence is under investigation/enquiry/ trial.

Now, therefore, the Chairman/the undersigned (the Appointing Authority or any authority to which it is subordinate or any other authority empowered in that behalf by the Board, by general or special order) in exercise of the powers conferred by Rule 20 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, hereby places the said Shri/Smt/Kum _____ under suspension with immediate effect.

It is further ordered during the period that this order shall remain in force, the headquarters of Shri/Smt/Kum_____ (name and designation of the employee) shall be _____ (name of place) and said Shri/Smt/Kum _____ shall not leave the headquarters without obtaining the previous permission of the undersigned.

Signature, name and designation
of the Suspending Authority

1. Copy to Shri/Smt/Kum_____ (name and designation of the suspended official), orders regarding subsistence allowance admissible to him/her during the period of his/her suspension will be issued separately.
2. Copy to Shri _____ (name and designation of the lending authority) for information.
3. Copy to Shri_____ (name and designation of the Appointing Authority).
4. The circumstances in which the order of suspension was made are as follows:
   (Here give details of the case and reasons for suspension)

Note: Endorsement 2 to 4 should not be inserted in the copy of the of suspension sent to the officer to be suspended.

2. Standard form of certificate to be furnished by suspended official

I _____ (name of employee), having been placed under suspension by Order No. _____ dated _____ while holding the post of _____ do hereby certify that I have not been employed in any business, profession or vocation for profit/remuneration/salary.

Signature,
name & designation
of the Employee
& address.

***

3. Standard form of order for revocation of suspension order
Rule 20 of the
NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

No. _____ Office _____

(Place of issue _____ dated _____)

ORDER

Whereas an order placing Shri/Smt/Kum _____ (name and designation of the employee) under suspension was made/deemed to have been made by _____ on _____.

Now, therefore, Chairman/the undersigned (the authority which made or is deemed to have made the order of suspension or any authority to which that authority is subordinate) in exercise of the powers conferred on him by Rule 20 (5) of NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978, hereby revokes the said order of suspension with immediate effect.

Signature
Name and designation of the
authority making this order

1. Copy to Shri/Smt/Kum _____ (name and designation of the suspended Officer).
2. Copy to Shri_____ (name and designation of the appointing authority) for information.
3. Copy to Shri _____ (name and designation of the lending authority making the order of suspension).
4. Copy to Shri _____ (name and designation of the authority making the order of suspension).
5. The reasons for revoking the order of suspension are as follows: (Here give in brief the reasons)

Note:

1. Endorsement as in 2 should be made where the order or revocation of suspension is made by an authority lower than the Appointing Authority.
2. Endorsement as in 3 should be made where the order of suspension has been made against a "Borrowed Officer".
3. Endorsement as in 4 should be made where the order of revocation of suspension is made by an authority other than the authority which made or is deemed to have made the order of suspension.

4. Endorsement 5 should be inserted only if an endorsement as in Endorsement 2, 3 or 4 is made.
5. Endorsement 2 to 5 should not be inserted in the copy sent to the suspended officer.

***

4. Standard form of Chargesheet for major penalties
Rule 25 of the
NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

No._____ Date: _____

MEMORANDUM

The undersigned proposed to hold an inquiry against Shri/Smt/Kum._____ under Rule 25 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978. The substance of the imputations of misconduct or misbehaviour in respect of which the enquiry is proposed to be held is set out in the enclosed statement of articles of charge (Annexure I). A statement of the imputations of misconduct or misbehaviour in support of such article of charge is enclosed (Annexure II). A list of documents by which, and a list of witnesses by whom, the articles of charge are proposed to be sustained are also enclosed (Annexure III and IV).

2) Shri/Smt/Kum _____ is directed to submit within 15 days of the receipt of this Memorandum a written statement of his/her defence and also to state whether he/she desires to be heard in person.

3) He/She is informed that an enquiry will be held only in respect of those articles of charge as are not admitted. He/she should, therefore, specifically admit or deny each article of charge.

4) Shri/Smt/Kum _____ is further informed that he/she does not submit his/her written statement of defence on or before the date specified in para 2 above or does not appear in person before the enquiring authority or otherwise fails or refuses to comply with provision of Rule 25 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978, or the orders/directions issued in pursuance of the said rules, the inquiring authority may hold the inquiry against him/her ex-parte.

5) Attention of Shri/Smt/Kum _____ is invited to the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978, under which no employee shall bring or attempt to bring any political or outside influence to bear upon any superior authority to further his/her interests in respect of matters pertaining to his/her service in the company. If any representation is received on his/her behalf from another person in respect of any matter within these proceedings, it will be presumed that Shri/Smt/Kum _____ is aware of such a representation and that it has been made at his/her instance and action will be taken against him/her for violation of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

6) The receipt of the Memorandum may be acknowledged.

Name and designation of
Competent Authority

To,

Shri/Smt/Kum _____

ANNEXURE I

Statement of Articles of Charge framed against Shri/Smt/Kum _____ (name and designation of the employee) as _____.

ARTICLE OF CHARGE I

That the said Shri/Smt/Kum _____ while functioning as _____ during the period _____.

ARTICLE OF CHARGE II

That during the aforesaid period and while functioning in the aforesaid office the said Shri/Smt/Kum _____.

ARTICLE OF CHARGE III

That during the aforesaid period and while functioning in the aforesaid office, the said Shri/Smt/Kum _____.

ANNEXURE II

Statement of imputations of misconduct or misbehaviour in support of the articles of charge framed against Shri/Smt/Kum_____
(name and designation of the employee).

Article of charge I
Article of charge II
Article of charge III

ANNEXURE III

List of documents by which the articles of charge framed against Shri/Smt/Kum _____ (name and designation of the employee) are proposed to be sustained:

ANNEXURE IV

List of witnesses by whom the articles of charge framed against Shri/Smt/Kum _____ (name and designation of the employee) are proposed to be sustained.

***

5. Standard form of order relating to appointment of inquiry officer/board of inquiry Rule 25 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

No. _____ Office of _____

(Place of issue _____ Date_____)

ORDER

Whereas an inquiry under Rule 25 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978, is being held against Shri/Smt/Kum_____ (name and designation of the employee).

AND WHEREAS the undersigned considers that a Board of Inquiry/an Inquiry Officer should be appointed to inquire into the charge framed against him/her.

Now, therefore, the undersigned, in exercise of the powers conferred by sub-rule (2) of the said Rule, hereby appoints a Board of Inquiry consisting of:

1.|
2.|- Here enter names and designations of Members of the
3.| Inquiry.

OR

Shri/Smt/Kum _____ (name and designation of the Inquiry Officer) as Inquiry Officer to inquire into charges framed against the said Shri/Smt/Kum_____ .

Designation of the
Competent Authority

Copy to: (Name and designation of the employee).
Copy to: Name and designation of Member of the Board of Inquiry/Inquiry Officer).
Copy to: (Name and designation of the lending authority) for information.

***

6. Standard form of Memorandum of charge for imposing minor penalties Rule 27 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

No. _____
Office of _____
Dated _____

MEMORANDUM

(1) Shri/Smt/Kum _____(Designation) _____ (Office in which working) _____ is hereby informed that it is proposed to take action against him/her under Rule 27 of NMDC Employees' (Conduct, Discipline & Appeal) Rules. A statement of the imputations of misconduct or misbehaviour on which action is proposed to be taken as mentioned above, is enclosed.

(2) Shri/Smt/Kum _____ is hereby given an opportunity to make such representation as he/she may wish to make against the proposal.

(3) If Shri/Smt/Kum_____ fails to submit his/her representation within fifteen days of the receipt of this Memorandum, it will be presumed that he/she has no representation to make and orders will be liable to be passed against Shri/Smt/Kum _____ ex-parte.

(4) The receipt of Memorandum should be acknowledged by Shri/Smt/Kum _____.

Signature
Name and designation of
the Competent Authority

To
Shri _____.

***

7. Standard form of order for taking disciplinary action in common proceedings Rule 29 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

No._____
Office of _____
Dated _____

Name of Employees,

ORDER

1. Whereas the employees specified in
2. the margin, are jointly concerned in
3. a disciplinary case;

Now, therefore, in exercise of the powers conferred by Rule 29 of NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978, the undersigned hereby directs:

(i) that disciplinary action against all said employees shall be taken in a common proceedings;

(ii) that (name and designation of the authority) shall function as the Disciplinary Authority for the purpose of the common proceedings and shall be competent to impose the following penalties, namely, (Here specify the penalties)

(iii) that the procedure prescribed in the Rules 25, 26 and 27 of NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978, shall be followed in the said proceedings.

Signature
Name and designation of the
Competent Authority [Rule 3(f)]

Copy to:
Shri/Smt/Kum _____ (Name and Designation)
Shri/Smt/Kum _____ (")
Shri/Smt/Kum _____ (")

***

FORM I

NMDC Limited

Masab Tank, Hyderabad-500 028

Vigilance Department

Statement showing details of immovable property on first appointment and also on 1st January of each calendar year (eg. Lands, houses, shops, other buildings etc.)

Name:	Department/Cell:	
Designation:	UEC:	Basic Pay:
Present place of posting:	Date of joining:	

Sl. No.	Details/description of property and its location (see notes 1 & 5 below) house/building/land no.	If not in own name, state in whose name held and his/her relationship, if any, to the employee.	How and when acquired (see notes 2 & 6 below).	Value of the property (see note 3 below),	Total annual income from the property.	Remarks
1	2	3	4	5	6	7

Sl. No.	Details/description of property and its location (see notes 1 & 5 below) house/building/land no.	If not in own name, state in whose name held and his/her relationship, if any, to the employee.	How and when acquired (see notes 2 & 6 below).	Value of the property (see note 3 below).	Total annual income from the property.	Remarks
1	2	3	4	5	6	7

Note: 1 If the property is not wholly owned, the extent of share may also be indicated.

Note: 2 For the purpose of col.4, if the property is acquired by 'lease', lease would mean a lease of immovable property from year to year or for any term exceeding one year of reserve yearly rent. When, however, the lease of immovable property is obtained from a person having official dealings with the employee, such a lease should in this colum, irrespective of the term lease whether it is short term, and the periodicity of the payment of rent.

Note: 3 In col.5 should be shown:

a. Where the property has been acquired by purchase, mortgage or lease, the price or premium paid for such acquisition.
b. Where it has been acquired by lease, the total annual rent thereof also and
c. Where the acquisition is by inheritance, gift or exchange, the approximate value of the property so acquired.

Note: 4 The annual return in respect of immovable property may also be submitted in this form as on 1st January.

Note: 5 Name of the district, division, taluka, village in which the property is situated and also its distinctive number etc. should be given in col.2.

Note: 6 Whether by purchase, mortgage, lease, inheritance, gift or otherwise and name with details of person(s) from whom acquired. Address and connection, if any, with the person(s) concerned are also to be given in column.

Note: 7 The declaration form is required to be filled-in and submitted by every employee in the scale of E0 and above under Rule 16 of NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

Place:
Date:

FORM II

Return of Assets and liabilities on first appointment

(Rule 16(4) of Conduct Rules)

A.		Name, designation of the executive	:	
B.		Scale of pay	:	
C.		Date of appointment/promotion to the executive cadre	:	
	1.	Debenture/shares	:	
	2.	Postal cumulative time deposits/NSC/NSS/LIC/UTI etc	:	
	3.	Cash including bank deposits	:	
	4.	Securities	:	
	5.	Jewellary	:	
	6.	Insurance policies, the annual premia of which exceeds ₹.1,000/- or one sixth of the total annual emoluments received by the employee from the Corporation whichever is less.	:	
	7.	Motor Car	:	
	8.	Motor Cycle/Scooters/Mopeds etc	:	
	9.	Horses or any other means of conveyance	:	
	10.	Refrigerator	:	
	11.	Radio/Radiograms	:	
	12.	TV Set/VCR/VCP etc	:	
	13.	Loans advanced by employees whether secured or not.	:	
	14.	Debts and other liabilities incurred by him/her directly or indirectly.	:	
	15.	Any other movable property inherited by him/her or similarly owned, acquired or held by him/her.	:	

Signature
Name & Designation:
UEC:

Place:
Date:

***

FORM II (A)

NMDC Limited

Masab Tank, Hyderabad-500 028

Vigilance Department

Statement showing details of assets (other than immovable property) and liabilities on first appointment and also submission of return on 1st January of each calendar year.

Name:	Department/Cell:	
Designation:	UEC:	Basic Pay:
Present place of posting:	Date of joining:	

Assets					Liabilities
A. Liquid assets & investments (including deposits & LIC Policies)					
Description	Amount/ original price.	Held in the name of and relationship	How acquired	Annual income derived	1. Liabilities to the bank/financial institutions.
1	2	3	4	5	
					2. Liabilities to friends & relatives.
B. Movable Properties:					3. Other liabilities, if any.
1	2	3	4	5	

Place:
Date:

Signature:

NB: Additional sheets may be attached if necessary.

Note: 1 In the case of shares, securities, debentures etc face value and approximate market value as on the date of statement may be mentioned.

Note: 2 In the case of Life Insurance Policies, the date of maturity may also be stated.

Note: 3 Under B, information may be given regarding items like
(a) gold/gold ornaments (approximate weight only be stated).
(b) Silver including ornaments etc. (approximate weight).
(c) Other precious metals, items of jewellery, precious stones, forming part of jewellery etc. (approximate value to be stated).
In respect of following approx. value be stated:
(i) Car
(ii) Scooters/Motor Cycles
(iii) Refrigerator/Air Conditioners, Radio/Radiogram/Television sets and any other articles the value of which individually is more than ₹.50,000/-.

Note: 4 In col. 4, it may be indicated whether the property was acquired by purchase, gift, or otherwise.

Note: 5 Under liabilities, brief details should be given.

Place: Signature:

Date: Designation:

FORM II (B)

NMDC Limited

Masab Tank, Hyderabad-500 028

Vigilance Department

Detailed statement in respect of shares/debentures purchase under promoter's/employees' quota as on 1st January of each calendar year in executive's own name and also those held in the name of spouse and dependent children.

Name:	Department/Cell:	
Designation:	UEC:	Basic Pay:
Present place of posting:	Date of joining:	

Sl. No.	Name of the Company	No. of Shares	Face Value	Cost of acquisition	Whether Promoter's/ Employees'/ quota	How acquired	Position held at the time of acquisition and if the Company had any borrowing or other facilities at that time.
1	2	3	4	5	6	7	8

A. Self
B. Spouse and dependent children

Any additions/deletions to this statement as on 1st January ..... and the profit/loss incurred by me are given below:

Place: Signature:

Date: Designation:

Annexure

(To be submitted along with the Assets and Liabilities Statement as on 1st January of every year)

Form for giving information where total transactions in shares, securities, debentures and investments in mutual fund schemes etc. exceeds ₹.50,000/- during the calendar year as on 1st January…….

1.	(i) Name	:	
	(ii) Designation	:	
	(iii) UEC	:	
2.	(i) Grade	:	
	(ii) Present basic pay	:	
3.	Details of each transaction made in shares, securities, debentures, mutual funds scheme etc during the calendar year	:	
4.	Particulars of the party/firm with whom transaction is made	:	
5.	a. Is party related to you ? b. Did you have dealings with the party in your official capacity at any time or is the applicant likely to have any dealings with you in the near future ?	: :	
6.	Source(s) from which financed ? a) Personal Savings b) Other sources. If any, give details	: :	
7.	Any other relevant fact which you may like to mention	:	

Declaration:

I hereby declare that the particulars given above are true.

Place: Signature:

Date: Designation:

UEC no.

FORM III

NMDC Limited

Masab Tank, Hyderabad-500 028

Form for furnishing information/seeking permission/approval for acquisition/disposable of movable/immovable property

Rule 16 of CDA Rules

1.		Name and designation of the employee	:	
2.		Date of joining in NMDC	:	
3.	(a)	Scale of pay	:	
	(b)	Present pay drawn	:	
4.		Whether the application or intimation is in respect of acquisition/disposal of property and what is the brief description (nature of property).	:	
5.		If the property has already been acquired/disposed of, the transaction and the date of acquisition/disposal.	:	
6.		In case of immovable property -		
	(a)	Full details about the area and location viz. municipal no. street/village, taluk, district & State in which situated (full address).	:	
	(b)	Description of the property in the case of cultivable land, dry or garden land.	:	
	(c)	Whether free hold or leasehold.	:	
	(d)	Whether the applicant's interest in the property is in full or in part (In case of partial interest, the extent of such interest must be indicated).	:	
	(e)	Mode of acquisition/disposal ie a purchase, sale, gift, mortgage, lease or otherwise.	:	
7.	(a)	In case of movable property Description of the property (e.g., Car/Scooter/Motorcycle/		

		refrigerator/Radio/Radiogram/ Television sets/jewellery/loans/ Insurance Policies, etc.	:	
	(b)	Make, model (and also registration no. in case of vehicles).	:	
8.		Sale/Purchase Price of the property	:	
9.		In case of acquisition, source or sources from which financed/proposed to be financed.	:	
	(a)	Personal savings	:	
	(b)	Other sources, giving details.	:	
10.		In the case of disposal of property was the requisite sanction/intimation obtained/ given for its acquisition (a copy of the sanction/ acknowledgement should be attached).	:	
11.	(a)	Name & Address of the party with whom transaction is proposed to be made/has been made.	:	
	(b)	Is the party related to the applicant ? If so, state the relationship	:	
	(c)	Did the applicant have any dealings with party in his official capacity at any time, or is the applicant likely have dealings with him in the near future.	:	
12.		Was/is the transaction made/proposed to be made through a regular or reputed dealer ? If so, full name and address of the dealer.	:	
13.		Any other relevant facts which the applicant may like to mention.	:	

DECLARATION

I, _____, hereby declare that the particulars given above are true. I request that I may be given permission to acquire/dispose of the property as described above from/to the party whose name is mentioned in item no.11.

I, _____, hereby intimate the acquisition/disposal of property by me as detailed above, through the dealer whose address is furnished against item no.11.

I declare that the particulars given above are true.

Station:
Date:

Signature
Name & Designation
UEC:

NB: The appropriate declaration will be used.
The one not applicable will be struck off.

***

FORM IV

NMDC Limited

Masab Tank, Hyderabad - 500 028

Form of report/application for permission for construction of house/purchase of ready built house/flat or addition to a house.

1. This is to report to you that I propose to build a house/purchase a ready built house/flat or to make an addition to my house/flat.

2. This is to request that permission may be granted to me for building of a house/purchase of a ready built house/flat or to make an addition to the house.

The estimated cost of the land and materials for construction/extension of house/price of ready built house/flat is given below:

I. LAND

(1) Location
(survey number(s), door no., street/village, district, state)
(2) Area
(3) Cost

II. BUILDING MATERIALS ETC.

(1) Bricks (rate/quantity/cost)
(2) Cement (rate/quantity/cost)
(3) Iron and Steel (rate/quantity/cost)
(4) Timber (rate/quantity/cost)
(5) Sanitary Fittings (cost)
(6) Electrical Fittings (cost)
(7) Any other special fittings (cost)
(8) Labour charges.
(9) Other charges, if any.

TOTAL COST OF LAND AND BUILDING
(PLINTH/BUILT UP AREA OF HOUSE/FLAT)

2.* The construction will be supervised by myself/the construction will be done by @_____.

I do not have any official dealings with the contractor, nor did I have any official dealings with him in the past.

I have/had official dealings with the contractor and the nature of my dealings with him is/was as under:

3. The cost of proposed house/flat will be met as under:

AMOUNT

(i) Own-savings
(ii) Loans/Advances with full details.
(iii) Other sources with details.

Total

Yours faithfully

Signature
Name & Designation

* Strike out portions not applicable.
@ Enter the name and place of business of the contractor.

***

Form V

FORM OF REPORT AFTER COMPLETION OF BUILDING HOUSE/PURCHASE OF READY BUILT HOUSE/FLAT

Sir,

In my letter no._____ dated _____ I had reported that I propose to build a house/purchase a flat/ready built house/additions to the house.

Permission was granted to me in order no._____ dated _____ building of a house/purchase a flat/ready built house/making additions to the house.

The house/flat/addition to the house has since been completed and I enclose a duly certified valuation report in the prescribed proforma and also a detailed valuation report duly certified by a firm of civil engineers or a civil engineer of repute or a valuer duly approved by the Income Tax Department/Municipality/LIC of India.

The cost of construction of house/acquisition of flat/ready-built house/making addition to the house indicated in the enclosed valuation report was financed as under:

AMOUNT

(i) Own-savings (with item wise breakup)
(ii) Loans/Advances with full details.
(iii) Other sources with full details.
Total

Yours faithfully

Signature
Name & Designation
UEC:

Date:

Note: Variations, if any, between the figures given above and the figures given in Form IV may be explained suitably)

***

VALUATION REPORT

I/We hereby certify that I/We have valued house/flat owned by Shri/Smt*_____ at _____ constructed by **_____.

Details of the house/flat:

(i) Plot/flat no.
(ii) House no.
(iii) Name of locality
(iv) Plinth/built-up area
(v) Year of commencement and completion

I/We give below the value at which I/We estimate the cost of construction of house/flat under the following headings:

Headings:	Cost (₹.)
(1) Bricks	
(2) Cement	
(3) Iron and Steel	
(4) Timber	
(5) Sanitary Fittings	
(6) Electrical Fittings	
(7) Any other special fittings	
(8) Labour charges.	
(9) All other charges	

Total cost of the house/flat	
	---

* Here enter the name, address etc of the employee.
** Here enter the name, address etc of the contractor.

Signature of the
Valuation Authority
with name and address
and licence number.

Date:
Place:

***

FORM VI

Form for giving intimation for transactions in shares, securities, debentures and investment in Mutual Fund Scheme etc. under Rule 16.4 of the NMDC Employees' (Conduct, Discipline & Appeal) Rules, 1978.

1.	Name & designation	:	
2.	Grade and present pay	:	
3.	Details of each transaction made in shares, securities, debentures, mutual fund scheme etc, during the calendar year.	:	
4.	Particulars of the party/firm with whom transaction is made	:	
(a)	Is party related to the applicant ?	:	
(b)	Did the applicant have any dealings with the party in his official capacity at any time or is the applicant likely to have any dealings with him in the near future ?	:	
5.	Source(s) from which financed	:	
(a)	Personal savings	:	
(b)	Other sources. If so, give details.	:	
6.	Any other relevant fact which applicant may like to mention	:	

Declaration:

I hereby declare that the particulars given above are true.

Signature
Name & designation
UEC:

Date:
Place:

***

NMDC LIMITED
EMPLOYEES' PROVIDENT FUND RULES 1974

PART 1: Definitions, Establishment of Fund and membership:

1. TITLE:

1.(a) The name of the Fund as recognised and established, shall be "National Mineral Development Corporation Limited Employees' Provident Fund. These Rules may be called the "Provident Fund Rules for the Employees of National Mineral Development Corporation Limited". These Rules shall be deemed to have come into force from July 1, 1974.

1.(b) There will be a single Fund for the Company. Its accounts will, however, be maintained separately for each Project/Office, as the company may determine.

1.(c) These Rules shall apply uniformly to all the Projects/Offices under the control of the company".

2. DEFINITIONS :

In these Rules, unless there be anything repungant in the context or subject:

2.(a) ACT: "Act" shall mean Employees Provident Fund Act 1952 (19 of 1952)

2.(b) BOARD: "Board" shall mean the Board of Trustees constituted for administering the Fund under these Rules.

2.(c) CHILDREN: "Children" shall mean legitimate children and include adopted children, if the adoption is legally recognised under the personal law applicable to the member.

2.(d) COMPANY: "Company" shall mean National Mineral Development Corporation Limited incorporated under the Companies Act 1956, on the 15th day of November, 1958.

2.(e) CONTINUOUS SERVICE: "Continuous Service" shall mean uninterrupted service and shall include service which is interrupted by sickness, accident, authorised leave, strike which is not illegal, or cessation of work not due to the employees fault; Provided that an illegal strike shall not constitute a break in the service of an employee where the Company has condoned the break in continuous service due to such illegal strike or where an

employee is continued in employment without prejudice to his continuity of service either as a result of a settlement between him and the company or an award.

2.(f) EMPLOYEE: "Employee" shall mean any person who is employed for wages/salary in any kind of work, manual or otherwise, in or in connection with the work of the company and who gets his wages/salary directly from the company and includes any person engaged as "Apprentice" not being an apprentice engaged under Apprentice Act 1961 or under Standing orders of Company.
(Head Office Letter No.22/Rules/Vol.III/72 dated 30.01.90 wef 01.08.1988 and No.22/Rules/77/06/97 dated 22.01.97).

2.(g) Excluded Employee:
Deleted vide office order no.22/Rules/72/014 dated 29.03.97

2.(h) FAMILY: "Family" shall mean-

2.(h)(i) In the case of a male member, his wife, his children whether married or unmarried, his dependent parents and his deceased son's widow and children. Provided that if a member proves that his wife has ceased, under the personal law governing him or the customary law of the community to which the spouses belong, to be entitled to maintenance, she shall no longer be deemed to be a part of the member's family for the purpose of these rules unless the member subsequently intimates by express notice in writing to the Board that she shall continue to be so regarded; and

2.(h)(ii) In the case of a female member, her husband, her children, whether married or unmarried, her dependent parents, her husband's dependent parents and her deceased son's widow and children. Provided that if a member, by notice in writing to the Board, expresses her desire to exclude her husband from the family, the husband and his dependent parents shall no longer be deemed to be a part of the member's family for the purpose of these rules unless the member subsequently cancels in writing any such notice.

EXPLANATION: In either of the above two cases, if the child of a member or as the case may be the child of a deceased son of the member has been adopted by another person and if under the personal law of the adopter, adoption is legally recognised, such a child shall be considered as excluded from the family of the member.

2.(i) FINANCIAL YEAR: "Financial Year" shall mean the year commencing on the first day of April ending with 31st March following.

2.(j) FOREIGN SERVICE: "Foreign Service" shall mean the service on deputation terms with another employer with the approval of the Company.

2.(k) FUND: "Fund" shall mean the Provident Fund constituted for the National Mineral Development Corporation Limited and shall include all moneys from time to time held by or to the account of the Board of Trustees in pursuance of the provisions herein contained and shall include any investments for the time being made with such moneys.

2.(l) GOVERNMENT SECURITY: "Government Security" shall have the meaning assigned to it in the Public Debt Act 1944 (XVIII of 1944).

2.(m) LEAVE: "Leave" shall mean any kind of leave recognised by the Company.

2.(n) MEMBER: "Member" shall mean any employee in the service of the company who under the rules is eligible to become a member of the Fund, is so admitted and is actually subscribing to the Fund.

2.(o) NOMINEE OR NOMINEES: "Nominee or Nominees" shall mean any person or persons who may be appointed in writing by a member to receive the amount that may become payable from the Fund to the member in the event of member's death.

2.(p) BASIC WAGES: "Basic Wages" means all emoluments which are earned by an employee while on duty or on leave with wages or on holidays with wages. In either case in accordance with the terms of the contract of employment and which are paid or payable in cash to him, but does not include.

2.(p)(i) the cash value of any food concession;

2.(p)(ii) any dearness allowance (that is to say, all cash payments by whatever name called paid to an employee on account of a rise in the cost of living), house rent allowance, overtime allowance, bonus, commission or any other similar allowance payable to the employee in respect of his employment or of work done in such employment.

2.(p)(iii) any presents made by the employer;

EXPLANATION: In case of re-employed persons whose initial pay is fixed after deducting the gross amount of pension and/or pension equivalent of other forms of retirement benefits receivable by them from the pre-retirement pay, the amount so deducted while fixing their pay shall be treated as part of basic wages for the purpose of these rules.

2.(q) PROJECT: "Project" shall mean a mine, whether under construction or in production under the charge of the company or any other feasibility study or area where the company is exploring the possibilities of establishing/developing a mine for commercial exploitation.

2.(r) SCHEME: "Scheme" shall mean Employees' Provident Fund Scheme 1952.

2.(s) TRUSTEES: "Trustees" shall mean the members of the Board of the Trustees constituted for administering the Fund under Rules 13 and 14.

NOTES:

(i) Any expression connoting the masculine gender shall include the feminine gender also.

(ii) Words importing singular number shall include the plural number and vice-versa.

(iii) All other words and expressions not defined herein above shall have the meaning respectively assigned to them in the Employees' Provident Fund Act 1952 and the Employees' Provident Fund Scheme 1952.

3. ESTABLISHMENT:

The fund shall be deemed to have been established on and from the 15th November, 1958, pursuant to resolution of the Directors of the Company passed at the meeting of the Board of Directors held on the 10th February, 1961 in exercise of the authority conferred on the Directors by Article 76(17) of the Articles of Association of the Company.

4. Rules:

4.(a) The fund shall be governed by these rules or by such rules as shall for the time being in force and shall be interpreted by the

Trustees whose decision shall be final and binding. If there arises any dispute between the Board of Trustees and any member or members of the Fund regarding the interpretation of any of these rules the matter shall be referred to the Regional Provident Fund Commissioner for his decision, which shall be final and binding upon both the parties. The executive head of the Project shall not be Trustee of the Fund.

4.(b) The Board of Directors of the company after consulting the Board of Trustees and subject to the approval of the Regional Provident Fund Commissioner and the Commissioner of Income-Tax may from time to time repeal, add to, vary or alter these rules and frame such other rules as may be necessary.

5. MEMBERSHIP:

5.(a) Every employee of the Company (other than an excluded employee) shall be entitled and required to become a member of the fund from the date he/she joins the Company on appointment. (This amendment is effective from 01.11.1990).

EXPLANATION:

(i) Employees joining the Company from other Government Undertakings, Public Bodies, Quasi-Government Service after severing their connections with those Undertakings, have the option of getting his accumulations in his P.F. holdings with the previous employer transferred to the NMDC Employees Provident Fund.

(ii) A Government servant on deputation who opts for permanent absorption in the service of the Company shall be entitled and required to become a member of the Fund from the date of his resignation from Government service takes effect and he is absorbed in the service of the Company. Such an employee shall have the option to withdraw his provident fund accumulations with the previous employer, or have the accumulations transferred to the Fund.
(Amendment dated 06.05.1991 Head Office Letter No.22/Rules/72/Vol.IV dated 06.05.1991).

5.(b) The Board of Trustees shall decide whether an employee is entitled or required to become or continue as a member, or as regards the date from which he is so entitled or required to become a member. In case a member is dissatisfied with the decision of Trustees, he may appeal to the Regional Provident Fund Commissioner whose decision shall be final and binding.

Provided that no decision shall be given unless both the Chairman of the Board of Trustees and the Employees have been heard.

5.(c) Application to join the Fund shall be made in writing to the Company in a declaration of agreement to comply with the rules of the Fund for the time being in force (vide Appendix-I).

5.(d) Written notice shall be given by the company to the applicants of the accepting or rejecting, as the case may be, of their application to become Members of the Fund.

NOTE: This rule shall not apply to employees who should under these rules join the Fund compulsorily.

5.(e) A member shall continue to be a member until he withdraws the accumulated balance due to him or the amounts standing to his credit is transferred to another Provident Fund in accordance with these rules.

6. FOREIGN OUT OF INDIA SERVICE OR DEPUTATION:

If a member is transferred to foreign service or sent on deputation out of India, he shall remain, subject to the rules of the Fund, in the same manner as if he were not so transferred or sent on deputation.

7. TRANSFER FROM OTHER COMPANIES:

Explanation (i) and (ii) under Rule 5 (a) will govern the transfer of accumulation of Provident Fund holdings with the previous employer to the NMDC Employees Provident Fund. Nothing in these rules shall be deemed to provide that the amount of accumulations with the previous employer transferred under the above rules shall be taken into account in determining the contributions to be made by the Company to the Fund under rule 10 hereof so that the Company shall be under no liability whatsoever on such payment or transfer to this Provident Fund to make any equivalent contribution to the Fund. Subject as foresaid, any such transferred balance shall be credited to the account of such joining member and be subject to the previous of the rules for the time being of the Fund.

8. DECLARATION AND NOMINATION BY EMPLOYEES:

8.(a)(i) Every employee who is required or entitled to be come a member of the Fund shall furnish particulars concerning himself, his family and his nominee in the form prescribed

(vide Form - 2) if during his last employment, if any, he was a member of a provident fund, he shall further state the account number and or the name and the particulars of the employee.

8.(a)(ii) Every employee shall furnish any information as may be necessary or proper for the purpose of implementing the Rules or as may be required by the Chairman.

8.(b) Upon becoming a member of the fund, each member of the Fund, shall send in writing to the Board of Trustees a nomination (vide Foem-2) conferring on one or more persons the right to receive the amount that may stand to his credit in the fund in the event of his death before the amount has become payable or having become payable, has not been paid to him; provided that in the case of a member having a family, a nomination shall be made, in favour of one or more persons belonging to his family. A nomination made by such member in favour of a person not belonging to his family shall be invalid, if the member has no family on the date of his becoming the member of the fund, the nomination may be made in favour, of any person or persons but if the member subsequently acquires a family, such nomination shall forthwith be deemed to be invalid and the member shall make a fresh nomination in favour of one or more persons belonging to his family.

8.(c) A nomination shall not be partly in favour of the member's family and partly in favour of others outside his family.

8.(d) If a member nominates more than one person under sub- rule (a) above, he shall specify in the nomination the amount or share payable to each of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the fund at any time.

8.(e) Every nomination shall be in such form/forms as the Trustees may prescribe from time to time.

8.(f) A nomination shall take effect from the date it is handed over to the Board of Trustees for registration. No nomination shall be received for registration after the death of the member.

8.(g) A member may at any time cancel the nomination by sending a notice in writing (in Form - 2) to the Board of Trustees provided that the member shall along with such notice send a fresh nomination in accordance with these rules. If the nominee predeceases the member, the interests of the nominee shall

revert to the member who may make a fresh nomination in respect of such interest.

8.(h) Where the nominee is a minor, the member shall name the person appointed to receive the benefit on behalf of the minor, in case the amount becomes payable before the minor nominee attains majority.

9. ASSETS OF THE FUND:

The fund shall consist of:

9.(i) Contributions by the members out of their salary or wages or other emoluments as provided in Rule 11;

9.(ii) Contributions by the Company under Rule 10 below;

9.(iii) Interest and dividends which the investment of money, from the Fund from time to time, may yield;

9.(iv) Balances transferred from other Provident Funds, where such transfers are permitted by these rules;

9.(v) Any capital gains arising from the sale, exchange or transfer of capital assets;

9.(vi) Sums forfeited to the Fund under these rules;

9.(vii) Any contribution or donations made by the company, or received from other sources.

PART-II : CONTRIBUTION TO THE FUND

10. COMPANY'S CONTRIBUTION:

10.(a)(i) The contributions payable by the Company under these rules shall be at the rate of 12 % of the basic wages, and dearness allowance (including the cash value of any food concession and retaining allowance, if any) payable to each employee who is eligible for membership of the fund.

NOTE: Contribution increased to 12% wef 22.09.97 – vide Head Office order no.22/Rules/72/32/97 dated 23.10.1997.

10.(a)(ii) The contribution shall be calculated on the basic wages, and dearness allowance (including the cash value of any food

concession and retaining allowance , if any) actually drawn during the whole month.

10.(a)(iii) Each contribution shall be calculated to the nearest full rupee, 50 paise or more to be counted as the next higher rupee.

10.(b) Payment of Contribution to Trustees:

10.(b)(i) The contributions of the employee collected by the company as well as its own contribution shall be paid by the company to the Trustees within 15 days from the date of collection.

10.(b)(ii) Company's Share not to be deducted from the members: Notwithstanding any contract to the contrary, the Company shall not be entitled to deduct the company's contribution from the wage of a member or otherwise to recover it from him.

11. MEMBER'S CONTRIBUTION:

11.(i) The contribution payable by the employee under these Rules shall be equal to the contribution payable by the company in respect of each employee. Provided that any employee to whom these rules apply may, if he so desires, contribute voluntarily any amount without limit.(H.O. 22/Rules/72/Vol. III dated 30.1.90. With effect from 1.8.88).Provided further that the employee's contribution shall be presumed to be an amount equal to the company's contribution unless the employee intimates in writing the increased amount which he chooses to contribute.

11.(ii) Recovery of Member's share of contribution:

11.(ii)(a) The amount of a member's contribution paid by the company shall not withstanding the provisions in these rules or any law for the time being in force or any contract to the contrary be recoverable by means of deductions from the wages of the member and not otherwise, provided that no such deduction may be made from any wage other than that which is paid in respect of the period or part of the period in respect of which the contribution is payable.

Provided further that the company shall be entitled to recover employees' share from a wage other than that which is paid in respect of the period for which the contribution has been paid or is payable where the employee has in writing, given a false declaration regarding his last employment

and membership of contributory provident fund in other establishments. Provided that when no such deduction has been made on account of an accidental mistake, clerical error, or belated admission to the fund such deduction may be made from the subsequent wages.

11.(ii)(b) Deductions made from the wages of a member paid on daily, weekly or fortnightly basis should be totaled up to indicate the monthly deductions.

11.(ii)(c) Any sum deducted by the company from the wages of an employee under these rules shall be deemed to have been entrusted to it for the purpose of paying the contribution in respect of which it was deducted.

Provided that if a member quits the service or dies during any month, the company's contribution for the period between the close of the preceeding month and the date of quitting the service or the casualty, as the case may be, shall be made available to the Trustees within a fortnight after the event for credit to the member's account along with the member's contribution deducted from his wage or salary.

11.(ii)(d) Recovery of damages for default in payment of any contribution:

11.(ii)(d)(1) Where Employee makes default in the payment of any contribution to the Fund or in the transfer of accumulations required to be transferred by him to Fund the Board of Trustees may recover from the Employer by way of penalty damages at the rates given below:

Period of default	Rate of damages (% of arrears pa)
a) Less than two months	Seventeen
b) Two months and above but less than four months.	Twenty-two
c) Four months and above but less than six months.	Twenty-seven
d) Six months and above	Thirty-seven

11.(ii)(d)(2) The damages shall be calculated to the nearest rupee, 50 paise or more to be counted as the nearest higher rupee and fraction of a rupee less than 50 paise to be ignored.

11.(ii)(e) Terms and conditions for reduction or Waiver of damages:

Board of Trustees may reduce or waive the damages subject to the following terms and conditions, namely:

11.(ii)(e)(a) in case of a change of management including transfer of the undertaking to workers co-operative and in case of merger or amalgamation of the sick industrial company with any other industrial company, complete waiver of damages may be allowed;

11.(ii)(e)(b) in cases, where the Board for Industrial and Financial Reconstruction, for reasons to be recorded in its Scheme, in this behalf recommends, waiver of damages upto 100% be allowed;

11.(ii)(e)(c) in other cases, depending on merits, reduction of damages upto 50% may be allowed.
(Letter No.22/Rules/72/Vol.IV dated 19.11.92).

12. CONTRIBUTION DURING FOREIGN SERVICE:

When a member is transferred to foreign service or sent on deputation out of India, he shall remain subject to the regulations of the fund in the same manner as if he were not so transferred on deputation. The employee's contribution payable in respect of foreign service shall unless it is received from the foreign employer, be recovered by the company from the member.

PART - III : MANAGEMENT OF THE FUND

13. MANAGEMENT OF THE FUND:

The custody, control and management of the fund shall be vested in a Board of Trustees constituted for all the projects under the company and that such Trust so constituted shall be irrecoverable. No money belonging to the fund in the hands of the Trustees shall be recoverable by the company under any lien or charge of any description on the same save as herein provided. The costs, charges and expenses of administering the fund including the inspection charge payable to the Regional Provident Fund Commissioner and the Trustee's remuneration and

all expenses incurred by the Trustees in the discharge of their duties shall be paid by the company.

14. BOARD OF TRUSTEES:

14.(i) The Board of Trustees shall be constituted in accordance with the Rules framed and communicated by the Regional Provident Fund Commissioner from time to time. At present the Board of Trustees will be constituted in accordance with the procedure laid down by the Regional Provident Fund Commissioner vide letter No. PFRC (10)/02-63 dated the 1st September, 1964 (copy at Appendix 5 to these rules).

14.(ii) The Chairman/Managing Director of the Company shall nominate one of its representatives on the Board to be the Chairman thereof, who shall nominate one of the Trustees representing the Company as the Secretary of the Board of Trustees. The Secretary shall discharge such duties as the Chairman may assign to him from time to time.

14.(iii) The Secretary will convene meeting of the Trustees with the approval of the Chairman of the Board of Trustees. Notice giving such a reasonable time as may be considered necessary by the Chairman will be issued by the Secretary indicating the time, date and place of meeting. At every meeting of the Board of Trustees, the Chairman shall preside. If the Chairman is absent at the meeting the Trustees present shall elect one of them to preside over the meeting and the Trustee so elected shall exercise all the powers of the Chairman at the Meeting.

15. TERMS OF OFFICE OF TRUSTEES:

15.(a) The Chairman of the Trust shall hold office during the pleasure of the Chairman of the Company.

15.(b) The term of office of the Trustees shall be five years commencing from the date of their appointment/nomination; provided that any such Trustee shall, notwithstanding the expiry of the said period of five years, continue to hold office until the appointment/nomination of his successor is made. (Office Order 22/Rules/72/05/95 dated 26.06.1995)

15.(c) Outgoing Trustees shall be eligible for retention or renomination as the case may be.

16. RESIGNATION OF TRUSTEES:

A Trustee may resign his office by letter in writing addressed to the Chairman of the Board and his office shall fall vacant from the date on which his resignation is accepted by the Chairman of the Board.

17. CESSATION FROM AND RETOR TATION TO TRUSTEESHIP:

If a Trustee fails to attend three consecutive meetings of the Board without obtaining leave of absence from the Chairman of the Board, he shall cease to be a Trustee. Provided that Chairman of the Board may restore him to Trustee-ship, if he is satisfied that there were reasonable grounds for the absence.

18. QUALI FICATION FOR TRUSTEE SHIP:

18.(a)A person shall be disqualified for being appointed as or for being a Trustee;

18.(a)(i) if he is an undischarged insolvent; or

18.(a)(ii) if he is declared to be of unsound mind by competent court; or

18.(a)(iii) if before or after the commencement of these rules he has been convicted of any offence involving moral turpitude.

18.(b)If any question arises as to whether any person is disqualified under sub paragraph (a), it shall be referred to the Regional Provident Fund Commissioner, in whose region the Head Office of the Corporation is situated and his decision shall be final and binding on both parties.

19. REMOVAL FROM TRUSTEESHIP

The Chairman of the Board of Trustees may remove from office any Trustee; if in his opinion such Trustee has failed to carry out his duties as a Trustee; Provided that no such Trustee shall be removed unless a reasonable opportunity has been given to him for making any representation against the proposed action.

20. APPOINTMENT OF NEW TRUSTEES

If and whenever any Trustee or Trustees shall die, resign, refuse or in the opinion of the company, become incompetent or incapable of action or otherwise disqualified under the Indian Trust Act, 1882, or permanently leave India or cease to be an

employee of the Company, the company shall appoint any other competent person or persons to be the New Trustee or Trustees within three months from the date of cessation or and on every such appointment the Fund shall ipso facto vest in the new Trustee or Trustees, jointly with the surviving or continuing Trustee or Trustees. The appointment of Trustee shall always be specified by name and designation. Provided that in cases such outgoing Trustee was employee's representative employees will elect another representative in place of such Trustee.

21. RESPONSIBILITY OF TRUSTEES:

The functions and responsibilities of the Trustees shall be to manage the Fund according to these rules.

22. LIABILITY & INDEMNI FICATION OF TRUSTEES:

In the discharge of their duties for the administration of the Fund, the Trustees shall be indemnified by the Fund against all proceedings, cost, damages, charges, claims, demands, losses and liabilities caused otherwise than through their or his negligence or fraud. The Trustees shall not be responsible for any breach of trust committed by a Co-trustee or by a Banker, Broker, or other person or persons with whom any of the assets of the Fund may have been deposited or upon whose advice or opinion the Trustee may act nor shall they be answerable for the insufficiency or defencies nor for any loss unless the same happens through their or his own willful act or omission.

23. ACTS OF THE BOARD NOT TO BE INVALID BY REASON OF DEFECTS IN ITS CONSTITUTION:

No act or proceeding of the Board shall be invalid by reasons merely of any vacancy in or any defect in the Constitution of the Board.

24. MEETINGS:

24.(a)The Board of Trustees shall meet at such place and time as may be appointed by the Chairman of the Board of Trustees.

24.(b)The Chairman of the Board of Trustees, may, however, if he thinks fit, and shall within fifteen days of the receipt of a requisition in writing from not less than one third of total number of Trustees call a meeting thereof.

25. NOTICE OF MEETING AND LIST OF BUSINESS:

Notice of not less than 7 days from the date of the posting, containing the date, time and place of every ordinary meeting together with a list of business to be conducted at the meeting shall be despatched by registered post or by special messenger to each Trustee present in India. Provided that when the Chairman of the Trustee calls a meeting for considering any matter, which in his opinion is urgent a notice giving such reasonable time as he may consider necessary shall be deemed sufficient.

26.A DISPOSAL OF BUSINESS:

Every question considered at a meeting of the Board shall be decided by a majority of votes of the Trustees present and voting. In the event of an equality of votes, the Chairman shall exercise a casting vote. Provided that the Chairman may, if he thinks fit, direct that any question shall be decided by the circulation of necessary papers to the Trustees and by securing their opinion in writing. Any such question shall be decided in accordance with the opinion of the majority of the Trustees received within the time limit allowed and if the opinions are equally divided, the opinion of the Chairman shall prevail.

26.B MINUTES OF MEETINGS:

26.B(i) The minutes of a meeting of the Board showing interalia the names of the trustees present there at shall be circulated to all Trustes not later than one month from the date of the meeting. The minutes shall thereafter be recorded in a minute book as a permanent record. Provided that if another meeting is held within a period of one month and ten days, the minutes shall be circulated so as to reach the trustees, at least ten days before such meeting.

26.B(ii) The records of the minutes of each meeting shall be signed by the Chairman after confirmation with such modification, if any, as may be considered necessary at the next meeting.

26.C. QUORUM:

26.C.(a) At any meeting of the Trustees, four trustees shall constitute a quorum; provided two of them are from among the elected trustees and the other two are from those nominated by the Company. Any decision of a meeting of the trustees at which a quorum is present shall be deemed to be a decision of all the Trustees and shall be final and binding on all of them. The Chairman shall have a casting vote in addition

to, and not instead of, his own vote as a Trustee. The decision of a majority at any meeting of the trustees at which quorum is present shall be final and binding on the trustees.

26.C.(b) If at any meeting the number of Trustees present is less than the required quorum, the Chairman shall adjourn the meeting to a date not later than seven days from the date of the original meeting, informing the trustees of the date, time and place of the adjourned meeting and it shall thereupon be legal to dispose of the business at such adjourned meeting irrespective of the number of Trustees present.

27. CONTROL OF THE FUND VESTED IN TRUSTEES:

The Board of Trustees shall have the entire control of the fund and the funds thereof and shall decide all difference disputes which may arise under these rules, either as to the interpretation thereof or as to the rights and obligations of the company and or of the members and the decision of the Board, as recorded in a special minute book to be kept for that purpose, in all cases, be final and binding on all the parties concerned. In case, any member is dissatisfied with the decision of the Trustees, he may appeal to the Regional Provident Fund Commissioner, whose decision shall be final and binding.

28. INVESTMENT OF FUNDS:

28.(i) All moneys belonging to the fund shall be deposited in the State Bank of India or such other scheduled banks as may be approved by the Board of Trustees.

28.(ii) All moneys of the fund shall be invested expeditiously subject to such directions as the Board may, from time to time, give in accordance with the pattern of investment prescribed by the Government of India, from time to time.

28.(iii) All expenses incurred in respect of, and loss, if any, arising from, any investment shall be charged to the Fund.

29. REALISATION OF INVESTMENT:

The Trustees may, from time to time withdraw from such sum or sums as may be required for the purpose of fund and raise any moneys so required by sale, hypothecation or pledge of the investments held by them or of a sufficient part thereof.

30. TRUSTEES CORRESPONDENCE:

30.(i) All correspondence in relation to management of the fund may be conducted by the Secretary of the Board of Trustees on behalf of the Board, receipt for moneys received by the Trustees will be signed by him on behalf of the Board.

30.(ii) The Chairman of the Board of Trustees acting jointly with any other Trustee specified by him for the purpose or any two Trustees specified by the Chairman of the Board of Trustees for the purpose, acting jointly shall on behalf of Trustees operate on the accounts of the fund with Banks and discharge, receive or Otherwise dispose of, as may be necessary, Government Promissory notes, Securities, Interest Warrants, etc., relating to the fund and shall on behalf of the Board re-assign to members in accordance with the rules mentioned hereafter, Life Insurance Policies which the member might have assigned to the Board Security for payment of withdrawal of the fund.

31. ACCOUNTS:

The following accounts shall be maintained in the books of the fund:

31.(i) an account for each member in the form prescribed in Rule 6 of the Indian Income Tax (Provident Fund Relief) Central Board of Revenue Rules (vide Appendix 3) which shall show separately :

31.(i)(a) The amount of the Member's contribution and interest thereon.

31.(i)(b) The amount of company's contribution and interest thereon.

31.(ii) A revenue account showing the credits on account of interest from the investment and other income actually received or accrued upto the 31st March of each year and debits for all expenses incurred in respect of investments and any loss to the Fund on the sale of investments.

31.(iii) An investment Realisation and Valuation account showing the credits on account of profits realised from sale of investments, surplus noticed at the annual valuation of investments at cost, par or market value whichever is lowest and debits on account of losses realised on sales and annual valuation on the same basis as indicated above.

31.(iv) A "Forfeited Contribution" account showing the contribution of the company and interest thereon which lapsed to the credit of this account in accordance with Rule 45.

31.(v) An investment account showing particulars of investments; and

31.(vi) Any other account which the Board of Trustees may decide to open for the correct exhibition of the transactions of the fund.

32. INTEREST SUSPENSE ACCOUNT:

All interest, rent and other income realised or accrued shall be credited to an Account called "Interest Suspense Account". Brokerage and commission on the purchase and sale of securities and other investments shall be included in the purchase or sale price, as the case may be and not separately charged to the "Interest Suspense Account".

32.A. CREDITING OF THE INTEREST TO THE MEMBER'S:

32.A.(1) Interest shall be credited to the account of each member at such rate as may be determined by the Board of Trustees. Such interest shall be deemed to have been credited immediately on close of the year.

Provided that interest up to and for the current month shall be payable on the claims which authorized on or after 25th day of particular month along with actual payment after the end of current month.

Provided further that the rate of interest to be allowed on claims for the broken current period shall be the rate fixed for the financial year in which the refund is authorized.
(Office order no.22(Rules)/72 dated 02.12.1983).

32.A(2) The amount of the interest to be credited to member's account under sub-rule (1) shall be calculated to the nearest full rupee, that is 50 paise or more shall be counted at the next higher rupee and fractions of a rupee less than 50 paise shall be ignored.

32.A.(3) The aggregate amount of interest credited to the accounts of the members shall be debited to "Interest Suspense Account".

33.A.(4) In determining the rate of interest, the Board shall satisfy itself that there is no over-drawal on the Interest Suspense Account as a result of the debit the rate of the Interest credited to the accounts of members.

33. AUDIT OF ACCOUNTS:

The Board of Trustees shall have the accounts of the fund audited every year by Auditors appointed by the Trustees. A copy of the revenue accounts together with the balance sheet (duly audited) and auditor's report will be sent to the Commissioner. The remuneration for audit shall be borne by the Company.

34. ANNUAL STATEMENT OF MEMBER'S ACCOUNTS:

34.(i) As soon as possible after the accounts have been audited as aforesaid the Trustees shall send to each member a statement of his account (vide Appendix 4) in the fund showing the opening balance at the beginning of the period the amount contributed during the year the total amount of interest credited at the end of the period or debited in the period and the closing balance at the end of the period.

34.(ii) Members should satisfy themselves as to the correctness of the annual statement and errors if any therein should be brought to the notice of the Board of Trustees within six months of the receipt of the statement failing which it will be presumed that the amounts shown as standing to their credit in the statement are correct.

34.A. INSPECTION OF RECORDS BY MEMBERS:

Any member making a request in this behalf to the Secretary shall be permitted to inspect his account himself or to have the same inspected by any person duly authorised by him in writing to do so within 72 hours of making such request provided that no such request will be entertained more than once every two calendar months.

35. ANNUAL REPORT ON THE ADMINISTRATION OF THE FUND:

The Board shall furnish to the CMD each year not later than a date to be fixed by latter a report on the administration of the fund during the previous financial year together with a copy of the Auditors' Report.

36. TRUSTEE'S POWER TO APPOINT ATTORNEYS:

36.(a) If any Trustee is not present at the headquarters of the company, he may appoint any attorney (not being one of his co-trustees) to act in his place or to exercise in all - respects all the powers and discreations, by these rules, conferred on a Trustee.

36.(b) If any of the Trustees, being not present at the headquarters of the company have not appointed any attorney under the provisions of sub-rule (a) thereof, such of the trustees (not being less than two in number) as shall be available at the headquarters of the company, have full power to act in the Trust hereof as if they were the only Trustees of this fund.

37. WITH DRAWAL FROM PROVIDENT FUND:

37.(1) Withdrawals by members may be allowed by the Trustees in the following circumstances:

37.(1)(a) to pay expenses incurred in connection with the illness of the employee or a member of his family;

37.(1)(b) to pay for the cost of passage to a place out of India of an employee or any member of his family;

37.(1)(c) to pay expenses in connection with marriages, funerals or ceremonies, which by the religion of the member, it is incumbent upon him to perform.

37.(1)(d) to meet the expenditure on building or purchasing a dwelling house/flat or for the construction of a dwelling house including the acquisition of a suitable site for the purpose and for repayment of loan in special cases.

37.(1)(e) to pay premia on policies of insurance on the life of a member or his wife provided that the policy is assigned to the Trustees of the Fund or at their discretion deposited with them and that the receipts granted by the Life Insurance Corporation for the premia are from time to time handed over to the trustee for inspection by the Income Tax-Officer; and

37.(1)(f) to meet the cost of legal proceedings instituted by the employee for vindicating his position in regard to any allegations made against him in respect of any act done or purporting to be done by him in the discharge of his official duty or to meet the cost of his defence when he is

prosecuted by the employer in any court of law in respect of any official misconduct on his part.

Provided that the advance under this clause shall not be admissible to any employee who institutes legal proceedings in any court of law either in respect of any matter unconnected with his official duty or against the employer in respect of condition of service or penalty imposed on him.

37.(2) For the purpose of clause (a) or clause (b) of sub-rule (1) family means any of the following persons who are wholly dependent on the employee, namely the employee's wife, legitimate children, step-children, parents, unmarried sisters and minor brothers.

37.(3) The withdrawal in connection with expenses on marriage as specified in clause (c) of sub-rule (1) shall not exceed six months basic wages and dearness allowance or the total of the accumulation of the member's contributions together with interest thereon lying to the credit of the employee whichever is less.

37.(4) The withdrawal for the purpose specified in clause (f) of sub-rule (1) shall not exceed three month's basic wages and dearness allowance or Rs.500/- whichever is greater but shall in no case exceed half the amount to the credit of the employee.

37.(5) The withdrawal for any purpose other than those specified in sub-rules (3) and (4) above and clause (d) of sub-rule (1) above shall not exceed three month's basic wages and dearness allowance or the total amount of the accumulations of the member's subscriptions together with interest thereon lying to the credit of the employee, whichever is less.

37.(6) The withdrawal for the purpose specified in clause (d) of sub-rule (1) shall be subject to the following conditions:

37.(6)(i) The Trustees, may on an application from a member in such form as may be prescribed and subject to the conditions prescribed in this sub-rule, sanction from the amount standing to the credit of the member in the Fund, an advance

37.(6)(i)(a) for purchasing a dwelling house/flat including a flat in a building owned jointly with others (out right or on hire purchase basis), or for constructing a dwelling house including the acquisition of a suitable site for the

purpose from the Central Government, the State Government, a co-operative society, an institution a trust , a local body or a Housing Finance Corporation (here in after referred to as the agency/agencies).

OR

37.(6)(i)(b) for purchasing a dwelling site for the purpose of construction of a dwelling house or a ready built dwelling house/flat from any individual.
(Amendment vide Letter No. 22/Rules/72/Vol.III dated 19.12.1984).

OR

for the construction of a dwelling house on a site owned by the member or the spouse of the member or jointly by the member and the spouse, or for completing/continuing the construction of a dwelling house already commenced by the member or the spouse, on such site or purchase of a house/flat in the joint name of member and spouse under clauses (a) & (b) above.
(Amendement vide Letter No.22/Rules/72/Vol.III dated 19.12.1989).

37.(6) Explanation - 1

In this sub-rule, the expression, "co-operative society" means a society registered or deemed to be registered under the Co-operative Societies Act, 1912 (2 of 1912) or under any other law for the time being in force in any State relating to Co-operative Societies.

37.(6) Explanation - 2

(a) For the purpose of purchase of a site for construction of house thereon, the amount of withdrawal shall not exceed member's basic wages and dearness allowance for 24 months or the member's own share of contributions together with the employer's share of contributions with interest thereon or the actual cost towards the acquisition of the dwelling site, whichever is the least.

(b) For the purpose of acquisition of a ready built house/flat or for construction of a house/flat, the withdrawal shall not exceed the member's basic wages and dearness allowance for thirty six months or the member's own share of contributions, together with the employer's share of contributions, together with interest thereon, or the total cost of construction, whichever is the least.

(Amendment vide Letter No.22/Rules/72-047/93 dated 17.12.1993)

37.(6)(ii) Where the withdrawal is for the purchase of a dwelling house/flat or a dwelling site from an agency, referred to in clause (a) of sub-rule 6 (i) the payment of withdrawal shall not be made to a member but shall be made direct to the agency in one or more instalments, as may be authorised by the member.

37.(6)(iii) No withdrawal under this sub-rule shall be granted unless;

(a) the member has completed five years, membership of the fund;

(b) the member's own share of contribution with interest thereon in the amount standing to his credit in the Fund is not less than one thousand rupees.

37.(6)(iv) Where the withdrawal is sanctioned for the construction of a dwelling house, the construction shall commence within six months of the withdrawal of the first instalment and shall be completed within twelve months of the withdrawal of the final instalment. Where the withdrawal is sanctioned for the purchase of a dwelling house/flat or for acquisition of a dwelling site, the purchase or acquisition, as the case may be, shall be completed within six months of the withdrawal of the amount. Provided that this provision shall not be applicable in case of purchase of a dwelling house/flat on hire purchase basis and in cases where a dwelling site to be acquired or houses are to be constructed by co-operative society on behalf of its members with a view to their allotment to its members.

37.(6)(v) Deleted.

37.(6)(vi)(a) Where the withdrawal is for the construction of a dwelling house, it may be sanctioned in such number of instalments as the Trustees think fit.

37.(6)(vi)(b) Deleted.
(Amendment vide Lr.No.22/Rules/72-047/93 dated 17.12.1993.)

37.(6)(vii) Except in the case specified in clause (viii) & (viii)(a) no further withdrawal shall be admissible to a member under the sub-rule.

37.(6)(viii)(a) A further advance equivalent to the amount of difference between the amount of advance admissible to a member under last paragraph to clause (i) above as on the date of fresh application and the amount of advance that was drawn by a member under this rule at any time during six years proceeding 3.10.1981, may be granted to such a member (i) who had availed the earlier advance for purchase of a dwelling site and had now proposed to construct a dwelling house on the land so purchased or (ii) who had availed earlier advance for making initial payment towards the allotment/purchase of a house/flat from any agency as referred to in clause (a) of sub-rule 6(i) above and has now proposed to avail an advance for completing the transaction to get the sole ownership of the house/flat so purchased or (iii) who had availed the earlier advance for construction of a house but could not complete the construction in time due to lack of funds.

37.(6)(viii)(b) A further withdrawal upto, twelve months basic wages and dearness allowance or member's own share of contribution with interest thereon in his account whichever is the least may be granted for addition, alteration, improvement or repair of dwelling house owned by the member or by spouse or jointly by member and spouse after ten years of drawal under Rule 37 (6).
(Inserted vide OO no.22/Rules/72/15/95 dated 26.06.1995)

37.(6)(viii) An additional advance upto twelve months basic wages and dearness allowance of the member's own share of contributions with interest thereon, in the amount standing to his credit in the Fund, whichever is less, may be granted once and in one instalment only, for additional, substantial alterations or improvements necessary to the dwelling house owned by the member or by the spouse or jointly by the member and the spouse. Provided that the advance shall be admissible only after a period of five years from the date of completion of the dwelling house.

37.(6)(ix)(a) No withdrawal under this sub-rule shall be granted unless the dwelling site or a dwelling house/flat or the house under construction is free from encumbrances. Provided that where a dwelling site or a dwelling house/flat is mortgaged to any of the agencies, referred to in clause (a)

of sub-rule (vi) solely for having obtained funds for the purchase of a dwelling house/flat or for the construction of a dwelling house including the acquisition of a suitable site for the purpose, such a dwelling site or a dwelling house/flat as the case may be shall not be deemed to be an encumbered property.

Provided further that a land acquired on a perpetual lease or on lease for a period of not less than 30 years for constructing a dwelling house/flat, or a house/flat built on such a leased land, shall also not be deemed to be an encumbered property.

Provided also that where the site of the dwelling house/flat is held in the name of any agency, referred to in clause (a) of sub-rule (6) and the allottee is precluded from transferring or otherwise disposing of the house/flat without the prior approval of such agency, the mere fact that the allot does not have absolute right of ownership of the house/flat and the site is held in the name of agency, shall not be a bar to the giving of an advance under clause (a) of sub rule (6), if the other conditions mentioned in this sub-rule are satisfied.

37.(6)(ix)(b) No advance shall be granted for purchasing a share in a joint property or for constructing a house on a site owned jointly except on a site owned jointly with the spouse.

37.(6)(ix)(c) The member shall produce the title deed and such other documents as may be required for inspection which shall be returned to the member after the grant of advance.

37.(6)(x) Deleted.

37.(6)(xi)(a) If the amount withdrawn exceeds the amount actually spent for the purpose for which it was sanctioned, the excess amount shall be refunded by the member to the fund in one lump sum within thirty days of the finalisation of the purchase, or the completion of the construction of or necessary additions, alterations or improvement to a dwelling house, as the case may be. The amount so refunded shall be credited to the employer's share of contribution in the member's account in the fund to the extent of the advance granted out of the said share and the balance, if any, shall be credited to the member's share of contributions in his account.

37.(6)(xi)(b) In the event of the member not having been allotted a dwelling site/dwelling house/flat, or in the event of the cancellation of an allottment made to the member and of the refund of the amount by the agency referred to in clause (a) of sub-rule 6 (i) or in the event of the member not being able to acquire the dwelling site or to purchase the dwelling house/flat from any individual or to construct the dwelling house, the member shall be liable to refund to the Fund in one lump sum and in such manner as may be specified by the Trustees, the amount of advance granted under this rule to him, or as the case may be to the agency referred to in the clause (a) of sub-rule 6(i).

The amount so refunded shall be credited to the employer's share of contributions in the member's account in the Fund, to the extent of advance granted out of the said share, and the balance if any shall be credited to the member's own share of contributions in his account.

37.(6)(xii) If the Chairman of the Board of Trustees is satisfied that the advance granted under the rule has been utilised for a purpose other than that for which it was granted or that the member refused to accept an allotment or to acquire a dwelling site or that the conditions of advance have not been fulfilled or that there is reasonable apprehension that they will not be fulfilled wholly or partly, or that the excess amount will not be refunded in terms of clause (a) of sub-rule (xi) or that the amount remitted back to the member by any agency referred to in clause (a) of sub-rule 6(i) will not be refunded in terms of clause (b) of sub-rule (xi), the Board shall forthwith take steps to recover the amount due with penal interest thereon at the rate of two per cent per annum from the wages of the member in such number of instalments as the Board may determine. For the purpose of such recovery, the Chairman of the Trustees may direct the employer to deduct such instalments from the wages of the member and on receipt of such direction, the employer shall deduct accordingly. The amount so deducted shall be remitted by the employer to the Trustees within such time and in such manner as may be specified in the direction. The amount so refunded excluding the penal interest shall be credited to the employer's share of contribution in the member's account in the Fund to the extent of advance granted out of the

said share and the balance if any, shall be credited to the member's own share of, contribution in his account. The amount of penal interest shall however, be credited to the Interest Suspense Account.

37.(6)(xiii) Where any withdrawal granted under this sub-rule has been misused by the member, no further advance shall be granted to him under this sub-rule within a period of three years from date of grant of the said advance or till the full recovery of the amount of the said advance, with penal interest thereon, whichever is later.

37.(7)(i)(a) The Trustees may, on an application from a member, sanction from the amount standing to the credit of the member in the Fund, an advance for the repayment, wholly or partly, of any outstanding principal and interest of a loan obtained from a State Government, Cooperative Society, Housing Board, Municipal Corporation or a body similar to the Delhi Development Authority solely for the purpose specified in sub-rule (6) under Rule 37.

37.(7)(i)(b) The amount of advance shall not exceed the member's basic wages and dearness allowance for twenty four months or his own share of contributions together with the employer's share of contributions, with interest thereon, in the member's account in the Fund or the amount of outstanding principal and interest of the said loans, whichever is least.

37.(7)(ii) No advance shall be sanctioned under this sub-rule unless-

37.(7)(ii)(a) the member has completed ten years' membership of the Fund, and (Amendement dated 15.1.91.)

37.(7)(ii)(b) the member's own share of contribution, with interest thereon, in the account standing to his credit in the Fund, is one thousand rupees or more; and

37.(7)(ii)(c) the member produces a certificate or such other documents, as may be prescribed by the Trustees or where so authorised by the Trustees from such agency, indicating the particulars of the member the loan granted, the outstanding principal and interest of the loan and such other particulars as may be required.

37.(7)(iii) The payment of the advance under this sub-rule shall be made direct to such agency on receipt of an authorisation from the member in such manner as may be specified by the Trustees and in no event, the payment shall be made to the member.

37.(7)(A) Withdrawal/financing from the Fund for the purchase of a dwelling house/flat or the construction of a dwelling house including the acquisition of a suitable site by the Member:-

37.(7)(A)(1) Not withstanding anything contained in Rule 37(6) & (7), where a member desires to purchase a dwelling house/flat, including a flat in a building owned jointly with others (outright or on hire purchase basis), or for construction of a dwelling house including the acquisition of a suitable site for the purpose, from the Central Government, a State Government, or a Housing Agency, under a Housing Scheme as notified by the Central Provident Fund Commissioner from time to time, may apply in such form and in such manner, as may be prescribed for withdrawal from the amount standing to the credit of the member in the Fund, and the Chairman, NMDC PF Trust or where so authorized by the Chairman, NMDC PF Trust any officer, on receipt of such application may sanction such amount not exceeding the members own share of contributions with interest thereon(and the employer's share of contributions with interest thereon to his credit) or the cost of the acquisition of the proposed property whichever is less by debiting to the members account:

Provided that no withdrawal under this paragraph shall be granted unless –

37.(7)(A)(1) (i) the member has completed five years membership of the Fund; and

37.(7)(A)(1) (ii) the share of contributions with interest thereon in the amount standing to the credit in the Fund of the member/or together with the spouse who is also a member is not less than twenty thousand rupees. Provided further that the Chairman may, on sufficient grounds being shown through an application from a member in this regard, reduce the period as stipulated in (1) above to three years for withdrawal from the amount standing to the credit of the member in the Fund, for the repayment, wholly or partly, of any outstanding principal and/or interest of a loan obtained in the name of the member or spouse of the member or

jointly by the member and spouse from any Government or a Housing Agency under Housing Scheme so notified, solely for the purposes specified in this proviso and Chairman, or where so authorized by the Chairman any officer, on receipt of such application may sanction such amount not exceeding the member's own share of contributions with interest thereon along with the employers share of contributions with interest thereon, or the amount requested by the member or the outstanding balance in the loan account, whichever is less, by debiting to the members account.

Provided also that, where a member desires that monthly installments for the repayment, wholly or partly, of any outstanding principal and/or interest of a loan obtained in the name of the member or spouse of the member or jointly by the member and spouse, solely for the purposes specified in this proviso. may be paid from the amount standing to the credit of the member in the Fund, he may apply in such form and in such manner, as may be prescribed and on receipt of such an application, the Chairman or where so authorized by the Chairman any other officer, may make payment by the 15th of each month on behalf of the member to the Government or a Housing Agency concerned, as the case may be.

Provided also that when the membership of the member ceases to exist or where the amount standing in the credit of the member's account is not sufficient to pay the monthly installment for any month, the Chairman or where so authorized by the Chairman any other officer, shall not be liable to pay the monthly installment or any late fee and/or interest, if any monthly installment could not be remitted in time.

37.(7)(A)(2) The withdrawal or finance for the purchase of a dwellinghouse/flat or a dwelling site or construction of a dwelling house, under sub-paragraph (1) and proviso there under, shall not be made to the member in any event and shall be made direct to the Government or Housing Agency concerned only, as the case may be, in one or more installments, as may be authorized by the member.

37.(7)(A)(3) No further withdrawal under sub – paragraph (1) above shall be admissible to a member unless he has discharged his liability towards the existing loan.

37.(7)(A)(4) (a)If the withdrawal or finance granted under this paragraph exceeds the amount actually spent for the purpose for which it was sanctioned, the excess amount shall be refunded by the member to the Fund in one lump sum within thirty days of the finalisation of the purchase, or the completion of the construction of, or necessary additions or alterations to a dwelling house/flat, as the case may be.

37.(7)(A)(4) (b)The amount so refunded under sub – paragraph (a) shall be credited to the employer's share of contributions in the members account in the Fund to the extent of withdrawal granted out of the said share and the balance, if and, shall be credited to the member's share of contributions in his account.

37.(7)(A)(4) (c) In the event of the member not having been allotted a dwelling site/ dwelling house/flat or in the event of the cancellation of an allotment made to the member by the Government or the Housing Agency, referred to in sub paragraph (1) above, then the Government or the said Housing Agency, to which the amount so withdrawn has been given shall be liable to refund the amount to the Fund in one lump sum in such manner as may be specified, within a period not exceeding fifteen days from the date of such cancellation or non-allotment.

37.(7)(A)(4) (d)The amount so refunded under clause (c) shall be credited to the employer's share of contributions in the members account in the Fund, to the extent of withdrawal granted out of the said share, and the balance, if any, shall be credited to members own share of contributions in his account.

37.(7)(A)(5) The Chairman or any other officer where so authorized by him, has reason to believe that the amount remitted to the

Housing Agency under the Housing Scheme as notified by the CPFC under this paragraph has been misutilized and will not be refunded, he shall forthwith take steps to recover the amount through EPFO with interest including penal interest thereon at the rate to be notified by the Commissioner from time to time and the amount so recovered shall be credited to member's account in the Fund to the extent of withdrawal granted out of the said account and interest thereon and the remaining amount, if any shall be credited to Interest Suspense Account.

37.(7)(A)(6) The Commissioner may notify such Housing Agency (ies) be debarred from participation in the Housing Scheme and withdrawal shall not be allowed such scheme..

37.(8) Except as otherwise provided the withdrawals made under sub-rule (6) and (7) shall be non-refundable.

37.(9) In computing period of membership of the Fund of a member under sub-rules (6), (7) and 11(b) (i) his total service exclusive of periods of breaks under the same employer or factory / establishment before, this Scheme applied to him, as well as the periods of his membership, whether of the Fund or of Private Provident Fund of exempted factories/establishments or as an employee exempted under paragraph 27 or 27A of Employees Provident Fund Scheme, as the case may be, immediately preceding the current membership of the Fund, shall be included. Provided that the member has not severed his membership by withdrawal of his provident fund during such period.

37.(10) Deleted.

37.(11)(i) Save as in Clause (ii) of this sub-rule a second withdrawal shall not be permitted until the sum first withdrawn has been fully repaid. Provided that the Trustees may, for special reasons permit a second withdrawal after either half of the sum first with- drawn has been repaid or not less than one year has elapsed from the date of withdrawal of the first advance whichever is earlier. In such a case the unpaid amount of the sum first withdrawn together with interest on the amount with-drawn shall be recovered from the second withdrawal so permitted. In no circumstances the

repayment of the withdrawal in any form other than recovery from employee's salary shall be permitted.

37.(11)(ii) A withdrawal may be permitted for the purpose specified in Clause (e) of sub-rule (1) not withstanding that the sum drawn for any other purpose has not been repaid.

37.(11)(A)(1) A member may be allowed non-refundable advance from his account in the fund in cases of:

37.(11)(A)(1)(a) Hospitalization lasting for one month or more; or
37.(11)(A)(1)(b) Major surgical operation in a hospital; or
37.(11)(A)(1)(c) Suffering from TB/Leprosy/paralysis, cancer, mental derangement or heart ailment and having been granted leave by his employer for treatment of the said illness.

37.(11)(A)(2) The advance shall be granted if:

37.(11)(A)(2)(i) The authorised medical attendent certifies that a surgical operation or hospitalisation for one month or more as the case may be had or has become necessary; or a registered medical practitioner; or in the case of mental derangement or heart ailment a specialist certifies that the member is suffering from TB, leprosy, paralysis, cancer, mental derangement or heart ailment; and

37.(11)(A)(2)(ii) the member certifies to the effect that he has not drawn any advance from the company in this regard.

37.(11)(A)(3) A member may be allowed non-refundable advance from his account in the fund for the treatment of a member of his family who has been hospitalised or requires hospitalisation for one month or more :

37.(11)(A)(3)(a) for a major surgical operation; or

37.(11)(A)(3)(b) for treatment of TB/Leprosy/paralysis, cancer, mental derangement or heart ailment provided that no such advance shall not be paid to a member unless he has produced :

37.(11)(A)(3)(b) (i) A certificate from an authorised medical attendent a specialist in cases of Mental Derangement or heart ailment that the patient has been hospitalized or requires hospitalization or one month or more or

that a major surgical operation had or has become necessary; and

37.(11)(A)(3)(b) (ii) A certificate to the effect that he has not drawn any advance form the company in this regard.

37.(11)(A)(4) The grant of this advance under this sub-rule not to exceed the member's basic wages and dearness allowance for six months or his own share of contribution with interest in the fund whichever is less. (Amendment vide Letter No.22/Rules/72-047/93 dated 17.12.1993)

37.(11)(A)(5) Deleted.

37.(11)(B)(i) The Chairman of the Board of Trustees may on an application from a member authorise payment to him or her of a non-refundable advance from his or her provident fund account not exceeding fifty percent of his or her own share of contribution, with interest thereon, standing to his or her credit in the Fund, on the date of such authorisation, for his Fund, for his or her own marriage, the marriage of his or her daughter, son, sister, or brother or for the post matriculation education of his or her son or daughter.

37.(11)(B)(ii) No advance under this sub-rule shall be sanctioned to a member unless he has completed seven years membership of the Fund; and that amount of his own share of contribution with interest thereon standing to his credit in the fund is rupees one thousand or more.

37.(11)(B)(iii) Not more than three advances shall be admissible to a member under this sub-rule.
(Head Office Lt no.22/Rules/72/Vol.III dated 30.1.90)

37.(11)(B)(iv) If the Chairman of the Board of Trustees is satisfied that the advance granted under this sub-rule has been utilised for a purpose other than that for which it was granted, or that the conditions of advance have not been fulfilled within a reasonable time, the Chairman of the Board of Trustees shall forthwith take steps to recover the amount due with penal interest thereon at the rate of two per cent per annum from the wages of the member in such number of instalments as the Chairman of the

Board of Trustees may determine. For the purpose of such recovery, the Chairman of the Board of Trustees may direct the employer to deduct each such instalment from the wages of the member and on the receipt of such direction the employer shall deduct accordingly. The amount so deducted shall be remitted by the employer to the Trust within such time and in such manner as may be specified in this direction. The amount refunded excluding the penal interest, shall be credited to the account of the member in the Fund, and the amount of penal interest shall be credited in the Interest Suspense Account.

37.(12)(i) Subject to the provisions of clauses (ix) and (xi) of sub-rule (6) of this rule, where a withdrawal is allowed for a purpose specified in clause (d) of sub-rule (1) or clause (a) of this rule, the amount withdrawn need not be repaid.

37.(12)(ii) Where a withdrawal is allowed in connection with the purpose specified in clause (i) of sub-rule (1) of this rule, the amount, withdrawn shall be paid in not more than 48 equal monthly instalments.

37.(12)(iii) Where a withdrawal is allowed for any other purpose, the amount shall be repaid in not more than 24 equal monthly instalments.

37.(12)(iv) In respect of withdrawals referred to in clauses (ii) and (iii) of this sub-rule and of the amount referred to in clause (xi) of sub-rule (6) of this rule, interest shall be paid in accordance with the following table :

TABLE

1.	2.
Where the amount is repaid in not more than 12 monthly instalments.	One additional instalment of 4% on the amount withdrawn.
Where the amount is repaid in more than 12 but not more than 24 monthly instalments.	Two additional instalments of 4% on the amount withdrawn.
Where amount is repaid in more than 24 monthly instalments but not more than 36 monthly instalments.	Three additional instalments of 4% on the amount withdrawn.
Where the amount is repaid in more than 36 monthly	Four additional instalments of 4% on the amount withdrawn.

instalments but not more than 48 monthly instalments.	
Where the amount is refunded under clause (xi) of sub rule(6)	4% on the amount which is refundable.

Provided that at the discretion of the trustees of Fund; interest may be recovered on the amount aforesaid or the balance thereof outstanding from time to time at 1 percent above the rate which is payable for the time being on the balance in the fund at the credit of the employee.

"Provided further that the amount of interest recovered in terms of clause (iv) of this sub-rule shall be credited to the member's account as his voluntary
contribution."

37.(13) The company shall deduct the instalments aforesaid from the employees salary and pay them to the Trustees of the fund. These deductions shall commence from the second monthly payment of salary made after the withdrawal or, in the case of an employee on leave without pay from the second monthly payment of salary made after his return to duty.

37.(14) Amount withdrawn but not re-paid may be deemed as income. In case of default of repayment of instalments due under clause (ii) or clause (iii) or clause (iv) of sub-rule 12 or where the amount withdrawn is not utilised for the purpose for which it is withdrawn, the Commissioner of Income- Tax may at his discretion order that the amount of the withdrawal or the amount outstanding shall be added to the total income of the employee for the year in which the default occurs or the withdrawn amount is finally held not to have been utilised for the purpose for which it is withdrawn and the income-tax officer shall assess the employee accordingly.

37.(15) Withdrawal within one year before Superannuation:
Not withstanding anything contained in sub-rule 1 to 13, the Trustees may, on application, from the member in such form as may be prescribed, permit withdrawal of upto 90% of the amount standing at his credit at any time after attaining the age of 54 years, by the member

OR

within one year before his actual retirement on superannuation whichever is later.
(Amended vide letter no.22/Rules/72/29/96 dt 05.08.1996)

37.(16) Grant of advances in special cases:

37.(16)(i) In case any of the Company's Office/Project has been locked up or closed down for more than fifteen days (for reasons other than strike) and its employees are rendered unemployed without any compensation (or if an employee does not receive his wages for a continuous period of two months or more), the Board of Trustees, on being satisfied that no compensation to the employees is likely to be paid by the company within a reasonable time, may on receipt of an application therefore in the form prescribed by the Board of Trustees in this behalf authorise payment to a member who has employed in such Company's Office/Project, one or more non-recoverable advances from his provident fund account not exceeding his own total contributions including interest thereon upto the date the payment has been authorised.

37.(16)(ii)(a) In case the Company's Office/Project continues to remain locked up or closed down for more than six months and that the said Office/Project is likely to restart, the Board of Trustees, on being satisfied that a member who has already been granted one or more non-recoverable advances to the full extent from his provident fund account under sub-paragraph (i) still continues to be unemployed and no compensation is likely to be paid to him at an early date may, on receipt of an application therefor in the form prescribed by the Board of Trustees in this behalf authorise payment to the member of one or more recoverable advances from his provident fund account not exceeding 100% of the employer's total contributions including interest thereon upto the date the payment has been authorised.

Provided that if the Company's Office/Project in which the member is employed remains closed for more than five years for reasons other than strike, recoverable advance may be converted into non-recoverable advance on receipt of request in writing from the member concerned.
(Inserted vide Letter no.22/Rules/72/15/95 dated 26.06.1995)

37.(16)(ii)(b) Advance granted under clause (16) (ii) (a) of NMDC Provident Fund Rules shall be interest free.

37.(16)(ii)(c) Advance granted under clause (16) (ii) (a) shall be recovered by deductions from the wages of the member in such instalments subject to a maximum of thirty six

instalments, as may be determined by the Board of Trustees. The recovery shall commence from the first wages paid to the member immediately after the re-start of the Company's Office/Project.
(Amended vide Office Order no.22/Rules/70/15/95 dated 26.06.1995).

37.(16)(ii)(d) The Corporation shall remit the amount so deducted to the Fund within such time and in such manner as may be specified by the Board of Trustees. The amount on receipt shall be credited to the Member's account in the Fund.

Explanation : For the purpose of grant of advance under this paragraph the establishment may be closed legally, illegally with permission or without permission.
(Amendment dated 15.01.1991)

38. CLOSING AND WINDING UP OF FUND

The fund shall not be closed except when the Company is dissolved. Upon the closing of the Fund all amounts due to the members in respect of their contribution and the Company's contribution as herein before provided shall be paid by the Company to the Trustees and, thereafter be credited by the by the Trustees to the members accounts.

39. DISTRIBUTION OF ASSETS ON CLOSING & WINDING UP

On the closing and winding up of the fund the Trustees shall realise the assets at the disposal of the fund and shall after liquidating all liabilities, if any, of the Fund, transfer it to the Regional Provident Fund Commissioner.

40. PAYMENT OF PROVIDENT FUND

40.(i) When the amount standing to the credit of a member becomes payable, it shall be the duty of the Board to make prompt payment as provided in these rules. In case, there is no nominee in accordance with these rules, the Board may, if the amount to the credit of the fund does not exceed Rs.5,000 and if satisfied after the enquiry about the title of the claimant, pay such amount to the claimant.

40.(ii) If any portion of the amount, which has become payable, is in dispute or doubt, the Board shall make prompt payment of

that portion of the amount in regard to which there is no dispute or doubt, the balance adjusted as soon as may be possible.

40.(iii) If the person to whom any amount is to be paid under these rules is a minor for whose estate a guardian under the Guardian and Wards Act, 1890 (8 of 1890), has been appointed, the payment shall be made to such guardian. Where no guardian under the Guardians and Wards Act, 1890 (8 of 1890) has Been appointed, the payment shall be made to the guardian if any, appointed under sub-rule (h) of rule (8). Where no guardian under the Guardian and Wards Act, 1890 (8 of 1890) or under sub-rule (v) of rule 40 has been appointed, the payment shall be made to a natural guardian, and in the absense of a natural gauardian to such a person as the Board, where the amount does not exceed Rs. 5000/-, considers to be the proper person representing the minor, and the receipt of such person for the amount paid shall be sufficient discharge thereof. In any other case, the amount shall be paid to the person authorised by law to receive the payment on behalf of the minor.

40.(iv) If the person to whom any amount is to be paid under these rules is a lunatic for whose estate a manager under the Indian Lunacy Act, 1912 (4 of 1912) has been appointed, the payment shall be made to such manager. If no such manager has been appointed, the payment shall be made to the natural guardian, of the lunatic and in the absence of any such natural guardian, to such person as the Chairman, where the amount does not exceed Rs. 5,000 considers to be the proper person representing the lunatic, and the receipt of such person for the amount paid shall be a sufficient discharge thereof. In any other case, the amount shall bee paid to the person authorised by the law to receive the payment on behalf of the lunatic.

40.(v) If it is brought to the Board that a posthumous child is to be born to the deceased member he shall retain the amount which will be due to the child in the event of its being born alive, and distribute the balance. If subsequently no child is born, or the child is still-born, the amount retained shall be distributed in accordance with the provision of the Rule 42.

40.(vi) Any person who desires to claim payment under this Rule shall send a written application for the purpose to the Chairman. The Chairman may, at the option of the person to whom payment is to be made, make the payment -

40.(vi) (i) by postal money order at the cost of the payee, or
40.(vi) (ii) by crossed cheques sent through post, or
40.(vi) (iii) by deposit in the payee's postal savings bank account, if any.

Provided that where the provident fund money is remitted by postal money order, the balance, if any, remaining after such remittance shall be credited to the Forfeiture Account and in the case of claim for the said balance, the amount shall be paid by debiting the forfeiture account.

40.(vii) Any amount becoming due to a member as a result of (i) supplementary contribution from the employer in respect of leave salary/arrears of pay, instalment of arrears contributions received in respect of a member whose claim has been settled on account but which could not be remitted for want of his latest address or (ii) accumulation in respect of any member who has either ceased to be employed or died, but no claim has been preferred within a period of three years from the date it becomes payable, or if any amount remitted to a person is received back undelivered, and it is not claimed again within a period of three years from the date it becomes payable, shall be transferred to an account to be called "Unclaimed Deposits Account".

Provided that in the case of a claim for the payment of the said balance, the amount shall be paid by debiting the "Unclaimed Deposits Account".

40.(viii)(1) If a person, who in the event of the death of a member of the fund is eligible to receive Provident Fund accumulations of the deceased member under Rule 40, is charged with the offence of murdering the member or abetting in the commission of such an offence, his claim to receive the share of Provident Fund shall remain suspended till the conclusion of the criminal proceedings initiated against him for such offence.

40.(viii)(2) If on the conclusion of the criminal proceedings referred to in sub-para (1), the person concerned is-

40.(viii)(2)(a) convicted for the murder or abetting the murder of the member, he shall be debarred from receiving the share of Provident Fund accumulations which shall be payable to other eligible members, if any, of the deceased member.

40.(viii)(2)(b) acquitted of the murdering or abetting the member, his share of Provident Fund shall be payable to him.

PART - IV - PARTICIPATION IN BENEFITS

41. PAYMENT ON CESSATION OF MEMBERSHIP :

A member may withdraw the full amount standing to his credit in the fund:

41.(1) On discharge, due to reduction in establishment or on termination of service through ill health or on termination of the contract of service or on retirement from the service of the company.

41.(1)(a) On retirement from service after attaining the age of superannuation or 55 years whichever is more, provided that a member, who has not attained the age of superannuation at the time of time of termination of his service, shall also be entitled to withdraw the full amount standing to his credit in the Fund if he attains the age of superannuation before the payment is authorised; Provided further that any member who is retired from service by the company at any time after the age of superannuation, including retired re-employed pensioner, shall also be paid the full amount standing to his credit in the fund as at the time of retirement.

41.(1)(b) On retirement on account of permanent and total incapacity for work due to bodily or mental infirmity duly certified by a medical officer appointed by the company.

EXPLANATION: A member suffering from tuberculosis or leprosy, even if contracted after leaving the service of the company on grounds of illness but before payment has been authorised, shall be deemed to have been permanently and totally incapacitated for work.

41.(1)(c) Immediately before migration from India for permanent settlement abroad.

41.(1)(d) On termination of service in the case of mass or individual retrenchment.

Provided that in the case of mass retrenchment the payment shall be made immediately and in the case of individual retrenchment payment shall be made if the member has not been employed in any factory or other establishment to which the Act applies for a continuous period of not less than 6 months immediately preceding the date on which the member makes the application for withdrawal.

Provided further that in the case of an individual retrenchment pending final withdrawal, the member may, at his option, be paid for the period which the member is out of employment, monthly withdrawals not exceeding six, of a non-refundable advance from the fund of an amount equal to (i) the basic wages (including dearness allowance, cash value of any food concession and retaining allowance) drawn by him in the month immediately preceding the month in which he has been retrenched; or (ii) one-sixth of the amount standing to his credit (including interest) in the fund, whichever is less; and on the expiry of the period of six months, referred to in the foregoing proviso the balance amount, if any, shall :

41.(1)(d)(i) In any case where the member secures employment in any establishment to which the Act applies, be transferred to the new Provident Fund Account of that establishment.

41.(1)(d)(ii) In any case where the member secures employment in any establishment not covered by the Act, be paid in cash to him after the expiration of the said period of six months or be transferred under sub-clause (iv) of this Rule to the credit of the Account of such member in the Provident Fund of the Establishment in which he is re-employed, provided that it shall be so done only if the member so desires and such transfer is permissible under the rules of this Provident Fund.

41.(1)(d)(iii) In any case where the member does not secure employment be paid in cash.

VOLUNTARY RESIGNATION OR RETIREMENT

41.(2) In cases other than those employees specified in 41(1) the Trustees may permit a member to withdraw the full amount standing to his credit in the fund on ceasing to be an employee in any establishment to which the Act applies provided that he has not been employed in any factory or other establishment to which Act applies for a continuous period of not less than two months immediately precceeding the date on which he makes an application for with-drawal. The requirement of two month waiting period shall not, however, apply in cases of female members resigning from the services of the establishment for the purpose of getting married.

41.(3) Deleted.

(Amendment Letter No. 22/Rules/72/Vol.III dt.15.1.91)

41.(4) On transfer to other organizations:

In the event of a member being transferred permanently to any other Government Undertaking, Public Body or Government Department the amount in the Fund shall be transferred with the consent of the new employer, to his Provident Fund account with that undertaking/body or Department and there upon the rules of such Provident Fund shall apply to the member and to such transferred amount and the rules of this Provident Fund shall cease to apply accordingly. Transfer shall include cases of resignation from the Company to take up appointment in any Government undertaking. Public Body, Quasi-Government or Government service, etc. Members joining private organisations to which the scheme applies will, however, have the option of getting their contributory Provident Fund accumulation transferred to the Provident Fund Account, if any maintained by the new employer.

41.(5) DEATH:

On the death of the member, whatever his length of service, the trustees shall pay the whole amount standing to the credit of the member on his death, including the Company's contribution with interest thereon, to the persons entitled to receive the same under Rule 42 here of.

42. ACCUMULATIONS OF A DECEASED MEMBER TO WHOM PAYABLE

On the death of the member, before the amount standing to his credit has become payable under Rule 41(6) hereof or where the amount has become payable but payment has not been made:

42.(i) If a nomination made by the member in accordance with Rule 8 subsists, the amount standing to his credit in the Fund or that part thereof to which the nomination relates shall become payable to his nominee or nominees in accordance with such nomination; or

42.(ii) If no nomination subsists or if the nomination relates only to a part of the amount standing to his credit in the Fund the whole amount or the part thereof to which the nomination does not relate as the case may be, shall become payable to the members of his family in equal shares:

Provided that no share shall be payable to :

42.(ii) (a) sons who have attained majority;
42.(ii) (b) son of a deceased son who have attained majority;
42.(ii) (c) married daughters whose husbands are alive;
42.(ii) (d) married daughters of a deceased son whose husbands are alive if there is any member of the family other than those specified in clauses (a) to (d),

Provided further that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would have received, if he had survived the member and had not attained the age of majority at the time of the member's death.

42.(iii) In any case to which the provisions of clauses (i) and (ii) above do not apply, the whole amount shall be payable to the persons legally entitled to it.

EXPLANATION: For the purpose of this rule, a member's posthumous child, if born alive, shall be treated in the same way as a surviving child born before the member's death.

43. EXTENT OF MEMBERS CLAIMS

43.(i) Except as expressly provided by these rules, no member or any person on his behalf shall be entitled to claim any payment of money in respect of the members interest in the Fund.

43.(ii) A member shall not be entitled to transfer or assign any money lying to his credit in the Fund. No such transfer or assignment, shall be deemed valid and the Trustees shall not be bound to recognise the said transfer or assignment.

44. CERTIFICATE OF BALANCE DUE TO MEMBER

The amount payable to any member or to the nominee or representative of any deceased member under any of the provisions of these Rules shall be sufficiently ascertained and determined in accordance with these rules by a certificate under the hands of the Trustees and such certificate shall be final and binding on all parties provided if any member, nominee or representative of a deceased member feel dissatisfied with the decision of the Trustees, he may appeal to the Regional Provident Fund Commissioner whose decision shall be final and binding.

45. FORFEITURE :

If a member ceased to be a member by reasons of his service with Company being terminated for misconduct, or if he voluntarily leaves the service of the Company for reasons other than ill-health, as specified in rule 41 (ii), any amount not being the member's own contribution and the interest thereon standing to his credit in the Fund and not payable to him shall be credited to the Forfeited contribution Account. The amount at the credit of "Forfeited Account" will be utilised for the following purposes :

45.(i) To maintain a higher rate of interest on the members accounts atleast at par with the rate of interest declared by the Government of India in respect of unexempted establishment.

45.(ii) To operate Death Relief Fund .

45.(iii) To make good the capital loss to the Fund on account of purchase/sale/redemption of security.

45.(iv) To meet the money order commission in connection with dispatch of Provident Fund consequent on settlement of claim to the members or their deceased family members; and

45.(v) Adhoc payment of Rs.30/- to the heirs of deceased members as an aid for procuring a succession/guardianship certificate.

46. PROTECTION AGAINST ATTACHMENT

Consistent with the provisions of section 10 of the P.F. Act, 1952, (XIX of 1952) the amount standing to the credit of any one member, whether in service or retired or deceased, shall remain protected from any assignment or charge of court decrees and this protection shall equally extend to nominees or heirs or legal representatives of a deceased member.

47. TRANSFER OF PROVIDENT FUND ACCOUNT

When a member of the Fund leaves the service of the Company and joins another factory/establishment covered under the Employees Provident Fund Act, 1952 either in the same state or in any other state in India, he may apply for transfer of his P.F. Account. PF accumulations standing to the credit of the member with interest thereon shall be transferred direct to the establishment if the said establishment is an exempted one. If, however, the covered establishment, in which he takes up

employment, is an un-exempted one, his PF accumulations will be transferred to the Regional Provident Fund Commissioner in whose jurisdiction such factory or establishment is located.

48. GENERAL

All matters, for which these rules do not specifically provide, shall be governed by the provisions of the Act and the Scheme framed thereunder and all doubtful cases will be referred to the Regional Provident Fund Commissioner.

49. Notwithstanding anything contained in these rules :

49.(i) If any provision contained in these rule is :

49.(i)(a) less beneficial to the employee then the corresponding provision in the E.P.F. Act, 1952 or the E.P.F. Scheme, 1952.

49.(i)(b) in conflict with the corresponding provision in the E.P.F. Act, 1952 or the Scheme made thereunder, the provision contained in the E.P.F. Act , 1952 or the Scheme, 1952 made thereunder, shall prevail; or

49.(i)(c) if in respect of any provision in the E.P.F. Act, 1952, or the Scheme, 1952 made thereunder, there is no corresponding provisions in the rules the former shall prevail.

49.(ii) Resolution of doubts : Whether any provisions contained in these rules, is less beneficial to the employees than or is in conflict with the corresponding provisions contained in the E.P.F. Act, 1952, or in the Scheme, 1952, made thereunder and whether or not there is provision in these rules corresponding to a provision in the E.P.F. Act, 1952, or in the Scheme made thereunder shall be decided by the Regional Provident Fund Commissioner whose decision shall be final.

50. In case a member retires voluntarily before completing five years of membership, income-tax at source will be deducted as per the provisions of Paragraphs 9 & 10 of Part-A of Schedule IV to Income-Tax Act, 1961.

EXPLANATION: Where the amount payable to a member who retires voluntarily includes any amount transferred from his individual account in any other recognised Provident Fund or Funds maintained by his former employer or employers, then in computing the period the period of membership, the period or

periods for which such employee rendered continuous service under his former employer or employers aforesaid shall be included.

51. The following are the revised conditions for grant of exemption under section 17 of the Act, 1952:-

51.(1) The employer shall establish a Board of Trustees under his Chairmanship for the management of the Provident Fund according to such directions as may be given by the Central Government or the Central Provident Fund Commissioner, as the case may be, from time to time. The Provident Fund shall vest in the Board of Trustees who will be responsible for and accountable to the Employees' Provident Fund Organization, inter alia, for proper accounts of the receipts into and payment from the Provident Fund and the balance in their custody. For this purpose, the "employer" shall mean.

51.(1)(i)in relation to an establishment, which is a factory, the owner or occupier of the factory; and

51.(1)(ii)in relation to any other establishment, the person who, or the authority, that has the ultimate control over the affairs of the establishment.

51.(2) The Board of Trustees shall meet at least once in every three months and shall function in accordance with the guidelines that maybe issued from time to time by the Central Government/ Central Provident Fund Commissioner (CPFC) or an officer authorized by him.

51.(3) All employees, as defined in section 2(f) of the Act, who have been eligible to become members of the Provident Fund, had the establishment not been granted exemption, shall be enrolled as members.

51.(4) Where an employee who is already a member of Employees' Provident Fund or provident fund of any other exempted establishment is employed in his establishment, the employer shall immediately enroll him as a member of the fund. The employer should also arrange to have the accumulations in the provident fund account of such employee with his previous employer transferred and credited into his account.

51.(5) The employer shall transfer to the Board of Trustees the contributions payable to the Provident Fund by himself and employees at the rate prescribed under the Act from time to time by the 15th of each month following the month for which the

contributions are payable. The employer shall be liable to pay simple interest in terms of the provisions of section 7Q of the Act for any delay in payment of any dues towards the Board of Trustees.

51.(6) The employer shall bear all the expenses of the administration of the Provident Fund and also make good any other loss that may be caused to the Provident Fund due to theft, burglary, defalcation, misappropriation or any other reason.

51.(7) Any deficiency in the interest declared by the Board of Trustees is to be made good by the employer to bring it up to the statutory limit.

51.(8) The employer shall display on the notice board of the establishment, a copy of the rules of the funds as approved by the appropriate authority and as and when amended thereto along with a translation in the language of the majority of the employees.

51.(9) The rate of contributions payable, the conditions and quantum of advances and other matters laid down under the provident fund rules of the establishment and the interest credited to the account of each member, calculated on the monthly running balance of the member and declared by the Board of Trustees shall not be lower than those declared by the Central Government under the various provisions prescribed in the Act and the Scheme framed there under.

51.(10) Any amendment to the Scheme, which is more beneficial to the employees than the existing rules of the establishment, shall be made applicable to them automatically pending formal amendment of the Rules of the Trust.

51.(11) No amendment in the rules shall be made by the employer without the prior approval of the Regional Provident Fund Commissioner (referred to as RPFC hereafter). The RPFC shall before giving his approval give a reasonable opportunity to the employees to explain their point of view.

51.(12) All claims for withdrawals, advances and transfers should be settled expeditiously, within the maximum time frame prescribed by the Employees' Provident Fund Organization.

51.(13) The Board of Trustees shall maintain detailed accounts to show the contributions credited, withdrawal and interest in respect of each employee. The maintenance of such records should

preferably be done electronically. The establishments should periodically transmit the details of members' accounts electronically as and when directed by the CPFC/RPFC.

51.(14) The Board of trustees shall issue an annual statement of accounts or pass books to every employee within six months of the close of financial/accounting year free of cost once in the year. Additional printouts can be made available as and when the members want, subject to nominal charges. In case of passbook, the same shall remain in custody of employee to be updated periodically by the Trustees when presented to them.

51.(15) The employer shall make necessary provisions to enable all the members to be able to see their account balance from the computer terminals as and when required by them.

51.(16) The Board of Trustees and the employer shall file such returns monthly/ annually as may be prescribed by the Employees' Provident Fund Organization within the specified time-limit, failing which it will be deemed as a default and the Board of Trustees and employer will jointly and separately be liable for suitable penal action by the Employees' Provident Fund Organization.

51.(17) The Board of Trustees shall invest the monies of the provident fund as per the directions of the Government from time to time. Failure to make investments as per directions of the Government shall make the Board of Trustees separately and jointly liable to surcharge as may be imposed by the Central Provident Fund Commissioner or his representative.

51.(18)(a) The securities shall be obtained in the name of Trust. The securities so obtained should be in dematerialized (DEMAT) form and in case the required facility is not available in the areas where the trust operates, the Board of Trustees shall inform the Regional Provident Fund Commissioner concerned about the same.

51.(18)(b) The Board of Trustees shall maintain a script wise register and ensure timely realization of interest.

51.(18)(c) The DEMAT Account should be opened through depository participants approved by Reserve Bank of India and Central Government in accordance with the instructions issued by the Central Government in this regard.

51.(18)(d) The cost of maintaining DEMAT account should be treated as incidental cost of investment by the Trust. Also all types of cost of investments like brokerage for purchase of securities etc. shall be treated as incidental cost of investment by the Trust.

51.(19) All such investments made, like purchase of securities and bonds, should be lodged in the safe custody of depository participants, approved by Reserve Bank of India and Central Government, who shall be the custodian of the same. On closure of establishment or liquidation or cancellation of exemption from EPF Scheme, 1952, such custodian shall transfer the investment obtained in the name of the Trust and standing in its credit to the RPFC concerned directly on receipt of request from the RPFC concerned to that effect.

51.(20) The exempted establishment shall intimate to the RPFC concerned the details of depository participants (approved by Reserve Bank of India, and Central Government), with whom and in whose safe custody, the investments made in the name of trust, viz., Investments made in securities, bonds, etc. have been lodged. However, the Board of Trustees my raise such sum or sums of money as may be required for meeting obligatory expenses such as settlement of claims, grant of advances as per rules and transfer of member's P.F. accumulations in the event of his/ her leaving service of the employer and any other receipts by sale of the securities or other investments standing in the name of the Fund subject to the prior approval of the Regional Provident Fund Commissioner.

51.(21) Any commission, incentive, bonus, or other pecuniary rewards given by any financial or other institutions for the investments made by the Trust should be credited to its account.

51.(22) The employer and the member of the Board of Trustees, at the time of grant of exemption, shall furnish a written undertaking to the RPFC in such format as may be prescribed from time to time, inter alia, agreeing to abide by the conditions which are specified and this shall be legally binding on the employer and the Board of Trustees, including their successors and assignees, or such conditions as may be specified later for continuation of exemption.

51.(23) The employer and the Board of Trustees shall also give an undertaking to transfer the funds promptly within the time limit prescribed by the concerned RPFC in the event of cancellation of exemption. This shall be legally binding on them and will make

them liable for prosecution in the event of any delay in the transfer of funds.

51.(24)(a) The account of the Provident Fund maintained by the Board of Trustees shall be subject to audit by a qualified independent chartered accountant annually. Where considered necessary, the CPFC or the RPFC in-charge of the Region shall have the right to have the accounts re-audited by any other qualified auditor and the expenses so incurred shall be borne by the employer.

51.(24)(b) A copy of the Auditor's report along with the audited balance sheet should be submitted to the RPFC concerned by the Auditors directly within six months after the closing of the financial year from 1st April to 31st March. The format of the balance sheet and the information to be furnished in the report shall be as prescribed by the Employees' Provident Fund Organization and made available with the RPFC Office in electronic format as well as signed hard copy.

51.(24)(c) The same auditors should not be appointed for two consecutive years and not more than two years in a block of six years.

51.(25) A company reporting loss for three consecutive financial years or erosion in their capital base shall have their exemption withdrawn from the first day of the next/succeeding financial year.

51.(26) The employer in relation to the exempted establishment shall provide for such facilities for inspection and pay such inspection charges as the Central Government may from time to time direct under clause (a) of sub-section (3) of section 17 of the Act within 15days from the close of every month.

51.(27) In the event of any violation of the conditions for grant of exemption, by the employer or the Board of Trustees, the exemption granted may be cancelled after issuing a show cause notice in this regard to the concerned persons.

51.(28) In the event of any loss to the trust as a result of any fraud, defalcation, wrong investment decisions etc. the employer shall be liable to make good the loss.

51.(29) In case of any change of legal status of the establishment, which has been granted exemption, as a result of merger, demerger, acquisition, sale, amalgamation, formation of a subsidiary, whether wholly owned or not, etc., the exemption granted shall

stand revoked and the establishment should promptly report the matter to the RPFC concerned for grant of fresh exemption.

51.(30) In case, there are more than one unit/establishment participating in the common Provident Fund Trust which has been granted exemption, all the trustees shall be jointly and separately liable/responsible for any default committed by any of the trustees/employer of any of the participating units and the RPFC shall take suitable legal action against all the trustees of the common Provident Fund Trust.

51.(31) The Central government may lay down any further conditions for continuation of exemption of the establishments".

***

APPENDIX - 1

APPLICATION FORM (Rule - 5(c))

To

_____

_____

I hereby declare that I have read and understood the rules and regulations of the Provident Fund of the National Mineral Development Corporation Limited and I agree to become a subscriber and to be bound by the rules and regulations of the Fund for the time being in force and as may from time to time be prescribed.

1. Name in full :
2. Father's/Husband's Name :
3. Nature of appointment :
4. Date of joining service :
5. Present pay wages :

Witness :

Signature or thumb impression
Name, designation and address

Dated :

_____

_____

As the applicant is illiterate, the rules and regulations of the Provident Fund of the National Mineral Development Corporation Limited, have been explained to him/her by me and I certify that he/she understands them.

Witness :

Signature

Dated :

APPENDIX-2

FORM -2

THE EMPLOYEES' PROVIDENT FUND SCHEME, 1952

DECLARATION AND NOMINATION FORM
(Under Rule 8 of PF Rules, 1974 & Para 13 of FPS 1971)

ACCEPTED
Enter in F.No. 2 EPF Register

DA HC AO

1. Name (in block letters) _____ Surname _____

2. Sex_____ 3. Religion _____

4. Father's Name _____

5. Husband's Name (for married women only) _____

6. Marital status Whether unmarried, married, widow or widower.

7. Date of Birth Day Month Year
(Where exact particulars are not available approximate age may be indicated in consultation with Medical Officer of the factory/establishment).

8. Permanent address

Village Thana

Taluk/Sub-Division Post Office

District State

PART - A (EPF)

I hereby nominate the person(s)/cancel the nomination made by me previously and nominate the person(s), mentioned below to receive the amount standing to my credit in the Employees' Provident Fund, in the event of my death:

Name of the nominee/ nominees	Address	Nominees' relation	Age of nominee(s)	Total amount or share of accumulations in PF to be paid to each nominee.	If the nominee guar-dian who may receive the amount during the minority of nominee.
(1)	(2)	(3)	(4)	(5)	(6)

1. * Certified that I have no family as defined in para 2(g) of the Employees' Provident Fund Scheme, 1952 and should I acquire a family hereafter the above nomination should be deemed as cancelled.
2. *Certified that my father/mother is/are dependent upon me.

*Strike out whichever is not applicable.

Signature/or thumb impression of the subscriber.

PART - B (FPS)

I hereby furnish below particulars of the members of my family who would be eligible to receive Family Pension & Life Assurance benefits in the event of my premature death in service.

S.no.	Name & Address of the family member		Age	Relationship with the member.
	Name	Address		
1	2	3	4	5
1.				

2.

_____

_____

* Certified that I have no family as defined in para 2(b) of the Employees' Family Pension Scheme, 1971 and should I acquire a family hereafter I shall furnish particulars thereon in the above.

Date:

*Strike out whichever is not applicable.

Signature or thumb impression of the subscriber.

Certified that the above declaration and nomination has been signed/thumb impression before me by Shri/Smt./Kum._____ employed in my establishment after he/she has read the entries/the entries had been read over to him/her by me and got confirmed by him /her.

Signature of the Employer or other authorised officer of the establishment.

Place:

Designation:_____

Dated :

Name and address of the Factory/ Establishment or rubber-stamp thereof.

Note: WHOM YOU CAN NOMINATE

(A) UNDER THE EMPLOYEES' PROVIDENT FUND SCHEME:

(1) A member of EPF who is married and/or his father/mother is/are dependent on him can nominate only one or more persons belonging to this family as defined below:

(a) in the case of a male member, his wife, his children, his dependent parents, and his deceased son's widow and children.

(b) in case of a female member, her husband, her children, her dependent parents, her husband's dependent parents, her deceased son's widow and children.

(2) If the member has got no family, or is a bachelor, nomination may be in favour of any person(s) whether related to him or not or even to an institution. If the member subsequently acquired a family such nomination shall forthwith become invalid and the members should make a fresh nomination in favour of one or more persons belonging to his family.

(B) UNDER THE FAMILY PENSION SCHEME:

(1) On the death of a member of the Family Pension Scheme, or his family will be entitled to the benefits under the F.P.F. Scheme. The Family is defined as under:
(I) Wife in the case of a male member.
(II) Husband in the case of a female member and
(III) minor sons and unmarried daughters.

EXPLANATION: The expression "sons" and "daughters" shall include children adopted legally before death in service.

(2) If the member has got no family, the monthly family pension, on the death of the member will be paid. However, Life Assurance benefit will be paid to the person(s) entitled to receive his provident fund accumulations.

APPENDIX - 3
(Rule No. 31(i))

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

Name : Father's name
Husband's name

Designation
PF Account No.
Date of appointment
Date of joining fund
Date of nomination

Month & Date	Subscription Vol.	Subscription Compul-sory	Withdrawals Drawn	Withdrawals Re-funded	Minimum balance bearing interest	Employer's Minimum balance bearing interest	Remarks
1	2	3	4	5	6	7	8	9
Opening balance as on 01.04.200								
April 200								

May 200
June 200
July 200
Aug. 200
Sep. 200
Oct. 200
Nov. 200
Dec. 200
Jan. 200
Feb. 200
Mar. 200

Total _____
Interest for the year ___ Interest calculations and
Grand total on 31.03.200__. Grand total checked
Opening balance checked

Initials of Assistant Initials of Sr. Accountant.

APPENDIX - 4
(RULE 34)

Provident Fund Deposit Account
Declaration executed on _____
Declaration not executed

You are urged to preserve this statement for production if required.

Statement of National Mineral Development Corporation Ltd
Employee's Provident Fund Account.

Deposit Account of Shri/Smt./Kum._____ S/o, D/o, W/o. Shri. _____ Account No. _____, with the National Mineral Development Corporation Employee's Provident Fund up to the end of year ending 31st March, 20____.

Note : Special attention is invited to Noted 2 and 3 of this form.

Employee's compulsory subscription	Employee's voluntary deposits	Employer's contribution of withdrawal	Details	Remarks

1	2	3	4	5	6
Balance on 1st April 20					
Add: Subscriptions during the year _____					
Refund of Advance _____					
Interest for the year at the rate of _____ per cent per annum					
Total : _____					
Less : Withdrawals as per details in Col.5					
Balance on 31st March, 20					

Note:1 The employee's contribution credited during the year is the contribution allowed on subscriptions from April 20__ to March 20__. The total subscription on Voluntary deposits represents the amount recovered from April ___ to March ___.

Note:2 The attention of member is drawn to the importance of revision his/her declarations in case any event has occurred which necessitates revision.

IF A SUBSCRIBER HAS NOT SO FAR SIGNED THE DECLARATION FORM HE SHOULD SIGN ONE NOW.

Note:3 Members should satisfy themselves as to the correctness of the statement and errors if any therein should be brought to the notice of the Board of Trustees within six months from the date of its receipt, failing which it will be presumed that the amounts shown as standing to their credit in the statement is correct.

For Board of Trustees

Date:

APPENDIX - 5

Rules regarding the election of employees representatives on the Board of Trustees of Provident Fund of an establishment exempted under section 17 (1) of the Employees' Provident Fund Act, 1952.

1. Constitution:

The employer of an establishment exempted under Section 17 of the Employees' Provident Fund Act, 1952, (19 of 1952) shall constitute a Board of Trustees (thereinafter referred to as the Board) in the manner hereinafter provided.

2. Number of Members:

(1) The Board shall consist of an equal number of representatives of the employer and the employees. The number of trustees on a Board shall be so fixed as to afford, as far as possible, representation to workers in various branches/departments of the establishment. Provided that the number of trustees on a Board shall neither be less than six nor more than twelve. In case of a common Provident Fund for a group of two or more establishments under the same employer, one Board may be constituted for all such establishments.

3. Employer's representative:

The employer shall nominate his representatives from amongst the Officers employed in his managerial or administrative capacity in the establishment.

2. Election of Employee's representative:

The representatives of the employees shall be elected by the members of the Fund in an election to be held for the purpose on any working day.

Provided that wherever there is a recognised Union under the Code of Discipline or under any State Act such Union shall nominate the employee's representatives:

Provided further that wherever there is no recognised Union, the representative Union if any, existing under any law regulating the recognition of workers union, shall nominate the employee's representatives:

Provided also that wherever there is neither a recognised Union or a representative Union of workers, any Union existing in the establishment and qualified or recognised by the employer shall nominate the employees' representatives. Where there is more than one such Union the procedure laid down in the Industrial Dispute (Central) Rules, 1967, for the election of the worker's representatives on the works committee shall be followed with such modifications, if any, as may be considered necessary by the Regional State Provident Fund Commissioner.

5. Qualifications of candidates for election:

(1) Any member of the Fund who is not less than 21 years of age, may, if nominated as here- in-under provided, be a candidate for election as an employees' representatives.

(2) An outgoing trustee shall be eligible for re-election or re-nomination as the case may be. Procedure for election: The employer shall fix a date for receiving the nominations from candidates for election as employees' representative. He shall also fix a date for the withdrawal of nomination and the date of election which shall not be earlier than three days or later than ten days after the closing dates for with-drawal of nominations. The date so fixed shall be notified to the members at least seven days in advance. The notice shall be affixed on the notice board of the Establishment. The

notice shall also specify the number of seats to be filled by the employees' representatives. A copy of such notice shall also be sent to the recognised trade union or the Unions concerned in the establishment and to the Regional State Provident Fund Commissioner.

6. Nomination of Candidates for election:

Every nomination shall be made in the form annexed to these rules. Each nomination paper shall be signed by the candidates to whom it relates and attested by at least two members of the Fund other than the proposer and shall be delivered to the employer before or on the closing date fixed for receiving the nomination.

7. Scrutiny of nomination papers:

The employer shall scrutinize the nomination papers under Rule 7 on the date following the last date fixed for withdrawing the nomination papers. The candidate or his nominee, the proposer or the attesting members may be present, if they so desire. The invalid nomination papers shall be rejected.

8. Voting in election:

(1) If the number of candidates, who have been validly nominated, is equal to the number of seats, the candidates shall forthwith be declared duly elected.

(2) If the number of candidates is more than the number of seats, voting shall take place on the date fixed for election.

(3) The election shall be conducted by the employer in the presence of an officer, deputed by the Regional Provident Fund Commissioner.

(4) Every member of the Fund shall have as many votes as there are seats to be filled on the Board. Provided that each such member shall be entitled to cast only one vote in favour of any one candidate.

(5) The voting shall be by Secret Ballot.

10. Dis-qualifications of a trustee:

A person shall be disqualified from being a trustee of the Board :

(i) If he is declared to be of unsound mind by a competent authority; or

(ii) If he is an undischarged insolvent;

(iii) If he has been convicted of an offence involving moral turpitude.

11. Chairman of the Board:

The employer shall nominate one of his representatives on the Board to be the Chairman thereof. In the event of an equality of votes, Chairman shall exercise a casting vote.

12. Filling of casual vacancies:

In the event of a trustee elected or nominated, ceasing to be a trustee during the tenure of the Board, his successor shall be elected or nominated, as the case may be in the manner herein-before provided for election or nomination.

13. Reference to Regional Provident Fund Commissioner:

In case of any dispute or doubt, the matter shall be referred to the Regional Provident Fund Commissioner in whose region the Head Office of the establishment is situated. His decision in the matter shall be final and binding.

14. Provision for residuary matters:

All matters, not provided for in these rules, shall be regulated by the approved Provident Fund Rules of the establishment.

FORM OF NOMINATION PAPER
(SEE RULE 7)

Name of the branch/department.

I hereby nominate Shri/Smt./Kum. _____
(name of the employee: candidate with his provident fund account no.)

as a candidate for election to the Board of Trustees.

Date : _____

(Signature of the proposer with
his/her Provident Fund Account No.)

Address : _____
_____
_____

I hereby declare that I agree to this nomination.

Date: _____

(Signature of candidate)

Address: _____
_____
_____

Attested by (1) _____
(2) _____

(to be signed by the two members of the provident fund)

Certificate of delivery

This nomination paper was delivered to me at my office on _____ by the candidate/proposer.

Employer.

APPENDIX 6 DELETED

(Amendment Letter No.22/Rules/72/Vol.IV dated 19.11.92)

APPENDIX - 7

(Rule 37(1)(e))

Application for financing a Life Insurance Policy out of the Provident Fund Account.

To
The Chairman,
Board of Trustees,
NMDC Employees' Provident Fund.

Sir,

I, _____ son/daughter/widow of _____ an employee of NMDC Limited hereby authorise the Chairman to:

(i) withdraw a sum of Rs._____ (Rupees_____) from my Provident Fund Account No. _____ and remit the same to the Life Insurance Corporation Of India towards the initial premium in respect of my Life Insurance Policy/Proposal for Life Insurance details of which are given herein.

(ii) make periodical withdrawals of Rs._____ (Rupees _____) from my Provident Fund Account No._____ each time the premium falls due for payment and remit the same to the Life Insurance Corporation of India towards the premia in respect of my Life Insurance Policy, details of which are given herein, so as to reach the said Corporation within the time allowed for such payments;

(iii) to convert the said Insurance Policy into a paid up one when the credit in any provident fund relating to my own contribution becomes inadequate for the payment of any premium, unless the payment of further premium is arranged by me with the Life Insurance Corporation of India and I inform the Board of Trustees accordingly;

(iv) to pay late fees and/or interest out of my own contribution in my provident fund account, if any premium cannot be remitted to the said Corporation in time because of delay in sending to the Chairman the Policy duly assigned to the Board of Trustee of the NMDC Employees' Provident Fund or any other reason for which I or my employer may be responsible.

2. **I accept that**

(i) the authorisation at para 1 (ii) above shall be effective only when my Life Insurance Policy duly assigned to the Board of Trustees, NMDC Employees' Provident Fund has been received by the Chairman after proper registration of the assignment in the books of the said Corporation.

(ii) the said authorisation shall thereafter remain operative till such time as I continue to be a member of the Fund and have enough accumulation to my credit as my own share in the Fund, or till the maturity of the Policy, whichever is earlier;

(iii) the terms of the Policy shall not be altered nor shall the policy be exchanged for another policy without the prior written consent of the Chairman.

3. The policy is enclosed for inspection/will be forwarded when received has already been assigned to the Board of Trustees of the NMDC Employees' Provident Fund and accepted by the Chairman vide letter No. _____ dated the _____.

4. I am aware that the policy is to be assigned to the Board of Trustees of the NMDC Employees' Provident Fund as security within the six months of the date of the first remittance by the Fund to the said Corporation and sent to the Chairman after registration of the assignment in the books of said Corporation.

5. I declare that the policy is free from any encumbrances and the details of the policy/proposal, given herein are correct to the best of my knowledge.

6. Details of the policy/proposal :

(i) Address of the Branch Office or unit of the Life Insurance Corporation where the policy account is to be maintained.

(ii) Policy/Proposal No. and Date

(iii) Sum assured/proposed to be assured.

(iv) Probable date of purchase of the policy.

(v) Whether the proposal has been accepted and if so, by what date the first premium is to be paid.

(vi) Cost of the policy (in case of single payment policies)

(vii) Whether the premium is paid/is to be paid yearly or half-yearly.

(viii) Amount of yearly/half-yearly premium.

(ix) Due date(s) for payment of premium.

(x) Date of payment of last premium.

(xi) Whether age has been admitted, if not state the nature of proof presented to Life Insurance Corporation.

(xii) Name(s) of the nominee(s) under Section 39 of the Insurance Act, 1938,
(The nomination should confirm to the nomination made in appendix 2).

(xiii) Guardian appointed under Section 39 of the Insurance Act, 1938 in respect of minor nominees, if any.

(xiv) Details of any previous policy already assigned to the Board of trustees.

(xv) Remarks.

Date:

Signature of left/right thumb
impression of the member.

Certified that this form has been *signed/thumb impressed before me by _____ Account No. _____ employed in NMDC Limited.

Date:

Signature of the Employer or his
authorised official.
Designation :

*Delete portions not applicable.

APPENDIX - 8

(Form of application for an advance from the Fund under Rule 37 (i) (d))

To
The Chairman,
Board of Trustees,
NMDC Ltd., Employees' Provident Fund.

Sir,
I, _____ son/daughter/wife of _____ an employee of NMDC Ltd. request an advance of Rs._____ (Rupees _____) in words out of the amount standing to my credit in my provident fund Account No. : _____

*(a) Purchasing a dwelling house
*(b) Purchasing a dwelling site
(c) Construction of a dwelling house
(d) Additions, substantial alterations or substantial improvements/necessary to the dwelling house owned by me.
(e) Completing the construction of the dwelling house, already commenced by me.

2. PARTICULARS:

(i) Rate of basic wages and dearness allowance per month;
(ii) Date of application on which an advance for the purposes mentioned in (a) or (c) above was granted from the fund earlier;
(iii) Area and location of the dwelling site/house intended to be purchased/* constructed/already purchased/already constructed*

(iv) Name and address of the present owner of the dwelling site/house invented to be purchased (The title deed or an attested copy thereof together with non-encumbrance certificate is to be enclosed).

(v) Desired mode of remittance*

*(a) by postal money order at the member's cost at the following
address.
(Full postal address)
(in block capitals)
*(b) by A/c payee crossed cheque through post.

*(c) by crossed cheque through the post (A declaration to that effect duly attested that payment is desired at his/her own risk should be furnished along with the claim).

*(d) by deposit in Postal Savings Bank Account No.
In _____ Post Office.
(Pass Book to be enclosed)

*(vi) Present state of the dwelling house or the stage at which the construction is now in (to be filled in if the application is for the purpose (d) or (e) of para (i).

3. CONDITION -

I undertake to comply with the following condition :

i) The amount of advance shall be utilised for the purpose applied for;

ii) If the amount of advance is in excess of the actual expenditure incurred for the purpose for which the advance was granted the excess shall be refunded to the Fund within 30 days of the finalisation of the purchase or completion of the constructions or completion of the additions to the dwelling house, as the case may be;

iii) If the advance is for construction of a dwelling house, the construction shall be commenced within six months of the with drawal of the first instalment and completed within six months of the final instalment;

iv) If the advance is for the purchase of a dwelling site or house, the purchase shall be completed within six months of the withdrawals;

v) the amount of advance shall not be utilised in purchasing a dwelling site or house which is not free from encumbrances and which is a share in a joint property;

vi) the amount of advance shall not be utilised for constructing a dwelling house on land which is not owned solely by the member;

vii) such title deeds, plans, other documents and information related to the intended purchase, construction, or addition as may be called for by the Chairman from time to time shall be furnished to him on demand;

viii) a declaration in the form prescribed by the Chairman shall be furnished to him immediately on finalisation of the purchase of land or completion of the construction or addition to the dwelling house;

ix) if the purchase or construction for which the advance is granted does not materialise or if there is any breach of any

of the conditions specified herein or in the Provident Fund rules of N.M.D.C., the entire amount of the advance together with interest thereon at the rate of 6 1/4% per annum shall be refunded to the Fund.

4. DECLARATION:

I declare that -

i) I have not taken any advance from the Fund under rule 37 (7) (i) of the
Provident Fund Rules of N.M.D.C. Limited ;

(ii) the dwelling site/house* intended to be purchased out of the advance applied for is free from encumbrances and is not a share in a joint property;

ii) without the further advance now applied for, the construction already commenced cannot be completed / the additions which are essential cannot be made ;

iii) I am the sole owner of the land on which I intend to construct a dwelling house out of the advance applied for ;

v) I have not taken any advance from the fund under rule 37 (6) (i) and 37 (6) (viii);

vi) all requirements of the local authorities in connection with the intended
construction/ purchase have been satisfied.

Date : Signature or left/right hand
thumb impression of the
member.

Certified that the application has been signed by _____ (name of the member) employed in _____ (project/Establishment) after he/she has read the contents/ the contents have been explained to him/her* by me and that the Account number and the rate of monthly basic wages given in the application are correct*.

Signature of the employer or an authorised official of the project/ Establishment.

Designation of the signing official *Stamp of the project/Establishment.

Date:

* Delete portions not required

* To be filled in when advance is applied for the purpose mentioned at (d) and (e) of para 1 of the application.

APPENDIX - 9

FORM OF APPLICATION FOR A TEMPORARY ADVANCE FROM CONTRIBUTORY PROVIDENT FUND
(Rule No. 37 (1) (a) (b) or (c) (f)).

To

The Board of Trustees,
NMDC Employees' Provident Fund.

1. (a) Name of the subscriber
   (b) C.P.F. Account No.

2. Designation & Section

3. Pay

4. Amount of Advance required

5. Number and amount of monthly instalments in which the advance is proposed to be repaid.

6. Purpose for which the advance is required.

7. Date of ceremony if the advance is required for religious ceremony/Marriage.

8. Amount of advances last taken, if any, state particulars of advance date on which taken, instalments of repayment and balance outstanding and purpose for which the advance drawn.

9. Full particulars/circumstances of the subscriber justifying the application for temporary withdrawal.

Date : Signature of the Applicant

It is certified that by my religion it is incumbent upon me to perform the ceremony as at item 6 above and the amount will be spent only for the purpose for which it is drawn.

Signature of the Applicant

REMARKS OF OFFICER-IN-CHARGE

A SUM OF Rs. _____ IS AT THE CREDIT OF THE SUBSCRIBER (his own subscription) IN HIS C.P.F. ACCOUNT UPTO _____.

SR. ACCOUNTS OFFICER (PF)

***

No. 22/Rules/72/Vol-IV (pt) Dated : 19.5.93.

C I R C U L A R -O15/93

NMDC Employees' Provident Fund Rules inter-alia provide that Non-refundable advances from the Provident Fund Accounts can be granted to the members in the following cases:

a) Hospitalisation lasting for one month or more ; or

b) Major surgical operation in a hospital ; or

(a) Suffering from TB/Leprosy/Paralysis, Cancer, Mental derangement or Heart ailment and having been granted leave by his employer for treatment of the said illness.

The above rules are also applicable for the medical treatment of family members of the employees.

Under these rules such Non-Refundable advances are granted, if :

(i) the authorised medical attendant certifies that a surgical operation or hospitalisation for one month or more as the case may be had or has become necessary; or by a registered medical practitioner, or in the case of mental derangement or heart ailment a specialist certifies that the member is suffering from TB, Leprosy, paralysis, cancer, mental derangement or heart ailment; and

ii) the member certifies to the effect that he has not drawn any advance from the company in this regard.

Instances have come to notice that employees are frequently drawing non-refundable advances from the PF accumulations for medical treatment of self and their family members by admitting medical certificate from unrecognised nursing homes/doctors/hospitals. The employees are hereby informed that the withdrawals from the provident fund accumulations for medical treatment for self and members of the family will be considered only if such requests are supported by a certificate issued by the hospital/nursing home duly approved by the Corporation and not otherwise.

***

Scheme for Group Insurance in lieu of Employees Deposit Linked Insurance

SECTION I

Definitions:

In these Rules, where the context so admits, the Masculine include feminine the singular shall include the plural and the following words and expressions shall, unless repugnant to the context have the following meanings:

i) The "Company" shall mean National Mineral Development Corporation Limited.

ii) The "Employer" shall mean the Company and any other Company, Firm, or Corporation which may, in future be managed or controlled by or become associated with the Company and which may agree to become bound by these Rules.

iii) The "Corporation" shall mean the Life Insurance Corporation of India, established under Section 3 of the Life Insurance Corporation Act, 1956.

iv) The "Commissioner" shall mean the authority appointed by the Government of India, under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952.

v) The "Provident Fund Authority" shall mean the Regional Provident Fund Commissioner.

vi) The "Rules" shall mean the Rules of the Scheme as set out below and as amended from time to time.

vii) (a) The Employee shall mean any Employee of the Company who is a member of the National Mineral Development Corporation Ltd., Employees' Provident Fund Trust.

(b) The "Member" shall mean an employee of the Employer who has been admitted to the membership of the Scheme and on whose life an assurance has been effected in accordance with the Rules.

viii) The "Scheme" shall mean the Employees' Provident Fund Deposit Linked Group Insurance Scheme.

ix) The "Effective Date" shall mean the 1st day of March, 1979 the date from which the Scheme commences.

x) The "Entry Date" shall mean (a) the Effective Date in relation to the members admitted to the Scheme on the effective Date, and (b) the first day of the calendar month in relation to new members admitted to the Scheme after the Effective Date which is coincident with or which immediately precedes the date on which they become eligible.

xi) The "Annual Renewal Date" shall mean in relation to the Scheme the 01.04.1979 and the First day of April in each subsequent year.

xii) The "Provident Fund Trust" shall mean the National Mineral Development Corporation Ltd., Employees' Provident Fund Trust formed by the Company.

xiii) The "Terminal Date" shall mean in relation to the member, the date on which the member ceases to be a Member of the Provident Fund.

xiv) The "Assurance" shall mean the Assurance or Assurances effected on the life of the Member.

xv) The "Beneficiary" shall mean the person or persons who has/have been recorded in the Register of Members kept by the concerned Provident Fund Authority/Provident Fund Trust.

xvi) "Act" shall mean the Employees' Provident Fund and Miscellaneous provisions Act, 1952.

2. The Company will act for and on behalf of the members in all matters relating to the Scheme and every act done by agreement made with and notice given to the Corporation by the Company shall be binding on the members,

Eligibility:

3. The employees of the Employer who are within the following category shall be eligible to join the Scheme "Employees who contribute to the Provident Fund."

Present employees who, on the effective Date are within the above category, shall join the Scheme on the first day of the month coincident with or preceding their becoming eligible to membership of Provident Fund. Future employees shall join the Scheme on the first

day of the month coincident with or preceding their becoming eligible,

4. EVIDENCE OF AGE:

Evidence of age satisfactory to the Corporation shall be furnished by the Company at the time of admission of a member to the Scheme.

SECTION II

CONTRIBUTIONS, ASSURANCES AND BENIFITS:

5. CONTRIBUTIONS:

The Company shall pay to the Corporation in respect of each member on the Entry Date and on the relevant annual Renewal Dates, such contributions as are required to secure the benefits under the Assurances effected on his life in accordance with these Rules. Provided that if the employee of any Employer other than the Company are also participating in the benefits under the Scheme, the contribution in respect of them shall be recovered by the Company from the Employer concerned, Provided that the Company/Employer shall not discontinue payment of contributions to the Corporation without the prior approval of the Commissioner,

6. ASSURANCES:

An Assurance shall be effected on the life of each member under One year Renewable Group Term Assurance Plan for a sum assured of Rs.62000/- (w.e.f. 01.12.2000). The assurances shall be held by the Company UPON TRUST for the benefit of the persons entitled to in accordance with these Rules. (O/O no 1(58)Rules Vol.III/23/2K dated 21/12/2000.

7. BENEFITS ON DEATH PRIOR TO TERMINAL DATE:

Upon the death of the member while in service prior to Terminal Date, the sum assured under the assurance then in force shall become payable to the beneficiary upon production of satisfactory evidence of appointment of beneficiary from the Employer or the Regional Provident Fund Commissioner, or the Provident Fund Trust as the case may be.

8. TERMINATION OF ASSURANCE:

The assurance on the life of a member shall immediately terminate upon the happening of any of the following events and no benefit will become payable there under.

(a) Discontinuance of contribution relating to the Assurances:

(i) Provided that the Employer may discontinue payment of premium to the Corporation only after giving three months prior notice to the Corporation and after obtaining a prior approval of the Commissioner.

ii) If the Employer discontinues payment of premium to the Corporation without satisfying proviso 8 (a) (i) above, the Corporation shall have the right to recover the premium with interest from the due date of premium, keeping the assurances in force for a period of not exceeding three months.

(iii) Discontinuance of payment of premium shall be brought to the notice of The Commissioner by the Corporation, immediately after expiry of 30 days from the due date of the premium

OR

(b) the member reaching the Terminal Date.

OR

(c) the member ceasing to be in service of the Employer.

9. RESTRAINT ON ANTICIPATION OR ENCUMBERANCE:

The benefits assured under the Scheme are strictly personal and cannot be assigned charged or alienated in any way.

10. DISCONTINUANCE OR AMENDMENT OF THE SCHEME:

The Company/ Employer shall not discontinue the Scheme at any time or amend the Rules there of without the prior approval of the Provident Fund Commissioner and the Corporation.

11. JURISDICTION :

All assurances issued under the Scheme shall be subject to Indian Laws including the Indian Insurance Act, 1938 as amended the Estate Duty Act, 1958, as amended the Life Insurance Corporation Act, 1956, the Income Tax Act, 1961 and to any legislation subsequently introduced. All the benefits under the Scheme arising on death of any member shall be payable in Indian Rupees.

12. MASTER POLICY:

The Corporation will issue a Single Master Policy incorporating all the assurances affected under the Scheme.

13. ESTATE DUTY:

Where any liability to Estate Duty arises in respect of any benefits, the Corporation may apply the benefit or part of it in payment of such duty (including any interest thereon) and deduct the amount so paid from the benefits or may postpone the payment of the benefits until the liability has been provided for their satisfaction.

PROVIDED THAT where the beneficiary of a deceased member claiming the benefits hereunder stisfying the Corporation that duty has be paid or shall be paid or that no duty is due, the Corporation shall have the discretion to pay the benefits subject to the beneficiary furnishing indemnity or indemnities in the form and manner specified by the Corporation.

14. APPOINTMENT OF BENEFICIARY:

The beneficiary or beneficiaries if any appointed by the member for his Provident Fund Account shall be deemed to be the beneficiary/beneficiaries to whom the benefit under the Scheme shall be paid. If no beneficiary is appointed by the member under his Provident Fund Account, the benefit under the Scheme shall be paid to the person or persons to whom the Provident Fund Provident Fund benefits become payable.

15. RATES OF PREMIUM AND CONDITIONS OF ASSURANCE :

The rates of premium and conditions of assurance under which the Corporation is prepared to arrange the Scheme shall be subject to an agreement between the Company and the Corporation. The conditions of assurance and rates of premium may be modified by the Corporation from time to time on any Annual Renewal Date, subject to three months notice being given to the Company/Employer.

16. PROCEDURE FOR PAYMENT OF BENEFITS:

i) The Beneficiary shall send a written application to the Life Insurance Corporation of India through the Employer in the enclosed proforma to claim payment under the Scheme.

ii) If the person to whom any amount is to be paid under this Scheme is a minor or a lunatic the payment shall be made in accordance with the provisions in the Employees Provident Funds Scheme 1952 relating to payment to such persons.

17. TRANSFER OF ACCUMULATED CONTRIBUTION IN THE EVENT OF TERMINATION OF SERVICE OF A MEMBER.

In the event of a member leaving the services of the Employer, as a result of resignation termination or otherwise than by way of retirement or death and such member obtains re-employment in any other establishment to which the Act applies the unexpired actuarial reserve (being the net accumulation to the credit of such member) shall be transferred to the credit of that person's account in the insurance fund of the establishment in which he is re-employed or as the case may be in the Deposit Linked Insurance Fund.

***

LIFE INSURANCE CORPORATION OF INDIA
(Established by the Life Insurance Corporation Act, 1956)
Claim From Under Group Insurance Scheme in lieu of E.D.L.I. Scheme, 1976

GRANTEES' STATEMENT
(TO BE COMPLETED BY THE MASTER POLICY HOLDER ie EMPLOYER)

---

1) i) NAME OF THE SCHEME :
ii) MASTER POLICY NO. :
iii) FULL NAME & ADDRESS OF THE MASTER POLICY HOLDER

_____
_____
_____
_____

---

2. i) Full Name of the deceased member :

ii) Date of Birth :
iii) Date of joining service :
iv) Date of joining in PF :
v) PF Account No. :
vi) Date of entry in the scheme :
vii) Date of death of member :
(enclose death certificate)
viii) Cause of death of member :

---

3) i) Name & address of the nominee/ heir to whom the claim amount is payable. :
ii) If the nominee is a minor, state name & address of the guardian :
iii) Name & Complete address of the Bank/Post Office with which the claimant has opend a Savings Bank Account. :
iv) Account No. :

NOTE: Please specify the share of the Nominee/heirs if there are more than one Nominee/heir to whom the claim is to be paid and particulars of separate Bank Account Nos., if any.

We hereby declare that the answers to all the questions are true in every respect and the above employee was a member of the Group Insurance Scheme.

We hereby request that Corporation to credit the claim amount to the claimant's above mentioned Savings Bank Account.

Signature of the Member Policy holder

***

APPLICATION FOR PAYMENT OF CLAIM

To
___(Name of the Employer)_____
_____
_____

I, being the nominee/guardian of the minor*/legal heir* of the deceased employee, apply for the payment of the life insurance benefit payable in

respect of the Group Insurance Scheme set up by you in lieu of the Employees' Deposit Linked Insurance Scheme, 1976. I give below the necessary particulars:

1. Full Name of the Deceased Employee:

2. Name & Address of the Nominee/ legal heir* :

3. If the nominee is a minor, state name & address of the guardian :

4. Name & full address of the Bank with which I have a savings Bank Account :

5. ACCOUNT No. :

I enclose the original death certificate in respect of the deceased employee and request that the claim amount be credited to my above mentioned Bank Account.

I also enclosed the indemnity bond duly executed.

(Signature or the thumb impression of the Nominee guardian of the nominee/legal/heir)

Place :
Date :

WITNESS

Signature
Full name & address

* Strike out if not applicable.

***

Salient features of

Group Savings Linked Insurance Scheme (GSLI)

Objectives:

1. To cover employee for additional insurance as a welfare measure.

2. To cover risk of death- accidental or natural, and also encourage savings.

Conditions:

3. Sum assured will be scaled up to Rs.30,000/-, 60,000/-, 90,000/- and Rs. 1,20,000/- per member.

4. Scheme is contributory. All existing employees will be covered. New employees will be covered.

5. Number of members required is atleast 75% of existing employees.

6. Employees should exercise an option for the scheme.

Premium payable:

7. Re.1.00 per thousand sum assured. Out of one rupee, 0.35 Ps will be risk premium and 0.65 Ps will be saving.

8. The premium are rounded off as follows:

Category		Sum Assured	Risk premium	Savings premium	Total premium
		Rs.	pm Rs.	pm Rs.	pm Rs.
A	Workmen in L1 to L10 scales	30,000	10.50	19.50	30.00
B	JOs, Executives in E0-E3 scales	60,000	21.00	39.00	60.00
C	Executives in E-4 to E-6 scales	90,000	31.50	58.50	90.00
D	Executives in E-7 & above scales.	1,20,000	42.00	78.00	120.00

9. Corporation shall pay risk premium and employee will contribute towards savings premium.

10. On unfortunate death:

    (a) The insurance amount, plus
    (b) The accumulated savings with interest @ 11% compounded annually; will be payable to the nominee of the deceased.

11. On cessation of service and/on retirement.

    The entire accumulated amount of savings with interest (amount at 10(b) above) will be refunded to the employee.

12. Tax relief available under Section-88 for total premium. The claim amount is tax-free.

***

GROUP GRATUITY LIFE ASSURANCE SCHEME

SECTION-I

DEFINITION, ELIGIBILITY AND REQUIREMENTS FOR MEMBERSHIP

1. DEFINITIONS:

In these Rules the headings shall not effect the construction and unless repugnant to the subject or context masculine shall include feminine and the following words and expressions shall have meanings assigned to them as follows:

i) "the Company/the Employer" shall mean National Mineral Development Corporation Limited and shall include any Company, Firm, Corporation or Association which may, by purchases, amalgamation or otherwise take over in whole or in part the business of the Company/Employer and which shall enter into a Deed in such form as the Trustees shall require undertaking to continue the obligations of the Company/Employer under these presents and releasing the Company/Employer from all further liabilities thereof.

ii) "the Corporation" shall mean the Life Insurance Corporation of India established under Section 3 of the Life Insurance Corporation Act,1956.

iii) "the Commissioner of Income Tax" shall mean the person appointed as such under subsection (i) of Section 117 of the Income Tax Act,1956 and having jurisdiction over the fund.

iv) "the Trust Deed" shall mean the Trust Deed executed by the Company/Employer and the Trustees and all amendments made thereto from time to time.

v) "the Fund" shall mean the Gratuity Fund as described in the Trust Deed.

vi) "the Scheme" shall mean the National Mineral Development Corporation Limited Employees' Group Gratuity Life Assurance Scheme described in these rules.

vii) "the Rules" shall mean the Rules of the Scheme as set out below and as amended from time to time.

viii) "the Trustees" shall mean the Trustees for the time being of the fund.

ix) "the Employees" shall mean the whole time Employees of the Employer other than personal and domestic servants and shall be deemed to include whole time bonafide working Directors who do not own beneficially shareholding carrying more than 5% voting rights in the Company.

x) "Eligible Employees" shall mean the persons who shall be eligible to benefit by these Rules as more particularly set forth in Rule 3 below.

xi) "Members" shall mean persons who as Eligible Employees joining the Scheme and become entitled to the benefits under the Scheme and shall include any such person so long as he continues to be entitled to any benefits hereunder.

xii) "Original Members" shall mean Eligible Employees who become Members of the Scheme on the Effective Date.

xiii) "Beneficiers" shall mean the person nominated by the Member as more clear by set forth in Rule 22 below".

xiv) "the Policy" shall mean the Master Policy which incorporates the Assurances effected under these Rules for the benefit of the Members and which Policy shall be held by the Trustees.

xv) "the Effective Date" in relation to the Scheme shall mean 25th day of March, 1975 the date as from which the Scheme takes effect.

xvi) "Annual Renewal Date" in relation to the Scheme shall mean the 25th day of March, 1976 and the 25th day of March in each subsequent year.

xvii) "Entry Date" shall mean (a) in relation to the original members the Effective Date and (b) in relation to new members admitted to the Scheme after the effective date the date on which they become eligible employees.

xviii) "RENEWAL DATE" shall mean in relation to the Member the relevant Annual Renewal date subsequent to the entry date.

xix) "NORMAL RETIREMENT DATE" shall mean in respect of the member the date of his attainment of age 60 years.
(Amended vide Office Order no.1(119)Rules/98 dated 12.08.98).

xx) "Salary" shall mean basic monthly salary of the member on the entry date or the relevant Annual Renewal Date including dearness allowance and dearness pay but excluding bonus, overtime or any emoluments of a variable or contingent nature.

xxi) "Contribution" shall mean any sums paid by the Employer to the Trustee for securing benefits for the member or members but shall not include any sum credited as interest.

xxii) "Family" shall mean and consist of: In the case of a male member himself, his wife, his children, whether married, unmarried, his dependent parents and the widow and children of his predeceased son, if any, and; in the case of a female member, herself, her husband, her children, whether married
or unmarried, her dependant parents and dependant parents of her husband and the widow and children of her predeceased son, if any".

xxiii) "Service" shall mean continuous service rendered by the member to the Employer including periods of authorized leave. For the purpose of the Scheme, a period of 6 months and over shall be reckoned as one year.

xxiv) "Disablement", shall mean such disablement as incapacitates a member for the work which he was capable of performing before the accident or disease resulting in such disablement.'

2. THE TRUSTEES TO ACT FOR THE EMPLOYER AND MEMBERS:

The trustees shall act for and on behalf of the Employer and the member and the every act done by the Trustees in consultation with or on instructions of the Employer in matters where the Employer has discretion under the Rules or is concerned, shall be binding on the Employer and the Members, Every act done by, agreement made with and notice given to the Corporation by the Trustees shall be binding on the Employer and the Members.

3. ELIGIBILITY:

(a) Employees who satisfy the following conditions shall be eligible to participate in the Scheme. All employees who on the entry date are aged not less than 18 years excluding the following :-

1. Government servants and others employed on deputation terms.

2. Re-employed persons namely, those who having served in the Government of India or any State Government or/any public undertaking or/any local or other authority retires on Superannuation and thereafter re-employed in the service of the National Mineral Development Corporation Limited; and

3. Apprentices during the period of apprenticeship.

Employees who are in the service of the Employer on Effective Date and shall satisfy the above condition shall join the Scheme as from that date. Present employees who do not satisfy the above conditions on the Effective Date shall join the Scheme from the date they become eligible. Employees appointed by the Employer after the Effective Date shall join the scheme from the dates of their appointment, provided they are eligible or from subsequent dates on which they become eligible.

(b) No member shall withdraw from the Scheme while he is still an eligible Employee in the service of the Employer.

4. EVIDENCE OF AGE:

Evidence of age of every eligible employee satisfactory to the Corporation shall be furnished before he is admitted to the Membership of the scheme and if the age of the Member be conclusively proved later to have been incorrectly stated in the evidence submitted, the member shall not be entitled to any more benefits under the Scheme than what he would receive and his correct age been stated on the Entry Date. The Corporation shall have the right to make such adjustment in the benefits as it may in its absolute discretion decide having regard to the normal practice in this behalf for the time being in force.

5. EVIDENCE OF INSURABLITY:

For the purpose of effecting Assurance under Term plan in respect of the Member, evidence of insurability satisfactory to the

Corporation will be required prior to each Eligible Employee's entry into the Scheme and on each occasion when an increase in Sum Assured under the Assurance is to be granted.

If, in the opinion of the Corporation, the evidence submitted is not satisfactory or other special hazards exist, the Corporation may vary the terms of acceptance of the risk in respect of the Member. In case the evidence submitted makes the life of the Member ineligible for insurance on his Entry Date for initial Sum Assured or on any subsequent Renewal Date for increase in Sum Assured, there shall not be effected any Assurance or Increase in Assurance, as the case may be, under this plan on and from the date on which the Member is declared to be uninsurable. The Corporation's decision about the insurability of the employee shall be final and binding on the Members and the Trustees.

SECTION-II

CONTRUBUTIONS:

6. (i) ANNUAL CONTRIBUTIONS: These shall be duly paid for each Member annually in advance on the Entry Date and subsequent Annual Renewal Dates, such contributions as are required to secure the Assurances hereunder described. The contributions shall be paid throughout the future service of the Member unless determined earlier under the Rules.

When an increase in Assurance is effected consequent upon increase in salary as provided in Rule 7 (b) the annual contributions payable for the Member shall be appropriately adjusted. The contributions shall be ascertained by the Corporation under the appropriate plans of Assurance.

(ii) ADDITIONAL CONTRIBUTIONS: In addition to the contributions payable under paragraph (i) above, the Employer shall pay to the Trustees contributions of an amount which shall be determined by the Corporation and the Corporation shall require the Employer to pay these additional contributions to the Trustees for the purpose of the Scheme. The said contribution shall however, not be paid to the Corporation but shall be held by the Trustees in the Surplus Account or any other Account as the Trustees may deem appropriate. The Trustees shall have absolute and uncontrolled discretion to utilise out of these contributions or the Surplus Account any sum which together with the benefits under the Scheme, may be required to make up whole of the

amount of gratuity due to the Member under the provisions of Appendix (i) thereto.

PROVIDED, HOWEVER, THAT if the balance to the credit of Surplus Account together with the sum payable under the provisions of the Rules is insufficient to make up the whole of the amount accrued and payable to the member according to the said Appendix (i) the Employer shall pay to the Trustees such additional contribution as may be required to make up the deficiency in the gratuity payable to the Member.

(iii) SPECIAL CONTRIBUTION: Subject always to any general or specific directions given by the Commissioner of Income Tax the Employer may pay any sums to the Trustees by way of special lumpsum contributions and upon paying such sums shall give instructions to the Trustees as to their allocation for the benefit of all or specified members or their dependents and the dates as of which the said contributions may be appropriated. The contributions shall be paid by the Employer to secure the benefits vesting absolutely or contingently in the Member in respect of the Member's service prior to the date of his admission to the Membership of the Scheme.

PROVIDED THAT in any case that aggregate of the contributions payable by the Employer in respect of any Member in terms of paragraph (i) (ii) and (iii) hereof shall not exceed 8-1/3% of the aggregate salary of the Member.

(iv) The expenses of administration of the fund and the Scheme incurred by the Trustees shall be borne by the Employer. The Employer shall not claim such expenses as deductible expenses in computing his business profits or losses for the purposes of Income-Tax.

7 (a) ASSURANCES: Subject to the provisions of Rule 5, appropriate Assurances on the life of each member under a plain suitably combining One Year Renewable Term Insurance with Pure Endowment (with return of premiums) will be effected to secure the benefits as described in Section III below. All Assurances necessary to provide the benefits shall be effected only with the Corporation.

(b) CHANGES IN ASSURANCES: Subject to the provisions of Rule 5, when the Member's salary is changed, the Assurances effected in respect of him will be appropriately adjusted. Such adjustments in Assurances shall be effected as under:

(i) The adjustment in Term Assurance Benefit shall be effected from the date of change(s) in salary of the Member.

PROVIDED HOWEVER THAT if the total cover under Term Assurance benefit in respect of the member exceeds the Free Cover Limit, the cover for the sum in excess of `Free Cover Limit' shall be subject to production by Member, of satisfactory evidence of his insurability as may be required by the Corporation.

'Free Cover Limit' shall mean the limit upto which the member is covered under the Term Assurance Benefit subject to simple evidence of insurability as per the Rules of the Corporation.

(ii) Assurances under pure Endowment shall be adjusted on the Annual Renewal Date which is co-incident with or which follows the date on which the increase in salary becomes effective.

(c) LIMITATION OF ASSURANCE: If the contributions payable in respect of the Member under Rule 6 are not sufficient to secure the benefits as described in Section III below, the benefits in respect of the Member shall be reduced to an amount as can be secured by the contributions.

SECTION-III

8. BENEFITS IN RETIREMENT:

Upon a Member's retirement, there shall become payable to the Trustees for the benefit of the Member, an amount equal to half-month's salary as on the Annual Renewal date last preceding the Retirement Date multiplied by the total number of years of service completed by the Member, subject to a maximum of Rs.3,50,000/-. (Vide office order

(A) an employee against whom disciplinary action/proceedings is contemplated or pending at the time of resignation, retirement, etc., will not be paid gratuity unless the action/proceedings against him/her have been finalized. On finalization of the disciplinary proceedings, the release of payment of amount of gratuity will depend on the final outcome of the disciplinary proceedings and keeping in view the orders of the disciplinary authority. However, this

shall not be applicable to those employees who are covered by the Payment of Gratuity Act, 1972."
(Head Office Circular No.1(25)/Rules/75 dated 30.08.1986)

9. BENEFITS ON DEATH WHILST IN SERVICE BEFORE RETIREMENT DATE:

In the event of death of the Member before the retirement whilst he is in the service of the Employer, there shall be paid to the Trustees a sum which shall be the total of:

i) the sum, if any, for which the Member's life was insured under Term Assurance on the date of death; and

ii) the value of Assurance under Pure Endowment.

Provided that the assurances under Pure Endowment and One Year Renewable Term Assurance shall be provided in such a manner that the benefits payable under both the assurances shall be as per Appendix I, subject to the provisions of Rules 5 and 7(b)(ii)

10. BENEFITS ON RETIREMENT AFTER NORMAL RETIREMENT DATE OR DEATH WHILST IN EXTENDED SERVICE:

If, with the consent of the Employer, a Member remains in service after Normal Retirement Date further contributions will continue to be payable in respect of him. The payment of benefits will be deferred until his actual retirement or death during such extended service. Upon the Member's actual retirement or death, there shall be paid to the Trustees the value of the assurances under Pure Endowment (together with interest as per Rules of the Corporation) and under Term Assurance in the event of death) and the Trustees shall pay to the Member or his beneficiary as the case may be, the benefits in accordance with the provisions of Appendix (I).

11. EARLY RETIREMENT DUE TO ILL-HEALTH OR TOTAL AND PERMANENT DISABILITY OR WITHDRAWAL FROM SERVICE:

If, before the Normal Retirement Date, the Member leaves the service of the Employer of his own free will or otherwise or retires from the service with the consent of the Employer on grounds of ill-health or total and permanent disability, the value of the Assurance effected in respect of him shall become payable to the Trustees and the Trustees shall pay to the Member the benefits in accordance with the provisions of Appendix (I).

Term Insurance cover shall cease as from the date the Member ceases to be in service.

12. ADJUSTMENTS IN THE BENEFITS ON CESSATION OF SERVICE:

(a) Any balance of the value of Assurance remaining over after payment of the Gratuity ascertained according to provisions of Appendix (I) hereto having regard to the total service completed by the Member and the circumstances in which he ceases to be in service shall be transferred by the Trustees to Surplus Account.

(b) If the amount of Gratuity payable to the Member according to the provisions of Appendix (I) hereto exceeds the value of the benefits payable to the Trustees under the Assurance effected, the Trustees shall be entitled to pay the excess due to the Member out of the surplus account.

(c) If the funds in the hands of the Trustees in the Surplus Account and the value of the Assurance hereunder are not sufficient to pay the whole of the Gratuity payable to the member under Appendix (I) the Trustees shall utilise the Additional contributions payable in respect of the Member to make up the difference in the amount of Gratuity.

(d) If a Member is not entitled to any benefits under the provisions of Appendix (I) hereto, the Trustees shall surrender the Assurance effected on his life for immediate cash value and the surrender value so realised shall be transferred to the Surplus Account.

13. SURRENDER VALUE:

Pure Endowment effected under the Scheme will acquire surrender value immediately upon payment of the first year's premium in full. The surrender value will be calculated in accordance with the Rules of the Corporation. One year Renewable Term Assurance is not entitled to any surrender value.

SECTION-IV

14. MISCELLANEOUS PROVISIONS:

The benefits assured under the Scheme are strictly personnel and cannot be assigned, charged or alienated in any way.

If a restraint or a prohibitory order is served on the Trustees in respect of any benefits secured for vesting in the Member or if the Member, or his Beneficiary shall become bankrupt or attempt to assign, charge or in any way encumber the Assurance or any benefits thereunder, the Member or the Beneficiary as the case may be, shall forfeit all rights and claims thereto and the same shall lapse to the Trustees but without prejudice to the powers of the Trustees at their absolute discreation to maintain or continue the same if they think fit, either immediately or after an interval or otherwise to make payments for the support or benefit of the Member or his Beneficiaries.

15. SURPLUS ACCOUNT:

Any additional contributions paid by the employer under Rule 6 and the value of any Assurances in respect of a member which do not vest in him for any reason and lapse to the fund shall be transferred to an account which shall be called the "Surplus fund".

The trustees may at their discretion utilise the amounts lying to the credit of the surplus fund in part or full payment of the contribution payable in any year in respect of all or any of the then current Assurances or to provie additional benefits to all the Members or their beneficiaries.

16. DISCONTINUANCE OF THE CONTRIBUTIONS AND WINDING UP OF THE FUND:

(a) In the event of the discontinuance of the contributions by the employer the Trustees here under shall `however' continue until the assets of the Scheme have been distributed as provided hereunder:

(b) The Trustees shall first ascertain the amount of Gratuity accruing and due to all the Members of Fund according to the provisions of the Appendix (I) hereto by reference to the salary of the members on the date of termination of the Scheme and the Length of service completed by each one of them to that date.

(c) If the Members remain in the service of the Employer after discontinuance of the Scheme, they shall not be paid the gratuity so long as they continue in the service of the Employer.

(d) The Trustees shall realise the value of the Assets of the fund including the value of Assurances and the amount so

realised shall be allocated to the Members in the manner described below:

(i) If the total amount realised exceeds the total liability in respect of gratuity ascertained as in paragraph (b) above, the Trustees shall earmark for each Member the amount of Gratuity accrued and due to him under the said Appendix (I) out of the moneys realised and utilise the excess to provide additional benefits to the Members in proportion to their accrued benefits.

(ii) If the amount so realised is less than the said gratuity accruing to the Members as aforesaid the total amount shall be allocated to each Member in proportion to his accrued gratuity.

(iii) Nothing stated in paragraph (d) of this Rules shall prejudice the Trustees' uncontrolled and absolute discretion to consult an Actuary and adopt any other method, or principles for the winding up of the Scheme which they consider equitable and expedient.

PROVIDED HOWEVER THAT the Trustees shall obtain the prior approval of the Corporation and the Commissioner of income Tax before giving effect to any method or principle that may have been drawn up for the purpose of winding up of the Scheme or the distribution of assets of the Fund and if the Corporation or the Commissioner of Income Tax so require, the Trustees shall review the said method or the principle of winding up of the Scheme or the Fund.

17. JURISDICTION:

All Assurances under the Scheme shall be Indian contracts. They will be subject to the laws of Indian Insurance Act'1938. as amended' the Estate Duty Act,1953 as amended the Life Insurance Corporation Act'1956, the Income Tax Act,1961 and to any legislation subsequently introduced. All benefits under the Scheme shall be payable only in India. Should anything contained in these Rules, or in any amendment made thereof be repugnant to any provision or provisions of the Income Tax Act'1961, or the Income Tax Rules,1962, it shall be ineffective to the extent of such repugnance. Any such repugnance shall be removed by the Trustees if so directed by the Commissioner of Income Tax.

18. RATES OF PREMIUM AND CONDITIONS OF ASSURANCE:

The Rates of Premium and conditions under which the Corporation is prepared to arrange the Scheme shall be subject to an agreement between the Trustees and Corporation. By giving three month's written notice taking effect on and from the next following Annual Renewal Date the conditions of Assurance and the rates of premium may be amended from time to time in respect of all assurances on the lives of new entrants to the Schemes and additions to Assurances of existing members to be effected on and from the date of expiry of such notice Assurances existing at the time of such alteration or alterations shall bot be affected in any way.

By giving three month's notice in writing effective on the next following Annual Renewal Date, the Corporation has the right to terminate the Term Insurance and reissue them on such terms and conditions as the Corporation shall decide.

19. MASTER POLICY:

The Corporation will issue a single Master Policy incorporating all the Assurance effected by the Trustees for the benefit of the existing and new Members of the Scheme.

20. EMPLOYER'S LIABILITY LIMITED TO BEBEFITS UNDER ASSURANCE:

The Employer or the Trustees are neither the Insurer nor the guarantor of any policy of Assurance purchased under these Rules and in the event of the Corporation witholding any benefits owing to circumstances beyond the control of the Trustees or Employer or other wise, in respect of any of the contracts under such Assurances that may be issued, the Employer or the Trustees shall be under no liability whatsoever to any Member entitled to the Benefits secured by such Assurance or Assurances.

21. INCOME TAX AND OTHER TAXES:

(a) Income Tax: In any case where the Trustees or the Corporation are liable to account to the Income Tax authorities, for Income Tax on any payment made under the Rules, the Corporation or the Trustees shall deduct a sum equivalent to such tax from any such payment made and the Corporation or the Trustees shall not be liable to the Members for the Sum so deducted.

(b) Estate Duty: Where any liability to Estate Duty arises in respect of any benefits, the Trustees shall apply the benefit or part of it in payment of such duty including any interest thereon and deduct the amount so paid from the benefits or may postpone the payment of the benefits until the liability has been provided for to their satisfaction. PROVIDED THAT if the Beneficiary satisfies the Trustees that duty has been paid or shall be paid or that no duty is due the Trustees shall have the discretion to pay the benefits subject to the Beneficiary furnishing indemnity or interminities in the form and manner prescribed by them.

(c) If the Gratuity Fund and Scheme for any reason cease to be approved by the Commissioner of Income Tax the Trustees shall nevertheless remain liable to tax on any benefits paid to any Member or his Beneficiary.

22. APPOINTMENT OF BENEFICIARY:

(a) Every Member shall appoint one or more person(s) as Beneficiary or Beneficiaries under the Rules to receive the Benefits hereunder in the event of his death. If a Member dies while in Service the Trustees shall hold the benefits in force under the Assurances on his life UPON TRUST for payment to the Beneficiary or Beneficiaries as shall have been appointed by the Member in accordance with the remaining paragraphs of this Rule.

(b) Where a Member has a family at the time of appointing a beneficiary, the beneficiary shall be in favour of one or more members belonging to his family. Any appointment of beneficiary by the member in favour of a person not belonging to his family shall be invalid.

(c) If at the time of appointing a beneficiary, the member has no family, the appointment of beneficiary may be in favour of any person or persons, but if the member subsequently acquires the family, such appointment of beneficiary shall forthwith become invalid and the member shall make a fresh appointment of beneficiary in favour of one or more members of his family.

(d) Every appointment made under this Rule shall be in writing signed by the Member and attested by two witnesses and shall be according to the form given in the Appendix to these rules and shall be delivered to the Trustees and shall remain in full force and effect until the death of the

Beneficiary or until the same shall be revoked in writing by the Member and a fresh appointment made in the manner aforesaid.

(e) A Member may from time to time or at any time without the consent of the Beneficiary change the Beneficiary by filing a written notice of the change to the Trustees in the prescribed form satisfactory to the Trustees whereupon an acknowledgement of the change and the registration of the name of the new Beneficiary will be given to the Member by the Trustees for attachment to the Certificates. The new appointment shall take effect on the date the notice was signed whether or not the member is living on the date of acknowledgement of change without prejudice to the Corporation or the Trustees on account of any payment made before the acknowledgement of the change.

(f) If a Beneficiary shall at the time of his appointment be a minor or otherwise under disability to give a legal receipt of discharge to the Trustees, the Member must at the time of such appointment as aforesaid, appoint a person of full age who is capable of giving a legal receipt or discharge to the Trustees and to whom the benefits are to be paid for and on behalf of such Beneficiary, while such beneficiary is minor or otherwise under disability to give legal receipt.

(g) If more than one Beneficiary is appointed and in such appointment the Member has failed to specify their respective interests, the Beneficiaries so named shall share the benefit equally. If the Beneficiary predeceases the Member, the interest of such Beneficiary shall terminate and his share shall be payable equally to such of the remaining Beneficiaries as surviving the Member unless the Member has made written request otherwise to the Trustees in the prescribed form.

(h) If a Beneficiary is not appointed the benefits shall be paid to the Member's wife, failing which to his child/children on equal shares. If the Member does not leave a wife, child/children or dependents, then benefits shall be released by the Trustees and credited to the Surplus Account.

(i) No beneficiary shall have any interest in any of the assurances effected under these Rules and he shall be entitled to receive only the benefits as per Appendix(I) to the Rules.

23. INTERPRETATION OF RULES:

It shall be a condition of membership of Scheme that on any question arising on any point of interpretation of these Rules or any point relating to admission of new Members and cessation of Membership the decision of the Trustees shall be final. If the decision has any bearing on the provisions of Part C of the Fourth Schedule of the Income Tax Act, 1961 or the Rules made there under it shall be forthwith reported to the Commissioner of Income Tax and if the Commissioner of Income Tax so requires the Trustees shall review the decision.

24. The benefits given under the NMDC Group Gratuity Life Assurance Scheme are in lieu of the gratuity to be paid under the payment of Gratuity Act, 1972 and as such under no circumstances, the employee shall get less benefits under the NMDC Group Gratuity Life Assurance Scheme than those provided under the Payment of Gratuity Act, 1972.

***

APPENDIX (I)

Contingency on the happening of which benefits become payable	Benefits
1. Upon retirement of the Member on or after normal retirement date or upon death whilst in service after normal retirement date or in the event of the member becoming incapable of further service by reasons of total and permanent disability (certified to the employer's satisfaction). **Note:** In terms of the above, all the employees viz, Executives, Junior Officers'and Workmen who have put in more than 30 years of service and retired are entitled to gratuity at the rate of one month's salary for each completed year of service in excess of 30 years of service.	**A. On actual retirement:** (i) Fifteen days' salary of the member for each completed year of service up to the service of thirty years; and (ii) One month's salary for each completed year of service in excess of thirty years of service of the member. However, the gratuity payable shall not exceed Rs.3,50,000/-.

The procedure as envisaged in this office circular No.1(25)/Rules/87 dated 11.09.1990 will be followed uniformly for computation of gratuity in such cases.	
Period of service rendered as on the date of death	**B. On death whilst in service during extended term** <u>Benefits</u>
(a) less than one year: (i) Those who are in service on effective date/annual renewal date.	Fifteen days salary of the Member as on the date of death for each year of anticipated service subject to a minimum of two months' salary provided however that the maximum benefit shall not in any case exceed Rs.3,50,000/-.
ii) Member who joined service with the employer after the effective date or annual renewal date: In the event of death during the period from the date of joining to the next annual renewal date.	Two months' salary of the member as on the date of death subject to a maximum of Rs.3,50,000/-.
(b) One year or more but less than 5 years (c) Five years or more	(x) Benefit as per (a) (i) above (or) (y) 6 month's salary of the Member as on the date of death subject to a maximum of Rs.3,50,000/- whichever is more. (m) Benefit as per (a) (i) above (or) (n) 12 months' salary of the member as on the date of death subject to a maximum of Rs.3,50,000/- whichever is more.
2. In the event of the death of the Member before Normal	(a) In respect of member who is declared to be insurable

Retirement Date whilst in the service of the Employer. Period of service rendered as on the date of death (a) Less than one Year: (i) Those who are in service on effective date/annual renewal date. (ii) Member who joined service with the employer after the effective date of annual renewal date: In the event of death during the period from the date of joining to the next annual renewal date. (b) One year or more but less than 5 years. (c) 5 years or more	and for whom life cover has been granted. Benefits: Fifteen days' salary of the Member as on the date of death for each year of anticipated service subject to a minimum of two months' salary provided however that the maximum benefit shall not, in any case exceed 20 months' salary or Rs.3,50,000/-. 2 months' salary of the member as on the date of death subject to a maximum of Rs.3,50,000. (x) Benefit as per (a) (i) above, or (y) 6 months' salary of the member as on the date of death subject to a maximum of Rs.3,50,000/- whichever is more (m) Benefit as per (a) (i) above, or (n) 12 months' salary of the member as on the date of death, subject to a maximum of Rs.3,50,000/- whichever is more Note:

	(a) "Anticipated Service" shall mean in respect of employees who have not reached the normal retirement stage the period of service which the member would have completed had he lived up to his Normal Retirement Date and in respect of employees whose services have been extended beyond Normal Retirement Date, the period of service which the Member would have completed had he lived up to the extended period of service. (b) In respect of a Member who is declared to be insurable on the Entry Date and/or Annual Renewal Date but uninsurable on subsequent Annual Renewal Dates. i) Sum for which the Member's life was assured by the Corporation under Term Insurance on the death of the Member, and ii) The value of Assurance under Pure endowment. PROVIDED THAT the total benefits payable vide (i) and (ii) above shall not be less than the relevant benefits in paragraph (d) below. (c) In respect of a Member who is declared to be uninsurable on the Entry Date but is declared to be insurable on a subsequent date i) Sum for which the member's Life was assured by the Corporation under Term Insurance on the death of

	the Member, and ii) The value of Assurance under pure Endowment. PROVIDED THAT the total benefits payable vide (i) and (ii) above shall not be less than the relevant benefits in paragraph (d) below.
	(d) In respect of a Member who is declared to be uninsurable on Entry Date and Annual Renewal Dates
(i) Less than one year	Two months' salary of the Member as on the date of death, subject to a maximum Rs.3,50,000/-
(ii) One year or more but less than 5 years:	Six months' salary of the member as on the date of death, subject to maximum of Rs.3,50,000/-
(iii) 5 years or more but less than 24 years:	Twelve months' salary of the Member as on the date of death subject to a maximum of Rs.3,50,000/-
(iv) More than 24 years	Fifteen days' salary of the Member as on the date of death for each year of completed service upto the date of death subject to a maximum of Rs.3,50,000/-.

3. Upon the Member leaving the service of the Employer of his own free will prior to Normal Retirement Date. (a) Before completion of 5 years (b) On or after completion of 5 years	 (a) nil (b) Fifteen days' salary of the Member as on the date of leaving service for each completed year of service subject to a maximum of Rs.3,50,000/-.
4. On termination of service by the employer before normal retirement date: (i) For reasons other than fraud or misconduct: (a) Before completion of 5 years: (b) On or after completion of 5 years. (ii) For an act, willful omission or negligence on the part of employee causing any damage or loss or destruction of property belonging to the Company/ the employer. a) Before completion of 5 years b) On or after completion of 5 years.	 a) nil b) Fifteen days' salary of the member as on the date of termination for each year's service subject to a maximum Rs.3,50,000/- whichever is less. a) nil b) Fifteen days' salary of the member as on the date of termination for each year's service subject to a maximum of 20 month's salary or Rs. 3,50,000/- whichever is less as reduced by the amount of damage or loss caused by the act, wilful omission or negligence on the part of employee

iii) For riotous or disorderly conduct or any other act of violence on the part of employee or for any act consisting offence involving moral turpitude provided such offence is committed by employee in the course of his employment. iv) For misconduct, insolvency or in-efficiency. However, this shall not be applicable to those employees who are covered by Payment of Gratuity Act, 1972. (HO Circular No.1(25)/Rules/ 75 dated: 30.08.1986).	iii) nil vi) nil
5. On termination of service of the Member as a result of Permanent disablement.	Fifteen days' salary as on the date of termination of service for each completed year of service subject to a maximum Rs.3,50,000/-.

***

FORM 'E'

NOMINATION

To

_____

_____

_____

(give here name or description of the establishment with full address)

I, Shri/Srimati/Kumari_____ (Name in full) whose particulars are given in the Statement below, hereby nominate the person(s) mentioned below to receive the gratuity payable after my death as also the gratuity standing to my credit in the event of my death before that amount has become payable, or having become payable has not been paid and direct that the said amount of gratuity shall be paid in proportion indicated against the name(s) of the nominee(s),

2. I hereby certify that the persons(s) mentioned is a/are member(s) of my family within the meaning of clause (h) of section 2 of the Payment of Gratuity Act; 1972.

3. I hereby declare that I have no family within the meaning of clause (h) of section (2) of the said Act.

4. (a) My father/Mother/Parents is/are dependent on me.

   (b) My husband's father/mother/parents is/are dependent on my husband

5. I have excluded my husband from my family by a notice dated the _____ to the controlling authority in terms of the proviso to clause(h) of Section 2 of the said Act.

6. Nomination made herein invalidates my previous nomination.

NOMINEES(S)

Name in full with full address of nominee(s)	Relationship with the employee	Age of Nominee	Proportion by which the gratuity will be shared
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
& so on.			

STATEMENT

1. Name of Employee in full :
2. Sex :
3. Religion :

4. Whether unmarried/married/ widow/widower :
5. Department/Branch/Section where employed :
6. Post held with Ticket or Serial No. if any :
7. Date of appointment :
8. Permanent Address :
   Village:
   Thanna:
   Sub-Division:
   Post Office:
   District:
   State:

Signature of the employee

Place:
Date :

DECLARATION BY WITNESSES

Nomination signed/thumb impression before me

Name in full and full address of witness:	Signature of witnesses
1.	1.
2.	2.

Place:
Date:

Certificate by the Employer:

Certified that the particulars of above nomination have been verified and recorded in this establishment.

Signature of the employer/
officer authorized

Designation

Employer's Reference No
if any

Name & Address of the
Establishment or Rubber
Stamp thereof.

ACKNOWLEDGEMENT BY THE EMPLOYEE

Received the duplicate copy of nomination in Form 'F' filled by me and duly certified by the employer.

Claim Form GB/I

LIFE INSURANCE CORPORATION OF INDIA
(Established by the Life Insurance Corporation Act, 1956)

REGIONAL CENTRE : : GROUP SCHEMES DEPARTMENT
DIVISIONAL OFFICE : : HYDERABAD :: 500 463

PART I : : CLAIMANTS STATEMENT

(To be completed by the Master Policy Holder i.e., by the TRUSTEES of the Scheme in case of Group Gratuity and Superannuation Schemes or by the EMPLOYER in case of other Group Insurance Schemes)

A	1)	Name of the Scheme:
	2)	Master Policy Number:
	3)	Date of Commencement:

B	1)	Full Name of the Deceased Member:
	2)	Membership Number:
	3)	Whether Data was furnished on Previous Renewal Date?:

C	1)	Date of entry into the

scheme by the Member:
2) Date of Death:
3) Cause of Death:
4) Place of Death:

D. 1) Name/s of the Beneficiary/ies with Relationship/s:
2) Address of the Beneficiary/ies
3) Whether nominated by the deceased or legal Heir/s of the deceased? :

We hereby declare that all the above answers are True in every respect. We enclose* _____in ORIGINAL in proof of the death of the member.

Signature of master policy holder
Seal

Place:
Date :

* Please specify the nature of proof furnished.

Claim Form:GB/II

LIFE INSURANCE CORPORATION OF INDIA
(Established by the Life Insurance Corporation Act,1956)
REGIONAL CENTRE : : GROUP SCHEMES DEPARTMENT
DIVISIONAL OFFICE : : HYDERABAD : 500 463.

PART II : EMPLOYER'S STATEMENT
(To be completed by the Employer of the deceased)

---A. Name of the Employer with Address:

B. 1) Name of the deceased:
2) Employee Code/Ref.No.:
3) Date of Birth:
4) Date of Joining Service:
5) Salary (i) On previous Renewal date: (ii) On the date of death:

---C. 1) Date of Death:
2) Cause of Death:
3) Place of Death:
4) Date last attended duties:
5) Was the Employee in your service on the date of death?

D. Please give below or on a separate sheet of paper the record of absences from duty by the employee during the last THREE YEARS prior to the date of death on grounds of ill-health.

Duration of leave	No.of days	Nature of leave	Reasons stated	REMARKS*

---

*Please state whether Medical Certificate was submitted.

---We hereby declare that all the above answers are true in every respect.

Signature of the employer
Office seal:

Place:
Date:

EMPLOYER'S CERTIFICATE

1. Name and address of the employer : NMDC Limited, Hyderabad

2. Master Policy No. :

3. Name of the deceased employee :

4. Whether the deceased employee was covered under the policy at the time of death. :

5. Date of death and time at death :

6. Place of death :

7.	Cause of death	:
8.	Age at death	:
9.	Details of death intimation	:
	i) Name of the person who informed the death	:
	ii) Relationship of the informant with the deceased employee	:
	iii) Date of intimation	:
10.	Name, designation and place of posting of any employee who has personal knowledge of the death of employee mentioned in Col.(3)	:
11.	i) Date and amount of P.F. dues settled by the employer	:
	ii) To whom settled	:
	iii) Dates and amounts of other: dues such as salary settled by the employer.	

Signature of the employer*

*To be signed by an officer of the rank of General Manager (Fin), Manager (Per)

Orders/clarifications regarding
Gratuity Scheme

Circular No.1(25)/Per/75 dated 31.10.1979

Sub: Claims under the Group Gratuity Life Assurance Scheme and Provident und Deposit Linked Group Insurance Scheme.

In accordance with Head Office Circular No.1(25)/PER/75-20 dated 23rd July, 1975 the claims under the Group Gratuity Life Assurance Scheme have to be forwarded directly to the Trustees of Group Gratuity Fund at Head Office. It has been noticed that such claims are being sent to the Personnel Department at Head Office. In order to avoid delay in processing the case for preferring the claims on Life Insurance Corporation

it is once again requested that the claims under the Group Gratuity Life Assurance Scheme may directly be sent to the Controller of Accounts/Member Secretary of the trust at Head Office.

Similarly the claims under the Provident Fund Deposit Linked Insurance Scheme may also pleased be sent to the Controller of Accounts at Head Office.

***

Letter No.1(14)/Per/73 dated 22.07.1981

Sub: Payment of Gratuity-Calculation of Gratuity under NMDC Ltd. Group Gratuity Life Assurance Scheme.

According to the existing Rules of NMDC Ltd., Group Gratuity Life Assurance Scheme, the gratuity payable to an ex-employee is computed on the basis of half month's salary (last pay drawn plus DA) for each year of service rendered in the Corporation subject to other conditions laid down in Appendix-I thereto. In accordance with the corresponding provisions in Section 4(2) of the Payment of Gratuity Act, 1972, the gratuity payable to an ex-employee shall be calculated at the rate of 15 days wages based on the rate of wages last drawn by the employee concerned.

2. In the light of Supreme Court Judgement in two Civil Appeals Nos.1088 of 1976 and 480 of 1977 dated 23/07/1980, it has been decided that for calculating gratuity, the monthly wages of an employee should be taken as what he got for 26 working days and his daily wages ascertained on that basis and 15 days wages worked out accordingly and not by just taking half of his wages for a month or by fixing his daily wages by dividing his monthly wages by 30.

3. To clarify the above, two illustrations in respect of regular employees and daily rated employees are given below for guidance in calculating the gratuity.

   (i) In case of an employee having put in 10 years of service and drawing Rs.1000/- as the wages last drawn, the calculations of gratuity (a) presently being worked out and those (b) which shall have to be worked out are as under:

(a) As per NMDC Gratuity Life Assurance Scheme	(b) As per Supreme Court's decision
1000	1000

------ X 10 = 5000 2	------ X 15 X 10 = 5769.23 26

(ii) Similarly in the case of a daily rated employee drawing Rs.10 per day and having put in 10 years of service, the calculation shall get modified as indicated below:

(a) As per NMDC Group Gratuity Life Assurance Scheme	(b) As per Supreme Court's decision
26 ----- X 10 X 10 = 1300 2	15 X 10 X 10 = 1500

4. The above clarification shall come into force with immediate effect. The cases already settled on or after 23rd July, 1980 i.e. the date on which the Supreme Court gave its judgments may also be reopened on receipt of application from the concerned individuals.

***

Letter No.1(25)/Rules/75 dated 20th March,1982

Sub: Payment of Gratuity for the services rendered on Muster Roll.

Please refer to your letter No.DNM/IRS/W/9(6)/81/3854 dated 09/03/1982 on the matter. The matter has been re-examined in the light of the fact that Muster Roll employees are also eligible for payment of Gratuity subject to the condition laid down in the payment of Gratuity Act. It is clarified that gratuity is admissible to an employee in respect of his Muster Roll service also provided he has been appointed in the regular time scale without any break as indicated in your letter referred to above.

***

Circular no.1(25)/Rules/75 dated 08.07.1985

Sub: Release of Gratuity

From time to time, instructions have been issued in the past for quick settlement of financial dues of the ex-employees on their retirement, resignation, death etc., However, it has come to notice that the release of final payments, in such cases, quite often gets delayed due to various procedural formalities. Undoubtedly, this causes good deal of inconvenience to the ex-employees or their families who are placed in indigent circumstances after the death of the bread-winner in the family.

2. While all-out efforts should continue to be made to settle the dues of the ex-employees promptly, the amount of gratuity, in particular, due to them, under all circumstances must be released (after off-setting the demands due, if any) within one month of their leaving the Corporation.

For this purpose the eventualities like (1) Settlement of Gratuity claim by LIC (2) Receipt of credit TC etc., may be deemed to have been relaxed.

All the Units/Projects should hereafter ensure that:

1) the papers relating to gratuity are invariably forwarded to Head Office three months in advance of the employees' leaving/likely to leave the Corporation on superannuation, acceptance of resignation etc;

1.1 Similarly, the Gratutity papers relating to cases of `Death' be sent to Head Office with in a week of the occurrence of the event;

3) the amount of gratuity due to the ex-employee be worked out in all such cases by the office, where he served last in consultation with local finance and released immediately after one month of occurrence of the event entitling the employees or their families to such a payment.

Above instructions shall come into force with immediate effect.

***

Letter no.1(25)/Rules/75 dated 13.11.1986

Sub: Amendment to Group Gratuity Life Assurance Scheme Rules - regarding.

Your attention is invited to circular No.1(25)/Rules/75 dated 30/08/1986 regarding amendment to Group Gratuity Life Assurance Scheme Rules according to which (i) "an employee against whom disciplinary action/proceedings is contemplated or pending at the time of resignation/ retirement etc. will not be paid gratuity unless the action/proceedings against the employee have been finalised, and the release of payment of gratuity will depend on the final outcome of the disciplinary proceedings when finalised", and (ii) "on termination of service of an employee before normal retirement date on grounds of misconduct, insolvency and inefficiency, no gratuity is payable". However,

the above provisions shall not be applicable to those employees who are covered by the Payment of Gratuity Act 1972.

In view of the above provisions, it is necessary for the Personnel Department of the concerned units to inform the Secretary, Group Gratuity Trust, while forwarding gratuity claim of any employee for payment, that no disciplinary action/proceeding is contemplated or pending at the time of resignation/retirement of such an employee. Accordingly it is requested that you may kindly instruct your concerned officials to send the necessary certificate along with the gratuity claim of the employee (or, incase the claim has already been forwarded before the date of retirement of the employee to ensure timely payment by GGF Trust, immediately on or after the date of retirement) to the Secretary, Group Gratuity Trust, with one copy to the paying officer, It is also requested that in case of termination of service of an employee before his normal retirement date, the reason for such termination may be clearly indicated in the claim form.

The receipt of this letter may please be acknowledged.

***

Circular no.1(25)/Rules/87 dated 11.09.1990

In terms of the Clause 6.1.1 & 6.1.2 of the Wage Settlement dated September 17th 1983 and subsequent settlement dated 16.12.1989, for workmen who have actually put in more than 30 years of service, on the date of occurrence of contingency, Gratuity payable shall be calculated at the rate of :-

a) 15 days' salary for each completed year of service upto 30 years and,

b) One month's salary for each completed year of service in excess of 30 years of service.

However, the Gratuity limit shall not exceed 20 months' salary or Rs.3,50,000, whichever is less and subject to other limitations as per Gratuity Rules.

2. Since the master policy with LIC covers payment @ 15 days' salary for each completed year of service, the difference of the Gratuity between the amount payable by the Group Gratuity Trust to the employee and the amount received by the Group Gratuity Trust from LIC, in this regard, shall be borne by the Employer Group Gratuity Trust may claim this amount in individual cases from

Management for arranging payment to the claimants through the concerned units of NMDC.

3. Gratuity for Notional Service in respect of death of an employee shall continue to be calculated @15 days' salary for each year.

4. The concerned units are, therefore, requested to forward gratuity claims clearly indicating the service particulars in the proforma enclosed as above to Secretary, Group Gratuity Trust for quick finalization of the claims.

***

Office Order no.1(25)Rules/89/43/98 dated 09.12.1998

The Board at its 319th meeting held on 25.08.98 has approved the proposal to enhance the maximum limit of the Gratuity payable to the employees of NMDC from Rs.2,50,000/- to Rs.3,50,000/- with effect from 24.09.1997.

2. Accordingly in the provisions of NMDC Employees' Group Gratuity Life Assurance Scheme, the figure Rs.2,50,000 wherever appearing is substituted by the figure Rs.3,50,000/-

3. This amendment is effective from 24.09.97.

***

Group Personal Accident Insurance coverage for the Executives/Jr Officers of the Corporation.

The Corporation has introduced Group Personal Accident Insurance Coverage for the officers of the Corporation with effect from 1st March, 1975. This was subsequently extended to Jr. Officers also. The salient features of the Insurance coverage are brought out briefly below:

1. The coverage will be for all Executives/Jr. Officers of the Corporation.

2. The insurance is against accident/disability/death while travelling in any mode of conveyance except that, air is included only while travelling as a fare-paying passenger on regular airlines operating over scheduled routes. The policy would cover risks of accidents which may be caused while travelling on Scooter/motor cycle.

3. The insurance policy would cover any accident which may be caused to any executive/Jr. officer of the Corporation at any time at any place in the world during the 24 hours of the day throughout the year, whether he is on duty or on leave.

4. In the event of death by accident, the dependants of the executive/Jr. officer will be paid 36 months' total emoluments. The payment will be made by the Insurance Company to the Corporation which, in turn, will pass on the amount to the family.

5. The policy would also cover injuries which may be caused during strikes/riots, resulting in death/disablement. A statement showing the details of compensation payable in case of death/permanent disablement is enclosed in Annexure – I.

6. The Executives/Jr. officers have to nominate a person/persons to receive the benefits under the Insurance coverage as per proforma at Annexure – II.

***

Annexure I

Statement showing the details of compensation payable in case of death/permanent disablement.

Sl. No	Eventuality	Insured Sum
1	Death	100% of the insured sum. (The insured sum is 36 months total emoluments of the officer.)
2	Permanent total disablement preventing from attending to employment, occupation or business of any kind whatsoever.	100% of the insured to sum.
3	Loss of two limbs.	100% of the insured to sum.
4	Total loss of sight of both eyes.	100% of the insured to sum.
5	Loss of one leg above ankle.	50% of the insured to sum.
6	Loss of toes-all Great, both phalanges Great, one phalanx Other than great, if more than one toe lost, each	20% of the insured to sum. 5% of the insured to sum. 2% of the insured to sum. 1% of the insured to sum.
7	Loss of one eye	50% of the insured to sum.
8	Loss of hearing – both ears	75% of the insured to sum.
9	Loss of hearing – one ear	15% of the insured to sum.
10	Loss of four fingers and thumb of one hand	42.5% of the insured to sum.
11	Loss of one hand at or above wrist	50% of the insured to sum.
12	Loss of four fingers	35% of the insured to sum.
13	Loss of thumb – both phalanges One phalanx	25% of the insured to sum. 10% of the insured to sum.
14	Loss of Index finger Three phalanges Two phalanges One phalanx	 10% of the insured to sum. 8% of the insured to sum. 4% of the insured to sum.
15	Loss of middle finger Three phalanges Two phalanges One phalanx	 6% of the insured to sum. 4% of the insured to sum. 2% of the insured to sum.
16	Loss of ring finger Three phalanges Two phalanges One phalanx	 5% of the insured to sum. 4% of the insured to sum. 2% of the insured to sum.
17	Loss of little finger Three phalanges Two phalanges One phalanx	 4% of the insured to sum. 3% of the insured to sum. 2% of the insured to sum.

18	Loss of metacarpals First or second (Addl) Third, fourth or fifth (Addl)	 3% of the insured to sum. 2% of the insured to sum.

***

Annexure-II

National Mineral Development Corporation Limited
Nomination under the Group Personal Accident Insurance Policy

1. Name
2. Father's name
3. Husband's name
   (for married women only)
4. Marital status (whether bachelor, spinster, married, widow or widower)
5. Date of birth : Day_____ Month _____ Year _____
6. Designation
7. Mine/Office of NMDC Limited
8. Permanent address
9. I hereby nominate the person mentioned below to receive the amount under the Group Personal Accident Insurance Policy in the event of my death and that the said amount shall be distributed among the said person/persons in the manner shown below against their names:

Name & address of the Nominee or Nominees	Nominees relation-ship	Age of Nominee	% of amount to be paid to each nominee	Contingencies on the happenings of the nomination shall be invalid

Dated: Signature of the employee

Witness:

1. (Name & address)
2. (Name & address)

***

Claim Form GB/I

LIFE INSURANCE CORPORATION OF INDIA
(Established by the Life Insurance Corporation Act, 1956)

REGIONAL CENTRE :: GROUP SCHEMES DEPT.
DIVISIONAL OFFICE :: HYDERABAD-500 465.

PART – I : CLAIMANTS STATEMENT

(To be completed by the Master Policy holder i.e., by the Trustees of the Scheme in case of Group Gratuity and Superannuation Schemes or by the EMPLOYER in case of other Group Insurance Schemes)

A	1)	Name of the Scheme :	
	2)	Master Policy Number :	
	3)	Date of commencement :	
B	1)	Full name of the Deceased Member ;	
	2)	Membership Number :	
	3)	Whether Data was furnished on Previous Renewal Date :	
C	1)	Date of entry into the Scheme by the Member :	
	2)	Date of Death :	
	3)	Cause of Death	
	4)	Place of Death :	
D	1)	Name/s of the Beneficiary/ies With Relationship/s :	
	2)	Address of the Beneficiary/ies :	
	3)	Whether nominated by the deceased or legal Hier/s of the deceased? :	

We hereby declare that all the above answers are True in every respect. We enclose …… in ORIGINAL in proof of the death of the member.

SIGNATURE OF MASTER POLICY HOLDER

SEAL

Place :
Date :

- **Please specify the nature of proof furnished.**

Claim Form : GB/II

LIFE INSURANCE CORPORATION OF INDIA

(Established by the Life Insurance Corporation Act, 1956)

REGIONAL CENTRE :: GROUP SCHEMES DEPT.

DIVISIONAL OFFICE :: HYDERABAD-500 465.

PART – II : EMPLOYER'S STATEMENT

(To be completed by the Employer of the deceased)

A Name of the employer : NMDC Ltd., Hyderabad.
With Address :

B
1) Name of the deceased :
2) Employee Code/Ref.No. :
3) Date of Birth :
4) Date of joining service :
5) Salary I) On previous Renewal date : BP Rs. : DA Rs. Total Rs. ii) On the date: BP of death : DA Total Rs. Total Rs.

C
1) Date of Death :
2) Cause of Death :
3) Place of Death :
4) Date last attended duties :
5) Was the Employee in your service on the date of death :

D Please give below or on a separate sheet of paper the record of absences from duty by the employee during the last THREE YEARS prior to the date of death on grounds of ill-health.

Duration of leave	No. of days	Nature of leave	Reasons stated	REMARKS

* Please state whether Medical Certificate was submitted.

We hereby declare that all the above answers are true in every respect.

SIGNATURE OF THE EMPLOYER
OFFICE SEAL

Place :
Date :

NMDC EMPLOYEES' FAMILY BENEFIT SCHEME

1. Objective:

To provide monetary benefit to the family members of the employee in case of death while in service of the Company.

2. Definitions:

(i) "Scheme" means "NMDC EMPLOYEES' FAMILY BENEFIT SCHEME".

(ii) "The Company" shall mean M/s National Mineral Development Corporation Limited (NMDC). Every authority and discretion vested in the Company shall be exercisable by the Chairman-cum-Managing Director, for these Rules.

(iii) "Employee" shall mean any person (executive or non-executive) in the regular scale of pay in whole time employment of the Company and who is admitted in this Scheme.

(iv) "Superannuation" in relation to an employee, means the attainment by the employee of the age of superannuation as per the applicable terms of employment in the Company.

(v) "Masculine" shall include Feminine, wherever not specifically mentioned.

(vi) "Family" under this Scheme shall mean, wife in case of male employee, husband in case of female employee, dependent son(s) and unmarried daughter(s) and also include legally adopted dependant son(s) or unmarried daughter(s).

(vii) "Nominee" shall mean the person whom the employee nominates to receive the benefit as envisaged in the scheme in the event of his/her death. He/she shall be the member of the deceased employee's family as defined vide clause 2(vi) and who is solely dependant on the deceased employee and who shall not have any source of income.

(viii) "Notional Provident Fund" would consist of (a) the employee's contribution to the PF over the period of his service and interest accrued thereon, and (b) the employer's contribution to the PF and interest accrued thereon; but would not include (i) voluntary contributions, if any, made by the employee and the interest accrued thereon, and (ii) the statutory contributions made by the employer to EPS-95 and /or other statutory contributions, if any.

Note: The notional PF is to be calculated as if there had not been any temporary/permanent withdrawal either from employee's and/or employer's contributions over the period of the deceased employer's service.

3. Coverage:

The scheme shall cover all regular employees (both Executives and Non-executives) of the Company.

4. Eligibility:

Minimum one year of continuous regular service in the Company and who die while in service on or after 01.01.1992.

5. Effective date:

This Scheme would be effective from 01.01.1992. In cases of death which occurred on or after 01.01.1992 but till the date this scheme is notified, the nominee of the employee will be allowed to deposit the Provident Fund and Gratuity amounts, in case, he/she opts for the scheme within a maximum period of six months from the date of issue of the Notification. This is one time opportunity to cover the past cases, and therefore, if option is not exercised within six months, then such cases would not be eligible thereafter to receive the benefit under the scheme. However, the benefit shall be extended to the nominee from the date of Deposit of the Provident Fund and Gratuity amounts.

6. Benefit:

(i) On the death of an employee, his nominee, on depositing with the Company the entire notional Provident Fund and Gratuity amounts of the employee, would be entitled to monthly payment equivalent to his monthly basic pay plus DA last drawn by the deceased employee as per the Scheme. Such monthly payment shall continue till the normal date on which the concerned

employee would have attained the age of superannuation had the employee been in the service of the Company.

(ii) In case of:

(a) Employees who have effected temporary/permanent withdrawals from the Provident Fund, AND/OR

(b) who may like to retain part of such funds to meet their family commitments, the monthly payments in the above cases will be reduced in the same proportion, which the shortfall in the accumulation at the time of death of an employee bears to the total of Gratuity and Notional Provident Fund which would have accrued had the withdrawal not been made.

For Example:

1.	Gratuity Amount due	Rs.1,00,000/-
2.	Notional PF, had the temporary/permanent withdrawal not been made	Rs.2,00,000/-
	Total	Rs.3,00,000/-
3.	Actual PF at the time of death	Rs.1,50,000/-
4.	PF and Gratuity deposited with the Company	Rs.2,50,000/-
5.	Amount of monthly payment at a percentage of last pay +DA: (Rs.2,50,000 x 100) ÷ Rs.3,00,000	= 83.3%
6.	The monthly payment shall, therefore, be restricted to 83.3% of the payment equivalent to monthly Basic Pay plus DA last drawn by the deceased employee at the time of death.	

Explanation: "Notional Provident Fund" is defined as under Clause 2(viii) above.

(iii) In case of death of the nominee, one of the dependent family members of the deceased employee and declared as such by the nominee at the time of admission in the Scheme shall receive the benefit for the period left over till the date of superannuation of the deceased employee.

7. Deposit of amounts (PF and Gratuity):

(i) The Nominee of the deceased employee shall deposit the entire Provident Fund and Gratuity amounts in one lump sum with the Company within a maximum period of six months from the date of the death of the employee.

(ii) The nominee, in respect of an employee whose death occurred on or after 01.01.1992 till the date of notification of the scheme,

would be allowed to deposit the Provident Fund and Gratuity amounts within a maximum period of six months from the date of notification of the scheme.

8. Provision of making good the shortfall resulting from withdrawals:

The nominee has the option of making good the shortfall bearing to the total of Gratuity and Notional Provident Fund which would have accrued, resulting from withdrawals by depositing the difference to get full benefit under the scheme, as one-time option at the time of volunteering for this scheme.

9. Termination of benefit:

(i) On the normal date of superannuation of the deceased employee, or

(ii) in case the nominee or the dependent family member desires to permanently withdraw the deposit, the monthly payments under this scheme would cease and the amount deposited with the Company under this Scheme would be refunded to the nominee of the deceased or to the dependent family member, as the case may be, after adjusting the amounts due to the Company, if any in terms of clause 10(iv) below from the deceased employee, and no interest on such deposits will be admissible for the period of deposit with the Company under this scheme.

10. Conditions for being a beneficiary under this scheme:

(i) The Scheme is voluntary.

(iii) Only one nominee of the deceased employee will be eligible for the benefits under this Scheme.

(iv) The payment to the nominee under the scheme shall commence from the date of deposit/crediting of the amount towards Provident Fund and Gratuity with the Company.

(v) The nominee will be eligible to get the benefit under this Scheme only after the loans/advances taken by the employee from the Company and other dues, if any, to the Company have been repaid by the employee/nominee in full. However, the Company may at its discretion, allow the amount due to the Company on account of loan/advances on House Building and Conveyance, availed by the deceased employee, to be deducted in monthly installments from the payments to

be made under this scheme, subject to the condition that such recovery does not exceed 50% of the monthly payment due to the nominee.

(vi) The Nominee will get the benefit under this scheme only after vacation of the Company's quarters and leaving the project.

11 Nominations:

(i) All employees opting for the scheme shall be required to make their nominations for receiving benefits under the Scheme in case of death. Not more than one nominee shall be accepted (Annexure-I).

(ii) Any nomination made by the employee in favour of a person who is not a member of his family shall be void.

(iii) In the absence of nomination under the Scheme, the nomination made by the employee for the purpose of payment of pension under the Employee's Family Pension Scheme would be treated as the nomination under this scheme. In case nomination under Family Pension Scheme is not given, one of the dependants of the "family" as defined and in the order given in Clause 2(vi) shall be considered as nominee for the purpose of this scheme.

(iv) In the event of the nominee pre-deceasing the employee, the employee shall be required to make a fresh nomination.

(v) The nominee of the deceased employee shall be required to nominate at the time of admission in this scheme one of the dependant family members who will receive the benefit under the scheme in the event of death of the nominee.

12 Modalities:

(i) The scheme shall be administered by the Company centrally at the Head Office and through separate Committees at the Project/Unit level.

(ii) The Committee shall be constituted with the following officers at the Corporate level which will supervise administration and operation of the scheme at the Head Office:

1. General Manager (Fin) - Chairman
2. Manager (Fin) - Member Secretary (PF Trust)
3. Representative from Personnel Department - Member

(iii) At the unit level the Committee shall be constituted by the Head of the Project.

(iv) The Committee at each unit shall supervise administration and operation of the scheme in so far it relates to the employees of the unit concerned. The Committee of the concerned unit as mentioned at (iii) above will examine the eligibility of the nominee concerned and will notify and recommend the amount of monthly payment and the period of payment under the scheme on the basis of data/certificates given in the application after due verification by the respective Personnel Department. The recommendations of the Committee shall be approved by the Head of the Project/Unit. Monthly payments shall be made by the Finance Department of the unit concerned by Account payee cheque after due deduction of tax at source, wherever applicable, latest by the 10th of the following month. Details of such payments shall be communicated to Head Office periodically (Annexure-II to VI).

(v) In case of employees of Head Office, Feasibilities, Regional Offices, the Head Office Committee shall examine the admissibility of nominees and recommend the payment which shall be approved by the GM (Per) before forwarding the same to the Finance Department for payment. The procedure shall be the same as mentioned at (iv) above for releasing payment in these cases (Annexure-II to VI).

(vi) The deposits under the Scheme shall be made by the nominee, by an account payee cheque/bank draft along with an application on the prescribed format, to the Personnel Department of the unit concerned.

(vii) Refund of the deposits made under this Scheme will be made on or after the due date by the concerned unit on surrender and full discharge of the receipt by the concerned nominee. Any amounts due to the Company shall be recovered from the refund of the deposit and the balance paid to the nominee. However, in case the nominee or dependant family member desires to withdraw from the scheme, he/she shall give a notice of not less than three months to the Company seeking refund of the deposit. The deposit so refunded to the nominee/dependant family member does not carry any interest.

(viii) The administration of the Scheme will be under the over-all Supervision of the Head Office.

(ix) All payments under the scheme shall be made through account payee cheque only.

(x) The working of the Scheme would be reviewed from time to time.

13 MISCELLANEOUS:

(i) Clarifications to these rules, as and when required shall be issued by the Head Office *suo-moto* or on references received from any of the Units.

(ii) Where any doubt arises as to the interpretation of these rules, it shall be referred to Head Office for decision which would be final and binding.

14 REVIEW:

The Company retains the right to amend, review or alter the rules under the scheme at any time.

***

Annexure-I

NMDC Limited

Nomination for NMDC Employees' Family Benefit Scheme

I hereby nominate the person mentioned below to receive the benefit under the 'NMDC Employees' Family Benefit Scheme' as envisaged in its Rules and Regulations in the event of my death. This is in supersession of any previous nominations made by me in this regard. I am also enclosing attested photograph and append below the signature/LTI/RTI of the nominee duly attested by me.

Name & full address of the nominee	Nominee's relationship, if any, with the member	Age of the nominee	Contingencies on the happening of which the nomination shall become invalid.	Name and address relationship of the person(s), if any, on whom the right of the nominee(s) is conferred in the event of his/her pre-deceasing the member

Signature of witness

Name in full in block letters:
Address:
Post held:
Station:
Date:

Certified that the above entries were made by me/ read out to me.

Signature/LTI or RTI of the member:
(As applicable)
Name of member in block letters:
Post held:
Date:

Signature of witness

Name in full in block letters:
Address:
Post held:
Station:
Date:

Certified that the above entries were read out by me to the member and he/she has affixed his/her LTI in my presence in accordance thereof.

Signature of witness:

Signature/LTI or RTI of the nominee:
(To be attested by the employee)

Note: The nominee shall be one of the dependant family members of the employee as defined under the Scheme.

Annexure-II

(To be submitted in duplicate)

To
The (Head of the Unit)
Department

Sub: Payment under Employees' Family Benefit Scheme.
Ref: Circular No.5(83)/Rules/93 dated 27.02.1993.

I, _____ widow/husband/son/daughter of late Shri _____, designation _____, UEC No. _____, Department _____ am the nominee of deceased employee for Employees' Family Benefit Scheme and I am willing to deposit in one lumpsum the Provident Fund and Gratuity amounts with the Company after the same are settled by the Company.

The name of my husband/wife/father/mother late Shri _____ UEC No. _____, designation _____, department _____, has been struck off from the roll of the Company due to sad demise wef _____. I, therefore, request you kindly permit me to deposit the Provident Fund and Gratuity amount with the Company and may be paid monthly payment equivalent to Basic Pay and DA last drawn by my husband/wife/father/mother OR as admissible as per the Scheme.

In the event of my death the following person shall be my nominee to receive the benefit due under the Scheme and to receive back the amount deposited with NMDC under the Employees' Family Benefit Scheme (only one nominee will be eligible).

Name & full address of the nominee	Age of the Nominee	Nominee's relationship with the applicant	Contingencies on the happening of which the nomination shall become invalid.	Name and address relationship of the persons, if any, on whom the right of the nominee is conferred in the event of his/her pre-deceasing the applicant

I agree for deduction of Income Tax at source as per Rules. Certified that the above entries have been made by me/read out to me.

Date:

Signature of the Applicant

DECLARATION

I _____ widow/son/daughter of late Shri _____ am a nominee under the 'NMDC Employees' Family Benefit Scheme'. I was solely dependent on the deceased husband/wife/father/mother. I am not employed and do not have any source of income.

Signature:
Address:

***

Annexure-III

NMDC LIMITED

No. Date:

To
Finance Department
Provident Fund Trust
Hyderabad

Sir,

Sub: Payment under Employees' Family Benefit Scheme.

Shri/Smt._____, widow/husband/son/daughter of late _____, UEC No._____, designation _____, department _____, who is a nominee under NMDC Employees' Family Benefit Scheme has requested for permission to deposit the Provident Fund and Gratuity amounts with the Company and for monthly payment equivalent to Basic Pay + DA last drawn by deceased employee.

The following details in respect of Late Shri_____ who expired on _____ may kindly be furnished:

(1) Actual amount of PF in Company share _____
(2) Non-refundable loan drawn from NMDC share _____
(3) Interest on non-refundable loan _____
(4) Notional amount of PF (1+2+3) in Company share _____
(5) Notional amount of PF in Employee's share (same as 4)_____
(6) Total Notional amount of PF (4+5) _____

Manager (Per)

Copy to:

Personnel Department (Estt. Section) - The following details of Gratuity payment may please be intimated:

i) Total amount of Gratuity admissible for payment.
ii) Amount of outstanding dues recovered from total Gratuity payment.
iii) Actual Gratuity amount paid (Column 1-2).
iv) Gratuity amount recovered from other Organizations in case of services have been carry forwarded to NMDC.

Note: Changes may be made wherever required.

***

Annexure IV

NMDC LIMITED

No. Date:

To
Sr Manager (Per)
NMDC Limited

Sub: Employees' Family Benefit Scheme Late Shri/Smt _____
UEC No._____, Designation _____Department _____.
Ref: Your letter No. _____, Dated _____

With reference to your letter cited above, the details of Provident Fund and Gratuity payment made to the nominee of above named deceased employee are as under:

Name of the nominee and relationship to whom the payment has been made.

Details of final payment of Provident Fund

1. Actual amount of PF in Company share _____
2. Non-refundable loan drawn from NMDC share _____
3. Interest on Non-refundable loan _____
4. Notional amount of PF (1+2+3) in Company share _____
5. Notional amount of PF in Employee's share (same as 4)_____
6. Total notional amount of PF (4+5) _____

Details of Gratuity amount paid

1. Total amount of Gratuity admissible for payment _____
2. Amount of outstanding dues recovered from total gratuity payment _____
3. Actual Gratuity amount paid (Colmn.1-2) _____

Manager (Fin) (PF)

***

Annexure V

NMDC LIMITED

No. Date:

To
Shri/Smt._____
Widow/Husband/Son/Daughter
of late_____
Address:

Sub: Employees' Family Benefit Scheme - Late Shri_____
UEC No._____, Designation _____, Department _____.
Ref: Your application dated _____

Madam/Sir,

It is to intimate you that the details of Provident Fund and Gratuity payment made in respect of the above named deceased employee are as under:

Date of final payment of PF
1. Notional amount of PF: _____
2. Actual amount of PF paid: _____

Details of payment of Gratuity
1. Total amount of Gratuity admissible: _____
2. Actual amount of Gratuity paid: _____

The benefit is admissible as mentioned in the Scheme on the basis of PF and Gratuity amount deposited with the Company.

You are requested to deposit PF and Gratuity amount with the Company by a/c payee cheque/Bank Draft within 10 days from the date of issue of this letter and produce the receipt to this office. Out station cheques will not be accepted. For depositing the amount, you are requested to contact (Unit) Finance Department at NMDC.

Manager (Per)

Copy to:

1. GM (Fin) for necessary action in continuation to this office letter no._____, dated _____.

The nominee of deceased employee may please be permitted to deposit the amount by a/c payee cheque/Bank Draft. The date on which the amount is realized and credited in the NMDC account, may please be intimated.

Note: Changes may be made wherever required.

***

Annexure VI

NMDC LIMITED

No. Dated:

ORDER

Shri/Smt._____ wife/husband/son/daughter of late Shri_____ and nominee for Employees' Family benefit Scheme has deposited the following amount of PF and Gratuity standing at the credit of his/her wife/husband/Mother/father late_____, UEC No._____, Designation_____, Department_____ who expired on _____ under Employees' Family Benefit Scheme in NMDC *vide* receipt no._____ dated _____. The amount has been realized on _____.

The details of pay last drawn etc, by late _____ are given hereunder:

a. Basic Pay Rs._____ and DA Rs._____ last drawn (as on _____).

b. Notional PF, had the temporary/permanent withdrawal not been made = Rs._____.

c. Gratuity amount admissible = Rs._____.

d. Total of b and c = Rs._____.

e. PF and Gratuity actually deposited with the Company = Rs._____.

f. Amount of monthly payment as a percentage of Basic Pay and DA last drawn:

$$\frac{e}{d} \times 100 = \text{percentage.}$$

She/He will draw _____% of Basic Pay and DA last drawn by late _____ ie Rs._____ per month wef _____ till _____ ie the normal date of superannuation of the deceased.

The date of birth of deceased employee as per record is _____.
The income tax will be recovered at source as per rules.
This issues with the concurrence of Finance and approval of the Competent Authority.

Manager (Per)

Copy to:

1. Secretary, Provident Fund Trust for necessary action.
2. General Manager (Fin) - For Information
3. Individual concerned. One copy of nomination (Annexure II) duly registered is returned herewith.

Note:

i) The nominee shall receive the monthly payment from the date of admission in the Scheme till the date of superannuation of deceased employee or date of withdrawing from membership.

ii) In case of the death of the nominee, the dependant on the nominee as declared under the Scheme shall receive the benefit from the date of death of the nominee till the date of superannuation or cessation of membership whichever is earlier.

***

Employees Benefit Scheme for the Supervisors & Executives

Letter No. 5(83)Rules/93/047/96, dated 17.12.96

I am directed to say that the Board of Directors in its meeting held on 19.8.96 have approved grant of certain benefits to the Supervisors/executives of the corporation who are declared medically unfit due to continued illness/disease to perform their jobs. A copy of the scheme on the subject is enclosed with a request that further action in the matter may please be taken at your end.

The scheme shall be effective from the date of issue of this letter initially for a period of 3 years.

Employees Benefit Scheme for the Supervisors/executives who become medically unfit while in service due to prolonged illness.

In respect of Supervisors and Executives of NMDC who are medically, unfit to perform the duties of the post held by them of employment, each Project/Office/Unit will identify the Supervisors and Executives as per the Mines Act/NMDC service regulations for appearing before the medical board to assess their suitability for further work in the post held by them as per the procedure given below:

(A) CONSTITUTION OF MEDICAL BOARD

(i) In respect of production project having full-fledged hospitals this Medical Board shall consist of Head of the Project hospital/Chief Medical Officer of the project concerned and two other Specialists if available with project hospitals as may be nominated by the project Head. In respect of projects or other Office/Units, head Office etc., which are not having full-fledged hospitals, the medical board will be constituted having one of the senior Medical Officer of the NMDC Ltd. and two other specialists as may be nominated by Head Office.

(ii) The respective management at the project/Units/Offices has the prerogative to subject a Supervisor or Executive of the Project/Unit/Offices concerned to appear before the Medical Board constituted as above as per the provision of the Mines Act/NMDC Service regulations at any time.

(iii) If a Supervisor/Executive is found unsuitable to perform his duties as assessed by the Medical Board Constituted; he will be discharged from service as per the provisions of NMDC Service Regulations, and he shall not be entitled for reemployment in NMDC Limited and will be eligible for the benefits as enumerated in Clause-B of this Scheme.

(iv) The recommendations of such Medical Board(s) shall be binding and implemented. The Supervisor/Executive, if aggrieved by the recommendations, may appeal, if he so desires, as per the provisions of the Mines Act/NMDC Service Regulations.

Benefits:

A Supervisor/Executive who is discharged from service based on his medical unfitness will be eligible for the following benefits:

(i) All statutory benefits as admissible on cessation from the service including payment of gratuity for the service rendered by him till the date of cessation from service.

(ii) However, the supervisor/Executive concerned shall deposit the amount of gratuity due to him as a corpus fund with the Management of NMDC Limited for receiving a monthly payment equal to 60% of the last monthly salary drawn by him (rounded off to the next 10 rupees), the definition of salary being basic pay + DA only, subject to the condition that there are no dues to NMDC ltd. and he vacates and hands over possession of the quarters and property/land of the project, if any, under his occupation. This payment, subject to depositing the gratuity amount received by him, shall start from the next month after his leaving the project and clearing all his dues and shall be admissible till the date of his normal retirement/attaining the age of superannuation.

(iii) At the time of making deposit of the gratuity amount, which does not carry any interest, the Supervisor/Executives concerned shall nominate a person who is either his wife or legitimate child to receive the amount in case of his death.

(iv) In case of death of the Supervisor/Executive concerned, his eligible nominee will continue to receive the benefits as per the scheme till the notional date of superannuation of the Supervisor/Executive concerned provided the nominee is not employed anywhere and also the deposit of gratuity amount with the NMDC Limited is not withdrawn by the eligible nominee.

(v) The benefit shall be admissible only to a supervisor/Executive who has not completed the age of 57 years on the date he is declared medically unfit (by the Medical Boards constituted) for his continued employment in the post held by him.

(vi) In addition to the above benefit, the Supervisor/Executive concerned is eligible for payment of TA for settling as per the NMDC TA Rules and for encashment of unvailed EL and HPL to his credit and he is also eligible to become member of the Medical Benefit Scheme as applicable to retired employees.

(vii) No other Benefits whatsoever shall be admissible to him.

(viii) If, however, the Medical Board recommends that a Supervisor/Executives is likely to recoup/recover from the ailment/disablement and he may be fit for discharging the duties of the post held by him within six months, the Supervisor/Executive concerned will be eligible for payment of 50% of his last monthly salary drawn (Basic pay + DA) every month for a maximum period of six months and thereafter he will again be finally medically examined by the Medical Board.

In case the Supervisor/Executive has not fully recovered from the ailment/disablement, to be suitable for the post held by him he will be discharged from the services and he will be eligible for the benefits as mentioned in clause B(i) to (vii) above.

(ix) The payment of monthly benefit under the Scheme will be arranged through cheque/Demand Draft/Money Order as requested by the beneficiary, the commission being borne by the individual.

***

Note: In respect of workmen a similar scheme is introduced in terms of MOS dated 10.09.1996.

NMDC LIMITED
LONG SERVICE AWARD SCHEME

1.0 Objective:

To recognise the long service rendered by employees and give them suitable gifts as a token of appreciation of their services.

2.0 Scope:

The scheme shall be applicable to all regular employees of the Company.

3.0 Definitions:

a) "Company" means the National Mineral Development Corporation Limited.

b) "Continuous" shall mean uninterrupted service under the Company and includes service which is interrupted by authorised leave and cessation of work not due to the employee's fault.

4.0 Eligibility:

a) An employee who completes 20 years of service in the Company will be eligible for the award under this scheme.

   Clarification:

   Service rendered by an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.
   (Letter No.1(101)Rules/93/021/95 dated 15.07.95)

b) The award will be further subject to the condition that the service record of the employee is satisfactory to be so certified by the concerned Head of the Department. The employee will be deemed to have rendered satisfactory service if his/her record of service free from disciplinary action for the under mentioned proven charges.

i) Theft, fraud or dishonesty in connection with the Company's business or property;

ii) Taking or giving bribes or any illegal gratification or indulging in corrupt practices ;

iii) Conviction in any Court of Law for any offence involving moral turpitude.

c) The employees in whose cases there has been a break in service on account of resignation or termination or where continuity of service has not been agreed to, will not be considered for the award.

d) Periods of deputation of employees to other organisations are recognised for the purpose of the award.

e) In the case of Graduate Engineers/Management Trainees the period of training will also be taken into account as service for the purpose of the award.

Clause 4 (e) will include Graduate Trainees, Graduate Apprentices and Operative Trainees also.

5.0 The Award:

a) The award would be an Wrist Watch the cost of which should not exceed Rs.1000/-.
(Board decision dated 03.01.1997 at 307th Meeting).

b) The award will be presented every year to the eligible employees on 15th November, which is the date of incorporation of NMDC Ltd. on a special function to be organised for the purpose at the unit level. Employees who complete 20 years of service till 15th November of calendar year will be considered for the award.

6.0 Operation of the Scheme:

The number of award winners for every year will be intimated to the Corporate Office by the Unit atleast six months in advance. Based on this, order will be placed centrally for the required number of watches.

7.0 Tenure:

7.1 This scheme shall come into effect from 15.11.1983.

7.2 The Company reserves to itself the right to amend/modify/after or cancel the scheme at its discretion without any prior notice.
(No.1(84) Rules /83 Dated 28-12-83)

Procedure for operation, procurement, storing and distribution of watches under Long Service Award Scheme.

---

1. The Projects and offices will intimate the number of employees who would become eligible for receipt of the watches under long term award scheme by 15th November of the year and 30th June of the following year to the Personnel Department at Head Office before 30th June.

2. Head Office will consolidate the number required on the basis of information received from projects and offices and place order with the manufacturer of watches for supply before 15th October.

3. Personnel Department will make arrangements to despatch the watches as per the number assessed to various projects and offices to enable them to distribute on 15th November every year.

4. Storage of watches on receipt and also balance if any remain, will be the responsibility of the Finance Department of the respective projects and offices. Preferably they may keep them in the chest available in their cash sections or at a safe place under their custody.

5. The respective Personnel Departments will send requisition and obtain the required number of watches from the Finance Wing for dispatching/distributing to the projects/offices/employees.

6. The Personnel Department will send the list of employees to whom the watches have been distributed to the Finance Wing after the distribution is over. However, the certificates as stipulated in para 4 (b) of the scheme obtained from the Heads of Departments and receipts obtained from the employees as a token of the receiving their watches will be maintained in Personnel Department and also a register will be maintained for this purpose. This arrangement would provide for maintaining the accounts for watches both in Personnel & Finance Departments.

7. The certificates for the satisfactory service record of the employees as required in para 4 (b) of the scheme will be prepared by the Head of the Departments under whom the employee will be working at the time he becomes eligible for the award. Based on the above

certificate the respective Personnel Departments will arrange to distribute the watches to the employees.

***

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

PROJECT/OFFICE _____

AWARD UNDER LONG TERM SERVICE AWARD SCHEME

This is to certify that Shri/Smt._____, _____
presently working in the _____ has completed 20 years of continuous satisfactory service in the Corporation as on _____(Date)_____ and is eligible for an award under the Long Service Award Scheme in accordance with para 4 of the Scheme.

Signature of Head of the Department in which the employee is presently working	Signature of Head of the Personnel Department of the concerned project/office.
Name:	Name:
Designation:	Designation:
Date:	Date:

***

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

PROJECT/OFFICE _____

LONG TERM SERVICE AWARD SCHEME

Receipt for the Award

I, _____, _____, acknowledge the receipt of the Award of one number of _____ having completed 20 years of service in the Corporation as on _____.

Signature of the employee
Name & designation
Department

Date

***

Orders and clarifications

Letter no.19(101)/Rules/93-Pt/021/95 dated 15.07.95

The Competent Authority has been pleased to approve amendment in the eligibility clauses of the Long Service Award Scheme and Silver Jubilee Service Award Scheme for the purpose of counting service rendered by employees in Central / State Governments including Public Sector Undertakings prior to their joining the services of the corporation with immediate effect. Accordingly, the existing provision and the amended provision are indicated below for favour of information:

Existing provision	Amended Provision
1. Long Service Award Scheme: Clause 4.0 clarification: For the above purpose, in case of employees who came from SAIL during the period when the NMDC was a subsidiary of SAIL, the service rendered in the parent organisation-SAIL would also count for reckoning continuous service provided such service is continuous without any break.	Service rendered by an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.
2. Silver Jubilee Service Award Scheme: Clause 4.0 clarification: For this purpose, the employees who joined the Corporation from SAIL on transfer terms basis will also be eligible provided that such service is continuous without any break.	Service rendered by an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.

***

Letter no.1(84)Rules/94 dated 24.08.95

In terms of Head Office letter of even number dated 29.07.95, the service rendered by an employee in Central/State Governments including PSUs prior to joining service of the corporation shall also be counted for reckoning continuous service provided such service is continuous without break but with reasonable joining time.

Clarification has been sought by some projects regarding the reasonable joining time. In this connection, it is clarified, with the approval of the competent authority that "reasonable joining time" may be considered, if the concerned employee has joined the Corporation within 30 days from the date of relief from the previous employer. This may kindly be followed uniformly in all the units while forwarding the details of eligible employees for the above award.

***

NMDC LIMITED
SILVER JUBILEE SERVICE AWARD SCHEME

1.0 Objective:

To recognise the long and meritorious service rendered by employees and reward them suitably as a token of appreciation of their services.

2.0 Scope:

The scheme shall be applicable to all regular employees of the Company.

3.0 Definitions:

a) "Company" means the National Mineral Development Corporation Limited.

b) "Continuous" shall mean uninterrupted service under the Company and includes service which is interrupted by authorised leave and cessation of work not due to the employee's fault.

4.0 Eligibility:

a) An employee who completes 25 years of service in the Company will be eligible for the award under this scheme.

Clarification

Service rendered be an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.
(Letter No.1(101)Rules/93/021/95 dated 15.07.95)

b) The award will be further subject to the condition that the service record of the employee is satisfactory to be so certified by the concerned Head of the Department. The employee will be deemed to have rendered satisfactory service if his/her record of service free from disciplinary action for the under mentioned proven charges.

i) Theft, fraud or dishonesty in connection with the Company's business or property;

ii) Taking or giving bribes or any illegal gratification or indulging in corrupt practices;

iii) Conviction in any Court of Law for any offence involving moral turpitude.

c) The employees in whose cases there has been a break in service on account of resignation or termination or where continuity of service has not been agreed to, will not be considered for the award.

d) Periods of deputation of employees to other organisations are recognised for the purpose of the award.

e) In the case of Graduate Engineers/Management Trainees the period of training will also be taken into account as service for the purpose of the award.

Clause 4 (e) will include Graduate Trainees, Graduate Apprentices and Operative Trainees also.

5.0 The Award:

a) The award would be in kind, the cost of which should not exceed Rs.2000/-
(Board decision dated 29.09.2000 at 341st Meeting).

b) The award will be presented every year to the eligible employees on 15th November, which is the date of incorporation of NMDC Ltd. on a special function to be organised for the purpose at the unit level. Employees who complete 25 years of service till 15th November of calender year will be considered for the award.

6.0 Operation of the Scheme:

The number of employees eligible for award for every year will be intimated to the Corporate Office by the unit at least six months in advance. Based on this, order will be placed centrally for the required number of items.

7.0 Tenure:

7.1 This scheme shall come into effect from 15-11-1993.

7.2 The Company reserves to itself the right to amend/modify/alter or cancel the scheme at its discretion without any prior notice.

Procedure for operation, procurement, storing and distribution of awards under Silver Jubilee Service Award Scheme.

---

1. The Projects and offices will intimate the number of employees who would become eligible for receipt of the award under the Silver Jubilee award scheme by 15th November of the year and 30th June of the following year to the Personnel Department at Head Office before 30th June.

2. Head Office will consolidate the number required on the basis of information received from projects and offices and place order with the manufacturer for supply before 15th October.

3. Personnel Department will make arrangements to despatch the items as per the number assessed to various projects and offices to enable them to distribute on 15th November every year.

4. Storage of items on receipt and also balance if any remain, will be the responsibility of the Materials Department of the respective projects and offices. Preferably they may keep them in the stores of unit or office.

5. The respective Personnel Departments will send requisition and obtain the required number of awards from the Finance Wing for dispatching/ distributing to the projects/offices/ employees.

6. The Personnel Department will send the list of employees to whom the awards have been distributed to the Finance Wing after the distribution is over. However, the certificates as stipulated in para 4 (b) of the scheme obtained from the Heads of Departments and receipts obtained from the employees as a token of the receiving their awards will be maintained in Personnel Department and also a register will be maintained for this purpose. This arrangement would provide for maintaining the accounts for awards both in Personnel & Finance Departments.

7. The certificates for the satisfactory service record of the employees as required in para 4 (b) of the scheme will be prepared by the Head of the Department under whom the employee will be working at the

time he becomes eligible for the award. Based on the above certificate the respective Personnel Departments will arrange to distribute the awards to the employees.

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

PROJECT/OFFICE _____

AWARD UNDER SILVER JUBILEE SERVICE AWARD SCHEME

This is to certify that Shri/Smt._____, _____ presently working in the _____ has completed 25 years of continuous satisfactory service in the Corporation as on _____ and is eligible for an award under the Silver Jubilee Service Award Scheme in accordance with para 4 of the Scheme.

Signature of Head of the Department in which the employee is presently working	Signature of Head of the Personnel Department of the concerned project/office.
Name :	Name :
Designation :	Designation :
Date :	Date :

***

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

PROJECT/OFFICE _____

SILVER JUBILEE SERVICE AWARD SCHEME

Receipt for the Award

I,_____, _____, acknowledge the receipt of the Award of one number of _____ having completed 25 years of service in the Corporation as on _____Date_____.

Signature of the employee
Name & designation
Department
Date

***

Orders and clarifications

Letter no.19(101)/Rules/93-Pt/021/95 dated 15.07.95

The Competent Authority has been pleased to approve amendment in the eligibility clauses of the Long Service Award Scheme and Silver Jubilee Service Award Scheme for the purpose of counting service rendered by employees in Central / State Governments including Public Sector Undertakings prior to their joining the services of the corporation with immediate effect. Accordingly, the existing provision and the amended provision are indicated below for favour of information:

Existing Provision	Amended Provision
1.Long Service Award Scheme: Clause 4.0 clarification: For the above purpose, in case of employees who came from SAIL during the period when the NMDC was a subsidiary of SAIL, the service rendered in the parent organisation-SAIL would also count for reckoning continuous service provided such service is continuous without any break.	Service rendered be an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.
2. Silver Jubilee Service Award Scheme: Clause 4.0 clarification: For this purpose, the employees who joined the Corporation from SAIL on transfer terms basis will also be eligible provided that such service is continuous without any break.	Service rendered be an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such

	service is continuous without any break.

***

Letter no.1(84)Rules/94 dated 24.08.95

In terms of Head Office letter of even number dated 29.07.95, the service rendered by an employee in Central/State Governments including PSUs prior to joining service of the corporation shall also be counted for reckoning continuous service provided such service is continuous without break but with reasonable joining time.

Clarification has been sought by some projects regarding the reasonable joining time. In this connection, it is clarified, with the approval of the competent authority that "reasonable joining time" may be considered, if the concerned employee has joined the Corporation within 30 days from the date of relief from the previous employer. This may kindly be followed uniformly in all the units while forwarding the details of eligible employees for the above award.

***

NMDC LIMITED
30 YEARS' SERVICE AWARD SCHEME

1.0 Objective:

To recognize the long and meritorious service rendered by employees and reward them suitably as a token of appreciation of their services.

2.0 Scope:

The scheme shall be applicable to all regular employees of the Company.

3.0 Definitions:

a) "Company" means the National Mineral Development Corporation Limited.

b) "Continuous" shall mean uninterrupted service under the Company and includes service, which is interrupted by authorized leave and cessation of work not due to the employee's fault.

4.0 Eligibility:

a) An employee who completes 30 years of service in the Company will be eligible for the award under this scheme.

Clarification:
Service rendered be an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break or if he joins the Corporation within 30 days from the date of relief from the previous employer.

b) The award will be further subject to the condition that the service record of the employee is satisfactory to be so certified by the concerned Head of the Department. The employee will be deemed to have rendered satisfactory

service is if his/her record of service free from disciplinary action for the under mentioned proven charges.

i) Theft, fraud or dishonesty in connection with the Company's business or property;

ii) Taking or giving bribes or any illegal gratification or indulging in corrupt practices;

iii) Conviction in any Court of Law for any offence involving moral turpitude.

c) The employees in whose cases there has been a break in service on account of resignation or termination or where continuity of service has not been agreed to, will not be considered for the award.

d) Periods of deputation of employees to other organization are recognized for the purpose of the award.

e) In the case of Graduate Engineers/Management/ Executive Trainees the period of training will also be taken into account as service for the purpose of the award.

Clause 4 (e) will include Graduate Trainees, Graduate Apprentices and Operative Trainees also.

5.0 The Award:

a) The award would be a Gold Medallion of 5 grams in weight and 99.99 in purity.
(Inserted *vide* Office Order No.1(84)/Rules/83/02/04 dated 17.02.04)

b) The award will be presented every year to the eligible employees on 15th November, which is the date of incorporation of NMDC Ltd. on a special function to be organized for the purpose at the unit level. Employees who complete 30 years of service till 15th November of calendar year will be considered for the award.

6.0 Operation of the Scheme:

The number of employees eligible for award for every year will be intimated to the Corporate Office by the unit at least six months in advance. Based on this, order will be placed centrally for the required number of items.

7.0 Tenure:

7.1 This scheme shall come into effect from 15-11-2003

7.2 The Company reserves to itself the right to amend/modify/alter or cancel the scheme at its discretion without any prior notice.

Procedure for operation, procurement, storing and distribution of awards under Scheme.

---

1. The Projects and offices will intimate the number of employees who would become eligible for receipt of the award under the Silver Jubilee award scheme by 15th November of the year and 30th June of the following year to the Head Office before 30th June.

2. Head Office will consolidate the number required on the basis of information received from projects and offices and place order with the manufacturer for supply before 15th October.

3. Personnel Department will make arrangements to dispatch the items as per the number assessed to various projects and offices to enable them to distribute on 15th November every year.

4. Storage of items on receipt and also balance if any remain, will be the responsibility of the Materials Department of the respective projects and offices. Preferably they may keep them in the stores of unit or office.

5. The respective Personnel Departments will requisition and obtain the required number of awards from the Finance Wing for dispatching/ distributing to the projects/offices/ employees.

6. The Personnel Department will send the list of employees to whom the awards have been distributed to the Finance Wing after the distribution is over. However, the certificates as stipulated in para 4 (b) of the scheme obtained from the Heads of Departments and receipts obtained from the employees as a token of the receiving their awards will be maintained in Personnel Department and also a register will be maintained for this purpose. This arrangement would provide for maintaining the accounts for awards both in Personnel & Finance Departments.

7. The certificates for the satisfactory service record of the employees as required in para 4 (b) of the scheme will be prepared by the Head of the Departments under whom the employee will be working at the time he becomes eligible for the award. Based on the above certificate the respective Personnel Departments will arrange to distribute the awards to the employees.

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

PROJECT/OFFICE _____

AWARD UNDER 30 YEARS' SERVICE AWARD SCHEME

This is to certify that Shri/Smt._____, _____ presently working in the _____ has completed 30 years of continuous satisfactory service in the Corporation as on _____ and is eligible for an award under the 30 Years' Service Award Scheme in accordance with para 4 of the Scheme.

Signature of Head of the Department in which the employee is presently working	Signature of Head of the Personnel Department of the concerned project/office.
Name :	Name :
Designation :	Designation :
Date :	Date :

***

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

PROJECT/OFFICE _____

30 YEARS' SERVICE AWARD SCHEME

Receipt for the Award

I, _____, _____, acknowledge the receipt of the Award of one number of _____ having completed 30 years of service in the Corporation as on _____Date_____.

Signature of the employee
Name & designation
Department
Date

***

Orders and clarifications

Letter no.19101)/Rules/93-Pt/021/95 dated 15.07.95

The Competent Authority has been pleased to approve amendment in the eligibility clauses of the Long Service Award Scheme and Silver Jubilee Service Award Scheme for the purpose of counting service rendered by employees in Central / State Governments including Public Sector Undertakings prior to their joining the services of the corporation with immediate effect. Accordingly, the existing provision and the amended provision are indicated below for favour of information:

Existing Provision	Amended Provision
1. Long Service Award Scheme: Clause 4.0 clarification: For the above purpose, in case of employees who came from SAIL during the period when the NMDC was a subsidiary of SAIL, the service rendered in the parent organisation-SAIL would also count for reckoning continuous service provided such service is continuous without any break.	Service rendered be an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.
2. Silver Jubilee Service Award Scheme: Clause 4.0 clarification: For this purpose, the employees who joined the Corporation from SAIL on transfer terms basis will also be eligible provided that such service is continuous without any break.	Service rendered be an employee in Central/State Governments including Public Sector Undertakings prior to their joining the services of the Corporation shall also count for reckoning continuous service provided such service is continuous without any break.

***

Letter no.1(84)Rules/94 dated 24.08.95

In terms of Head Office letter of even number dated 29.07.95, the service rendered by an employee in Central/State Governments including PSUs prior to joining service of the corporation will also be counted for reckoning continuous service provided such service is continuous without break but with reasonable joining time.

Clarification has been sought by some projects regarding the reasonable joining time. In this connection, it is clarified, with the approval of the competent authority that "reasonable joining time" may be considered, if the concerned employee has joined the Corporation within 30 days from the date of relief from the previous employer. This may kindly be followed uniformly in all the units while forwarding the details of eligible employees for the above award.

***

Office Order No.1(84)/Rules/83/02/04 dated 17.02.04

The Board in its 374th meeting held on 28.01.2004 has approved that the award in kind under 30 Years' Service Award Scheme be a Gold medallion of 5 gms in weight in place of monetary ceiling of Rs.3000/- approved earlier. Accordingly para 5(a) of the 30 Years' Service Award Scheme circulated vides HO letter No.1(84) Rules/88 dated 28.10.2003 is hereby amended as given below:-

Existing.

5.0 The Award:

(a) The award would be in kind, the cost of which should not exceed Rs.3000/- (Rupees three thousand only) per item.

Amended as:

5.0 The Award:

(a) The award would be a Gold Medallion of 5 grams in weight and 99.99 in purity.

Other terms and conditions of the Scheme remain unchanged.

***

NMDC LIMITED
35 YEARS SERVICE AWARD SCHEME

1.0 Objective:

1.1 To recognize the long and meritorious services rendered by the employees and to reward them suitably for continued service in achieving excellent performance of the Company.

2.0 Scheme:

2.1 This Scheme shall be known as "35 Years Service Award Scheme".

3.0 Scope:

3.1 This Scheme shall be applicable to all regular employees of the Company.

4.0 Definitions:

4.1 "Company" means the NMDC Limited

4.2 "Continuous" shall mean uninterrupted service under the Company and includes service which is interrupted by authorized leave and cessation of work not due to the employee's fault.

5.0 Eligibility:

5.1 An employee who completes 35 years of service in the Company will be eligible for the award under this Scheme, provided the employee has put in a minimum of 5 years service in NMDC as on the date of completion of 35 years service including the past service rendered in Central/State Governments including PSUs prior to joining the service of the Company and provided also that such service at the time of joining Company is continuous without any break.

5.2 Periods of deputation of employees to other organizations are recognized for the purpose of the award.

5.3 In the case of Graduate Engineers/Management Trainees (including Graduate Trainees, Graduate Apprentices and Operative Trainees), the period of training will also be taken into account as service for the purpose of the award.

5.4 The award will be further subject to the condition that the service record of the employee is satisfactory to be so certified by the concerned Head of the Department. An employee will be deemed to have rendered satisfactory service, if his/her record of service is free from disciplinary action for the under-mentioned proven charges:-

(a) Theft, fraud or dishonesty in connection with the Company's business or property;

(b) Taking or giving bribes or any illegal gratification or indulging in corrupt practices;

(c) Conviction in any Court of Law for any offence involving moral turpitude.

5.5 An employee in whose case there has been a break in service on account of resignation or termination or where continuity of service has not been agreed to will not be considered for the award.

6.0 The Award:

6.1 The award would be a 24 carat gold coin of 10 grams (99.99% purity) weight at prevailing price from time to time.

6.2 The award will be presented every year to the concerned employees on fulfilling the eligibility criteria on 15th November, which is the date of incorporation of NMDC Ltd., at a special function organized for the purpose at the Project/Unit level. Employees who complete 35 years of service till 15th November of calendar year will be considered for the award.

7.0 Operation of the Scheme:

7.1 The number of award winners for every year will be intimated to the Corporate office by the Unit at least six months in advance. Based on this, order will be placed centrally for the required number of gold coins.

7.2 The procedure for operation, procurement, storing and distribution of the item will be as per Annexure-I.

8.0 Tenure:

8.1 This Scheme shall come into effect from 30.07.2007.

8.2 The Company reserves to itself the right to amend/modify/alter or cancel the Scheme at its discretion without any prior notice.

****

ANNEXURE-I

Procedure for operation of Procurement, Storing and Distribution under 35 years Service Award Scheme.

1. The Projects and Offices will intimate the number of employees who would become eligible for award of 10 grams gold coin under 35 Years Service Award Scheme on 15th November of the year to General Manager (Personnel) at Head Office before 30th June of the year. In addition, number of such employees who retire before 15th November of the following year will also be intimated. Such employees who would retire before 15th November of next year and are eligible for this award will be presented the award by the respective Units on the date of retirement.

2. Head Office will consolidate the number required on the basis of information received from projects and offices and place order for supply of Gold Coins before 15th September.

3. (a) Personnel Department will make arrangements to despatch the Gold Coins as per the number assessed to various projects and offices so as to enable them to distribute on 15th November every year.

   (b) For this purpose, Personnel Department will requisition and obtain the required number of gold coins from the Finance Wing Head Office for despatching/distributing to the Projects/Offices/ Employees.

4. Storage/safe custody of Gold coins on receipt and also balance, if any remaining, will be the responsibility of the Finance Department or Materials Management Department of the respective projects as the case may be which will be decided by the Project/Office Head.

5. The Personnel Department will send the list of employees to whom the gold coins have been distributed to the Finance Wing after the distribution is over. However, the certificates as stipulated in Para 5.4 of the Scheme obtained from the Heads of the Departments and receipts obtained from the employees as a token of receiving their gold coins will be maintained in Personnel Department and also a register will be maintained for this purpose. This arrangement would provide for maintaining the accounts for Gold coins both in Personnel & Finance Departments.

6. The certificates for the satisfactory service record of the employees as required in Para 5.4 of the Scheme will be prepared by the Heads of the Departments under whom the employee will be working at the time he becomes eligible for the award. Based on the above certificate the respective Personnel Departments will arrange to distribute the gold coins to the employees.

ANNEXURE-II

NMDC LIMITED: PROJECT / OFFICE_____

35 Years Service Award Scheme

This is to certify that Shri/Smt._____Designation:_____ UEC No._____ presently working in_____has completed 35 years of continuous satisfactory service of which _____ years service was rendered in NMDC as on _____ and is eligible for an award under the "35 Years Service Award Scheme" in accordance with Para 4 of the Scheme.

Signature of Head of the Department in which the Employee is presently working	Signature of Head of the Personnel Department of the concerned Project/Office.
Name:	Name:
Designation:	Designation:
Date:	Date:

ANNEXURE-III

NMDCLIMITED: PROJECT/OFFICE_____

Receipt for the Award under "35 Years Service Award Scheme"

I,_____S/o/w/o/d/o_____,
acknowledge the receipt of the Award of one number **10 Grams Gold Coin** for having completed 35 years satisfactory service in the Corporation as on _____.

Signature of the Employee:
Name of the Employee:
Designation:
Department:
UEC No. :
Date:

***

NMDC LIMITED

NMDC SERVICE AWARD SCHEME

1.0 **Objective:**

1.1 To recognize the long and dedicated services rendered by employees and reward them with a suitable gift on their superannuation/separation (not by way of resignation) as a token of appreciation.

2.0 **Title:**

2.1 This Scheme shall be known as "NMDC Service Award" Scheme.

3.0 Scope:

3.1 This Scheme shall be applicable to all regular employees of the Company.

4.0 Definitions:

4.1 "Company" means the NMDC Limited.,

4.2 "Continuous" shall mean uninterrupted service under the Company and includes service which is interrupted by authorized leave and cessation of work not due to the employee's fault.

5.0 Eligibility:

5.1 An employee who joins NMDC, remains in NMDC and retires after putting in 30 or more years service in NMDC will be eligible for the award under this Scheme, which shall be presented on the date of retirement of such employee. Employees separated from the services due to death or VRS but have put in 30 or more years of service in the Company shall also be eligible.

5.2 In this case past service, if any, in PSE/Government shall not be counted.

5.3 This is in addition to 'Silver' medallion being presented to the retiring employee on the date of superannuation.

5.4 Periods of deputation of an employee to other organizations are recognized for the purpose of the award.

5.5 In the case of Graduate Engineers/Management Trainees (including Graduate Trainees, Graduate Apprentices and Operative Trainees) the period of training will also be taken into account as service for the purpose of the award.

5.6 The award will be further subject to the condition that the service record of the employee is satisfactory to be so certified by the concerned Head of the Department. An employee will be deemed to have rendered satisfactory service, if his/her record of service is free from disciplinary action for the under mentioned proven charges.

(a) Theft, fraud or dishonesty in connection with the Company's business or property;

(b) Taking or giving bribes or any illegal gratification or indulging in corrupt practices;

(c) Conviction in any Court of Law for any offence involving moral turpitude.

5.7 The employee in whose case there has been a break in service on account of resignation or termination or where continuity of service has not been agreed to will not be considered for the award.

6.0 The Award:

6.1 The award would be a 24 carat gold coin of 20 grams (99.99% purity) weight.

6.2 The award will be presented on the date of superannuation or separation due to VRS of the employee on fulfilling the eligibility criteria. In respect of deceased eligible employee, the spouse/legal heirs shall receive this award.

7.0 Operation of the Scheme:

7.1 The number of award winners for every year (month-wise) will be intimated to the Corporate office by 30th June of the year for the following calendar year. Based on this, order will be placed centrally for the required number of gold coins.

7.2 The procedure for operation, procurement, storing and distribution of the item will be as per Annexure-I.

8.0 Tenure:

8.1 This Scheme shall come into effect from 30th July, 2007.

8.2 The Company reserves the right to amend/modify/alter or cancel the Scheme at its discretion without any prior notice.

****

ANNEXURE-I

Procedure for operation of Procurement, Storing and Distribution under NMDC Service Award Scheme.

1. The Projects and Offices will intimate the number of employees who would become eligible for receipt of 20 grams gold coin under NMDC Service Award Scheme (month-wise) to General Manager (Personnel) at Head Office before 30th June every year for the following calendar year. However, for the year 2008, the requirement must reach Head Office by October 31, 2007.

2. Head Office will consolidate the number required on the basis of information received from projects and offices and place order for supply of God Coins before 15th December. For the year 2008, such order must be placed on or before 15th November, 2007.

3. (a) Personnel Department will make arrangements to despatch the Gold Coins as per the number assessed to various projects and offices before 15th January every year so as to enable them to distribute every month to the employees superannuating during the year.

   (b) For this purpose, Personnel Department will requisition and obtain the required number of gold coins from the Finance Wing for despatching/distributing to the Projects/Offices/Employees.

4. Storage/safe custody of Gold coins on receipt and also balance, if any remaining, will be the responsibility of the Finance Department or Materials Management Department of the respective projects as the case may be which will be decided by the Project/Office Head.

5. The Personnel Department will send the list of employees to whom the gold coins have been distributed to the Finance Wing after the distribution is over. However, the certificates as stipulated in Para 4.6 of the Scheme obtained from the Heads of the Departments (Annexure-II) and receipts obtained from the employees (Annexure-III) as a token of the receiving their gold coins will be maintained in Personnel Department and also a register will be maintained for this purpose. This arrangement would provide for maintaining the accounts for Gold coins both in Personnel & Finance Department.

6. The certificates for the satisfactory service record of the employees as required in para 4.6 of the Scheme will be prepared by the Heads of the Departments under whom the employee will be working at the time he becomes eligible for the award. Based on the above certificate the respective Personnel Departments will arrange to distribute the gold coins to the employees.

ANNEXURE-II

NMDC LIMITED : PROJECT / OFFICE_____

NMDC Service Award Scheme

This is to certify that Shri/Smt._____Designation:_____ UEC No. _____ presently working in _____ has completed 30 years of continuous satisfactory service in the Company as on _____ and is eligible for an award under the "NMDC Service Award Scheme" in accordance with Para 4 of the Scheme.

Signature of Head of the Department in which the Employee is presently working	Signature of Head of the Personnel Department of the concerned Project/Office.
Name:	Name:
Designation:	Designation:
Date:	Date:

ANNEXURE-III

NMDC LIMITED: PROJECT / OFFICE_____

Receipt for the Award under "NMDC Service Award Scheme"

I,_____S/o/w/o/d/o_____,
acknowledge the receipt of the Award of one number **20 Grams Gold Coin** having completed 30 years in the Company as on _____.

Signature of the Employee:
Name of the Employee:
Designation:
Department:
UEC No. :
Date:

NMDC Limited

Scheme for incentives to the employees for promoting the small family norms.

Office Order No. 5(10)/Per/ 75-32, dated 17.09.1975

At their 170th meeting held on August 18, 1975, the Board of Directors of the Corporation have approved of a proposal to pay incentive money of Rs.200/- per head to the employees of the Corporation undergoing sterilization operation. The amount will be admitted for payment on production of a certificate from the Chief/Senior Medical Officer of the Corporation's hospital or from the Project Medical Officer/Superintendent of the Government Hospital/Family Planning Centre who performs the operation to the effect that the employee concerned has actually undergone the operation and that the employee has not been paid any cash incentive under the Family Planning scheme.

2. This order will come into force from August 18, 1975.

***

Letter no. 5(10)/Per/75-43, dated 09.01.1976

Sub: Incentive Money for undergoing sterilization operation – Grant of Casual Leave.

I am directed to invite reference to this Office Order No.5(10)/Per/75-32 dated 17 September 1975 on the above subject.

2. It has been decided that the incentive money of Rs.200/- per head may be paid to the Muster-Roll workers who undergo sterilization

operation but not to casual labour. The deciding factors to distinguish the two categories should be continuity of service for atleast one year and attendance atleast for 240 days in the year. Only in such cases of muster-roll labour, the incentive money may be paid.

3. It has also been decided that the Special Casual Leave admissible to all regular industrial and non-industrial employees of the Corporation who undergo sterilisation operation or IUCD insertion in accordance with Office Order No.9/Rules/72-10 dated 3-5-1975 may also be extended to the muster-roll workers if they satisfy the above conditions also.

***

EXTRACTS FROM THE minutes of meeting of heads of Projects/Departments and concerned officers convened by the Managing Director at Head Office on September 11, 1976.

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11 The Projects should continue to give the incentive of Rs.200/- for the employees undergoing sterilization. This incentive should also be extended to the employee in case any one of the couple undergoes sterilization operation.

***

Letter No. 5(10)/Rules/76, dated 16.01.81

Sub: Incentive to the employees for promoting the small family norms.

In accordance with the Office Order No.5(10)/Per/75 dated 17th September 1975 the employees of the Corporation who undergo sterilization operation will be paid incentive money of Rs.200/- per head.

2. In pursuance of the guidelines received from Bureau of Public Enterprises, a proposal for payment of incentive in the form of personal pay for promoting small-family norms was submitted to the Board at its 213th meeting held on 3-1-1981.

It has been approved by the Board that the employees of the Corporation who undergo sterilisation operation after having two or three surviving Children may be granted a personal pay equal to the amount of the next increment due at the time of grant of the concession and will remain fixed during the entire service and is not to be absorbed in future increases in pay either in the same post or on promotion to a higher post, subject to the following conditions:

1) The employees must be within the reproductive age group. In case of a male employee, this would mean that he should not be over 50 years of age and his wife should be between 20 to 45 years of age. In the case of a female employee, she must not be above 45 years of age, and her husband must not be over 50 years of age.

2) The employees should not have more than three living children. The incentive of special increment will not be admissible to those who have more than three children irrespective of their being within the reproductive age group.
(Amendment Letter No.5(10)/Rules/75 Vol.II dated 18.10.80; effective from 6.12.85)

3) The sterilization operation must be conducted at the Corporation's Hospitals and the sterilization certificate should be issued by the Chief Medical Officer/Medical Officer-in-charge of the Hospitals. Where these are not possible, sterilization certificate issued by the Central Government/State Government hospitals or the hospitals approved/ recognized by the Corporation will suffice.

4) The sterilization operation can be undergone either by the employee or his/her spouse provided the other conditions are fulfilled.

5) The concession of special increment will be admissible to an employee who undergoes sterilization operation on or after the date of approval by the Board.

6) The special increment to be granted to an employee in the shape of personal pay is not to be taken into account for fixation of pay on promotion

7) The special increment will not be admissible to employees who have already availed incentive earlier for sterilization of himself/herself or his/her spouse.

3. It has also been approved by the Board that the above special increment may be granted to the employees in addition to the cash incentive of Rs.200/- per head in force at present.

4. In this connection, a copy of Ministry of Finance's O.M. No.7(39)-E. III/79 dated 19th July, 1980 containing certain clarifications in the matter is also enclosed for information and guidance.

***

Copy of O.M.No.7(39)-E.III/79 dated 19th July, 1980 received from the Government of India, Ministry of Finance, (Department of Expenditure) New Delhi.

Sub: Introduction of incentives among Central Government employees for promoting the small family norms.

The undersigned is directed to refer to this Ministry's O.M. of even number dated the 4th December, 1979 on the above subject and to say that for implementation of the orders contained therein the following points are clarified.

	Points	Clarification
1.	How is the special increment to be regulated when an official qualifies for while serving outside the cadre on deputation/foreign service or transfer. Whether it would be admissible over and above the benefit.	The rate of special increment to be given in the form of personal pay would be determined with reference to employees parent grade only whether he draws his grade-pay plus deputation allowance or pay in the scale of the deputation post. No deputation allowance would be admissible on the personal pay. The special increment will be

		admissible in addition to "NBR" benefit.
2.	Whether the special increment continue to be drawn at the same quantum even on reversion from a deputation post or on reversion from a higher officiating appointment?	The employees would continue to draw the special increment at the same quantum on his reversion from a deputation post, or on reversion from a higher officiating appointment.
3.	Whether the personal pay would be taken into account for fixation of pay on promotion and if so, what is the significance of the expression that personal pay is not to be absorbed in future increases in the pay in the same post or on promotion to higher post.	The special increment to be granted in the shape of personal pay is not to be taken into account for fixation of pay on promotion. The idea is that the benefit of personal pay should continue to be available to him at the same rate even after his promotion.
4.	Whether the personal pay would be withheld where an official qualifies for it while he is held up at the stage of Efficiency bar or when he is reduced to a lower stage of the same time scale or reduced to a lower service grade, post or time-grade, post or time-scale.	The benefit of special increment would be allowed even if the employee is held at Efficiency Bar stage of his time scale. Since the benefit is to be allowed in the shape of personal pay, the grant of the same should not amount to the crossing of E.B. by the employee concerned. Once the employee gets the benefit of special increment at a particular rate, he would continue to draw the same even if he is reduced to a lower stage in the time-scale of pay or reduced to a lower service, grade, post, by way of penalty under CCS (CC&A) Rules, 1985.

5.	Whether personal pay would be allowed when an employee qualifies for it during the period when he is placed under suspension? If he had already qualified for it before he was placed under suspension, whether the personal pay will be taken into account in the computation of subsistence allowance.	During suspension, the Government Servant draws subsistence allowance only. There would, therefore, be no question to grant him the benefit or special increment if he becomes entitled to that when he is placed under suspension. However, if he is qualified for the benefit before he is placed under suspension, the personal pay would be taken into account in the computation of subsistence allowance.
6.	How is the personal pay to be regulated when an official qualifies for it during regular leave with or without allowances? Will it be taken into account in the computation of leave salary if he qualified for it before he proceeds on regular leave.	During regular leave, the Govt. servant draws leave salary. Therefore, he would not be given the benefit of special increment during the leave period. However, if he qualifies for the benefit before he proceeds on leave, the special increment would be taken into account in the computation of leave salary.
7.	Whether the personal pay would be admissible during the period an employee is deputed for training.	If a training for which a Govt. servant is deputed is in public interest and he gets the pay and allowances of the post from which he is sent on training, the benefit of personal pay would be admissible.
8.	Whether the personal pay would be allowed over and above the other cash incentives given?	The personal pay would be admissible over and above the other cash incentives.
9.	Whether the monetary benefit of the special increment will be given	For administrative convenience, the benefit should be allowed from the

	effect to from the first day of the calender month as in the case of normal increment or from the date of sterilization.	1st of the month following the date of sterilization.
10.	Whether the benefit of personal pay can be drawn by both husband and wife who are Govt. employees in case the sterilization operations is undergone by either of them or both of them.	The personal pay can be drawn by either the husband or the wife and there is no objection to the choice being left to them so that they can choose the higher of the two increments available to them.
11	Who is to sanction the personal pay?	The personal pay can be sanctioned by the head of the office by issue of a suitable office order after satisfying himself that the conditions prescribed in this Ministry's O.M. of even number dated 4.12.79 are satisfied.
12.	Whether the benefit of special increment would be admissible to those Govt. employees who have one child or more than three children and are within the reproductive age group, if they undergo sterilization operation?	No. A family consisting of two or three children has been taken to be an ideal family and therefore the benefit of special increment for undergoing sterilization operation would not be admissible to those Govt. servants who have one child or more than three children irrespective of their being within the reproductive age group.
(**Note**: The Employee who have only one surviving child also may be granted the personal pay in terms of O.M.S(8)/80-6.12.1985) BPE-WC) Dt. 7.8.1986 of BPE w.e.f.6.12.1985)		
13.	Whether a Govt. servant who had undergone a sterilization operation prior to the date of issue of this Ministry's O.M.	No. The orders contained in this Ministry's O.M. of even number dated 4.12.79 take effect from the date of

	of even number dated 4.12.79, can be granted the benefit of special incentives.	issue i.e., 4.12.79.

***

Letter No.5(10)/Rules/75, dated 19.10.81

Sub: Introduction of incentives among public sector employees for promoting the small family norms.

I am directed to forward herewith a copy of Bureau of Public Enterprises Office Memorandum No. 5(8)/80-BPE(GM-I) dated 1st September, 1981, together with its enclosures, on the above subject for information and necessary action.

Copy of O.M.5(8)/Rules/80-BPE(GM-I) dated 1st September, 1981 received from the Joint Director Bureau of Public Enterprises, New Delhi.

Sub: Introduction of incentives among public sector employees for promoting the small family norms.

The undersigned is directed to refer to this Ministry's O.M. of even number dated 28th August, 1980 wherein it had been suggested that the public enterprises could also extend certain benefits as are available to the Central Government employees such as the grant of an advance increment in furtherance of the small family norms. The administrative department in the Central Government have sought clarifications from the Department of Expenditure on certain points. These queries have been considered in the Government in consultation with the Ministry of Health and Family Planning and the decisions taken thereon are contained in the Dept. of Expenditure OM dated 25.04.1981; copy of which is enclosed.

2. The Ministry of Industry etc. are requested to bring the foregoing to the notice of the public enterprises under their control for their information and necessary action.

***

Copy of OM no. 7(39)-E.III/79 dated 25th April, 1981 received from Under Secretary to the Government of India, Ministry of Finance, (Department of Expenditure) New Delhi.

Sub: Introduction of incentives among Central Government employees for promoting the small family norms.

The undersigned is directed to refer to this Ministry's O.M. of even number dated the 19.7.1980 clarifying certain points on the above subject. This Ministry has been receiving queries on certain additional points. These queries have been considered in consultation with the Ministry of Health and Family Welfare (Dept. of Family Welfare) and following decisions have been taken:

	Point of Query	**Decision taken**
1	Cases of hysterectomy should also be brought under the purview of the orders because a woman who undergoes hysterectomy on medical grounds automatically gets sterilized.	Not agreed, as hysterectomy is a purely health measure.
2	Whether the persons who have twins after the birth of their first two children should be made eligible for receiving the incentive although they have four children.	The special increment may be allowed in all cases of sterilization where the couple had twins after the birth of their first two children although the number of children become four.
3	Will the persons who have undergone sterilization before the date of issue of the orders and have undergone sterilization again after the date of issue of the orders because the earlier operation turned out to be a failure should be eligible for the incentive.	No. Such persons will not be eligible for the incentive as the action for sterilization was initiated prior to the issue of the orders.
4	Will the persons who undergo vasectomy and who have three children but whose wives are	No. In fact there is a need to prescribe standard form of undertaking/certificate that a

	pregnant at the time of the vasectomy operation be eligible for the incentive.	person claiming the incentive should furnish to exclude such cases.
5	Whether before granting the special incentives in the case of a vasectomy sperm count should be insisted upon	The authorities issuing the sterilization certificate are expected to satisfy themselves about the complete absence of sperms before issue of the certificate. The standard format of the certificate required to be issued for this purpose is enclosed.
6	Whether in case of recanalisation the special increment should be withdrawn.	In such cases the special increment may be withdrawn from the date of recanalisation.

In order to make the decisions taken in respect of the items (4) (5) and (6) above effective and to secure an undertaking from the employees claiming the incentives the enclosed standard formats have been prescribed.

In so far as persons serving in the Indian Audit and Accounts Department are concerned, these clarifications are issued in consultation with the C.& A.G. of India.

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STERILISATION CERTIFICATE

I, Dr…… hereby certify that I have conducted *Vasectomy/ Tubectomy/Laparoscopic Tubal sterlisation operation on Shri/Smt…… husband/ wife of Shri/ Smt…… employed as…… in……. at……. on ……..

2. A sperm count was undertaken on……. And on the basis thereof it is certified that the Vasectomy Operation has been completely successful.

(Para 2 in the case of Vasectomy operations only)

* Delete words where not applicable.

Signature

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UNDERTAKING TO BE GIVEN BY ALL GOVERNMENT EMPLOYEES

I/my spouse have/has undergone Vasectomy/Tubectomy operation Laproscopic tubal sterilization at …… on……. Necessary sterilization certificate issued by the Medical Officer is enclosed. In case I / my spouse have to take resort to recanalisation for any reason, whatsoever, I undertake to report this fact to the Government.

2. I also certify that my wife Smt…….. is not pregnant on this date.
(Para 2 for male Govt. employees only)

Signature

***

Letter No.5(10)/Rules/75, dated 23.01.1982

Sub: Incentive to the employees for promoting small family norms.

Kindly refer to this office letter of even number dated 16th January, 1981 regarding introduction of a Scheme for payment of incentive in the form of personal pay for promoting small family norms with effect from 3.1.1981.

2. It has now been decided by the Board at its 218th meeting held on 15th January, 1982 to implement the said Scheme with effect from 4.12.1979 instead of 3.1.1981. The other conditions stipulated in this office letter referred to above shall remain unchanged.

***

Letter No. 5(10)/Rules/75, Dated: 29.11.83

Sub: Incentive to the employees for promoting small family norms.

According to this office circular of even number dated 16.1.1981, the employees of the Corporation who undergo sterilization operation after having two or three surviving children, may be granted personal pay equal to the amount of the next increment due at the time of grant of the concession subject to certificate conditions laid down therein. The sterilization operation can be undergone either by employees or his/her spouse. In this connection, certain doubts have been raised. The points of doubts and the clarifications are given below:

	Points of doubts	**Clarifications**
1	What will be the rate of increment in case of an employee who has reached the maximum of the scale of pay?	In the case of employees drawing pay at the maximum of the scale of pay, the rate of personal pay is to be equal to the amount of increment last drawn.
2	Whether the incentive of personal pay under the small family norms is admissible for undergoing laproscopic tubal sterilization operation or not?	Since Laproscopic tubal sterilization operation is considered as permanent method of family planning the incentive of personal pay shall be admissible in such cases also subject to the conditions laid down for grant of such increments vide this office letter of even number dated 16.1.81. The certificate furnished by the employees should indicate that they / their spouses have undergone laparoscopic tubal sterilization operation.

***

Letter no.5(10)/Rules/75 dated 17.03.1982

Sub: Grant of incentives to all employees for promoting small family norms.

I am directed to refer to your letter No.E-1(297)/69-II/3813 dated 10th March, 1982 on the above subject, and to inform you that in cases where the employee or his spouse undergoes sterilization operation in private hospitals/nursing homes not recognized by the Corporation, the incentive may be granted subject to the condition that the Chief Medial Officer of the Project issues a certificate to the effect that the employee/spouse of the employee has undergone sterilization operation or the certificate issued by the private nursing homes/hospitals countersigned by the Government hospital/Family Planning Centre of the place where the employee/spouse of the employee has undergone sterilization operation. This procedure is being followed at Head Office for regulating such claims.

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Letter no.5(10)/Rules/75-Vol.II dated 18.10.1986

Sub: Incentives to employees for promoting small family norms.

Please refer to the Office letter No.5(10)/Rules/75 dated 16th January, 1981 regarding introduction of a scheme for payment of incentive in the form of personal pay to employees for promoting small family norms.

2. One of the conditions for grant of such an incentive was that the employee who undergo sterilization operation should have two or three surviving children. The matter has been further considered and it has been decided that employees even with one surviving child may be granted such an incentive in the form of personal pay if they have undergone sterilization operation on or after 6.12.85.

3. The Board at its 243rd meeting held on 19th September, 1986, approved substitution of the existing Clause in the incentive scheme relating to this aspect, with the following:

   "An employee should not have more than three living children. The incentive of special increment will not be admissible to those who have more than three children irrespective of their being within the reproductive age group".

4. Accordingly, condition No.2 of para 2 of Head Office letter No.5(10)/Rules/ 75 dated 16th January, 1981, stands amended, effective from 06.12.1985. All other conditions mentioned in the above letter remain unaltered.

***

NMDC Limited

VOLUNTARY RETIREMENT SCHEME

I. Eligiblity:

i) Employees who have completed ten years of service and who have attained 52 years of age or above will be eligible. In the case of employees who have joined the Company on transfer terms and have been absorbed from Central or State Government Services, the service rendered under the previous employer shall be counted for eligiblity.

or

ii) Employees who have put in five year of qualifying service in NMDC Limited only and who have attained the age of 52 years would also be eligible to retire under the Scheme.

iii) An employee who had attained the age of 59 years is not eligible for voluntary retirement.

iv) The option of the employee to retire under the Voluntary Retirement Scheme is subject to the approval of Chairman/Board. The Chairman/Board will approve of such Voluntary retirement.

II. Benefits:

i) Existing benefits on retirement from the service of the Corporation, in normal course on reaching the age of 58 years are:

a) Gratuity equivalent to half month's salary as on the date retirement for each year of service subject to a maximum of 20 month's salary or Rs.1,00,000/- whichever is less.

Note: The amount of gratuity has been revised. Please see Group Gratuity Scheme ibid.

b) Full Provident Fund contribution from the Company on completion of membership of 10 years or more.

c) Payment of leave salary in lieu of earned leave due and half pay leave.

d) TA for self and family from last Headquarters to the home-town or the intended place of settlement as per rules of Travelling Allowance on retirement.

ii) Additional benefits which shall be allowed on introduction of the Voluntary Retirement Scheme shall be:

a) Three months notice pay;

b) Gratuity equivalent to 2 1/2 month's salary based on the notional service of five years;

iii) In the case of employees who are eligible to retire voluntarily under alternative I(ii) above, the notional enhancement of service for the purpose of benefits mentioned at II (ii) (b) will be pro-rata as given below :

a) more than 5 years and less than 6 years service enhancement of service by one year.

b) more than 6 years and less than 7 years of service enhancement of service by two years.

c) more than 7 years and less than 8 years of service enhancement of service by three years.

d) more than 8 years and less than 9 years service enhancement of service by four years.

e) more than 9 years service-enhancement of service by five years.

iv) In any case the enhancement in service plus the age on the date of retirement of the employee should not exceed 60 years (normal retirement) in which case the additional benefits mentioned at (ii) & (iii) shall also be correspondingly reduced.

III. The competent authority under the scheme for all employees other than Directors would be the Chairman. The Board would be the competent authority in the case of Directors.

(Letter no.1(63)/Rules/80 dated 02.08.1980)

***

Letter no.5(89)Rules/93/7/2001, dated 18.05.2001

Please refer to your projects' letter no. D5/IR/2001 dated 01.05.2001, regarding eligibility of an employee who was relieved under VSS, for 'Annual Reward' under 'Production Incentive Scheme'.

The matter has been examined and with the approval of Competent Authority it is clarified that, those employees who were relieved from the services of Corporation under "VSS", may not be treated as "retired" and thus fulfilling the condition of putting of a minimum of 200 days' attendance, to become eligible for the 'Annual Reward' under the 'Production Incentive Scheme', is essential.

***

NMDC Limited

Scheme for Premature Retirement of Employees

Employees, other than those covered by the Industrial Disputes Act, 1947, who have attained the age of 50 years and are considered to be medically unfit, inefficient or of doubtful integrity, may be prematurely retired by the Chairman-cum-Managing Director.

The criteria for judging the inefficiency or doubtful integrity or of medical unfitness of employees, proposed to be prematurely retired shall be as follows:

1. INEFFICIENCY:

Inefficiency would be evaluated on the basis of the Appraisal Reports. An employee who has secured "**Poor"** consecutively for three years in his Appraisal Reports, may be deemed as a fit case for premature retirement on the ground of in efficiency.

1.2 DOUBTFUL INTEGRITY:

An employee who gets an adverse comment consecutively for three years on his integrity in his CCR would be recommended for premature retirement.

1.3 MEDICAL UNFITNESS:

(a) If an employee has been continuously on leave on medical grounds for a period of 12 weeks (including Sundays and holidays) or he has been on leave for reasons of sickness for a total period of 120 days (including Sundays and holidays) or more during a continuous period of six months or if a person though attending duties, is found to be mentally deranged, his Departmental Head may refer him to a Medical Board for his thorough medical checkup and report:

- the disease he is suffering from.

- whether the disease is infectious/contagious.

- whether it is curable or incurable.

- in case of curable disease whether the person is likely to be fit to resume his normal duties within a period of 12 months.

(b) If the person is not fit to resume his duties within a period of 12 months and in cases of employees suffering from incurable and infectious/contagious disease or suffering from lunacy or mental derangement and whose services cannot be utilised by the Company or whose attendance is likely to pose health hazard to others as may be certified by the Medical Board, premature retirement will be considered on the recommendations of the Heads of Units or Director In-charge.

(c) This premature retirement on medical grounds is independent of and without prejudice to the right of the Company under the contract of employment to dispense with the services of an employee on three months' notice, ***inter alia*** on grounds of medical unfitness in case of an employee who might not have even attained the age of 50 years.

2. BENEFITS UNDER THE SCHEME:

2.1 An employee who is considered for premature retirement on the above grounds will be entitled to the following benefits:

(a) Gratuity as payable in terms of Voluntary Retirement Scheme.

(b) Full Provident Fund contribution both employer's and employee's subject to provision of Provident Fund Rules;

(c) Payment of leave salary in lieu of Earned Leave on full pay and Half Pay as applicable to those who retire on superannuation in terms of Rules for leave encashment.

(d) TA for self and family from the last headquarters to the home town or the intended place of settlement as per the "NMDC" Rules.

(e) Pay for the notice period of three months.

CLARIFICATION:

Appraisal Reports of those employees who have been graded as "Poor" or whose integrity has been considered "doubtful" will be

put up together every year to the Chairman-cum-Managing Director, if such reports have not otherwise been put up to him as reviewing officer or as higher authority.

***

NMDC Limited

NMDC Employees' Benevolent Fund Scheme

The Corporation has introduced a Benevolent Fund Scheme with effect from 1st July, 1975 in order to render financial assistance to the members of family of the regular employees who die while in service.

The high-lights of the scheme are as follows:

a) Each regular employee should agree to contribute a sum of Rs.4/- (Rs.25/- wef 01.08.2013) whenever a death of serving regular employee occurs.

b) The Management of NMDC will by way of ex-gratia, offer a sum which will be equivalent to 50% of the total collection, if, for example, 6000 employees of the Corporation, agree to join the scheme the employee's contribution will be Rs.24,000/- and Management's contribution Rs.12,000/- making a total of Rs.36,000/-.

c) The contribution of Rs.4/- (Rs.25/- wef 01.08.2013) per employee joining the benevolent scheme will be collected only in the event of a death of a regular employee in the Corporation. In other words, the sum of Rs.4/- (Rs.25/- wef 01.08.2013) will not be collected on a continuing basis every month.

d) A regular employee after becoming a member of the benevolent scheme by giving his option in the proforma enclosed will not have the right of opting out of it till his service in the Corporation.

Note: The amount of subscription has been revised to Rs.5/- wef 17.08.2001 *vide* office order no.5(2)/Rules75/24/2001 dated 24.09.2001

Note: The amount of subscription has been revised to Rs.25/- wef 01.08.2013 *vide* office order no.5(2)/Per/75/Vol.I, dated 03.08.2013.

***

Circular No.5(2) Per/75 Dated 26th December 1975

In connection with the operation of the Benevolent Fund Scheme, the following instructions are hereby issued for compliance by all concerned.

1) Each Project/Office shall nominate a Coordinator under the Scheme, The Coordinator shall in particular, be responsible for the maintenance of the uptodate register in the enclosed proforma (Annexure I) of the members of the Scheme on the rolls of the Office/Project for arranging prompt payment to beneficiaries as per the procedure prescribed under this Circular.

2) On receipt of intimation regarding expiry of a member of a Project/Office, the Coordinator shall arrange for a payment of 1/10th of the approximate amount to be made to the beneficiary on adhoc basis subject to adjustment from the final amount. The Coordinator shall also send intimation to all Offices/Projects, including Finance & Accounts Wing of his Project/Office, for recovery of the amount from the members of the Scheme.

3) On receipt of intimation of death, the Finance & Accounts Wing shall arrange to recover the amount of contribution at the rate of Rs.4/- per member from the salary bills in hand if the intimation is received before 20th of the month. In case the intimation is received after 20th of the month, recovery shall be effected from the salary bills of the members from the following month.

4) Recovery effected from the pay bills shall be credited to the account code No.0929 Benevolent Fund Recoveries'. The amount when transfered to the unit where the death has occurred shall also be debited to the same account code.

5) A register on the Proforma enclosed (Annexure II) should be maintained the Finance & Accounts Department of each unit of the Corporation and whenever a death occurs in the Project/Office, a folio may be allotted to the deceased employee in the Project/Office in which the death occurred.

6) The amount recovered by all units shall be transferred to the unit where the death has occurred by means of a Credit TC.

7) On receipt of credit TCs, the unit where the death has occurred shall arrange to accept the TCs and credit the amount to the account code, referred to above. Simultaneously, an entry should be made in the folio allotted in the register maintained in proforma (Annexure II).

8) On receipt of credit TCs from all offices/projects*, the Corporation will grant a matching contribution*. The Corporation share may be debited to the welfare expenses of the respective Project/Offices in which the death occurred.
(Letter no.5(2)/Per/75/051/95 dated 07.12.95.)

9) The balance amount after adjusting 1/10th payment made in terms of para above will be released to the beneficiaries. It should be ensured that after making final payment to the beneficiaries there is no balance at the account code provided for to the extent it pertains to the death in question.

10) A monthly report may be sent to Head Office on 10th of each month indicating (i) the name of the deceased employee; (ii) amount collected from member employees; (iii) share of Corporation added; and (iv) date on which payment made to nominee.

This issues with the approval of Chief (Project Finance) so far as it relates to the accounting instructions.

***

Annexure I

Proforma

Sl. No	Name & Design.	Scale of Pay	Date of option	Name of nominee	Relation with the employee	Date on which he ceased to be a member	Reason
1	2	3	4	5	6	7	8

***

Annexure II

Proforma

1. Name of the deceased employee
2. Designation
3. Name of nominee, if any.
4. Date of death
5. Date on which the intimation of death was circulated.

Details of credit received

Name of unit Project/Office | Month in which credit received | Amount of credit

A
B
C
& so on

Total

Corporation share
Amount payable

Date on which paid | Ref.to Cheque No./Vr.No.

***

PROFORMA FOR EXERCISING OPTION TO BECOME A MEMBER OF THE BENEVOLENT FUND

(Details of the fund contained in DO Letter no.5(2)/75, dated May,13,1975.)

I _____Son/Daughter of Shri _____ at present working as _____in the _____Project/Office of National Mineral Development Corporation Limited hereby communicate my willingness to become a member of the Benevolent Fund with effect from _____.

I also hereby authorise deduction of Rs.4/- from my pay in the case of the death while in service of any employee of the Corporation who is a member of the Benevolent Fund.

I nominate _____ (Mention name and relationship) to receive payment under the scheme, should I, during my service in the Corporation, meet with death.

I am aware that this option is irrevocable.

Signature
Name & designation
of the employee

Dated:
Place:

***

Letter No. 5(2)/Rules/75 dated 08.01.1980

The Board at its 207th meeting held on 28th December, 1979 approved the proposal for extention of the benefit under the Benevolent Fund Scheme. In case of "Permanent Total Disablement" as defined and listed in Schedule-I to the Workmen Compensation Act arising out of and/or in the course of employment in the Corporation.

The above orders are effective from 28th December, 1979.

***

Circular no.5(2)/Per/75 dated March 17, 1990

It has come to the notice of the Head Office that in some cases there is considerable delay in passing on the benevolent fund amount to the descendant of the deceased employees, as the credit TCs from all the units are not received in time. Since the spirit behind introduction of the Benevolent Fund Scheme in the Corporation is to provide immediate financial assistance to the beneficiaries, it has been decided that henceforth the concerned unit may immediately release an amount of Rs.10,000/-, pending receipt of the credit TCs and other formalities, to the dependent members of the deceased family in case of death or to the concerned employee in case he is discharged due to permanent disablement. The balance amount may be released on receipt of the credit TCs from all units and completion of other formalities.

2. The need for early settlement of gratuity, PF and other dues in respect of employees who ceases to be in the service of the Corporation either due to superannuation or death need not be further emphasised. To enable finalising such payments at the quickest possible time, all units are once again requested to ensure that all relevant certificates/documents required for finalising such claims are sent to Head Office in time.

***

Letter no.5(2)/Per/75/051/95 dated 07.12.1995

Sub: Benevolent Fund Scheme.

In terms of the Employees' Benevolent Fund Scheme, whenever death of an employee who is a member of the Scheme occurs, every member shall contribute Rs.2/- and the management of NMDC will grant ex-gratia, an amount equivalent to fifty per cent of the total contributions of employees and the amount thus collected will be paid to the nominee of the deceased employee.

In purchase of the decision taken in the Bipartite meeting and also agreed in the meetings held with the Officer's and Supervisors' Associations, it has been decided that every member of Benevolent Fund Scheme shall contribute an amount of Rs.4/- (Rupees four only) and the management will grant a matching contribution to the total collection from the members. Other terms and conditions of the scheme shall remain unchanged.

The above would come into force from 01.12.1995.

***

Letter no.5(2)/Per/75/26/97 dated 16.07.1997

Sub: Release of amount from Benevolent Fund to the nominee of the deceased employee to enable deposit under NMDC Employees' Family Benefit Scheme – Reg

A reference is invited to Head Office Circular No.5(2)/Per/75 dated 17.03.1990 conveying inter-alia that with a view to providing immediate financial assistance to the dependents of the deceased employee who was a member of BF Scheme, the concerned unit may immediately release an amount of Rs.10,000/- to the nominee of the deceased employee pending receipt of credit TCs and completion of other formalities. With the introduction of the NMDC Employees' Family Benefit Scheme wef 01.01.1992 providing for the nominee of the deceased employee to voluntarily deposit the entire notional PF and gratuity amount in one lumpsum with the Corporation within a maximum period of six months from the date of death of the employee for the purpose of receiving monthly benefit prescribed under the scheme, representations have been received pointing out the difficulties faced by the dependent family members of the deceased employees in making good the short-fall in

notional PF and requesting for release of entire amount of BF immediately on death of the member of BF Scheme.

The matter has been reviewed and in supersession of all earlier orders on the subject, the Competent Authority has been pleased to prescribe the following revised procedure for release of payment under the BF Scheme to the nominee of the member with immediate effect:

(a) Immediately on death of the employee and receipt of request from the dependent family members of the deceased member of the BFS an amount not exceeding Rs.5000/- may be released to meet the expenditure on funeral etc. instead of Rs.10,000/-.
(b) However, in order to make good the short-fall, if any, for depositing notional PF to get full benefit under the NMDC Employees' Family Benefit Scheme only, an amount not exceeding Rs.25,000/- being approximately the Company's contribution towards Benovelent Fund may be released on a specific request received from the nominee of the deceased member of the BFS for the purpose which may be deposited against the deposit in the Finance of concerned unit to be made by them for getting the family benefit.

(c) Balance amount under the BF Scheme may be released only after completion of all formalities and receipt of credit TCs from all projects/units/offices.

***

Letter no.5(2)Rules/75/15/99 dated 08.09.1999

Sub: Benevolent Fund Scheme – Coverage of Muck Cleaning Piece Rated Labour and Departmental Fine Ore Loading Piece rated Labour.

The Competent Authority has decided to extend with effect from 1-9-99 the benefits under the above scheme, to the Muck Cleaning Piece Rated Labour and Departmental Fine Ore Loading Piece Rated Labour, they being on the regular rolls.

Accordingly necessary action may please be taken to obtain the prescribed proforma of option/authorization/nomination from all the concerned for extending the benefits under the scheme.

***

Letter no.5(2)Rules/75/24/2001 dated 24.09.2001

Sub: Benevolent Fund Scheme – revision in the rate of contribution by members.

In terms of the provisions of the Memorandum of Settlement dated 17.08.2001 and the decision taken by the Management, it has been decided that every member of Benevolent Fund Scheme shall contribute an amount of Rs.5/- (Rupees five only) and the management will grant a matching contribution to the total collection from members, to the Benevolent Fund with effect from 17.08.2001.

Other terms and conditions of the scheme shall remain unchanged.

***

Office Order, No.5(2)/Per/75/Vol.I, dated 03.08.2013

It has been decided that every member of the 'Benevolent Fund Scheme' shall contribute an amount of Rs.25/- (Rupees Twenty Five only) and the Management will grant a matching contribution to the total collection from the members, to the Benevolent Fund wef 01.08.2013.

Other terms and conditions of the Scheme shall remain unchanged.

This issues with the approval of the Competent Authority.

***

NMDC Limited

Orders/Clarifications regarding
Incentive for acquiring qualifications in Hindi

Letter No.5(112)Rules/99/16/99 Dated: 23.10.2008

Sub: Scheme for Grant of Incentives for acquiring qualifications Hindi.
Ref: This office circular of even no. dated 23.09.1999.

A revised scheme for 'Granting Incentives for acquiring qualifications in Hindi' effective from 10.08.2007 is as follows:

Scheme for Grant of Incentives for Acquiring Qualifications in Hindi.

On passing Hindi Exams of Hindi Teaching Scheme, Official Language Department (Govt. of India) the following Incentives are payable.

(I) In terms of the Office Memorandum No. 21034/34/2007-OL (Trg) of Hindi Teaching Scheme dated 10th August 2007 the following cash incentive award are payable for passing the following examinations.

A) Prabodh	**Cash Award**
i) for securing 70% or more marks	Rs.800/- each
ii) for securing 60% or more marks but less than 70% marks	Rs.400/- each
iii) for securing 55% or more marks but less than 60% marks	Rs.200/- each

B) Praveen	**Cash Award**
i) for securing 70% or more marks	Rs.1200/- each
ii) for securing 60% or more marks but less than 70% marks	Rs.800/- each
iii) for securing 55% or more marks but less than 60% marks	Rs.400/- each

C) <u>Pragya</u> **<u>Cash Award</u>**

i) for securing 70% or more marks Rs.1200/- each
ii) for securing 60% or more marks but less than 70% marks Rs.800/- each
iii) for securing 55% or more marks but less than 60% marks Rs.400/- each

(II) On passing Hindi Typewriting examination
(As per O.M. No. 21034/34/2007-OL(Trg) – Dt. 10.08.2007)

i) for securing 97% or more marks Rs.1200/- each
ii) for securing 95% or more marks but less than 97% marks Rs.800/- each
iii) for securing 90% or more marks but less than 95% marks Rs.400/- each

(III) On passing Hindi Stenography Examination:
(As per O.M. No. 21034/34/2007-OL(Trg) – Dt. 10.08.2007)

i) for securing 95% or more marks Rs.1200/- each
ii) for securing 92% or more marks but less than 95% marks Rs.800/- each
iii) for securing 88% or more marks but less than 92% marks Rs.400/- each

(IV) Cash awards on passing the examination of Hindi Teaching Scheme by their own efforts.
(As per O.M. No. 21034/34/2007-OL(Trg) – Dt. 10.08.2007 Lumpsum Award)

i. Prabodh Rs.1000/-
ii. Praveen Rs.1000/-
iii. Pragya Rs.1200/-
iv. On passing Metric or equivalent examination in Hindi form autonomous institutions, recognised by the Department of Education, Govt. of India - Rs.1200/-
v. On passing Hindi Diploma Course from

Central Hindi Directorate Rs.1200/-
vi. Hindi Typing Rs.800/-
vii. Hindi Stenography
Rs.1500/-

2. In addition to the above, personal pay, is granted in accordance with Office Memorandum No. 12014/76-0L(D), Dt. 02.07.1976 of O.L. Dept., (Govt. of India)

(i) On passing the examination Probodh, Praveen, Pragya which ever is determined as final examination for the concerned employee – an amount equivalent to one increment for 12 months personal pay.

subject to:

a) Who have passed Matriculation or Higher Course with Hindi as First Language/or who have passed a course above Metric with Hindi as a subject.

b) Hindi as medium of instruction Or

c) Whose Mother Tongue is Hindi.

will not be eligible to get the cash awards and incentives mentioned in item 2(i) above.

(ii) As per the above memorandum on passing Hindi Typewriting Examination (Only for Non-executives) an amount equivalent to one increment for a period of 12 months as personal pay.

(iii) Further more, if an employee pass Matriculation or higher examination with Hindi as a second or third language, will be treated as having working knowledge of Hindi and it will not be obligatory for him to attend Prabodh, Praveen or Pragya Examination as per Office Memorandum No. 21034/47/2007/OL-Trg dated 10.10.2007 of Department of Official Language, Government of India. If an employee declares, as per Sub-rule 10(11)B of Official Language Rules, 1976, that he has working knowledge of Hindi, it will not be obligatory for him to attend Praveen or Pragya Examination.

***

Orders/Clarifications regarding
Incentive for acquiring qualifications in Hindi.

Letter No.5(112)Rules/99/16A/99dated 18.11.1999

Sub: Scheme for Grant of Incentives for acquiring qualifications Hindi.
Ref: This office circular of even no. dated 23.09.1999.

A revised scheme for 'Granting Incentives for acquiring qualifications in Hindi' effective from 01.01.1995, was circulated to all units for implementation. It is seen that, there is some variation in English and Hindi versions of the scheme. Therefore, it is requested that the scheme enclosed with the letter of 23.09.1999 may please be replaced with the one now attached.

Scheme for Grant of Incentives for Acquiring Qualifications in Hindi.

On passing Hindi Exams of Hindi Teaching Scheme, Official Language Department (Govt. of India) the following Incentives are payable.

(I) In terms of the Office Memorandum No. 18/8/94, of Hindi Teaching Scheme dated 10th Feb, 1995 the following cash incentive award are payable for passing the following examinations.

A)	**Prabodh**	**Cash Award**
i)	for securing 70% or more marks	Rs.400/- each
ii)	for securing 60% or more marks but less than 70% marks	Rs.200/- each
iii)	for securing 55% or more marks but less than 60% marks	Rs.100/- each

B)	**Praveen**	**Cash Award**
i)	for securing 70% or more marks	Rs.600/- each
ii)	for securing 60% or more marks but less than 70% marks	Rs.400/- each
iii)	for securing 55% or more marks but less than 60% marks	Rs.200/- each

C)	**Pragya**	**Cash Award**

i) for securing 70% or more marks Rs.600/- each
ii) for securing 60% or more marks but less than 70% marks Rs.400/- each
iii) for securing 55% or more marks but less than 60% marks Rs.200/- each

(II) On passing Hindi Typewriting examination
(As per O.M. No. 18/03/94 HTS (H.O.) – Dt. 14.02.95)

i) for securing 97% or more marks Rs.600/- each
ii) for securing 95% or more marks but less than 97% marks Rs.400/- each
iii) for securing 90% or more marks but less than 95% marks Rs. 200/- each

(III) On passing Hindi Stenography Examination:
(As per O.M. No. 18.03.94 HTS(H.O) - dated 14.02.95)

i) for securing 95% or more marks Rs.600/- each
ii) for securing 92% or more marks but less than 95% marks Rs.400/- each
iii) for securing 88% or more marks but less than 92% marks Rs.200/- each

(IV) Cash awards on passing the examination of Hindi Teaching Scheme by their own efforts.
(As per Memorandum No. 18.03.94 - HTS H.O dated 16.02.95 Lumpsum Award)

i.	Prabodh	Rs.500/-
ii.	Praveen	Rs.500/-
iii.	Pragya	Rs.600/-
iv.	Hindi	Rs.400/-
v.	Hindi Stenography	Rs.750/-

(V) On passing Metric or equivalent examination in Hindi form autonomous institutions, recognised by the Department of Education, Govt. of India - Rs.600/-

(VI) On passing Hindi Diploma Course from Central Hindi Directorate - Rs.600/-

2. In addition to the above, personal pay, is granted in accordance with Office Memorandum No. 12014/2/76-0.L(D), Dt. 02.07.76 of O.L. Dept., (Govt. of India)

(i) On passing the examination Probodh, Praveen, Pragya which ever is determined as final examination for the concerned employee – an amount equivalent to one increment for 12 months personal pay.

(ii) As per the above memorandum on passing Hindi Typewriting Examination (Only for Non-executives) an amount equivalent to one increment for a period of 12 months as personal pay.

(iii) For Stenographers on passing Hindi Stenography examination. As per the above memorandum:

(a) For Non-Hindi Speaking employees, an amount equivalent to two increments for a period of 12 months as personal pay.

(b) For Hindi speaking employees, on passing Hindi Stenography examination an amount equivalent to one increment for a period of 12 months as personal pay.

(c) (i) Non - executive on obtaining pass marks are entitled to the above incentive.
(ii) Executives on obtaining 90% or above marks are entitled to the above incentive.

3. Further, an employee,

A. a) Who have passed Matriculation or Higher Course with Hindi as First Language/or who have passed a course above Metric with Hindi as a subject.

b) Hindi as medium of instruction. Or

c) Whose Mother Tongue is Hindi.

Will not be eligible to get the cash awards and incentives mentioned in item 2 above, except in case of passing Hindi Typewriting and Stenography Examinations. Further more

(i) A non executive is entitled to incentive on passing the Praveen/Probodh examination, obtaining 55% marks/and on securing pass marks in Pragya examination, whichever declared as final examination.
(ii) An executive will get incentive only on passing Pragya examination obtaining 60% or more marks.

B. An employee who has passed Matriculation with Hindi as a second or third language will have to appear Pragya Examination and will also be eligible to get the above incentive on passing Pragya, as per the Memo. No., 14013/1/85, dated 11.04.89 of HTS.

C. The employees who have acquired any of the above qualifications in Hindi, prior to joining the services of Company and considered as such for employment in Company are not entitled for any incentive.

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NMDC Limited

NMDC EMPLOYEES
CONVEYANCE ALLOWANCE RULES, 1974

1. Title and Commencement:

(i) These rules may be called the "National Mineral Development Corporation Limited (Conveyance Allowance) Rules, 1974".

(ii)These rules shall come into force w.e.f. October 1,1980

2. Application:

These rules shall apply to all employees of the Corporation.

3. Definition:

(a) "Competent Authority" means the Chairman, in the case of employees in the Head Office/Regional Offices and the General Manager/Project Manager in the case of Projects and the Chief Project Officer (Inv.,) in the case of Feasibility Studies.

(b) "Corporation" means the National Mineral Development Corporation Limited.

(c) "Project" means any project in construction or producing mine.

(d) "Vehicle" means any jeep, car or any other light vehicle, or a motor cycle or scooter or moped.

4. Eligibility:

(i) All employees of the Corporation shall be eligible for consideration to the grant of conveyance allowance under these rules.

(ii) When an employee is officiating in a higher post, his eligibility for the conveyance allowance shall be determined on the basis of his officiating pay.

(iii) An employee on deputation from or to another organisation shall be granted conveyance allowance in accordance with the terms

and conditions of his deputation. Notwithstanding the above an employee whose services have been obtained on transfer/deputation terms and who were in receipt of conveyance allowance in their parent organisation for use of own vehicles for company's work, may be sanctioned conveyance allowance as per the scale laid-down in para-5 below, subject to procedure laid down in para-7.

5. Entitlement:

The rate of conveyance allowance shall be as follows:

Workmen and Jr. Officers:

Type of vehicle	Conveyance Allowance/ceiling for reimbursement of LTE per month	
	Workmen	Jr. Officers
a) Moped/Power driven vehicle of less than 1.00 H.P.	Rs.220/-	Rs.220/-
b) Scooter/Motor Cycle of 1.00 H.P. and above.	Rs.350/-	Rs.380/-

(O/o No.1 (51)R/034 & 035 dated 08.10.95 wef 01.08.96)

Executives:

A. Executives covered by HPPC scales of pay.

Type of vehicle	Entitlement	For 'A'Class Cities	Other than 'A' Class cities
i) Car	In the pay scale of Rs.3700-5000 & above.	Rs.450/-	Rs.400/-
ii) Scooter/ Motor Cycle of 1.00 H.P. & above	Drawing a) Basic Pay of Rs.3000/- & above.	Rs.175/-	Rs.150/-
	b) Basic pay between Rs.2000/- & Rs.2999/-	Rs.150/-	Rs.125/-
iii) Moped/Power Driven vehicle of less than 1.00 H.P	Drawing a) Basic Pay of Rs.3000/- & above	Rs.80/-	Rs.80/-
	b) Basic pay between Rs.2000/- & Rs.2999/-	Rs.80/-	Rs.80/-

(Office Order No.1 (51)/Rules/78 dated 13.6.1991)

B. Executives in IDA pay scales.

Entitlement		Rate per month
i) Car	a) Executives in the pay scale of Rs.3100-5150 & Rs.3700-5900 and those drawing basic pay up to Rs.4749/- in the scale of Rs.4600-6790	Rs.1450/-
	b) Drawing Basic pay of Rs.4750/- and above in the scale of pay of Rs.4600-6790 and all executives in higher scales.	Rs.1600/-
ii) Scooter/Motor Cycle of 1 HP	All Executives in IDA scales and above	Rs.380/-
iii) Moped/Power driven vehicle of less than one (1) HP	All Executives in IDA scales	Rs.220/-

(O/o No.1 (51) Rules/033/95 dated 20/10/1993) 01.04.94

The above rates of conveyance Allowance are effective from 01.08.1996.

Explanation:
The conveyance Allowance for maintenance of Car/Motor/Cycle/ Scooter/Moped as per the scales indicated in para-5 above shall be admissible in respect of employees who are required to perform frequent official journeys on company's work. Proposals for grant of such conveyance allowance in respect of individuals shall be put up to the competent authorities specified in this behalf for approval giving detailed justifications for conveyance allowance along with full particulars and frequency of journeys to be performed, minimum kilometers likely to be covered every month in the performance of official duties, etc.

6. Conditions for the grant of Conveyance Allowance:

(i) The Conveyance Allowance shall be granted to an employee only if he possess a vehicle, which is registered, in his own name.

(ii) For all official work, the employee shall use his own vehicle for journeys within the town/city/project areas, where he is posted. This condition shall not, however, apply to official journeys in

parts of the projects area where the journey by Car or Motor-Cycle/Scooter/Moped is either unsafe or is not practicable, due to the road conditions.

(iii) If the period of absence/leave or non-utilisation of the vehicle exceeds 15 days in aggregate in a calendar month the allowance shall be proportional to the actual period the vehicle is used for official work.

(iv) An employee drawing conveyance allowance shall not be entitled to avail of any subsidized transport provided by the Corporation.

(v) Once an employee draws conveyance allowance under these rules, the vehicle of the Corporation, if any placed at his disposal shall be withdrawn.

(vi) An employee drawing conveyance allowance under these rules shall not be entitled to draw actual conveyance charges for journeys within the town/city/project area where he is posted.

7. Procedure:

(i) An employee who is eligible for consideration for grant of the allowance shall apply through proper channel, to the Competent Authority specified in this behalf.

(ii) After the application is scrutinized by the Competent Authority or his nominee(s). The employee may be granted the allowance at the discretion of the Competent Authority with effect from any date not earlier than the date of receipt of the application.

(iii) If the vehicle is not in use as per rule 6(iii) the employee shall give notice by the third day of the following month.

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NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED
MASAB TANK, HYDERABAD 500 028

APPLICATION FOR CONVEYANCE ALLOWANCE FOR _____

A. (To be filled in by Applicant)
1. Name :

2. Designation :

3. Pay Scale :

4. Department/Section :

5. It is certified that I own a Motor Car/Motor Cycle/Scooter _____ (Specify any other power driven vehicle) bearing Regd No, _____ registered in my name and is being maintained at the place of my duty.

6. Detailed justification for grant of conveyance allowance (indicating frequency of journeys, minimum kilometers likely to be covered in a month etc. on official duties and the likely over all expenditure incurred on running and maintenance of vehicle etc.

Date: Signature of the Applicant

B. (i) Remarks of the Controlling Officer :

Using own conveyance by Shri/Smt. _____, _____, will/will not help the employee in his/her existing official duties and it is recommended that the employee may/may not be sanctioned conveyance allowance.

Signature of the Controlling
Officer & Designation

(ii) Certificate of the Controlling Officer :

Certified that the RC Book and other documents possessed by Shri/Smt._____ in respect of the vehicle are verified and the same is in order.

Signature of the Controlling
Officer & Designation

iii) Recommendation of Project/Manager/General Manager/HOD

Signature of GM/SGM/HOD

C. Remarks of sanctioning Authority :

Shri/Smt._____ is sanctioned/not sanctioned conveyance allowance as per rules of the Corporation.

Signature of the Sanctioning Authority

***

Reimbursement of Local Travelling Expenses Scheme
for employees other than Executives.

1.0 The Scheme would be called as Reimbursement of Local Travelling Expenses Scheme.

2.0 The Scheme would cover the employees other than Executives who are entitled to Conveyance Allowance and own a vehicle registered in their name and utilizes the same for official purpose.

3.0 The Scheme would come into force from 01.04.1984.

4.0 The eligible employees would be entitled to claim the reimbursement of the expenses wholly, exclusively and necessarily incurred by them by utilizing their own vehicles (Motor Cycle/Scooter/any other light vehicle) in performance of their official duties.

4.1 The eligible employees would not be entitled to claim reimbursement for a month in excess of amount specified at Rule No.5 of conveyance Allowance Rules 1974.

4.2 The use of vehicle for the purpose of coming from residence to the place where the duties of the employment are to be performed or from such a place back to his residence will be regarded as use of vehicle for private or personal purpose and not in performance of official duties.

4.3 In view of fact that:

i) From a practical point of view, it may not be feasible to verify the details of individual journeys undertaken by each employee.

ii) The checking of such details would also result in wasteful expenditure or employment of staff resulting in no utility; A certificate as per Annexure I furnished by the employees with regard to the expenditure having been incurred in performance of official duties would be the basis for accepting the claims for reimbursement.

5.0 After the expiry of the salary period, i.e. the relevant month an employee would be entitled to claim reimbursement in the manner mentioned above.

6.0 An employee claiming reimbursement under the Scheme will not be eligible for any allowance or any other payments in connection with the journeys undertaken by him in performance of his official duties.

7.0 An employee claiming reimbursement under the Scheme would be responsible for satisfying the Income Tax Authorities with regard to the actual expenses incurred vis-a-vis amounts drawn from the Corporation to produce necessary vouchers as may be required.

7.1 Withdrawal/Alterations/Amendments to Scheme.

The Scheme is liable to be withdrawn at the discretion of the Corporation without any notice and assigning any reasons therefor. The Corporation also reserves the right to alter and/or amend any provision of the Scheme.

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Orders/clarifications regarding grant of conveyance allowance to blind & orthopedically handicapped employees of the Corporation

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Letter No. 1(54)/Rules/78 dated 24.11.1980

Sub: Grant of Conveyance Allowance to blind and orthopaedically handicapped employees of the Corporation.

The Board at its 212th meeting held on 15.11.1980 has approved the proposal for payment of conveyance allowance to blind and orthopeadically handicapped employees of the Corporation at the rate of 10% of basic pay subject to a maximum of Rs.50/- * per month subject to the following conditions:

(1) An orthopaedically handicapped employee will be eligible for conveyance allowance only if he/she has a minimum of 40% permanent/partial liability of either upper or lower limbs or 50% permanent/partial disability of both upper and lower limbs together.

(2) The conveyance allowance shall be admissible to the blind and orthopaedically handicapped employee on the certificate of disability from the Chief Medical Officer of the Project Hospitals or Government Civil Hospitals where Corporation's hospitals do not exist or when requisite facilities are not available in the Corporation's hospitals. The certificate of disability should conform the following standards:

(a) Orthopedically handicapped employees. For purpose of estimation of disability, the standards as contained in the Manual for Orthopaedic Surgeon in Evaluating Permanent Physical Impairment brought out by the American Academy of Orthopaedic Surgeons, USA and published on their behalf by artificial Limbs Manufacturing Corporation of India, GT Road, Kanpur, shall apply.

(b) Blind employees Total blindness.

(3) The conveyance allowance will not be admissible during leave (except casual leave), joining time or during suspension.

(4) The blind and orthopaedically handicapped employees would be eligible for grant of the conveyance allowance if they are not drawing any other conveyance allowance.

(* Note: The amount has since been revised vide Office Order No.1(54) Rule/78 Dated 02.02.1991 ibid)

The Board has also approved the proposal for grant of TA etc when the handicapped/blind employees are required to be referred to Government hospitals located at stations outside their head quarters for obtaining the certificate, subject to the following conditions:

(1) Actual travelling expenses would be reimbursed subject to maximum travelling allowance admissible for journey on tour without any daily allowance, for the period of journey and for halts. The period spent on journeys as also at the Hospitals would be treated as duty.

(2) The fees charged by the State Government Hospitals, if any, would be reimbursed to the concerned employees,

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Orders/Clarifications regarding Conveyance Allowance Rules

Office Order No.1(51) Rules/79 dated 08.01.1981

Sub: Conveyance Allowance/Reimbursement of local travelling expenses.

In continuation to the communication No.1(51)Rules/79 dated 15.11.1980 on conveyance Allowance Rules for executives and Reimbursement of Local Travelling Expenses for executives, the following decisions may be noted;

1. The reimbursement of conveyance charges incurred by the officer as a part of an official tour to outside stations from headquarters, for example, the cost of journey from residence to us station/railway station/air port and back will continue to be made as per the existing rules since this is not covered under the Conveyance Allowance/Reimbursement or Local Travelling Expenses Rules for executives.

2. The officer who is sanctioned conveyance allowance by the competent authority will give his option in the prescribed form (Enclosure-I) for drawing this as Conveyance Allowance or under the scheme of Reimbursement of Local Travelling Expenses and the above form will be sent to C.P.M. and C.F.A. as regards officers placed at Head Office and to Heads of Personnel and Finance Departments in Projects. If it is drawn as conveyance allowance, this amount will be paid along with salary every month. If the option is exercised for reimbursement of local travelling expenses, the Finance Department will reimburse the amount by 15th of each month after directly receiving the certificate given at Enclosure II from the Officer concerned before 7th of every month. There need not be any further sanction etc.

***

Enclosure-I

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

I have been sanctioned Conveyance Allowance of Rs._____ (Rupees _____) per month, vide Office Order No. _____ dated _____ for use of my Car/Motor Cycle/Scooter/(indicate any other type of vehicle).

I hereby opt to draw the amount as "Conveyance Allowance/Reimbursement of local travelling expenses".

Place: Signature of the Officer
Date: Name & Designation

* Strike out whichever is not applicable.
(The Officer who is sanctioned conveyance allowance is to submit this form in duplicate one to DGM (Per) and one to GM (Fin).

DGM (Per)
GM (Fin)

***

Enclosure-II

NATIONAL MINERAL DEVELOPMENT CORPORATION LIMITED

CERTIFICATE

THIS IS TO CERTIFY THAT I have maintained a Car/Scooter/Motor Cycle bearing No._____ which is registered in my name and is owned by me, in proper running condition and have utilised the same in the performance of official duties. Expenditure, wholly, exclusively and necessarily incurred on the maintenance and running of the aforesaid vehicle in connection with the official duties during the period from _____ to _____ was in excess of Rs. _____ (Rupees_____).

Signature:

Name:
Designation:

***

Circular No.1(51)Rules/79 dated 13.03.1981

Consequent upon the introduction of the Scheme for grant of Conveyance Allowance to the executives of the Corporation, the following guidelines are laid down for the use of staff cars at Head Office;

1. Staff Cars will continue to be provided, subject to availability, to the officers in receipt of conveyance allowance in the following cases;

1.1 while proceeding on tour or on return from tour from residence/office to Bus stand/Railway station/Airport and vice-versa; Normally Officers should however avail of public transport/vehicle and claim local allowance as part of TA.

1.2 for performing official journeys in the company of a Corporation guest, if space is otherwise available.

1.3 for official journeys outside of Hyderabad/Secunderabad

2. Staff Cars shall not, however be provided to the officers in receipt of conveyance allowance in the following

2.1 for travelling from residence to office and back on working days;

2.2 for travelling from residence to office and back on holidays;

2.3 for journey between R & D Labs and Head Office or vice-versa;

2.4 for journey to office during odd hours;

2.5 for any meetings or work within the municipal limits Hyderabad/Secunderabad.

3. It is clarified that the staff car shall continue to be used by the Chief Personnel Manager or his authorised representative in his absence for attending to sudden emergencies such as accidents, illnesses, arrival of important dignitaries, etc. for which their presence may be needed.

4. The requisitions for the vehicles, in all the cases mentioned in para(1) above shall have to be made by the concerned officers.

***

Letter No.1(51)/Rules/79 dated 22.02.1982

Sub: Conveyance Allowance/Reimbursement of local travelling expenses.

The rules on the above subject were circulated vide this office circular of even number dated 15.11.1980. In accordance with the above Rules, conveyance allowance is being granted to the officers posted at Head Office and other units of the Corporation. In this connection following clarifications are issued:

1. Whenever there is a change of place of posting from one Project/Unit/Office to another Place/Project/Unit/Office, the employee who has been granted conveyance allowance should re-

apply for grant of conveyance allowance in the new place of posting after joining the new place, giving the required justification etc for the same.

2. The grant of conveyance allowance at one place shall not entitle an employee to get transferred the same grant/permission to another place due to the fact that the justification for asking for grant of conveyance allowance will be different at different places,

3. If conveyance allowance is being drawn by any employee after going to a new place of posting by virtue of having the said allowance in the previous place, without having got a new sanction at the new place, the amount paid at the new place towards this may have to be refunded unless otherwise suitable approval is taken by the employee for grant of this allowance from back date, viz the date of joining/drawal of such an allowance at the new place.

This is for information and necessary action.

***

Letter No. 1(51)/Rules/79 dated 22.02.1982

Sub: Conveyance Allowance-regarding.

In accordance with para 6 (v) of NMDC Conveyance allowance Rules, the Corporation vehicle if any, placed at disposal of an employee who has been granted conveyance allowance shall be withdrawn immediately. Kindly see that this is enforced with immediate effect if not done so far. Also please ensure that the vehicles thus withdrawn are kept in a pool to be under the control of an officer who does not draw any such conveyance allowance so that he will be completely responsible for controlling the movement of such pooled vehicles and also the respective drivers, in addition to being responsible for care and maintenance of such vehicles.

You are also requested to immediately furnish the details of the parts of the project areas where the journey by car/motor cycle/scooter has been declared either unsafe for journey or not practicable for journey due to road conditions. If this declaration has not been done so far, this may also be carried out with immediate effect under intimation to us.

This is for information and necessary action.

***

Letter No. 1(54)/Rules/78 dated 22.06.1982

Sub: Grant of Conveyance Allowance to blind and orthopeadically handicapped employees of the Corporation

In continuation of this office letter of even number date 24.11.1980 on the above subject, I am to inform you that it has been decided that the scheme for grant of conveyance allowance to blind and orthopeadically handicapped employees of the Corporation shall be implemented with effect from 01/08/1978. The allowance may be sanctioned to the eligible employees after obtaining a declaration from them to the effect that they were physically handicapped as on 01/08/1978.

***

Letter No.1(50)/Rules/79-Vol.II dated 20.06.1989

Sub: Grant of Conveyance Allowance.

While reviewing the proposal for grant of Conveyance Allowance to the employees' of the Projects/Units, it has been observed that such proposals do not contain certain information. It is, therefore, requested that while forwarding such applications, the following information may be sent to Head Office:

I To be indicated in the application form itself:

1. The type of vehicle viz. Car, Motor cycle, Scooter, Moped etc with horse-power, since this information is not properly filled-in in the form.

2. Date from which the conveyance allowance is recommended by the Controlling Officer.

3. Basic pay of the executive in the case of grant of conveyance allowance for use of Car.

II To be indicated in the covering letter itself :

1. RC book of the vehicle and the driving license of the employees have been checked and found correct.

2. Use of employee's own vehicle is necessary for meeting the duty requirements of the employees and they are actually using the vehicle for the purpose.

***

Office Order No.1(54)/Rules/78 dated 02.02.1991

It has been decided that the payment of Conveyance Allowance to the blind and Orthopaedically handicapped employees of the Corporation shall be regulated as under:

1. Executives in HPPC pay scales.

   @ 5% of their basic pay, subject to a maximum of Rs.100/- per month, with effect from 16/04/1987.

2. Junior Officers.

   @ 10% of basic pay plus adhoc relief-I, subject to a maximum of Rs.100/- per month with effect from 16/04/1987. On revision of their pay scale, the rate of Conveyance Allowance would be calculated @ 5% of revised basic pay, subject to a maximum of Rs.100/- per month.

3. Workmen.

   @ 10% of basic pay subject to a maximum of Rs. 100/- per month during the period from 16/04/1987 to 31/12/1988.

   @ 5% of basic pay subject to a maximum of Rs.100/- per month, with effect from 01/01/1089.

All other terms and conditions governing the grant of Conveyance Allowance to the blind and orthopaedically handicapped employees, shall remain the same.

***

Office Order No.1(51)/Rules/79 dated 22.07.1992

The Competent Authority has been pleased to empower the Heads of Projects/Mines as indicated below to sanction the conveyance allowance/ reimbursement of local travelling expenses under the relevant Rules/Schemes in respect of all the employees working under their control:

1. Sr. General Manager/General Manager, Bailadila-5
2. General Manager, Bailadila-14
3. General Manager, Donimalai
4. General Manager/Project Manager, Panna

***

Office Order No. 1(51)/Rules/79 dated 23.6.1993

In terms of the office order of even number dated 13.6.1991, the rates of Conveyance Allowance payable to Executives covered by both IDA and CDA pattern have been regulated. It was clarified vide office order of even number dated 30.7.1991 that Executives who are covered by HPPC recommendations and in the pay scale of Rs.3700-5000 (E4) and above only are entitled to Conveyance Allowance for maintenance of Car.

The matter has been examined further and in partial modification of the said order dated 30.7.1991, the Competent Authority has been pleased to grant Conveyance Allowance to the Executives both covered by IDA and CDA pattern in E2 grade of pay scale of Rs.3000-4500 CDA/3100-5150 IDA and above, who own car and use the same for official purpose at the rates indicated in the office order dated 13.6.1991. These orders shall be effective from 16.6.1993. Others terms and conditions of office order dated 13.6.1991 will remain unchanged.

***

Order No.1(51)/Rules/96/007/97 dated 15.02.1997

The employees at Head Office and R&D Centre, who are not drawing any allowance under NMDC (Conveyance Allowance) Rules, 1974 and whenever required to attend official duties outside are at present entitled to reimbursement of conveyance charges at Rs.2.80/km for their journey from office to outside workspot and back, up to a maximum of Rs.30/- per month. The respective controlling officers have been authorised to sanction this amount and where the amount exceeds the limit, the Head of the Departments approval has been prescribed.

As the ceiling of Rs.30/- per month was fixed a long time back and in view of steep rise in petrol cost and auto charges, the matter has been examined and the Competent Authority has approved with immediate effect to enhance the ceiling limit to Rs.75/- per month, towards conveyance charges, subject to the condition that the concerned employees do not claim any conveyance allowance/local travelling allowance for moped/scooter/ motorcycle/car etc.

In case the expenditure exceeds the revised limit of Rs.75/- approval of the concerned Head of the Department is required.

***

Office order no.1(51)/Rules/79/Vol. II/30/2001
dated 29.10.2001

The Board of Directors in its 352 meeting held on 12.10.2001 has approved the following revised rates of Conveyance Allowance to the Executives and Jr Officers in the IDA pay scales for use of own conveyance for official work:

1. Motor Cycle/Scooter of 1.0 HP and above
   All Executives and JOs in IDA scales of pay - Rs.600/- p.m.

2. Moped/power driven vehicle of less than 1.0 HP
   All Executives and JOs in IDA scales of pay - Rs.300/- p.m.

   The above revised rates are effective from 01.11.2000

3. The above amount of Conveyance Allowance is based on the present retail petrol price of Rs.31.70 per litre as applicable for Hyderabad as base price for a monthly consumption of petrol of 10 litres for Moped/power driven vehicle of less than 1.00 HP and for 15 litres of petrol for Scooter/Motor Cycle of 1.00 HP and above.

4. Future revision in petrol price as notified by the Government over and above the base price of Rs.31.70 per litre shall be reckoned for increase/decrease in the quantum of Conveyance Allowance based on the monthly consumption fixed as above and correspondingly the quantum of Conveyance Allowance shall undergo a change as under:

a) Any reduction in the base price (Rs.31.70 per litre of petrol) shall not be taken into consideration for revision.

b) The petrol price prevailing on the last day of the month shall only be taken into account for giving effect to revision from 1st of the succeeding calendar month.

c) Amount of monthly increase/decrease in petrol price will be multiplied by 10 litres or 15 litres as may be applicable and the sum so arrived at will be rounded of in such a way that fraction of less than 50 paise will be ignored and fraction of 50 paise and above will be rounded off to the next rupee for monthly revision of Conveyance Allowance.

d) Any increase/decrease in the Conveyance Allowance shall be notified by the Corporation from time to time which will be applicable uniformly to all the units of the Corporation.

All other terms and conditions governing payment of conveyance Allowance shall remain unchanged.

***

Office Order No:1(51)/Rules/79 date 23.08.2005

The Board of Directors in its 384th meeting held on 28.7.2005 has approved following amendments in the NMDC Employees Conveyance Allowance Rules:

1. Eligibility for Conveyance Allowance for Car — Executives in E1 & above of IDA Pay Scales.

2. Conveyance Allowance for Car:

   Executives in IDA Pay Scales of:-

a) E-1 to E-2	Rs. 1900 pm	Effective from 01.04.2005
b) E-3 to E-5	Rs. 2450 pm	
c) E-6	Rs. 2700 pm	
d) E-7 & above	Rs. 2950 pm	

3. Reimbursement of Maintenance expenses for Car/Motorcycle/ Scooter/Moped

   Employees who are utilizing their own vehicle for official work and drawing Conveyance Allowance shall be eligible for the reimbursement towards maintenance expenses equal to two months conveyance allowance drawn by them on certification basis (proforma enclosed) which will be paid in two instalments in a financial year along with salary for the month of August and January and it shall be effective from 2005-06 onwards. However, during 2005-06 first instalment may be paid along with salary for Sept. 2005. For the purpose of reimbursement of maintenance expenses for Motor Cycle / Scooter & Moped as above, the Conveyance allowance payable for Motor Cycle/ Scooter & Moped for the month of August every year shall be taken as base.

4. NMDC Employees Conveyance Allowance Rules shall stand amended to the extent as above and all other terms and conditions governing the payment of Conveyance Allowance shall remain unchanged.

CERTIFICATE

(to be submitted on or before 10th August)

I hereby certify that during the Financial Year _____ an amount more than Rs. _____ has been incurred by me towards maintenance of _____ owned by me and used for official work for which I have been granted Conveyance Allowance.

Name
Designation
Department
UEC No

***

Office Order No.1(10)/Rules/72 dated 12.09.2005

Sub: Grant of Conveyance Advance for purchase of Car/Motor Cycle/Scooter/Moped and rate of interest on Conveyance Advance.

The Board of Directors in its 384th meeting held on 28.7.2005 has approved following amendments in the NMDC Advances (Grant & Recovery) Rules for grant of Conveyance advance to the employees wef 01.04.2005.

1.Eligibility for grant of Conveyance advance for purchase of Car	Executives in E-1 & above pay scales
2. Conveyance Advance:	
A) For purchase of Car	Amount of Advance
i) Executives in E-1 to E-4 Scale of Pay	Limited to a maximum amount of 90% of the ex-factory show room cost of Maruti 800 or actual whichever is less.
ii) Executives in E-5 Scale of Pay & above	Limited to a maximum amount of 90% of the ex-factory show room cost of Maruti Zen or

	actual whichever is less.
B) <u>For purchase of Scooter / Motorcycle:</u>	
Executives, JOs & Workmen in RS6 (RG) & above	Limited to a maximum amount of 90% of the ex-factory show room cost of Bajaj Chetak Met Scooter or actual whichever is less. [As per present show room price of Bajaj Chetak Met at Hyderabad the max. admissible amount is Rs.27,292/-]
C) <u>For purchase of Moped</u>:	
Executives/JOs/Workmen	Rs.20,000/- or actual cost of Moped whichever is less.

3. <u>Rate of Interest on Conveyance Advance :</u>

i) for Car	6% p.a.
ii) for Scooter/Motor Cycle/Moped	4% p.a.

4. It has also been approved that if any Executive in E-1 and above pay scales has not drawn any Car advance earlier and is not eligible for grant of the same due to drawal of Conveyance advance for three times for purchase of lower types of vehicle, he shall be considered for grant of Conveyance Advance for purchase of Car only once subject to repayment of earlier advance, if any, and fulfilling other conditions for grant of Conveyance Advance.

5. The revised rates of interest on Conveyance Advance as at 3 above shall also be applicable in respect of outstanding Conveyance Advance of the employees as on 1.4.2005 onwards.

6. The relevant provisions of NMDC Advances (Grant & Recovery) Rules shall stand amended to the extent as above. Other terms and conditions of the NMDC Advance (Grant & Recovery) Rules for grant of Conveyance Advance shall remain unchanged.

7 Pending applications, if any, may be considered as per these amended Rules.

8. This issues with the approval of the Competent Authority.

CERTIFICATE

(to be submitted on or before 10th August)

I hereby certify that during the Financial Year _____ an amount more than Rs. _____ has been incurred by me towards maintenance of _____ owned by me and used for official work for which I have been granted Conveyance Allowance.

Name
Designation
Department
UEC No

***

NMDC Foreign Service Rules

1.0 **Title and Commencement:**

1.1 These rules may be called "The NMDC Employees' Foreign Service Rules, 1999".

1.2 These rules shall come into force from the date of approval by the Board of Directors.

2.0 **Applicability:**

2.1 These rules will be applicable to all regular full-time employees of the Company.

2.2 These rules do not apply to the employees of the Company going on tour to project site abroad.

2.3 For the purpose of the rules, family shall mean employee's spouse, legitimate and step children wholly dependent on the employee.

3.0 **Employees eligible to take their families:**

3.1 Excepting the Head of the project no other employee will normally be allowed to take his family to the project site.

3.2 In any other case, specific prior approval of the Chairman-cum-Managing Director will be required.

3.3 The period of proposed stay at project site will normally be indicated in the posting order and may be increased or curtailed at the sole discretion of the Management.

4.0 **Pay and allowances:**

4.1 <u>Home salary</u>

4.1.1 Home salary viz. basic pay reduced by slab deduction as per relevant orders of Ministry of External Affairs + HRA + CCA will be paid in Indian rupees in India by the Division/Unit to which an employee deputed to the project site may belong depending on the existing place of posting if the family is left behind in India. If however, an employee is permitted to take his family abroad, then the Home Salary will be restricted to pay reduced by slab deduction as per

relevant orders of the Ministry of External Affairs payable in Indian Rupees in Indian.

4.2 Foreign Allowance

4.2.1 Foreign allowance shall be paid in the currency of the country of posting or in US Dollars as per Ministry of External Affairs Rules. The rates and the conditions under which such allowance shall be paid will be decided by the Management, from time to time based on the conditions prevalent in the country of posting and the orders of Ministry of External Affairs/Government of India.

4.3 Hard-duty Allowance

4.3.1 Hard-duty allowance at rates that may be prescribed by the Management from time to time which is intended to mitigate hardships due to lack of infrastructure and other basic facilities of life necessitating extra pay outs may be granted for postings to the place of working in mineral bearing areas which are far away from main Cities and involve camping for geological investigation etc.

4.3.2 Depending on the nature of work/duration of stay the Chairman-cum-Managing Director will decide about the entitlement of Foreign Allowance and Hard-duty Allowance and also whether the posting is of short or long duration for payment of these two allowances.

4.4 Children Education

4.4.1 For child/children studying in India the provisions of 'NMDC Comprehensive Educational Assistance Scheme' will apply and reimbursement will be made in Indian currency by the Unit to which an employee may belong.

4.4.2 Reimbursement of expenses for a maximum of two children studying abroad in the country of posting may be allowed to those employees permitted to take their families abroad as per rules applicable to Government of India employees, if any, posted to that country in the currency of country of posting of the employee.

5.0 Medical Facilities

5.1 Abroad

5.1.1 Wherever national health scheme or social security scheme is available the company shall pay both the employer's and employee's contribution.

5.1.2 In places where no such health scheme is available suitable arrangements shall be made by the Project Head to appoint authorized medical attendants in line with the rules applicable to Government of India employees, if any posted to that country. The claims submitted by the employees on the basis of medical advice by such authorized

medical attendants designated for the purpose shall be reimbursed in full. In cases where authorized medical attendants are not appointed claims of the employees at the project site shall be decided on merits of each case by the Project Head.

5.2 In India

5.2.1 In respect of all other members of the family left behind in India the provisions of 'NMDC Employees' (Medical Attendance Treatment and Reimbursement Rules, 1996)', will apply subject to the condition that the total reimbursement for outpatient treatment shall not exceed the prescribed annual ceiling reduced by such sum which may be notified from time to time, payable in Indian currency every quarter.

6.0 **Housing**

6.1 Abroad

6.1.1 Free austerity-basis furnished accommodation at a scale which may be decided by the project head and approved by the Management from time to time may be provided to the employees at project site. Charges towards electricity, water, fuel, etc, will be borne by the employees by themselves.

6.2 In India

6.2.1 Employees who are in occupation of Company owned or leased accommodation will be permitted to continue occupation thereof for the bonafide use of their families. If Company accommodation is not availed of House Rent Allowance will be admissible in India with reference to the actual place of living of the employee's family and will be paid by the parent unit subject to prevailing Company's rules and regulations on the subject. No House Rent Allowance will normally be admissible if an employee is a Bachelor. However individual cases of hardship where the dependent parents of a bachelor employee are residing with him in Company accommodation or otherwise may be considered by the Management on merits of each case for continued provision of the existing facility.

6.2.2 Messing Facilities

6.2.2.1 Wherever messing facilities are provided by the company the employees will be required to pay such sum towards food items which will be determined by the Project Head from time to time.

6.2.2.2 Transport

6.2.3.1 No transport will be provided except for performing official duties.

7.0 **Outfit Allowance**

7.1 An employee posted to a foreign site shall be entitled to the following outfit allowance which is intended to assist in meeting the expenditure involved in initially providing himself with clothing and such other items as may be required for living abroad:

As per TA rules:

Group A	Rs.2,500/-
Group B	Rs.3,000/-
Group C	Rs.3,500/-
Group D	Rs.4,000/-
Group E	Rs.4,500/-

7.2 Half of the amount as admissible can be claimed in foreign currency at the option of the employee concerned.

8.0 Transfer Grant

8.1 A transfer grant equivalent to one month's basic pay plus DA will be admissible to an employee posted to Project Site abroad. Half of this amount may be claimed in foreign currency at the option of the employee concerned in the case of employees permitted to take their families to the project site abroad.

8.1.2 No Transfer Grant will be admissible if the employees family is not disturbed and continues to reside in the projects township. In the case of those who are in occupation of Company-leased accommodation or are drawing HRA, transfer grant will be admissible only if the employee's family shifts from the previous station of posting to any other place in India.

8.1.3 Similarly on his posting back an equivalent amount as mentioned above shall be payable in Indian Rupees, if an employee is posted to a station other than the place at which his family is residing, requiring the resetting up of domestic establishment.

8.1.4 Employees will also be permitted to leave their families and household effects at any place in India for which purpose they will be reimbursed against submission of documentary evidence, the actual amount of expenditure incurred will limited to their entitlement under NMDC Employee's (Travelling Allowance) Rules, 1990. Such place shall be treated as the place of normal residence of the family of the employee concerned left behind in India for all purposes during his posting to the project site abroad. Similarly, reimbursement will also be made when employee is repatriated to India and shifts his family to the place of posting.

9.0 Salary Advance

9.1 <u>In India</u>

9.1.1 An amount equivalent to one month's basic pay shall be paid as advance in Indian Rupees before an employee is relieved in India for posting to the project site. This amount shall be recovered by the parent unit in three equal monthly installments from the month following that in which the employee concerned reports for duty at the project site.

9.1.2 An amount equivalent to one month's basic pay as advance of pay for re-establishing the family on arrival back in India will also be admissible. The same will be recovered by the parent Unit or Units to which an employee is posted on repatriation from the project site abroad, as the case may be in three equal monthly installments from the month following that in which the employee concerned reports for duty in India on repatriation from the project site.

9.2 Abroad

9.2.1 An amount equivalent to one month's Foreign Allowance shall be admissible as advance on arrival at the project site, which will be recoverable in three equal monthly installments from the month following that in which the employee reports for duty at the project site abroad.

10.0 **Joining Time**

10.1 Employees who are posted to the project site abroad will be allowed in India joining time of six clear working days exclusive of Sundays and Holidays, for preparation plus the actual journey time by the shortest route, limited to the day of travel only. The joining time cannot be availed of in the country of posting.

10.2 Similarly on repatriation to India employees will be allowed joining time which can be availed of in the country of posting in India or enroute at their discretion. However, for the period of joining time an employee will be paid joining time pay and allowances in India and in Indian Rupees. No Foreign Allowance will be admissible for such joining time. However notional DA will be taken into account for this purpose.

11.0 **Travelling Allowance**

11.1 For onward journey:

Employees will be provided single Economy/Entit½led Class Air Ticket. Those who are permitted to proceed with family will also be provided with an air ticket each at full rates for spouse and child/children above 12 years of age and half or concessional ticket in economy/entitled class as actually charged by the Airlines.

11.1.2 Airport Tax paid by the employee at the port of embarkation in India shall be reimbursed in full against documentary evidence.

11.1.3 Baggage Allowance @25 kgs per full ticket and 12½ kg for half ticket (over and above the free allowance given by the Airlines) shall be admissible.

11.1.4 In addition to the above additional baggage as indicated below may be availed of by surface/sea:

i) 1,000 kgs, if individual is accompanied by family or
ii) 500 kgs, if individual is a bachelor/not accompanied by family.

Note: The additional baggage as in Rule 11.1.4 above will be allowed to be converted into air freight subject to the expenditure being limited to the ocean freight payment. However, this facility will be allowed for return journey only.

11.2 TA for journey upto the point of embarkation.

11.2.1 Employees proceeding from various units/divisions of the Company on foreign posting will be entitled to travel in the class permitted in the NMDC Employees' (Travelling Allowance) Rules, 1990, for journey up to the point of embarkation.

11.2.2 Additional baggage within the maximum limit as in para 11.1.4 above can be availed of by the employees proceeding from a unit/division to the point of embarkation for going to the Foreign Project Site as per NMDC Employees' (Travelling Allowance) Rules, 1990.

11.2.3 For return journey.

For return journey (including from the point of disembarkation) all the entitlements as mentioned in Rule 11.1 and 11.2 shall be admissible).

11.2.4 Additional foreign exchange in lieu of income tax.

An additional foreign allowance will be admissible equal to the actual amount paid as Income-tax on the salary drawn by the employee in a financial year. The payment of additional foreign allowance to the employee will be made in one lumpsum at the final assessment and Income-tax on his salary in that financial year OR on pro-rata basis if the employee is transferred to Headquarters in the middle of the financial year.

12.0 **Leave**

12.1 Employees posted at Project Site shall continue to be governed by NMDC Leave Rules or Standing Orders as the case may be of the Company.

12.2 Normally no employee posted abroad shall be permitted to avail of any portion of leave which has not accrued to him at project site abroad except in exceptional circumstances like self sickness. However, no

foreign allowance will be admissible for leave availed of abroad but earned in India.

12.3 Hours of Work

12.3.1 The hours of work abroad shall correspond to the hours of work in India if the same does not amount to contravention of the local laws of the country of posting. However, the same can be adjusted by the Project Head incorporating the local laws, site conditions etc.

12.4 Overtime

12.4.1 Normally, the employees will not be required to work on overtime and they will make sincere efforts to finish the work allotted to them within the stipulated time as directed by the Project Head. However, employees will have to work on overtime if directed by the Project Head in the interest of the company.

12.5 Holidays

12.5.1 Holidays shall be declared for each calendar year as per local laws applicable to the industrial establishment in the country of posting, apart from the three National Holidays observed in India, ie Republic Day, Independence Day and Gandhi Jayanti.

13.1 **Leave Travel Concession**

13.1.1 Leave travel concession for the block(s) of years not availed of upto the date of an employee's return to India can be availed by him on his return or carried forward to the next one or two blocks depending on the number of LTCs at the credit of the employee concerned at that time.

13.2 LTC for family left behind in India

13.2.1 Family members left behind in India will be entitled to avail of LTC from the place of their residence in India as per Rules.

14.0 **Encashment of Earned Leave.**

14.1 Employees maybe allowed to encash their Earned Leave in accordance with the normal rules of the Company. Encashment of leave earned in India shall be paid in Indian Currency only as per rules. However, the payment on account of encashment of leave earned abroad may be allowed in the country of posting with reference to Basic Pay and Dearness Allowance an employee is in receipt of on the date of sanction, and at the exchange rate prevailing on the date of encashment.

15.0 **TA on Tour**

15.1 For tours within the country of posting, Daily Allowance as prescribed, from time to time, by the Management will be paid in addition to the train or air fare, as the case may be, and as decided by the Head of the Project Site.

15.2 For tours outside the country of posting, including tours in India the employees will be governed by the rules as may be applicable from time to time to other employees working in India. All tours outside the country of posting should have the prior approval of Chairman-cum-Managing Director.

16.0 **Leave spent in India/places other than the Country of posting.**

16.1 Full Foreign Allowance will be admissible if the total period of leave including holiday(s) prefixed/suffixed does not exceed 30 days.

16.2 In case, the total period exceeds 30 days, for such excess periods, Foreign Allowance will be admissible @ 50% of the normal rate only up to the period not exceeding 60 days. However, no Foreign Allowance will be admissible for leave availed of in excess of 60 days.

NOTE: The foreign allowance will be payable as per these rules only in respect of leave earned in the country of posting abroad.

17.0 **Repatriation**

17.1 Except in case of self-sickness, where the employee has been hospitalized during the first year of posting and it has been certified by the Authorized Medical Attendant designated for the purpose that the sickness of the employee concerned is not likely to be cured within a reasonable time and his repatriation to India is inevitable or if an employee after joining the Project Site subsequently wishes to return to India for any reason, whatsoever, he will be governed by the following provisions:

a) Within six months of joining the Project Site	Shall bear the cost of passage both ways ie initial onward and return including visa fee paid, if any. He will also not be entitled to any transfer grant or TA/DA for self and/or family, as the case may be, even if the posting in India is to a station other than the one where the family was allowed to stay during the period of his posting.
b) Beyond six months but within 12 months of his joining the Project Site.	Shall bear the cost of return passage. The employee may be reimbursed the expenditure involved in TA/DA and visa fees incurred by him for himself. He will not, however, be entitled to any transfer grant or TA for the family even if the posting in India is to a station other than the one where the family was allowed to stay during the period of his posting abroad.
c) Beyond one year of his	The initial onward and return passage will be

joining the Project Site.	borne by the Company. The employee concerned will be allowed the excess baggage on return passage to the extent it was permitted to be brought by air from India. Other facilities like entitlements of salary/advance, joining time, TA and DA for self, up to the point of embarkation while leaving for India and from the point of the disembarkation in India to the place of posting as also TA for family if the posting is to a station other than the place where the family was permitted to stay during the period of his posting abroad will also be allowed. The employees will not, however, be entitled to the transfer grant.

17.2 In all these cases, the employee concerned will be permanently repatriated to India. Mere compliance with the stipulation at (a), (b) or (c) above will not confer or constitute a right on an employee to get himself repatriated to India from overseas site. Each case will be decided by the Chairman-cum-Managing Director on its merits depending on the exigencies of Company work.

17.3 Any employee posted in Project Site abroad can be recalled at any time by the Chairman-cum-Managing Director without assigning any reason or giving any notice.

17.4 In case the employee is refused continued residence in the country of posting by the local Government due to the employee's misconduct, the employee shall be repatriated at his own cost to India.

17.5 Before proceeding on posting abroad, the employee may be required to go through detailed medical examination by the Doctor nominated by the Company and may be posted abroad only if found medically fit. Nevertheless, if on arrival in the country, the employee is medically found unfit and has to be repatriated, the employee shall have no claim on the Corporation on this account. Therefore, it is the responsibility of the employee to ensure that he has no health problem for working abroad.

17.6 In case of an unfortunate death of an employee during the service of the foreign posting, it will be the responsibility of the Company to dispatch the dead body to India, if the kith and kin so desire, at the cost of Company, including personal effects and savings of the deceased in the foreign country.

18.0 **Other General Condition**

18.1 While abroad, the employees will devote their whole time and attention to the work for which they are being sent and will carryout to the best of their abilities, in accordance with the instructions given to

them by the Project Head or other authorized officers of the Company, from time to time.

18.2 During posting abroad, no employee shall be entitled to take up private practice or work and shall not be engaged or interested either directly or indirectly in any capacity whatsoever in any trade, business or occupation other than the business of the Company.

18.3 While abroad, the employees will conduct themselves in such a way, which will advance the business interest and reputation of the Company and the country. In case they find themselves in any difficulty either with the Company clients or Government or local authorities, they should report the matter to the Project Head or an officer authorized by him in the country of posting and abide by his instructions.

18.4 The employees will abide by all laws, rules and regulations of the Government or other local authorities in the country of posting. They will also abide by the Foreign Exchange Regulations in India and in the country of posting.

18.5 No employee shall indulge in any act construed as misconduct during foreign posting. The employees shall be subject to the NMDC Employees' (Conduct, Discipline and Appeal) Rules, 1978, or the Standing Orders of the Company as the case may be as amended, from time to time.

19.0 Local Language

19.1 The employees posted abroad may be required to acquire a working fluency in speaking the local language or an appropriate language prescribed by the Management in its discretion within a period of 12 months from the date of posting abroad, failing which the employee may be liable to be recalled to India. If necessary, the employee may undergo, with prior approval of the Project Head, a reasonable training tuition, the expenses of which maybe borne by the Company.

20.0 Recovery of CPF on Home Salary (Basic Pay + DA)

20.1 Contributory Provident Fund recovery shall be made on the element of pay reduced by slab deduction as per the relevant order of Ministry of External Affairs/decision of the Management.

21.0 Payments and Recoveries

21.1 <u>In India currency</u>

21.1.1 All payments in respect of claims which arise in India such as home salary, reimbursement of expenses of children education, medical, Transfer TA, etc, shall continue to be made by the concerned Unit of the employee after effecting necessary recoveries on account of CPF,

GSLI, HBA, vehicle advance, Income Tax, etc, as per existing the rules/arrangements.

21.1.2 For the above purpose, the concerned Site Management above will furnish every month an Absentee Statement to the concerned Unit covering the period from 11th of a month to 10th of the following month for regulating the entitlements of the concerned employees.

21.1.3 All the recoveries effected shall continue to be remitted by the parent Unit to the agencies concerned as hitherto fore.

21.1.4 The expenses incurred on employees posted to Project Site abroad will be debited by the Units concerned in accordance with the instructions on the subject.

21.1.5 In cases where the recoveries are more than the payments due to an employee in a particular month the same will be held in suspense and adjusted in subsequent month(s). However, if the recoveries continue to be more than the payments due in Indian Rupees, the employee concerned will be required to give a standing authority to his parent Unit to claim its payment from his non-resident or other Bank account maintained in India.

21.1.6 Any items of furniture, utensils or other articles provided to the employee for his use while in the country of posting will remain the property of the Company and the same shall be returned by the employee to the Project Head or as directed by him while leaving the country of posting.

21.1.7 If any dues are found to be outstanding against the employee including those wrongly sanctioned by the Project authorities abroad and found to be recoverable after repatriation of the employee the same shall be recovered from out of the dues/future emoluments payable to the employee.

21.2 <u>In Foreign Currency</u>

21.2.1 Site Office will prepare a bill for payments due in foreign currency ie Foreign Allowance, etc, payable to the employees posted at Project Site. This will be paid by Site Office after effecting the recoveries to be made in foreign currency on account of advances taken abroad, if any, Income Tax etc.

22.0 Rate of Exchange

22.1 Facilities for remittance of savings to India at the prescribed exchange rate will be made available to the employee at his option through the Project Site office. This will be subject to the rules of the foreign country applicable to the repatriation of savings to India and the relevant rules of the Government of India.

23.0 Miscellaneous

23.1 Income Tax liability accruing in India will be met by the employees themselves and the Company for this purpose will be authorized by them to make deductions from their salaries.

23.2 All employees posted abroad shall on repatriation to India, file whatever claims they may have with regard to their stay abroad within a period of two months of their leaving the foreign country, so that these claims could be scrutinized and settled within the shortest possible time.

23.3 The employees shall be required to furnish an Undertaking-cum-Bond to the Company before they are posted to the Project Site abroad in the form and manner as may be prescribed by the Company from time to time (Annexure A).

23.4 Chairman-cum-Managing Director may relax any of the provisions of these Rules in individual cases for reasons to be recorded in writing.

23.4.1 Chairman-cum-Managing Director reserves the right to modify, cancel or amend all or any of these Rules or any supplementary Rules issued in connection with the Rules, without any previous notice of the intention, as well as the right to give effect to these Rules from the date of issue.

23.4.2 In case of any dispute the power to interpret these Rules finally vests with the Chairman-cum-Managing Director.

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ANNEXURE A

To be executed on a non-judicial stamp paper
of the value of Rs.50/-

UNDERTAKING-CUM-BOND

NMDC Limited
Masab Tank
Hyderabad

I am under orders of posting to the Company's foreign Project at _____ as _____.

OR

I took over as _____ on _____ in the Company's foreign Project at _____.

I undertake to serve the Company (NMDC) as _____ or in any other capacity as NMDC may, from time to time, designate me during my posting abroad at _____ or such other place(s) outside India as NMDC may from time to time decide. I further undertake that-

1. I shall serve NMDC at the stations outside India wherever I may from time to time be posted, until I am recalled to India and I shall not during the period of my service abroad apply/seek or accept any other employment in India or abroad.

2. On termination of my posting abroad, I shall within the time allowed return to India and shall serve NMDC in India for a period of at least two years after my return to India.

3. I expressly agree that in case I resign from the service of NMDC, my resignation shall not become effective till it is accepted by NMDC and the acceptance thereof is communicated to me in writing. NMDC shall have the right to refuse to accept my resignation, *inter-alia* in case the aforesaid service period of two years mentioned in clause (2) above has not expired.

4. I shall not for a period of five years from the date of termination of my foreign posting for any reason whatsoever engage myself in any manner whatsoever in any activity prejudicial or detrimental to the interest of NMDC.

5. In the event of non-performance/non-fulfillment or non-compliance on my part of any of the above provisions, I shall, on NMDC's first demand pay to NMDC by way of compensation a sum of –

   *i) Rs.2,00,000/- (Rupees Two Lakhs only) (in the case of Executives)

   *ii) Rs.1,25,000/- (Rupees One Lakhs twenty-five thousand only) (in the case of non-executive)

   *Strike off whichever is not applicable.

   I further agree and declare that payment of compensation by me as aforesaid, or recovery of the amount of the said compensation by NMDC shall not relieve me of my obligation in terms of clause (4) above and the provisions of the said clause (4) would still be binding on me and I undertake to fulfill the same.

6. I further undertake to abide by all the terms and conditions of NMDC Employees' Foreign Service Rules, 1999, as amended from time to time.

7. This Undertaking-cum-Bond shall be without prejudice and in addition to any other right and/or remedies of NMDC and my liabilities and obligations in the matter of employment in NMDC.

(Signature and
designation of employee)

Station:
Date:

Witnesses:

1.

2.

***