

**DEFINED CONTRIBUTION PENSION SCHEME**  
**OF**  
**FOOD CORPORATION OF INDIA**  
 (Under Department of Food and Public Distribution (DFPD))  
 Ministry of Consumer Affairs, Food & Public Distribution, Govt. of India)

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**FOOD CORPORATION OF INDIA**  
**FCI DEFINED CONTRIBUTION PENSION SCHEME RULES**

**CHAPTER-I**

**1.0 NAME OF THE PENSION SCHEME AND EFFECTIVE DATE:**

- (a) Name of the Pension Scheme: This scheme may be called FCI Defined Contribution Pension Scheme.
- (b) Effective Date of the Pension Scheme: Effective date of the Pension Scheme shall be 1<sup>st</sup> December, 2008.

## FOOD CORPORATION OF INDIA

### FCI DEFINED CONTRIBUTION PENSION SCHEME RULES

#### CHAPTER-II

#### 2.0 DEFINITIONS:

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

(i)	ACT	Shall mean the Income Tax Act, 1961 and The Indian Trust Act 1882, as the context requires.
(ii)	ACCUMULATED CONTRIBUTION/CORPUS	Shall mean the aggregate of Corporation and Member's contribution and interest accrued thereon in a Member's account as on the date of Normal Retirement age or the date of separation from the Corporation whichever is earlier.
(iii)	ANNUITY	Shall mean the immediate or deferred annuity or annuities, payable by the Annuity Service Provider(s) to the Member and/or his Beneficiaries as per these Rules.
(iv)	APPROVED SUPERANNUATION FUND	Shall mean a Superannuation Fund of the FCI Defined Contribution Pension Scheme or any part thereof, which has been and continues to be approved by the Commissioner of Income Tax (CIT) in accordance with Part-"B" of the Fourth Schedule to the Income Tax Act, 1961.
(v)	ANNUITY SERVICE PROVIDER	Shall mean LIC of India or any other Insurance Companies approved by Insurance Regulatory and Development Authority (IRDA) for payment of immediate or deferred Annuity, with which Trust has entered into an

		agreement for payment of Annuity to the Members and/or Beneficiaries as per these Rules. There may be more than one Annuity Service Provider.
(vi)	ANNUITY PURCHASE PRICE	Means the Cost of Annuity
(vii)	BASIC PAY	Pay as defined by DPE and reckoned for the purpose of Provident Fund.
(viii)	BENEFICIARY	<p>Shall mean a Member of the Pension Scheme and in case of death of the Member, shall mean his spouse and/or child or children and/or dependents of the Member or any such other person as nominated by the Member in respect of whom the benefits are payable under these Rules.</p> <p>PROVIDED that where there is any difference of opinion as to who is the Beneficiary in the event of the Death of the Member, the decision of the Board of Trustees shall prevail.</p>
(ix)	BOARD	Shall mean Board of Directors of Food Corporation of India.
(x)	BOARD OF TRUSTEES	Shall mean Board of Trustees of FCI Defined Contribution Pension Scheme.
(xi)	CPSE	Shall mean the Central Public Sector Enterprises
(xii)	Corporation	Shall mean Food Corporation of India, having its Registered Office at Khadya Sadan, 16-20, Barakhamba Lane, New Delhi 110001.
(xiii)	CHAIRMAN OF TRUST	Shall mean Chairman of the Board of Trustees of FCI Defined Contribution Pension Trust.
(xiv)	CHILDREN	Shall mean legitimate children and includes adopted children if the Board of Trustees are satisfied that under the personal law of the

		Member, adoption of a child is legally recognized.
(xv)	CONTRIBUTION	Shall mean amount payable by the Employer and the Member as specified in Chapter-V of this Scheme.
(xvi)	COMMISSIONER	Shall mean the Chief Commissioner/ Commissioner of Income-Tax (CIT), having jurisdiction over the FCI defined Contribution Pension Trust.
(xvii)	CONTRIBUTORY SERVICE	Shall mean the period of actual service rendered by a Member for which the contributions to the Fund have been received or are receivable as per the provisions of these Rules.
(xviii)	COST OF ANNUITY	Shall mean the money deposited with the Annuity Service Provider for payment of Annuity/deferred annuity as per the provisions of these Rules.
(xix)	EMPLOYER	Shall mean Food Corporation of India and every power, authority and discretion vested in the Corporation shall be exercisable by the Chairman and Managing Director (CMD) of the Corporation.
(xx)	ELIGIBLE EMPLOYEES	Shall mean Category I, II, III & IV employees who are eligible to join the Pension Scheme as per these Rules.
(xxi)	EXISTING EMPLOYEES	Shall mean Category I, II, III & IV employee who are on regular rolls of the Corporation on the effective date of the Pension Scheme.
(xxii)	ENTRY DATE	Shall mean:  (i) in relation to the Employees who have joined the Corporation on regular rolls on or before the Effective Date shall be 1 <sup>st</sup>

		<p>December, 2008.</p> <p>(ii) In relation to the Employee who admitted to the benefits under the Scheme after the Effective Date, the date of joining the Corporation on regular rolls but does not include an employee who has come on deputation from Central or State Government.</p> <p>(iii) When an employee joins the Corporation after resigning from another CPSE having broadly a similar pension scheme as that of the Corporation then the entry date shall be the date on which he comes on the regular roll of the Corporation and such employee shall make his due contribution from such date. The pension to such an employee shall be admissible if his total continuous service in the Corporation on the date of normal superannuation together with the continuous service in the immediate previous CPSE/CPSES from where he is joining the Corporation is not less than fifteen years. The past continuous service render at the previous CPSE/CPSES shall be taken in to account for working out 15 years only in cases where the balances standing in the name of such employee in the previous CPSE/CPSE having broadly a similar pension scheme as that of the Corporation are transferred to the Corporation Pension fund with in a period of 6 months from the date he comes on the regular roll of the Corporation clearly indicating the employee's and the CPSE's contributions</p> <p>(iv) In relation to an employee who joins the Corporation after resigning either from the other CPSE not having a broadly similar pension scheme as that of the Corporation or any other organization not being a CPSE ( irrespective of whether such pension scheme exists in that organization or not), joins on</p>
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		<p>regular rolls of the Corporation, the entry date for such an employee shall be the date on which he comes on the regular rolls of the Corporation and the Employee and Corporation's contribution shall be payable from such entry date. But Pension to such employees shall be admissible if his total service in the Corporation on the date of normal superannuation is not less than 15 years unless otherwise provided in these rules.</p> <p>(v) In respect of Employees joining from Central or State Government either on deputation or otherwise the date on which such employee joins the regular scale and service rendered in Government shall not count for determination of 15 years.</p> <p>(vi) In relation to an employee who comes on deputation to the Corporation from any other CPSE or joins the Corporation with a lien from another CPSE , the entry date shall be the date on which he comes on regular rolls of the Corporation after absorption or termination of lien, the Corporation's and such employee's contribution to the fund shall be payable from this date. The pension to such employees shall be admissible if his total continuous service in the Corporation on the date of normal superannuation is not less than 15 years provided that continuous service rendered in the CPSE from where the employee is co-opted for deputation or the CPSE or where he is holding lien shall be taken in to account for determining 15 years if the CPSE is having broadly similar pension scheme as that of the Corporation and the balances standing at the credit of such employee are transferred to the Corporation's Pension Fund with in a period of 6 months from the date of coming on the roll of the Corporation clearly indicating the</p>
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		Employee's and CPSE's contributions.
(xxiii)	FINANCIAL YEAR	Shall mean a period of twelve months or part thereof beginning from 1 <sup>st</sup> April of the year and ending on 31st March of the following year.
(xxiv)	FUND	Shall mean the FCI Defined Contribution Pension fund.
(xxv)	FAMILY	Shall mean Family as defined in the Provident Fund Rules of the Corporation.
(xxvi)	PERMANENT TOTAL DISABLEMENT	Shall mean such disablement of permanent nature as incapacitates an Employee for all work which he/she was capable of performing at the time of disablement, regardless of whether such disablement is sustained in the course of duty or otherwise and which results in cessation of employment with the Corporation.
(xxvii)	MEMBER	Shall mean Member of the FCI Defined Contribution Pension Scheme.
(xxviii)	MASTER POLICY	Shall mean the Policy issued by the Annuity Service Provider, which incorporates the various Annuities effected under the Scheme for the benefit of the Members
(xxix)	NORMAL RETIREMENT AGE	Shall means the age of 60 years or any other age as may be declared/prescribed by the Corporation from time to time on which an employee superannuates from the services of the Corporation as per the terms and conditions of service.
(xxx)	NOTIFICATION DATE	Shall mean such date on which the Scheme is notified by the Corporation.
(xxxi)	PENSION	Shall mean the Annuities payable under the Rules from the Annuity Service Provider.
(xxxii)	PENSIONER	Shall mean the person who is in receipt of



		Pension under these Rules.
(xxxiii)	RULES	Shall mean the Rules of the Pension Scheme as herein set out and any amendments made thereto from time to time with approval of the Corporation
(xxxiv)	SALARY	Shall mean the Basic Pay including Special Pay and Personal Pay and stagnation pay, if any, and Dearness allowance payable to an Employee while on duty in accordance with the terms and conditions of his employment, but does not include any bonus/performance related payment/allowances by whatever name called etc, payable to the Employee.
(xxxv)	SECRETARY TRUST	Shall mean any person appointed to act as Secretary to the Trust by the Board of Trustees.
(xxxvi)	SCHEME	Shall mean FCI Defined Contribution Pension Scheme as described in these Rules
(xxxvii)	SEPARATION	Shall mean cessation of service of the member with the Corporation otherwise than by Superannuation or Permanent Total Disablement or Death.
(xxxviii)	SUPERANNUATION	Shall mean the date on which the Member attains the Normal Retirement Date.
(xxxix)	SERVICE RULES	Shall means the rules applicable to the Employees of the Corporation including the Conduct, Discipline and Appeal rules and other Conditions of Service/Rules framed and implemented by the Corporation in relation to terms and conditions of service of its Employees.
(xl)	TRUSTEES	Shall mean the Trustees appointed/ nominated in Trust from time to time for FCI Defined Contribution Pension Scheme.
(xli)	TRUST	Shall mean the FCI Defined Contribution

		Pension Trust under which the Scheme is established to which the Employer and the Members shall contribute their respective contributions more particularly defined hereinafter.
(xlii)	TRUST DEED	Shall mean the Trust Deed executed by the Corporation and the first Trustees for the purpose of administering the Scheme in accordance with the provisions thereof and shall include any amendments made thereto by appropriate deeds of variation.

## FOOD CORPORATION OF INDIA

### FCI DEFINED CONTRIBUTION PENSION SCHEME RULES

#### CHAPTER-III

#### 3.0 ELIGIBILITY & REQUIREMENTS FOR MEMBERSHIP

- a) All Category I, II, III & IV Employees on regular rolls of the Corporation as on the Effective Date i.e on 01/12/2008 shall become members of the Scheme from the Effective date provided the service rendered by them on the regular scale of the Corporation as on the effective date plus the service to be rendered by them in the Corporation subsequent to this date till their normal date of superannuation is not less than fifteen(15) year with the exception of those who have retained Central Government Pension benefit.
- b) All Category I, II, III & IV employees except trainees and adhoc/contractual employees, joining the Corporation on regular rolls on or after the Effective Date shall be eligible to join the Scheme from the date of joining the Corporation provided their total service from the date of joining the regular rolls of the Corporation till the normal date of their superannuation is not expected to be less than 15 years.
- c) The scheme shall not be applicable to Employees on deputation unless they are absorbed in the Corporation after severing their connection with the previous employer.
- d) Employees of the Corporation on deputation to other Organisation/Service would continue to be covered by the scheme provided the Corporation's and Employee's contribution for the period of deputation would be payable by the Organisation/Service of deputation. In case the Organisation/Service of deputation does not have provision for such payment, the same shall be payable by the employee concerned.
- e) Employee(s) of the Corporation, who joined/are joining other Organisation by retaining lien of service, would continue to be covered by the scheme provided the Corporation's and Employee's contribution for the period of lien would be payable either by the employee or his employer.

**3.1 TRUSTEES DECISION REGARDING ELIGIBILITY FINAL:** The Corporation's decision regarding the eligibility of an employee for the purpose of the scheme shall be final and binding on all the parties concerned.

**FOOD CORPORATION OF INDIA**

**FCI DEFINED CONTRIBUTION PENSION SCHEME RULES**

**CHAPTER-IV**

**ADMINISTRATION OF THE PENSION TRUST**

**4.0 FUND CONSTITUTED UNDER AN IRREVOCABLE TRUST**

The Fund shall be constituted under a Trust established in India. This shall be an irrevocable Trust save with the consent of all the beneficiaries and provisions of Income Tax Act, 1961. No moneys belonging to the Fund in the hands of the Trustees shall be recoverable by the Corporation under any pretext whatsoever nor shall the Corporation have any lien or charge of any description on the same save as herein provided.

**5.0 MANAGEMENT OF THE FUND**

The custody, control and management of the Fund shall be vested in a Board of Trustees constituted by the Corporation which shall only be responsible for and accountable to the Members and/or the Corporation and any Statutory Authorities for proper accounts of the fund including receipt and payment of money from the fund and the money remaining in the custody and for proper investment and accounting of the pension fund and payment of pension benefits as per the provisions of these rules to the Members/Beneficiaries.

**6.0 Nomination of Trustees:** Board of Trustees shall consist of representatives from Employers as well as Employees who are members of the Scheme except the Chairman and the independent members. The maximum number of the Members of the Board of Trustees shall be Eleven (11) including the Chairman of the Board of Trustees. The Managing Director of the Corporation shall be the Chairman of the Trust and other Members shall be as follows:

- a) Management Representatives:** Four (4) Trustees, who are members of the scheme, to be nominated/ appointed by the Managing Director.

- b) **Employee Representatives:** Three (3) Trustees of the representatives of Staff Union and One (1) from the Officer's Association of the Corporation to be nominated/ appointed by the Managing Director.
- c) **Independent Experts:** One (1) independent legal and One (1) independent Asset Management Expert are to be appointed by the Managing Director.

## **7.0 TRUSTEES TO ACT FOR MEMBERS AND THE EMPLOYER**

The trustees shall act for and on behalf of the Members and the Corporation, in all matters relating to the Scheme and every act done by the Trustees shall be binding on the Members and the Corporation.

### **7.1 SECRETARY TO THE BOARD OF TRUSTEES**

Board of Trustees may appoint any person to act as Secretary to the Board of Trustees. Secretary shall exercise such power as delegated to him by the Board of Trustees or specifically provided hereinafter.

### **7.2 TERM OF OFFICE OF THE TRUSTEES**

The term of office of a Trustee shall be **three years** from the date of nomination/appointment. An outgoing Trustee shall be eligible for re-election or re-nomination for further period of three years. A Trustee elected or nominated to fill the casual vacancy shall hold office for the remaining period of the term of the Trustee in whose place he is elected or nominated.

### **7.3 CHANGE OF TRUSTEES**

In the event of a Trustee resigning his office or a Trustee being unable to continue in office, consequent to death, retirement, resignation/ termination, from the service of the Corporation or separation from the services of the Corporation on any other ground or transfer or otherwise, his vacancy shall be filled in the manner laid down in Rules 6 above, and on every such appointment the fund shall vest in the continuing and new Trustees.

### **7.4 RESIGNATION BY TRUSTEE**

A Trustee may resign from his office by giving 15 days notice in writing addressed to the Chairman, Board of Trustee and his office shall fall vacant from date on which the Chairman accepts his resignation.

## **7.5 CESSATION OF TRUSTEESHIP**

A Trustee ceases to be a Trustee on the Board if he

- (i) ceases to be an Employee of the Corporation, or
- (ii) ceases to be a Member of the Fund, or
- (iii) is a nominee or representative of an Employees representative body and the same body ceases to be representative body any more or is de-recognized by the Corporation or
- (iv) is promoted/aligned to different category of employee other than the one, whose association/unions/body has nominated him as Trustee or
- (v) incurs any of the disqualifications mentioned in the Rule 7.6 below.
- (vi) fails to attend three consecutive meetings of the Board without obtaining leave of absence from the Chairman of the Board of Trustees. Provided that the Chairman, Board of Trustees may restore him to Trusteeship, if he is satisfied that there were reasonable grounds for such absence.
- (vii) goes out of India for more than six month or permanently or by reason of his illness or infirmity or unsoundness of mind has in the opinion of the Chairman of the Trust become incompetent or incapable of acting as Trustee and the Board of Trustees passed appropriate resolution in their meeting to this effect.

## **7.6 DISQUALIFICATIONS FOR TRUSTEESHIP**

A person shall be disqualified for being a Trustee of the Fund:

- a) if he is declared to be of unsound mind by a competent court; or
- b) if he has been convicted of an offence involving moral turpitude; or
- c) he is an undischarged insolvent; or
- d) he has applied to be adjudicated as an insolvent or
- e) he is found guilty of misappropriating moneys or property of the Corporation or of the Trust.

## **7.7 FILLING OF CASUAL VACANCIES**

In the event of any Trustee ceasing to be a Trustee during the tenure of the Board, his successor shall be appointed, in the manner hereinbefore provided for in Rule 6. Vacancy in Board of Trustees should be filled within three months. If any vacancy of Trustee has not been filled in, no proceedings or act of Trustee shall be invalid by reason only of the existence of any vacancy or any defect in their appointment.

Provided that the Trustee(s) so appointed shall hold office for the unexpired term of the Trustee(s) in whose place he has been appointed.

**7.8 REMOVAL OF TRUSTEE:** The Board of Trustees may with the approval of MD remove

from office any Trustee if in its opinion the said Trustee has ceased to represent the interests which he purports to represent on the Board.

Provided that no such Trustee shall be removed from office unless reasonable opportunity is given to such Trustee and the Body, whom he represents, of making any representation against the proposed action.

**8.0 TRUSTEES' POWER TO EMPLOY ANY PERSON FOR MANAGEMENT**

The Board of Trustees shall with the consent of the Corporation in writing, shall have power to appoint any person or persons with requisite qualifications to act as Actuary, Secretary or Secretaries or the Manager or Managers or Registrars of the Trust at such remuneration and on such terms and conditions and with such powers as the Board of Trustees may think fit. The Board of Trustees may also employ any person or persons to do any legal, accounting, financial/investment management, taxation, auditing, or any other work, which they may consider necessary or expedient in connection with the management of the Trust or of the assets thereof. The Trustees shall have power at any time to dispense with the services of such person or persons subject to the approval of Employer.

**9.0 TRUSTEES' POWER TO OPERATE BANK ACCOUNT:**

Any two persons where one person is either Secretary to the Trust or Trustee, acting jointly, shall on behalf of the Board of Trustees, operate the Bank Accounts of the Fund and discharge, receive or otherwise dispose off, as may be necessary any investments of the Fund including investment in Government Securities, State Development Loans, Interest warrants, scheme of insurance/Annuity etc. relating to the Fund.

**10.0 MEETING OF THE BOARD OF TRUSTEE**

- 1) The Board of Trustees shall meet at such place and time as may be appointed by the Secretary with prior approval of the Chairman, Board of Trustees.



- 2) Board of Trustees shall meet at least once in every quarter and at least four times in a financial year.
- 3) Maximum duration between two meetings should not be more than 180 days.
- 4) The Secretary may with prior approval of the Chairman and within fifteen days of the receipt of a requisition in writing from not less than four Trustees shall call a meeting thereof.

#### **10.1 NOTICE OF MEETING AND LIST OF BUSINESS:**

Notice of not less than 15 days from the date of posting, containing the date, time, place and nature of business to be conducted at every meeting shall be sent to each Trustee.

Provided that when the Secretary, with the prior approval of the Chairman, 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.

#### **10.2 CHAIRMAN TO PRESIDE AT MEETINGS:**

The Chairman shall preside at every meeting of the Board at which he is present. If the Chairman is absent at any time, the Trustees present shall elect one of them to preside over that meeting and the Trustee so elected shall exercise all the powers of the Chairman at the meeting.

#### **10.3 QUORUM FOR THE MEETING:**

At any meeting of the Board of Trustees, two Trustees representing the Employer and two representing the Employees, shall form the quorum for the meeting.

If at any meeting the number of Trustees is less than the required quorum, the meeting shall stand adjourned to a date & time 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 lawful to dispose of the business at such adjourned meeting irrespective of the number of Trustees present.

#### **10.4 DISPOSAL OF BUSINESS:**

Every question considered at a meeting of the Board shall be decided by a majority of the votes of the Trustees present and voting. Each Trustee is entitled to one vote. In the event of an equality of votes, the Chairman shall have second and 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 Trustees and by securing their opinion in writing. Any such question shall be decided in accordance with the opinion of the majority of Trustees received within the time limit allowed and, if the opinions are equally divided, the opinion of Chairman shall prevail with his casting vote.

#### **10.5 MINUTES OF MEETING:**

- (a) The Secretary shall maintain minutes of the meeting of the Board of Trustees showing inter alia the names of the Trustees of the Board present there and after obtaining the approval of the Chairman shall circulate the minutes to all Trustees, present in India. The minutes shall thereafter be recorded in minute's book as a permanent record.

Provided that minutes can also be maintained in any electronic medium such as in computer file, CDs, etc.

Provided, further, that minutes shall be circulated to the Trustees at the earliest and in all situation before the next meeting of the Board of Trustees.

- (b) The minutes of each meeting shall be put up before the Board of Trustees for confirmation in the next meeting and in case of any modifications/amendments in the minutes, it shall be reissued with such modifications/amendments.
- (c) The Secretary shall take necessary steps for carrying out the decision of the Board of Trustees.
- (d) A resolution in writing signed by the Chairman Trust or Secretary Trust shall be valid and effective as a resolution passed at a meeting of the Trustees duly convened and held.

- #### **10.6 DELEGATION OF POWER OF BOARD OF TRUSTEES TO COMMITTEE/SUB COMMITTEE:**
- The Board of Trustees may delegate any of their powers to a Committee or Sub committee consisting of such Members of their body as they shall think fit. The Committee/Sub Committee so formed shall in the exercise of the Power so delegated, work in accordance to the direction of the Board of Trustees, if any.

- 10.7 ABSENCE OF A TRUSTEE AND POWER OF REMAINING TRUSTEES:** If any Trustee or Trustees is temporarily absent from India, the remaining Trustees who are in India shall during such absence have full powers to act under the Trust as if they were the only Trustees of these present.
- 10.8** The Trustee shall comply with and carry out all such directions as may be given to them by the Corporation from time to time in relation to any matter in respect of which the Corporation has power under these presents to determine and decide. A certificate issued by the authorised officer of Personnel Division of the Corporation as to the admission of any Member or as to the death of any Member or his Age, retirement/dismissal from the service of the Corporation shall constitute a good and sufficient authority to the Trustee and shall be conclusive as to all facts stated therein.

## FOOD CORPORATION OF INDIA

### FCI DEFINED CONTRIBUTION PENSION SCHEME RULES

#### CHAPTER- V

#### CONTRIBUTION STRUCTURE

- 11.0** The contribution shall be duly paid by the Corporation to the Trustees in respect of each Member at the rate mentioned in paras below on the relevant dates specified hereinafter.
- 11.1 EMPLOYER CONTRIBUTION:** Corporation will contribute towards the FCI Defined Contribution Pension Scheme at the rate notified as per Rule 11.1.1 below.
- 11.1.1 NOTIFICATION OF PENSION CONTRIBUTION RATE:** Corporation will contribute towards the Pension Scheme at the rate of 10% of Basic Pay and DA or such other percentage as may be notified by the Corporation with the approval of the Central Government from time to time subject to the condition that the total post-retirement benefits comprising of Gratuity, Provident Fund, Post-Retirement medical Benefits and Contributory Pension shall not exceed 30% of Pay and DA or such other percentage as may be fixed by the Government
- 11.1.2 INITIAL CONTRIBUTION:** Initial contribution would be paid by the Corporation in respect of past services of the eligible members, for the period commencing with the Entry Date or 01.12.2008 whichever is later. This initial amount payable by the Corporation in respect of each Member shall be paid in staggered manner over two years.
- 11.1.3 Ordinary monthly contribution -** Subject to the provision of these presents the ordinary monthly contributions payable by the employer shall be paid to the trust by 15<sup>th</sup> day of every month succeeding the month to which the contribution pertains for credit to the individual eligible member's account. These contributions shall be payable to the members account through the trust till the date of severance of the member from the Corporation due to superannuation, death, or total permanent disablement, which ever happens earlier.

**11.2. MEMBER CONTRIBUTION:** Members contribution means any sum contributed by the employee in terms of percentage of his salary that may be made mandatory by the Corporation from time to time. Presently, the members shall be liable to contribute to the fund at the rate of 2% (Two percent) of their Basic pay + DA as mandatory contribution from the effective date of this scheme.

**11.2.1 MEMBER'S VOLUNTARY CONTRIBUTION:** The employees shall also have the option to make 'voluntary contribution' from Salary into the pension fund. For this purpose, the employee shall be required to indicate the fixed percentage of his Basic Pay and DA per month (subject to a maximum of 25% of basic pay and DA) that will be contributed to the scheme. Such option shall be exercised at the time of entry to the scheme itself. The members shall have the option to alter the rate of contribution once in a financial year. Such option will have to be exercised by 15<sup>th</sup> March of the year and the rate opted for will be applicable for the next financial year. In such cases, the deduction of voluntary contribution shall commence from the salary of month of April following.

The Member's Contribution and the Voluntary contribution shall be deducted by the Corporation from the salary of the members every month at the time of payment of the salary and shall be deposited with the trust by 15<sup>th</sup> of the month succeeding the month to which the salary pertain for credit to his individual account.

**11.2.2** Initial Voluntary contribution-shall be the funds transferred to the trust on member's account from any other CPSE's Pension fund of which he was the member before joining the Corporation provided such transfer is permissible under these rules and the transferred fund is distinctly segregated in to the employee's and Employer's contribution. The amount included in the transferred fund towards employee's contribution shall be shown as initial contribution of the member and amounts shown as CPSE's (Employer) contribution shall be shown as initial contribution of the Corporation.

### **11.3 CONTRIBUTION IN CASE OF MEMBERS SERVICES LENT ON DEPUTATION/ SECONDMENT & CONTINUITY OF MEMBERSHIP**

- (i) In the event of a Member's service being lent on deputation or seconded to any other Corporation, firm, association or concern being under the

Management or associated with the Corporation, or to any other CPSE or Government, for the purpose of these Rules, the Member's services shall be deemed to be continuous and uninterrupted provided:

- (ii) During such period the contributions payable by the Corporation and Employee shall continue to be paid to the Trust by the new employer. The new Employer may either pay itself the employer's contribution and recover the employee's contribution from his pay and transfer the entire contribution to the Corporation by 15<sup>th</sup> of the month succeeding the month to which the contribution pertains. In case the employer does not contribute, the concerned employee shall remit the Corporation's contribution along with his own by the due date to maintain continuity.

**11.4 MEMBER'S RIGHT OF LIEN OVER THE POST AND HIS CONTINUITY IN MEMBERSHIP**

In case a member joins another CPSEs but maintains lien over the employment with the Corporation, the employee's and employer's contribution for the lien period shall continue to be remitted to the FCI Defined Contribution Pension Scheme by the scheduled date either by the said CPSE or the employee himself. In case the the said CPSE or the Employee does not pay the these contributions , the member may apply for transfer of the accumulated corpus in his account to that organization where the member has joined. In case there is no Approved Superannuation Fund in that Organization the Accumulated Contribution in the member's account shall not be transferred and he shall be entitled to amount standing to his credit in the member contribution as on the date of leaving the Corporation.

**11.5 CONTRIBUTION DURING THE PERIOD OF LEAVE:** In case of any kind of sanctioned leave including study leave with pay as per the Corporation's Service Rules, the Corporation's contribution under the Scheme shall be payable only up to period he is paid the leave salary. In case of study leave, on exhaustion of leave salary, no contribution shall be paid by the Corporation and the contributions shall recommence from the date the Member rejoins the Corporation.

**11.6** In the event a Member is sanctioned leave without pay, neither Employer nor Employee contribution shall be payable for the period of leave without pay.

**11.7 CONTRIBUTION DURING THE PERIOD OF SUSPENSION:** During the period of suspension neither Employer Contribution nor Employee Contribution shall be payable. However, in the event of a suspended Member being reinstated, the

Employer contribution under the Scheme for the period of suspension may be payable on the recommendation of the disciplinary authority constituted under the Corporation's Rules.

**12.0 PAYMENT OF CONTRIBUTIONS TO TRUSTEES:** The Corporation shall pay the Corporation's Contribution and Members contribution, if any, collected by the Corporation, to the Board of Trustees by 15<sup>th</sup> of the month following the month of deduction.

**13.0 MEMBERS ACCOUNT:** All contribution payable under these rules shall be accounted against the individual Members Pension account separately under the heading of Corporation's Contribution and Member's Contribution. Interest shall also be credited to the respective members pension account separately for the employee's and Corporation's contribution. All figures of account shall be rounded to the nearest rupee, 50 paise or more shall be counted as the next higher rupee and less than 50 paise shall be ignored.

**13.1 ANNUAL STATEMENT:**

As soon as possible and latest within six months from the close of the year, every Member shall be given a statement of accounts which will contain details of Corporation's and Member's Contribution and interest paid by the Trust on such Contribution. Statements shall be made up to date at the interval of one year. Such statement shall be accepted as correct and binding on the Members save that if any manifest error shall be found therein and notified by the Member to the Secretary in writing within one month after the date of receipt of such statement.

**14.0 TRANSFER OF MEMBER'S CONTRIBUTION TO OTHER SUPERANNUATION/PENSION FUND**

In the event of any Member resigning from the services of the Corporation and joining another CPSE having an approved Defined Contribution Pension Scheme, the entire amount of Corporation's and Member's contribution along with interest accrued thereon shall be transferred to such CPSE, on receipt of request from the concerned Member. However, in case of Members who resign from the services of the Corporation to join another CPSE, not having similar Pension Fund or any other organization not being a CPSE (irrespective of whether such Fund exists in that organisation), shall not be allowed the benefits of transferring the Accumulated Contribution and in all such cases pension benefits shall be regulated as per the provisions of Rule-21.4 of these Rules.

**15. BANKERS OF THE FUND**

Trustee shall open an account of the Fund in a Post Office in India or in a current account or in a savings account with any scheduled commercial bank. All moneys received by the Fund by way of Contribution, interest, redemption of Investments or otherwise to the fund may be deposited in the account so opened or utilised for making payments under a scheme of insurance or for purchase of annuities referred hereinafter and settlement of pension benefits as per the provisions of these presents.



**FOOD CORPORATION OF INDIA**

**FCI DEFINED CONTRIBUTION PENSION SCHEME RULES**

**CHAPTER-VI**

**INVESTMENT OF TRUST FUND**

**16 (i)** All money received by the Trust shall vest in the Trustees and Trustees shall have power to utilise such money received by way of contribution, interest, and redemption of investments or otherwise to the fund, as per the provisions of the Rule-85 of the Income Tax Rules. All moneys received by the Fund may be deposited in the Bank account of the Fund or utilised for making payments under a scheme of insurance as per the provisions of these presents and Rule-89 of Income Tax Rules or for purchase of annuities referred hereinafter and settlement of pension benefits as per the provisions of these presents and to the extent such moneys as are not so deposited or utilised shall be invested in the manner specified in Rule-67 of the Income Tax Rules and/or any other applicable government guidelines.

**(ii)** In case of investment of fund as per Rule-67 of the Income Tax Rules, the securities shall be obtained in the name of Trust. The securities so obtained should be in dematerialised (DEMAT) form. The Board of Trustees shall maintain a script wise register and ensure timely realisation of interest and maturity value of investments.

**(iii)** The DEMAT Account should be opened through depository participants approved by the Reserve Bank of India and Central Government in accordance with the instructions issued by the RBI/Central Government in this regard. All such investments made, like purchase of securities, bonds etc should be lodged in the safe custody of depository participants, approved by the Reserve Bank of India and/or Central Government, who shall be the custodian of the same.

**(iv)** 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 the fund account.

**17.0 POWER OF TRUSTEES FOR SALE AND HYPOTHECATION ETC. OF THE INVESTMENTS:**

The Board of Trustees may from time to time, as and when necessary, raise such sum or sums as may be required for the purposes of the Fund by sale, hypothecation or pledge of the investments held by them or of a sufficient part thereof for the purpose of payment of pension benefits to the Members as per the provisions of these Rules.

**18.0 RECEIPT FOR MONEY RECEIVED BY TRUST:**

Receipt for money received by the Trust and endorsement on cheques, drafts and other documents, received by the Trust shall be made by the Secretary for and on behalf of the Trust.

**19.0 CONTROL OF THE FUND: -**

The Board of Trustees shall have entire control of the Fund and may delegate any of its powers to the Committee of Trustees or any Trustee or to any officials of the Corporation for performance of various functions on its behalf under these rules.

**FOOD CORPORATION OF INDIA**

**FCI DEFINED CONTRIBUTION PENSION SCHEME RULES**

**CHAPTER –VII**

**PENSION BENEFITS**

**20.0 BENEFITS ON NORMAL RETIREMENT AGE-SUPERANNUATION PENSION**

- (i) Upon retirement of a Member on reaching the Normal Retirement Age or on completion of tenure of Board level appointees, Member would be entitled to receive the pension benefits
- (ii) Pension shall become payable to the member only if he has put in minimum 15 years service rendered in continuity in the Corporation at the time of superannuation unless otherwise provided in these rules
- (iii) The service rendered in the Government prior to joining the Corporation would not count for the purpose of computation of total service in the Corporation
- (iv) The Board level executives are entitled for pension under the scheme provided their total service rendered in continuity in the previous CPSEs including the period of board level in the Corporation is not less than 15 years at the time of superannuation
- (v) In the event of an employee joining the Corporation after resigning from the continued service in CPSE / CPSES having broadly a similar pension scheme as that of the Corporation, the continuous service rendered in the CPSE/CPSES shall count for determining the minimum period of 15 years provided the entire amount of the employer's and employee's contributions along with interest accrued thereon are transferred to the Corporation.
- (vi) In the event of an employee joining the Corporation from a CPSE not having broadly similar scheme as that of the Corporation or an organisation not being a CPSE (irrespective of whether such a scheme exists in the organisation) shall not be allowed the benefit of the service rendered in these organisation for determining the minimum period of 15 years.
- (vii) Pension would be payable in the form of Annuity from the Annuity Service Provider. Annuity purchase price would be equal to the Accumulated

Contribution in the Member's Pension account including the amount, if any, transferred from previous employer(s) and interest thereon.

### **21.1 BENEFITS ON DEATH WHILE IN SERVICE- PENSION TO FAMILY**

- i) In the event of death of a Member while in service of the Corporation, the Family member(s) who has been nominated by the Member as Beneficiary(s), shall be entitled for payment of pension irrespective of whether the Member has completed 15 years of service in the Corporation or not.
- ii) Pension would be payable in the form of Annuity from the Annuity Service Provider. Annuity purchase price would be equal to the Accumulated Contribution in the Member's pension account on the date of death of the member including the amount, if any, transferred from previous employer(s) and interest thereon.
- iii) Where the nominee is more than one, the amount of pension will be distributed on the basis of stipulated percentage share in the nomination made by the Member and available with the TRUST. In case percentages are not indicated the amount of pension shall be divided equally.
- iv) In the absence of nomination, the amount of pension will be distributed among the legal heirs as per the Succession Certificate to be produced by such legal heir(s), from the appropriate court.

### **21.2 BENEFITS IN CASE OF TOTAL PERMANENT DISABLEMENT ON MEDICAL GROUND**

In the event a Member ceases to be in the service of the Corporation on account of Total Permanent Disablement duly certified by a Medical Board constituted for the purpose, he shall be eligible for pension benefits irrespective of whether the Member has completed 15 years of service in the Corporation. The annuity shall be based on the amount standing at his credit.

### **21.3 BENEFITS IN CASE OF VOLUNTARY RETIREMENT FROM SERVICE (VRS)**

In the event of the Member leaving the services of the Corporation under Voluntary Retirement Scheme (VRS)/ Voluntary Separation Scheme (VSS), pension benefits in such cases shall be regulated in terms of such schemes applicable in respect of employees as notified by the Corporation.

#### **21.4 BENEFITS IN CASE OF RESIGNATION ETC. PRIOR TO NORMAL RETIREMENT AGE**

- (i) In the event of separation of a Member on account of resignation, OTHER THAN CASES COVERED UNDER Rule 14.0 and cases of termination, dismissal, removals etc., payment of pension benefits shall be computed based on only Member's contribution, if any, and interest accrued thereon, as available in the Member's account as on the date of such separation from the service.
- (ii) Pension would be payable in the form of annuity from the Annuity Service provider.
- (iii) The undistributed amount of Employer's contribution and interest accrued thereon, if any, shall be transferred to the Surplus Account.

#### **21.5 PENSION BENEFITS IN CASES OF DISCIPLINARY PROCEEDINGS**

Pension benefits to the Member against whom disciplinary proceedings are going on at the time of superannuation shall be regulated as per the Services Rules of the Corporation.

#### **21.6 PENSION ON DEATH OF A MEMBER WHILE IN SERVICE**

In case a regular member of the scheme dies before putting in 15 years of service in the Corporation prior to superannuation and his Spouse not living or nominated, the nominated beneficiary and if none then the Member's Estate shall opt for purchase of annuity based on full accumulation standing in the demised Member's account (Corporation's contribution, Member's contribution Including voluntary and initial contributions and the interest accrued thereon) from Life Insurance Corporation of India or any other IRDA approved Insurance Company as per the option exercised and frequency of payment selected by the Nominee or the Estate of the Member as the case may be.

#### **21.7 BENEFITS ON CESSATION OF SERVICE ON ACCOUNT OF DISCIPLINARY PROCEEDING:**

If the Member ceases to be in Service as a result of Disciplinary Proceedings initiated against him as per the Service Rules, the Employee's Contribution including additional voluntary contribution, if any, along with accrued interest shall, subject to Income Tax Rules, 1962, as may be applicable, be refunded to the Employee after settling all his dues payable to the Corporation and after deduction of charges, if any.

## **21.8 BENEFITS LIS PENDENS:**

In the event a Member, against whom judicial proceedings are instituted or disciplinary proceedings are contemplated /instituted before the Normal Retirement Date, attains the age of normal retirement and becomes eligible for grant of pension under the Scheme, the benefits of pension to such Member shall be kept in abeyance till the outcome of such proceeding. If such Member is found guilty of offence pursuant to the judicial proceeding and/or disciplinary proceedings, as the case may be, warranting cessation of his service had he continued in the service, only the Employee's Contribution including additional contribution by the Employee, if any, along with interest shall be refunded to him, after settling all the dues payable by him to the Corporation and deduction of charges, if any.

## **21.9 BENEFITS ON SUDDEN DISAPPEARANCE AND UNKNOWN WHEREABOUTS OF MEMBER:**

In the event if any Member while in Service suddenly disappears and his whereabouts are unknown, the pension benefits shall be payable to his Beneficiary(s) after a lapse of a period of one year from the date of filing of FIR with the concerned police station and observing other formalities as prescribed by the Trustees.

## **21.10 COMMUTATION OF PENSION**

The benefits under the scheme shall be payable only in the form of the Annuity and no commutation shall be permitted.

## **22.0 GENERAL**

- i) The pension shall be paid to the Member as per the frequency chosen (monthly, quarterly, half yearly or yearly) and as per the pension option selected by him from the various options as offered by the Annuity Service Provider. Amount of Annuity would depend upon the Annuity purchase price and applicable annuity rates. The duration of pension payable to the Pensioner will be for the life time of the Pensioner or as opted by the individual Member under the various schemes of the Annuity Service Provider.
- ii) Pension Annuity would be payable from the next month following the month of Superannuation, Death while in Service, Total Permanent Disablement.

- iii) The Secretary, Trust shall intimate to the Annuity Service Provider in writing the pension option and the frequency selected by the Member. The option once chosen cannot be changed and it shall be final and binding on the retired Employer/Beneficiary.

**CHAPTER- VIII**  
**AUDIT AND ACCOUNTS**

**23.0 MAINTENANCE OF BOOKS OF ACCOUNT:**

- i) Books of Account of the Fund shall be maintained in India by the Board of Trustees. It shall contain details of all money received by the Trust and payment made by the Trustee, details of all investments, member's contributions, interest earned by the Trust, interest paid by the Trust to Members account and such other particulars as may be required to give true and fair view of the financial position of the Fund. Accounting records shall be maintained and financial statements shall be prepared as per the applicable law and accounting standards.
- ii) As soon as possible after the close of the every Financial Year, the Trustees shall prepare Income and Expenditure Account/Revenue Account for the year ended, Receipt and Payments Account and a Balance Sheet/Statement of Affairs as on the last day of the Financial Year.
- iii) Based on the income of the Trust (excess of income over expenditure), Board of Trustees shall decide the rate of interest at which the interest would be credited to the members account in proportion to the contribution in the respective members account on monthly running balance. However, if Trustees have entered into a Scheme of Insurance mentioned hereinafter with the Annuity Service Provider, interest shall be credited to the Members account at the rate notified by the Annuity service provider.

**23.1 AUDIT:**

- iii) Accounts of the Trust shall be audited by a Chartered Accountant or a firm of Chartered Accountants, in practice to be appointed by the Board of Trustees. Auditors shall have access to all books, papers, vouchers; documents connected with the Trust and shall submit their report in writing to the Board of Trustees. The same auditors shall not be appointed for two consecutive years and for not more than two years in a block of six years.
- iv) A copy of audit report, annual account and annual report by the Board of Trustees shall be placed in the meeting of the Board of Trustees for adoption every year within six months of close of the Financial Year. A Copy of the audited accounts of the Fund shall be furnished to the Corporation and other prescribed authorities.



## **CHAPTER-IX**

### **MISCELLANEOUS PROVISIONS**

**24.0 MEMBER NOT TO WITHDRAW:** - No Member shall be allowed to withdraw from the Pension scheme while he is still an Employee of the Corporation.

**24.1 MEMBER TO HAVE NO INTEREST IN THE MASTER POLICY/ SCHEME OF INSURANCE AND EMPLOYER NOT TO HAVE ANY INTEREST IN FUND'S MONEYS.**

(a) No Member/Beneficiary shall have any interest in the Master Policy taken out by the Trustees under the rules of a fund or in any investment otherwise made by the Trustees in accordance with the Rules of the Trust but shall be entitled to receive Pension Benefits in accordance with the Rules.

(b) No money belonging to the fund shall be receivable by the Employer under any circumstances nor shall the employer have any lien or charge on the fund.

PROVIDED ALWAYS that the Trustees shall administer the Scheme for the benefit of the Members and their Beneficiaries in accordance with the provisions of these Rules.

**24.2 RESTRAINT ON ASSIGNMENT OR ENCUMBRANCE**

The Benefits under the Schemes are strictly personal and cannot be assigned, charged or alienated in any manner whatsoever.

**24.3 AMENDMENT OF RULES**

The Corporation and Ministry of Food shall have the power to make any amendments in the Scheme/Rules. Any such amendment shall be approved by the Ministry of Food before modification of the Scheme. The Board of Trustees may review the availability of money in the Fund at periodic interval as may be deemed fit to decide any revision in the benefits payable under the Pension Scheme. Decision of the Board of Trustees shall be final and binding.

However, no alteration in the rules, constitution, objects or conditions of the Fund shall be made without the prior approval of the Commissioner Income Tax. No such amendment shall affect in anyway (i) pensions already paid by the Annuity Service Provider and (ii) benefits already secured as per the Scheme.

## **24.5 TRUST DEED TO PREVAIL**

Should anything contained in these Rules or in any alteration or amendment thereof be inconsistent with the objects or provisions of the Trust Deed, the provisions of the rules shall prevail. On any such discrepancy coming to the notice of the Trustees, the Trustees shall with the prior approval of the Commissioner of Income Tax take steps to amend the said Rules as soon as may reasonably be possible, so as to bring them in conformity with the provisions of the Trust Deed.

## **24.6 JURISDICTION**

The Master Policy issued under the Scheme shall be under the Indian Contracts Act. The Scheme will be subject to the laws of India including the Indian Insurance Act, 1938, as amended, 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, or any amendments thereto, the same shall be ineffective to the extent of repugnancy. The Trustees shall remove any such repugnance, if so directed by the Commissioner of Income Tax.

## **24.7 SCHEME OF INSURANCE**

- a). For the purpose of providing pensions to the Members, the Trustees may subject to the provision of Rule-24.7(b) enter into a scheme of insurance (Policy Contract) either with Life insurance Corporation of India or any IRDA approved life insurance company selected by the corporation. The insurer will issue a Master Policy to the Trust on mutually agreed terms and conditions, which may be varied mutually for subsequent years. All contributions of the Corporation and those of the employees received in accordance with these rules shall be applied by the trustees to the said Master Policy. The insurer shall without any delay transfer all contributions received from the trust in full to the Group superannuating fund of Food Corporation of India. The proceeds of the Group Superannuating Fund of the Food Corporation of India maintained by the insurer shall be invested by the insurer as per the regulations issued by the Pension Fund Regulatory of India or The Insurance Regulatory Authority or other statutory Authorities appointed by the Government for regulations of such investments. In terms of the said Master Policy every year, the insurer will allow interest on the balance standing to the credit of the running account at a rate to be determined by the Insurer. When pension becomes payable to the Member or his beneficiary consequent to his retirement or cessation of

service or in the event of his death or permanent disablement, the Insurer shall, advise the Trustees/Secretary Trust, the total amount (including all Corporation and Employee contribution) standing to the credit of such member and such member or his beneficiary shall apply this amount to buy the annuity of his option through trust either from the insurer or from some other annuity provider. Appropriate the accumulation of concerned Members to provide for payment of the pension according to the option exercised by the Member or his Beneficiary as the case may be. No member or any beneficiary shall have any right or claim against the insurer on its business or profits or assets.

- b) Alternatively, instead of entering into a Scheme of Insurance with the Annuity Service Provider, the Trustee may accumulate the contribution in respect of each beneficiary and purchase an Annuity from the said Annuity Service Provider for payment of pension benefits as per the provisions of these Rules.

#### **24.8 CONSOLIDATED CERTIFICATE AND STATEMENT OF ACCOUNT BY ANNUITY SERVICE PROVIDER**

In case a Scheme of Insurance is entered by the Trustee as per the provision of Rule-24.7-(a), the Annuity Service Provider shall issue to the Trustees within one month from the annual renewal date, a certificate indicating the total amount of fund as on the previous annual renewal date, the annuities effected in between the above two renewal dates and the final balance as at the last annual renewal date.

The Annuity Service Provider shall also issue to the Trustees within 2 months from the closing of the financial year, a consolidated certificate indicating the total corpus amount available including the interest as on 31<sup>st</sup> March along with consolidated statement of account of all the Members indicating the Employer/Employee contribution along with the accrued interest. The Trustees shall also issue a certificate indicating the opening balance, current year contribution and interest on the Employer and the Employee contribution as on 31<sup>st</sup> March of every year.

#### **24.9 EMPLOYER'S LIABILITY LIMITED TO THE BENEFITS UNDER ANNUITIES**

The Corporation is neither the Annuity Service Provider nor the guarantor of any Annuities purchased under these Rules and in the event of the Annuity Service Provider withholding any benefits in respect of any of the contracts under such Annuities that they may be issued owing to circumstances beyond the Corporation's

control or otherwise, the Employer shall be under no liability whatsoever to any Member entitled to the benefits secured by such Annuity or Annuities.

#### **24.10 DEDUCTION OF SUMS DUE TO INCOME TAX AUTHORITIES**

- a). In any case, where the Trustees or the Annuity Service Provider is liable to account to the income tax authorities for income tax on any payment due under the Scheme, the Trustees or the Annuity Service Provider shall deduct a sum equivalent to such tax from such payment and the Annuity Service Provider or the Trustees shall not be liable to the Corporation or Members for the sum so deducted.
- b). If the Scheme for any reason ceases to be approved by the Commissioner of Income Tax, the Trustees shall nevertheless remain liable to tax on benefits paid out of the Scheme in so far as such benefits are secured by the Contributions made before the Scheme ceased to be approved by the Commissioner of Income Tax under the provisions of "Part B" of the Fourth Schedule to the Income Tax Act, 1961.

#### **24.11 APPOINTMENT OF BENEFICIARY/NOMINEE**

- a) Every Member shall appoint his wife, one or more of children or dependants as Beneficiary or Beneficiaries under the Rules and indicate the percentages of the benefits to be received hereunder in the event of the death of the Member. If a Member dies while in service or before he has commenced to draw the pension or after he has commenced to draw the pension, the Trustees shall hold the benefits in force under the Annuities on the life of the Member 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 nomination made under this Rule shall be in writing, signed by the Member and attested by two witnesses and shall be according to the prescribed form and shall remain in full force and effect until the death of the Beneficiary or until the same has been revoked in writing by the Member by whom the same was made 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, if any, revoke or 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 certificate. The new nomination 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 Annuity Service Provider or the Trustees 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 or discharge to the Trustees, the Member must at the time of such appointment as aforesaid, appoint a person who has attained majority and who is capable of giving a legal receipt or discharge to the Trust as and to whom the benefits are to be paid for and on behalf of such Beneficiary so long as such minority or disability continues.
- e.) 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 equally. If any designated Beneficiary predeceases the Member, the interest of such Beneficiary shall terminate and his share shall be payable equally to such of the remaining of the Beneficiaries surviving the Member unless the Member has made written request otherwise, to the Trustees in the prescribed form.

#### **24.12 PAYMENT ON MEMBER'S INFIRMITY: -**

If any Member or his Beneficiaries under the Scheme shall, in the opinion of the Board of Trustees be unable by reason of mental incapacity or other causes to manage his affairs, the Board of Trustees may at their discretion arrange that the Pension Benefits Payable to such Member or Beneficiaries shall be paid to the person in whose custody or charge such Member or Beneficiary shall be as long as the infirmity lasts, and such payment shall be a good sufficient and complete discharge to the Trustees.

#### **25.0 INFORMATION TO TRUST**

Corporation agrees to promptly furnish to the Trust all such information/particulars regarding the Members and such other as may be in its possession and as the Trust may require for the purpose of calculating the Contribution required to be made by the Member/Corporation, or for computing the Benefits for the Member.

Corporation shall have a list prepared every six months i.e. on the First day of January and first day of July each year of all Members who are due to retire within the next twelve months of that date and the same should be promptly furnished to the Board of Trustees.

In case of a Member retiring for reasons other than by way of Superannuation, the Corporation shall promptly inform the Trust concerned, as soon as the fact of such retirement becomes known.

**26.0 CORPORATIONS RIGHT TO TERMINATE MEMBERS' EMPLOYMENT UNPREJUDICED:**

Nothing in these Rules shall be deemed to restrict in any way the rights of the Corporation to terminate the employment of a Member nor shall his being a Member be used by the Member as a ground for or increasing damages in any action brought by such Member against the Corporation in respect of termination of his employment and no expression of intention on the part of the Corporation herein contained shall create for the benefit of the Member any legal obligation or Impose any legal liability on the Corporation.

**27.0 INTERPRETATION OF RULES**

It shall be a condition of the Membership of the Scheme that on any question arising on any point of interpretation of these Rules or any point relating to cessation of Membership, the decision of the Board of Trustees shall be final and binding. If the decision has any bearing on the provisions of the Income Tax Act, 1961 or the Income Tax Rules, 1962 or any amendments thereto, it has to be forthwith reported to the Commissioner of Income Tax and if the Commissioner of Income Tax so requires, the Trustees shall review the decision.

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