

कोल इण्डिया लिमिटेड

(भारत सरकार का उपक्रम)

COAL INDIA LIMITED

(A Govt. of India Enterprise)

कोल् भवन "COAL BHAWAN"

PREMISES NO: 04, MAR, PLOT NO: AF-III
ACTION AREA-1A, NEW TOWN, RAJHARHAT
KOLKATA-700156 (WB)



महारत्न कंपनी

A Maharatna Company

**PERSONNEL DIVISION
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CIN:L23109WB1973GOI028844

(An ISO 9001:2015 & ISO 50001:2011 Certified Company)

Ref : CIL/C5A (PC)/Furniture/2827

Date: 08.05.2018

OFFICE MEMORANDUM

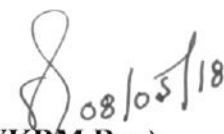
Sub: CIL Furniture and Household Goods Purchase Scheme

The CIL Board in its 360th meeting held on 10.03.2018 approved CIL Furniture and Household Goods Purchase scheme for both Board level and below Board level Executive cadre employees to enable purchase of furniture and household goods for their residence.

A copy of the approved Scheme is enclosed for implementation as approved by the Board.

The advance amount under "CIL House Building Advance Rules" will subsume the advance amount under this Scheme.

The Scheme shall come into force with immediate effect. This is for information and compliance by all concerned.


(PVKRM Rao)

General Manager (P/Rect/ PC)

Distribution:

1. D (P&IR)/ D (F)/ D (T)/ D (M), CIL
2. CMD, ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
3. CVO, CIL
4. Functional Directors, ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
5. CVO, ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
6. GM/TS to Chairman, CIL
7. GM/ HoD (P/EE), CIL/ ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
8. GM/ HoD (Finance), CIL/ ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
9. Company Secretary, CIL – in reference to your letter no. CIL/ XI(D)/ 04112/ 2018/ 20741 dated 23.04.2018.
10. GM, New Delhi Office
11. GM/ HoD (IICM)
12. GM, NEC
13. GM (System), CIL – with a request to please upload the same in CIL website for information of all Executives.
14. Master File

CIL Furniture and Household Goods Purchase Scheme

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1. Title and commencement

The scheme will be known as '**CIL Furniture and Household Goods Purchase Scheme**'. This will come into force with immediate effect.

The objective of the scheme is to regulate advance to executives for purchase of furniture and household goods, the recovery and allied matters.

2. Scope and applicability

The scheme is applicable to executive cadre employees (Board level and below Board level) to enable purchase of furniture and household goods for their residence.

3. Definitions

In this scheme, unless there is anything repugnant to the context, the following terms would have the meaning as assigned to hereunder:

- a) '**Company**' means Coal India Limited and its subsidiaries.
- b) '**Employee/ Executive**' means the employees holding a post in executive cadre including Board level executives in CIL & its subsidiaries who are eligible to be covered under this scheme as per the eligibility defined below in clause 4.
- c) '**Furniture and household goods**' means the furniture and household capital items that will be purchased as per the employees' choice out of the schedule of furniture and household items provided under this scheme.
- d) '**Residence/ house**' means own/ rented house of an executive or the residential accommodation provided by the company where the executive ordinarily resides while on normal duty of the company.
- e) '**Masculine**' will include the '**feminine**' and *vice versa*.
- f) '**Sanctioning authority**' means:
 - i. The Area General Manager, for all officers posted under his administrative control in his area/project/unit.
 - ii. The General Manager (Marketing& Sales), CIL, for all executives posted at different RSOs and other marketing offices located in different states.
 - iii. The head of department of respective departments at the HQs of CIL/subsidiaries, in respect of executives posted under their administrative control.
 - iv. The Chief of Geology and Drilling for officers posted at various drilling camps.



- v. General Manager (Administration)/(EE)/(Pers.) of concerned subsidiary companies, for officers posted at branch offices/desk offices located in various cities such as Kolkata, Delhi etc.
- vi. The CMD/ Director (Technical)/ (Finance)/ (P)/ (P&P)/ CVO of subsidiary, for General Managers posted under their administrative control.
- vii. The Chairman/Director (Technical)/ (Finance)/ (P&IR)/ (Marketing)/ CVO, CIL, for General Managers posted under their administrative control.
- viii. The CMDs CIL/ Subsidiaries for the Board level Directors in their respective companies.

4. Eligibility

- 4.1. Subject to the conditions as mentioned under these rules, executives who are in regular pay scale are eligible for purchase of furniture and household goods, for their residence, under this scheme, provided they have completed 1-year service in the company.
- 4.2. Executives who are deputed outside and have opted for CIL pay and allowances will be eligible for the subject facility. However, if absorbed by the borrowing company, such executives will have to compulsorily repay the outstanding amount of the advance.
- 4.3. Executives who join the company on deputation would not be eligible for the facility.
- 4.4. Executives whose remaining service is less than 2 years are not eligible for purchase of furniture and household goods under this scheme.
- 4.5. If both husband and wife are employed, only one of them will be entitled to avail the loan under this scheme.

5. Amount of Advance

- 5.1. Subject to the eligibility conditions specified in clause 4 above, the maximum amount of advance admissible to different grades of executives will be as under:

Sl. No.	Category of Executives	Maximum amount of loan
1.	Upto E4 grade	Rs. 2.00 lakhs
2.	E5, E6 & E7 grade	Rs. 3.00 lakhs
3.	E8 & above including Directors	Rs.5.00 lakhs



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- 5.2. In the event of promotion/ appointment of an employee to a higher level during the stipulated period of scheme, claim for the difference in entitled advance will not be allowed.

6. Purchase of furniture and household items

- 6.1. The employee availing the said facility would decide in advance the furniture and household goods to be purchased within the authorized ceiling out of the schedule of items given in **Annexure-I**. Minimum value of any item to be purchased will be Rs.2500/- (Rupees two thousand five hundred).
- 6.2. The request for sanction of advance for purchase of furniture and household goods is to be made on the prescribed format as per **Annexure II** to the sanctioning authority through proper channel who will, after due verification, act upon it.
- 6.3. On sanction of an advance, the employee will submit necessary agreement and personal security bond in the prescribed format given in **Annexure III & IV** respectively, on non-judicial stamp paper of requisite value.
- 6.4. On disbursement of the advance, the employee will purchase the specified items and will submit adjustment along with cash memo and other documents, as indicated hereinafter, to the finance department head through the head of establishment where the employee is posted within 45 days from the date of receipt of advance, failing which penalty @ 18% per annum on the amount drawn will be charged.
- 6.5. Original warranty card may be retained by the employee along with a photocopy of the original bill for future reference and use. It would be the responsibility of the concerned employee to ensure that he is satisfied with the goods he has purchased and delivery of the item(s) at the residence would have to be arranged by the employee himself.
- 6.6. In cases where the amount of adjustment bill is less than the amount drawn, the short fall would be recovered from the salary of the employee payable for the month in which adjustment is submitted.

7. Period and periodicity of loan

- 7.1. The term of loan shall not exceed 05 years.
- 7.2. The loan under this scheme will be a one-time advance to the executives and therefore second loan during the service period will not be allowed.
- 7.3. If an employee ceases to be in the service of the company due to retirement on attaining the age of superannuation, voluntary/pre-mature retirement or for any other reason, he will have to compulsorily deposit outstanding amount payable as on the date of separation reduced by the amount already recovered in installments in one lump sum immediately upon such



cessation, failing which it will be recovered in lump sum from any/all permissible terminal dues payable to him at that time or in future.

- 7.4. In the event of death of an employee during the period when furniture and household goods are covered under the scheme, the outstanding amount, on the date of demise, will be recovered from the permissible dues payable to the nominees/ legal heirs of the deceased employee.

8. Custody, carriage and insurance

- 8.1. All furniture and household goods purchased under this scheme are the property of the company until the entire loan amount along with interest is repaid by the concerned employee. The employee is, therefore, liable to keep the same with him in a reasonably good/ running condition at his residence and will be liable for its safe carriage and custody in the event of transfer, change of residence, long absence etc.
- 8.2. Insurance cover for the items purchased under the scheme will be the responsibility of the employee and all expenses in this regard will be borne by him.

9. Alienation, transfer or disposal

The employee will not save as expressly permitted by the company in writing, alienate, hypothecate, transfer, assign or otherwise part with the furniture and household goods in any manner, whatsoever, and will not do or omit any act, deed, matter or thing whereby the security of the goods and the recovery and realization of outstanding amount due to the company is, in any manner, prejudiced or otherwise affected.

10. Rate of interest

The advance under these rules will carry interest at par with average yearly cash credit rate as notified by State Bank of India from time to time. The rate of interest for current year is 8.25%. It is chargeable from the date of the payment of advance and the amount of interest shall be calculated on the balance outstanding on the last date of each month.

11. Surety

- 11.1. The employee will execute an agreement in the prescribed form on a non-judicial stamp paper of appropriate value as notified by respective State Government under Indian Stamps Act for the repayment of the advance with two surety of permanent employee of the company. (Annexure V)
- 11.2. An employee will be permitted to stand as surety against one loanee employee only at a time. In case the subsisting surety obligation is discharged, the discharged surety may stand as surety again for another loanee employee.



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- 11.3. The liability of the surety will continue till the advance with the interest due thereon is repaid to the company.
- 11.4. The surety should not be spouse or member of the same joint family and should not have stood surety for anyone else.
- 11.5. The sureties must be the permanent employees of the company of same status as that of the applicant or of higher status having sufficient length of service upto the period of recovery of advance with interest from the loanee.
- 11.6. There should not be any doubt about the financial solvency of the sureties.

12. Repayment

- 12.1. The advance granted to a company employee under this scheme, together with the interest thereon, will be repaid in full by monthly installments within a period not exceeding 60 months.
- 12.2. The amount to be recovered monthly will be fixed in whole rupees except in the case of the last installment when the remaining balance, including any fraction of a rupee, will be recovered.
- 12.3. Recovery of the advance granted will commence from the month following the purchase after the date on which the first installment of the advance is paid to the company employee.
- 12.4. It will be open to company employee to repay the amount in a shorter period if he so desires. In any case, the entire amount must be repaid in full with interest thereon before the date on which he is due to retire from the service.
- 12.5. Recovery of the advance will be effected through the monthly pay/leave salary/subsistence allowance bills of the employee. These recoveries will not be held up or postponed except with prior concurrence of the company.

13. General conditions

- 13.1. The company, if considers necessary, may arrange physical verification or take periodic inventory of the furniture and household goods at the employee's residence. In case the items that have been purchased under the scheme are not found at the residence of the employee, stern disciplinary action will be initiated against the errant employee under the CIL CDA Rules. Such an employee will be debarred from availing the facility in future. In case the employee has sent the good(s) for repairs/maintenance, he must maintain the voucher from the vendor for having received the good(s) for repair/maintenance, details of repair cost and date of delivery.



- 13.2. An employee availing the facility and not complying with any of the provisions of this scheme or any other conditions/ term/ promise/ undertaking given by him or misusing the furniture and household goods facility granted in any form will render himself liable to disciplinary action and will be bound to refund the entire amount of the purchase price outstanding together with interest @ 18% per annum.
- 13.3. The company will be the sole authority to determine whether or not there has been a breach of the scheme or any other conditions or the terms relevant to the grant of the said facility by the employee. The employee will have no right to contest such determination.

14. Savings

CIL reserves the right to relax, alter, amend or withdraw partly or fully any of the provisions of this scheme at its discretion without assigning any reasons thereof.



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Annexure-I
(Clause 6.1)

Schedule of items permitted for granting advance under the scheme

Category Item	Item type	Item description	Allowed nos. (units)
A	Furniture items	Sofa set	2
		Center table	2
		Dressing table	3
		Almirahs	3
		Showcase/sideboard	3
		Dining table	1
		Dining chairs	8
		Computer/ study table	1
		Computer chair	1
		Book Shelves	2
		Arm/easy chairs	6
		Beds (single)	6
		Beds (double)	3
		Diwans	2
		Side tables	6
		TV cabinet	3
		Drawing room cabinet	1
B	Electrical items	Refrigerator	1
		Cooking range	1
		Washing machine	1
		Table/pedestal/ceiling/exhaust fan	10
		Deep freezer	1
		Water purifier	1
		Cooler	3
		Air conditioner with stabilizer	3
		TV	3
		Vacuum cleaner	1
		Dish washer	1
		Microwave oven	1
		Inverter with battery/home UPS/ generator	1
		Audio videos ystem/ car stereo	1

		Camera/digital camera/video camera	2
		Printer/Scanner	1 each
		Electrical chimney	1
		Geyser/water heater	3
		Room heater/blower	3
		Grinder cum mixer	1
C	Equipment using renewable sources of energy	Domestic solar thermal water heater	1
		Solar cooker	1
D	Other capital Items	Fitness equipment/ health care devices	As per need



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Annexure-II
(Clause 6.2)

Form of Application for Advance

Sr. No	Parameters	Details
1.	Name	
2.	EIS no.	
3.	Designation and grade	
4.	Place of posting	
5.	Area/ company	
6.	Date of birth	
7.	Date of joining CIL	
8.	Date of superannuation	
9.	Basic pay (Rs.)	
10.	Authorized cost ceiling for furniture and household goods (Rs.)	

Details of furniture and household goods proposed to be purchased

Sl. No.	Furniture & household good	Estimated cost of each item (inclusive all taxes)	Nos.	Total cost of items

Amount of advance required: Rs...

Certified that

- 1) The information provided is correct to the best of my knowledge and belief.



- 2) I agree to abide by the terms and conditions stipulated in the CIL furniture and household goods purchase scheme.

Date

Signature of the Employee

Place:



[Handwritten signature]

Annexure-III
(Clause 6.3)

Draft format of agreement to be executed under the CIL Furniture & Household Purchase Scheme

This **AGREEMENT** is made at this.....day of _____ between _____ (Coal India Limited/ subsidiary hereinafter called "the Company" having its registered office at _____ which expression will unless repugnant to the context or meaning thereof be deemed to include its successors and assigns) of the one part and Shri/ Smt.Designation.....EIS noresiding at(hereinafter called "the Employee" which expression will include his/ her heirs, executors, administrators and legal representatives of the other part).

WHEREAS

- a) The employee is in the service of the company posted at..... of the company and requires furniture and household goods for use at his residence.
- b) The company has considered the request of the employee, being found eligible under the rules for grant of furniture and household goods facility and has agreed to extend the said facility to the employee, for purchase of following furniture and household goods more particularly described as below (hereinafter called "the said Furniture and Household Goods") for use at his residence on the terms and conditions hereinafter contained.

Sl. No.	Furniture and household good	Estimated cost (inclusive all taxes)	Nos.	Total cost

Now it is hereby agreed by and between the parties hereto as follows:

- (i) The company will provide advance to purchase the said furniture and household goods at the price of Rs..... (*Mention total cost*).
- (ii) The company will allow the employee to use the said furniture and household goods during the period in the service of the company and performs and observes all the conditions of his service and all.
- (iii) The covenants on this part and the conditions herein contained.



- (iv) The employee agrees to repay the loan amount and interest in suitable installments within a maximum period of 60 months from the date of approval communicated to him.
- (v) If the employee ceases to be in the service of the company due to retirement on attaining the age of superannuation, voluntary/ premature retirement, or any other reasons, he will have to compulsorily pay back the loan and interest amount in one lump sum immediately upon such cessation failing which it will be recovered in lump sum from any/all permissible terminal dues payable to him at that time or in future.
- (vi) In the event of death of an employee during the period when the furniture and household goods are covered under the scheme, the outstanding amount of loan and interest as on the date of demise will be recovered from the permissible dues of the deceased.
- (vii) During the course of the furniture and household goods being in the use of the employee:
 - a) He will be liable to keep the furniture and household goods with him in a reasonably good/ running condition at his residence and will be liable for its safe carriage and custody in the event of transfer, change of residence, long absence etc.
 - b) The safe custody of furniture and household goods will be sole responsibility of the individual.
 - c) The company, if considers necessary, may arrange physical verification or take periodic inventory of the furniture and household goods at the employee's residence. In case the items that have been purchased under the scheme are not found at the residence of the employee, stern disciplinary action will be initiated against the errant employee under the CIL CDA rules. Such an employee will be debarred from availing the facility in future.
 - d) He will allow the company's representative at all reasonable times to inspect and verify the said furniture and household goods and to take periodic inventory at the residence of employee.
- (viii) The repairs and maintenance of the furniture and household goods will be undertaken by the employee himself.
- (ix) The employee will not, save as expressly provided by the company in writing, alienate, hypothecate, transfer, assign or otherwise part with the furniture and household goods in any manner, whatsoever, and will not do or omit any act, deed, matter or thing whereby the security of the company and the recovery & realization of outstanding amount due to the company, in any manner, is prejudiced or otherwise affected.



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- (x) An employee availing the facility and not complying with any of the provisions of the scheme or any other conditions/term/ promise/undertaking given by him or misusing the furniture and household goods facility granted in any form, will render himself liable to disciplinary action and will be bound to refund the entire amount of the purchase price outstanding together with interest @18% per annum.
- (xi) This agreement will come to an end on payment of full amount of loan and interest or at the time of exit from the scheme, for any reason whatsoever, after the same is paid to/ recovered by the company.
- (xii) In the event of any dispute or difference arising out of any of the provisions herein contained, or any breach of interpretation thereof, the decision of the Director(P/IR), CIL, will be final and binding.
- (xiii) The employee agrees and undertakes to do all acts, deeds and things necessary to implement the above agreement as required by the company from time to time.

IN WITNESS WHEREOF the employee hereto set and subscribed his hand and the company has executed through these presents, the day, month and year first hereinabove written.

Signed and delivered on behalf of

Signed by Shri/ Smt

Coal India Limited/subsidiary

By..... (Authorized officer of the company)

In the presence of..... In the presence of.....



Personal security bond for furniture and household goods scheme

KNOW ALL MEN by these presents that.... (herein after referred to as 'the employee") residing at.....employed as..... in Coal India Limited/ subsidiary (hereinafter referred to as" the Company") to hold and firmly bind unto in favour of the company myself, my heirs, executors, administrators, legal representatives and/or assignees, for the true and faithful repayment of money determined by the company in accordance with the terms and conditions contained in the Agreement executed for providing furniture and household goods at my residence (hereinafter referred to as 'the said Agreement').

SIGNED and delivered by me at this day of20____.

WHEREAS the company has decided to provide advance to purchase furniture and household goods to above bounden Shri/ Smt.....on theday of.....20____, under the said agreement, on terms and conditions set out therein, to be repaid in the time and manner thereunder indicated and the repayment thereof is secure by this personal bond in terms herein contained.

NOW THE CONDITION of this above written personal bond is such that if I, the user, will repay, or cause to be repaid the loan amount and interest for the purchase of the furniture and household goods, and other expenses if any, in the manner indicated in the said agreement, then and in such an event, this bond or obligation will be void and stand automatically cancelled, otherwise the same will remain in full force and virtue.

IN WITNESS WHEREOF the parties hereto have set and subscribed their respective hands and seal the day, month and year first above written.

Signature

SIGNED on behalf of the Company

Employee

Witness (1)

Witness (2)

Witness (1)

Witness (2)



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Annexure V

(Clause 11.1)

Form of surety bond for availing advance for the purchase of furniture and households goods

Know all men by these present that I, _____, son of _____ resident of _____ in the District of _____ at present employed as _____ in the _____ is surety on behalf of Shri _____ (borrower), do hereby bind myself and my respective heirs, executors and administrators to pay to the Coal India Limited/ subsidiary (herein after referred to as the 'Company') on demand the sum of Rs. _____ (Rupees _____ only) together with interest thereon as hereafter specified and all costs between attorney and client and all charges and expenses that will or may have been incurred by or occasioned to the Company to be paid to the Company for which payment to be well and truly made.

Whereas the company has agreed to grant to Shri _____, son of Shri _____, resident of _____ in the District of _____ at present employed as _____ in the Coal India Limited/ subsidiary (herein after called the 'borrower') at the borrower's own request and advance of Rs. _____ (Rupees _____ only) for the purchase of _____.

And whereas the borrower has undertaken to repay the said amount in _____ equal monthly installments with interest as calculated at the rate and in the manner prescribed under the Coal India furniture and households goods advance scheme, which expression will include any amendment hereof for the time being in force or on so much thereof as will for the time being in force or on so much thereof as will for the time being remain due and unpaid calculated according to the said scheme.

And whereas in consideration of the company having agreed to grant the aforesaid advance to the borrower the surety has agreed to execute the above bond with such conditions as hereunder are written.

Now the condition of the above written bond is that if the said borrower will, while employed in the company, duly and regularly pay or cease to be paid the company the amount of the aforesaid advance owing to the company by installments with interest as calculated in the aforesaid manner, thereon, or on so much thereof as will for the time being remain due and unpaid calculated according to the said scheme from the day of the advance until the said sum of Rs. _____ (Rupees _____ only) with interest as calculated



in the aforesaid manner will be duly paid, then this bond will be void, otherwise the same will be and remain in full force and virtue.

But so nevertheless that if the borrower will die or become insolvent or at any time cease to be in the services of the company the whole or so much of the said principal sum of Rs. _____ (Rupees _____ only) thereof as will then remain unpaid and the interest due will immediately become due and payable to the company and be recoverable from the surety in one installment by virtue of the bond.

The obligation undertaken by the surety will not be discharged or in any way affected by an extension of time or any indulgence granted by the company of the said borrower whether with or without the knowledge or consent of the surety.

Signed and delivered by the

(Surety Name)

in the presence of.

1.

2.

Signature, address and occupation of the witness.

(Surety Signature)

ACCEPTED

For and on behalf of
Coal India Limited.

Note: *(not to be typed)*

1. Surety must be confirmed employee of the company.
(He does not have surety for more than one employee).
2. Surety must sign in each page of the bond.
3. Bond paper must contain appropriate value.
4. Bond must be typed neat and clean.

