

GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA
UNSTARRED QUESTION NO. 1154
TO BE ANSWERED ON 31.07.2023

Settlement and coverage of workers under Coal Mines Pension Scheme, 1998

1154 Shri Binoy Viswam:

Will the Minister of Coal be pleased to state:

- (a) the detail of actions taken in response to the issues highlighted in the Coal Mines Pension Scheme 1998 and Coal Mines Deposit Linked insurance Scheme, 1976 operated by the Coal Mines Provident Fund Organisation;
- (b) update on the progress made in ensuring maximum coverage of workers of coal mines under the Coal Mines Pension Scheme;
- (c) the number of pending claims, and instances of non-adherence to the Scheme, year-wise, since 2019; and
- (d) whether Government has any proposal to improve the pension scheme considering the increased cost of living?

ANSWER

**MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)**

(a) The highlights of Coal Mines Pension Scheme, 1998 (CMPS,1998) are payment of pension and management of pension fund in accordance with the provisions stipulated in the Scheme. The Commissioner, Coal Mines Provident Fund Organisation (CMPFO) being the chief executive officer of the organisation is implementing the scheme for payment of pension @25% of last ten months average emoluments from the pension corpus established by monthly contribution from both the employee and the employer.

There is a deficit in inflow of contribution and disbursement of pension. In order to bridge the gap between the inflow and outflow, the rate of pension contribution has been enhanced to 7% + 7% (employee and employer) effective from 01.10.2017 as against the earlier contribution of 4.91% approximately.

As per provision of the scheme, Commissioner, CMPFO is evaluating the pension fund through actuarial firm from time to time. Pension corpus is showing a net liability of Rs. 47,961 crores as on 31.03.2022 as per recent actuarial evaluation.

To mitigate the large deficit in the pension fund, voluntary contribution @ Rs.10 per ton of coal production is being collected by CMPFO from the coal companies from the year 2021.

The Coal Mines Deposit Linked Insurance (CMDLI) Scheme, 1976 is presently not

operational since Coal India Limited (CIL) was granted exemption in the year 2009 on the grounds that benefits under their own life cover scheme were better than CMDLI Scheme. No contribution was received under this scheme since 2010-11.

(b) All eligible coal mine workers are covered under pension schemes of either CMPFO or Employees Provided Fund Organisation (EPFO). Pertinently, those workers who are already covered under any other recognized Provident Fund Scheme such as that being operated by EPFO are exempted from the coverage of the CMPS, 1998.

(c) The year-wise details of number of pending claims of pension since 2019 is as under:-

Year	Number of pending cases (as on 31 st March)
2019-2020	937
2020-2021	1132
2021-2022	2143
2022- 2023	935

No instance of non-adherence to the scheme has been reported.

(d) Improvement in pension scheme for upward revision of pension is not possible as of now due to the widening gap between contribution to the fund and pension disbursement.
