GOVERNMENT OF INDIA MINISTRY OF COAL RAJYA SABHA UNSTARRED QUESTION NO. 59 TO BE ANSWERED ON 01.12.2025

PENSION REVISION OF RETIRED EMPLOYEES OF CIL

59 # SHRI SANJAY SINGH:

Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that as per the provisions of Coal Mines Pension Scheme (CMPS) 1998, pensions are required to be revised every three years, if so, the number of times pensions have been revised so far; and
- (b) whether it is also a fact that most employees who retired before 2005 are receiving a monthly pension of less than ₹2,000, which is grossly inadequate for basic living expenses under current circumstances; and
- (c) if so, the details of the steps taken or proposed to be taken by Government to address this situation?

ANSWER

THE MINISTER OF COAL AND MINES (SHRI G. KISHAN REDDY)

(a) to (c) Coal Mines Pension Scheme, 1998 is a defined contribution and defined benefit scheme. The contribution under the scheme is not commensurate with the benefit. Coal Mines Pension Scheme, 1998 provides for valuation and review of the pension fund. The Commissioner, Coal Mines Provident Fund Organisation (CMPFO) is responsible for valuation of Pension Fund every third year by an Actuary to be appointed by the Board of Trustees (BoT), CMPFO. When the Pension Fund permits, BoT on the recommendation of an Actuary and with the approval of the Central Government may amend the rates of contribution payable under the Scheme or the scale of any benefits admissible or the period for which such benefit may be allowed. The actuarial evaluation report, which is based on the detailed analysis and taking into account various critical aspects like defined contribution for defined benefit, number of pensioners, number of active workers, their dependents etc. to make the funds sustainable, are placed before the BoT from time to time. However, on account of opposition by the Central Trade Union representatives, who are also members of the BoT, the recommendation of the actuary to enhance pension contribution could not be implemented. Coal Mines Pension Scheme, 1998 came into force on 31st day of March, 1998 and minimum monthly pension has been revised on 08th March, 2024.

The contribution to the fund was revised to 14 per cent from the erstwhile 4.91 per cent with effect from 1st October, 2017. Despite this, contribution to the fund is less than the disbursement, as per the details given below:

Financial Year	Average monthly	Average monthly
	contribution	disbursement
	(Rs. in crore)	(Rs. in crore)
2020-21	280.54	328.01
2021-22	295.21	356.97
2022-23	364.00	463.95
2023-24	470.70	452.30
2024-25	421.91	436.90

As per actuarial valuation, net liability of pension was Rs. 47,961 crores as on 31st March, 2022 and hence, the present coal mines pension fund corpus does not allow the enhancement of pension benefits.
