

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 1046
TO BE ANSWERED ON 08.02.2023

Coal Miners Pension Scheme

1046. Shri Uttam Kumar Reddy Nalamada:

Will the Minister of COAL be pleased to state:

- (a) the last time when pension provided to retired employees of Singareni Collieries and other coal companies covered under Coal Miners Pensions Scheme (CMPS) 1998 was got revised;
- (b) whether this revision has taken place every three years as per the provisions of CMPS 1998, if so, the details there of along with all revisions, year-wise and if not, the reasons therefor; and
- (c) whether the Government is planning to adopt the revisions in the pension scheme recommended by the 12th PAC report introduced in the Parliament on 18th March 2020, if so, the details thereof along with the projected timeline and if not, the reasons therefor?

ANSWER

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

(a) & (b): No revision has taken place in the pension provided to retired employees of Singareni Collieries and other coal companies covered under Coal Miners Pensions Scheme (CMPS) 1998 since it came into force on 31st day of March, 1998 due to wide gap between contribution to the fund and pension disbursement.

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 the Pension Fund every third year by an Actuary to be appointed by the Board of Trustees, CMPFO (BoT). 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, was placed before the BoT from time to time. However, due to the resistance 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. 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. Upward revision of pension was not possible due to the gap between accrual and disbursement. Accrual and disbursement during the last five years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 are given in the table below :-

Financial Year	Accrual (Rs. in crore)	Disbursement (Rs. in crore)
2017-18	1031.00	2459.81
2018-19	3084.12	2842.29
2019-20	3519.14	3369.57
2020-21	4520.14	3831.54
2021-22	4187.82	4449.74

As per actuarial valuation, net liability of pension was Rs. 40,976.64 crores as on 31st March, 2015 which has increased to Rs. 42,391.63 crores as on 31st March, 2019.

(c): Government has carefully considered and agrees in principle with the recommendations of 12th PAC report for revision in pension scheme. Accordingly, the matter was brought before the BoT in its meetings from time to time; however, no consensus could be arrived due to resistance from Central Trade Union representatives.
