# 6

# Review of Performances of Statutory And Autonomous Bodies

## 6.1    Coal Mines Provident Fund Organization

The Coal Mines Provident Fund Organization is an autonomous body under the Ministry of Coal which administers the following three Schemes:

➢      Coal Mines Provident Fund Scheme, 1948

➢      Coal Mines Pension Scheme, 1998

➢      Coal Mines Deposit Linked Insurance Scheme 1976

 (Discontinued w.e.f. 24.03.2009)

The features and the broad profile of each of the above three schemes are as under:
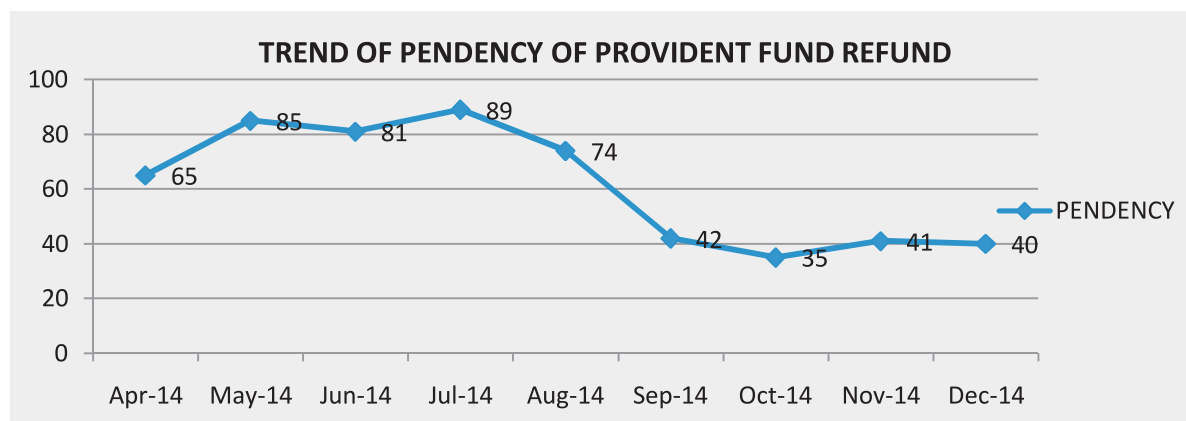
### 6.1.1  Coal Mines Provident Fund Scheme, 1948

The Coal Mines Provident Fund Scheme framed under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 provides Provident fund benefits to all employees of coal mines in India. Neyveli Lignite Corporation is not covered under this Act. The workers contribute to the Coal Mines Provident Fund at the rate of 12% of their emoluments and the employers pay an equivalent amount. Interest at the rate of 8.75% per annum was approved by Board of Trustees (BoT) on the closing balance of PF of financial year 2013-14. A rate of 8.75% has been proposed for financial year 2014-15. The fund vests in and is administered by a tripartite Board of Trustees consisting of representatives of employers, employees and Central/State Governments.

The table below indicates the broad profile of the Scheme:

| Particulars | 2013-14 Actual | 2014-15 Unaudited | 2015-16 Estimated |
|---|---|---|---|
| Number of Coal Mines/Plants covered (as at the end of the year) | 908 | 913 | 913 |
| Number of live membership during the year (lakhs) | 4.14 | 4.17 | 4.20 |
| Contribution during the year up to Dec. 2014 (Rs in crores) including voluntary contribution. | 4103.73 | 3842.21 | 5300.00 (approx) |
| Rate of interest allowed to the members of the fund. | 8.75% (Rate of Interest approved by BOT) | 8.75% (Rate of Interest approved by BOT)) | 8.75% (Estimated Rate of Interest to be approved by BOT later) |
| Advance during the year up to Dec. 2014 (Rs. in crores) | 473.23 | 380.48 | 500.00 (approx) |
| Refund of Provident Fund during the year up to Dec. 2014 (Rs. in crores) | 4177.56 | 3654.60 | 4500.00 (approx) |
| No. of cases settled (refund) | 29,595 | 22675 | 30,000 |
| No. of cases received (refund) | 29,134 | 22806 | 30,500 |
| Officers in position | 35 | 35 | 35 |
| Staff in position | 861 | 843 | 943 |

**Table 6.1**

Due to constant efforts and repeated follow-ups pendency in settlement of cases has declined considerably. The trend of pendency in Settlement of Provident Fund refunds is shown in the figure given below:

As a result of emphasis on extending social security benefits to all workers of Coal Mines the coverage of contractor's worker under the provisions of CMPF/EPF Act increased from 50376 (1.4.2014) to 62243 (1.12.2014) showing an increase of 23.55%.

## 6.1.2    Coal Mines Pension Scheme, 1998

The Coal Mines Pension Scheme, 1998 (CMPS,98) was introduced with effect from 31.03.1998 in exercise of the powers conferred by Section 3E of the Coal Mines Provident Fund Miscellaneous Provisions Act, 1948 (46 of 1948 ) in supersession of the Coal Mines Family Pension Scheme, 1971 (CMFPS,71).As on 31.12.2014 the CMPF Membership is reported at 4,17,128.

### 6.1.2.1 The Pension Fund

The pension fund consists of the net assets of the Coal Mines Family Pension Scheme, 1971. The beneficiaries of the scheme include members of the ceased Coal Mines Family Pension Scheme, 1971 who were on roll on 31$^{st}$ March, 1998; employees appointed on or after 31$^{st}$ March, 1998 and optee members who opted for membership of the Pension Fund. All such employees who died while in service during the period 01.04.1994 to 31.03.1998 are treated as deemed optee of the scheme vide G.S.R. No. 521 (E) dated 12.08.2004. There is provision for valuation of the Pension Fund every third year by an Actuary, to be appointed by the Board of Trustees.

### 6.1.2.2 Types of Entitlements

➢      Monthly Pension

➢      Disablement Pension

➢      Widow or Widower Pension

➢      Children Pension

➢      Orphan Pension

➢      Ex-gratia Payment.

The Central Government contributed towards pension fund a sum of ` 15.00 crore during 2013-14, ` 16.00 crore in 2014-15 (BE) and ` 17.00 crore in 2015-16 (BE) have been provided.  In addition, the Central Government contributed a sum of ` 7.00 crore during 2013-14 towards the

administrative expenses for maintaining the pension scheme. ` 8.00 crore in 2014-15 (BE) and ` 10.00 crore in 2015-16 (BE) have been provided for this purpose.
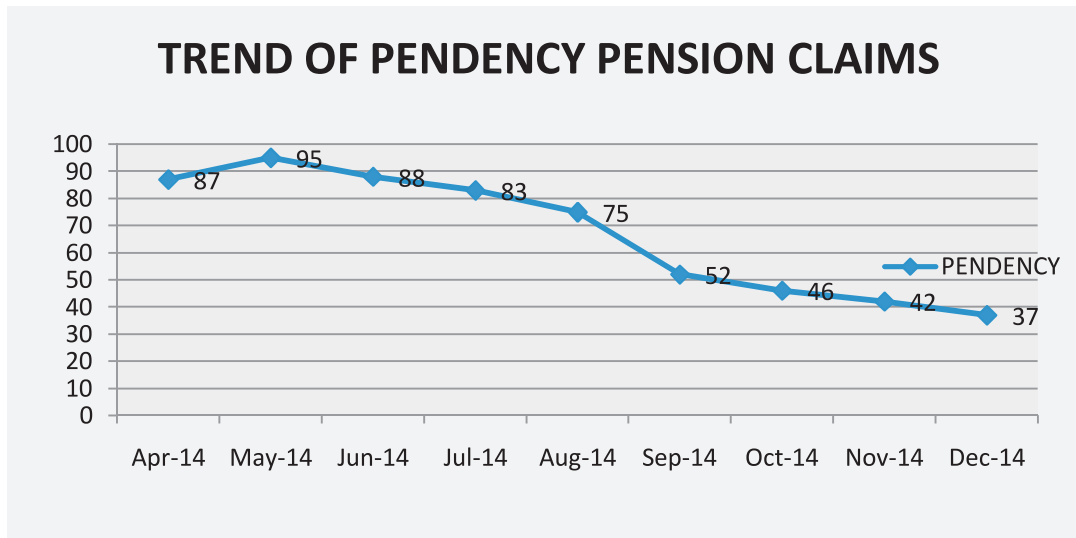
The table below indicates the broad parameters of the CMPS, 1998.

**Details of beneficiaries of CMP Scheme**

| S.No. | Particulars | 2013-14 Actual | 2014-15 Unaudited | 2015-16 Estimated |
|---|---|---|---|---|
| i) | Membership of Coal Mines Pension Scheme. (Lakhs) | 4.19 | 4.40 | 4.50 |
| ii) | Contribution to Pension Scheme, 98 during the year up to Dec. 2014 by employers, employees, Govt. and interest in CMPS 98 (Rs. in Crores). | 2119.21 | 1668.15 | 2300.00 |
| iii) | Disbursement of Benefits up to Dec. 2014 (Ceased Family Pension Scheme and Pension Scheme) (CMFPS, 1971)(Rs. in crores). | 1358.89 | 1183.70 | 1500.00 |
| iv) (a) | No of Family Pension (CMFPS, 1971) and Life Assurance benefit (now ceased) cases settled. | 4 | 4 | 2 |
| (b) | Pension) (CMPS, 1998) cases settled up to Dec. 2014 | 32,597 | 23304 | 31,000 |
| v) (a) | No. of Family Pension (CMFPS, 1971) and Life Assurance benefit cases received. | 4 | 4 | 2 |
| (b) | No. of Pension cases received under CMPS, 1998 up to Dec. 2014. | 32,070 | 23304 | 30,000 |

**Table 6.2**

Due to constant efforts and repeated follow-ups pendency in settlement of cases has declined considerably. The trend of pendency in settlement of Pension cases is shown in the figure given on the next page:

## TREND OF PENDENCY PENSION CLAIMS

A line chart titled "TREND OF PENDENCY PENSION CLAIMS" showing the series PENDENCY across months from Apr-14 to Dec-14. Values: Apr-14: 87, May-14: 95, Jun-14: 88, Jul-14: 83, Aug-14: 75, Sep-14: 52, Oct-14: 46, Nov-14: 42, Dec-14: 37.

## 6.3    Coal Mines Deposit Linked Insurance Scheme, 1976

The Coal Mines Deposit Linked Insurance Scheme was introduced with effect from 1st August, 1976.  The executive cadre employees of CIL were exempted from operation of the said Scheme vide Gazette Notification No. S.O. 822 (E) dated 24.03.2009.  The workers of the CIL and its subsidiaries were exempted earlier from the operations of the Scheme by Ministry of Coal. But other Private Coal Companies/Subsidiaries/ Units like TISCO, IISCO, Jindal Power, Singareni, Adani Mining Pvt Ltd, BLA Industries, Sainik Mining Allied Service Pvt. Ltd (SECL) etc. are still covered under the scheme.