

CHAPTER - VI

REVIEW OF PERFORMANCES OF STATUTORY AND AUTONOMOUS BODIES

Coal Mines Provident Fund Organisation

There is one autonomous body namely the Coal Mines Provident Fund Organisation under the Ministry of Coal. This organization administers the following three Schemes:

- (a) Coal Mines Provident Fund Scheme, 1948
- (b) Coal Mines Pension Scheme, 1998
- (c) Coal Mines Deposit Linked Insurance Scheme 1976

The features and the broad profile of each of the above three schemes are as under:

(a) Coal Mines Provident Fund Scheme, 1948

6.1. The Coal Mines Provident Fund Scheme-1948 framed under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 provides provident fund benefits to all the 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 8.5% per annum was allowed on the closing balance of PF for the financial year 2007-08 and 2008-09. The entire accumulations in the fund are invested in accordance with guidelines laid down by the Ministry of Finance and Board of Trustees, CMPF. 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	2008-09 Actual	2009-10 (upto Dec,2009) un- audited	2010-11 Estimated
Number of Coal Mines/plants covered(as at the end of the year)	928	928	928
Number of live membership during the year (lakhs)	4.91	4.80 approx.	4.60
Contribution during the year (Rs. In crores) including voluntary contribution.	2518.10	2520.00 Approx	2520.00
Rate of interest allowed to the members of the fund	8.5%	Rate of interest for 2009-10 is yet to be approved by BOT.	Rate of interest will depend upon availability of funds and shall be decided by Board of Trustees,CMPF
Advance during the year (Rs. In crores)	398.01	400.00 Approx	400.00
Refund of Provident Fund during the year (Rs. In crores)	2575.04	2600.00 Approx	2600.00
(i) No. of cases settled (refund)	28341	24198	22527
(ii) No. of cases received (refund)	29524	25717	23628
Officers in position	51	58	58
Staff in position	967	942	917

(b) Coal Mines Pension Scheme, 1998

6.2 One of the most important landmarks in the history of Coal Mines Provident Fund Organization was the introduction of Coal Mines Pension Scheme, 1998 effective from 31.3.98 which has been notified by the Central Government on 5th March, 1998, in exercise of the powers conferred by Section 3E of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948) and in supersession of the Coal Mines Family Pension Scheme, 1971.

6.3 The Coal Mines Pension Scheme came into force with effect from the 31st day of March, 1998 and on that day its membership was 7, 82,578 members working in the different coal mines within the country. The highlight of the Scheme are as follows:

(i) Corpus of the Fund and its sustainability

The Pension Fund consists of the following:

- (a) Net assets of the Coal Mines Family Pension Scheme, 1971 as on the appointed day;
- (b) An amount equivalent to two and one-third percent of the salary of the employee, being the aggregate of equal shares of the employee and employer from their respective contribution to the fund, to be transferred from the appointed day from the fund of employee;
- (c) An amount equivalent to two percent of the salary of the employee from the first day of April, 1989 or the date of joining, whichever is later, upto the 31st day of March, 1996 and two percent of the notional salary of the employee from the 1st day of April, 1996 or the date of joining, whichever is later, to be transferred from his salary;
- (d) An amount equivalent to one increment to be calculated on the basis of the salary of the employees as on the first day of July, 1995 or the date of joining, whichever is later from the salary of the employee;
- (e) An amount equivalent to one and two-third percent of the salary of the employee to be contributed by the Central Government from the appointed day;
- (f) Amounts to be deposited by new optees in terms of the provisions of the Scheme.

The Commissioner, CMPFO is responsible for getting the valuation of the Pension fund done every third year by an Actuary, to be appointed by the Board of Trustees.

(ii) Coverage

- (a) All employees who were members of the ceased Coal Mines Family Pension Scheme, 1971 and were on rolls on 31st March, 1998
- (b) All such employees who are appointed on or after 31st March, 1998
- (c) All such optee members retired from service during the period from 01.04.94 to 31.03.98 and who opted for membership of the Pension Fund in Form PS-1 and PS-2 as the case may be.

All such employees who died while in service during the period 01.04.1994 to 30.03.1998 are treated as deemed optee of the scheme vide G.S.R.No. 521 dated 18.08.2004

(iii) Benefits

- (a) Monthly Pension
- (b) Disablement Pension
- (c) Widow or Widower Pension
- (d) Children Pension
- (e) Orphan Pension
- (f) Ex-gratia Payment.

6.4. The Central Government contributed a sum of Rs. 18.50 crore in BE - 2008-09 and in RE - 2009-10 towards pension fund. In addition to this, Central Government contributed Rs.10.20 crore in BE and RE-2009-10 towards the administrative expenses for maintaining the pension scheme.

6.5 The table below indicated the broad parameters of the Scheme

S.No.	Particulars	Actual 2008-09	Provisional 2009-10 (upto 31.12.2009) un- audited	2010-11 (Estimated)
i)	Membership of Coal Mines Pension Scheme (lakhs)	5.58	5.22 (Approx)	4.90
ii)	Contribution to Pension Scheme during the year by employers' employees' Govt. and interest (Rs in crores)	1330.01	1350.00	1380.00
iii)	Disbursement of benefits (ceased Family Pension Scheme and Pension Scheme) (Rs. In crores)	552.16	580.00	600.00
iv)(a)	No. of family pension and Life Assurance benefits (now ceased cases settled	26	23	20
(b)	Pension cases settled	34,216	35,000(approx)	34,000Approx
v)(a)	No. of pension and Life Assurance benefits cases received	26	25 approx	20
(b)	No. of pension cases received	34,674	35,600 approx	34,800 Approx
vi)	No. of other benefits cases settled	Nil	Nil	Nil
vii)	No. of other benefits cases received	Nil	Nil	Nil

(c) Coal Mines Deposit Linked Insurance Scheme, 1976

- 6.6** The Coal Mines Deposit Linked Insurance Scheme was introduced with effect from 1st August, 1976. The Central Government had contributed Rs.1.50 crore during 2008-09. The Government contribution was discontinued w.e.f. 24.03.2009 vide Gazette Notification No. S.O. 822 (E) dated 24.03.2009. as CIL has taken over this liability.
