

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:5632

ANSWERED ON:07.09.2011

RETIRED EMPLOYEES UNDER CMPS

Nahata Smt. P. Jaya Prada;Shekhar Shri Neeraj;Singh Shri Yashvir

Will the Minister of COAL be pleased to state:

- (a) the number of retired employees of Coal India Limited (CIL) covered under the Coal Mines Pension Scheme, 1998;
- (b) whether the Actuary, appointed by the Government for valuation of pension of employees of CIL has submitted its report;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) the reasons for non-revision of pension of workers/ officials of CIL, since 1998;
- (e) whether dearness allowance is applicable to pensioners of CIL as in case of other pensioners of Government of India;
- (f) if so, the details thereof and if not, the reasons therefor; and
- (g) the time by which the pension of these employees of CIL is likely to be revised?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a) :The total number of retired employees of Coal India Limited (CIL), and its subsidiaries, who had submitted their pension claims in prescribed proforma (PS-6) under Coal Mines Pension Scheme, 1998, as on 31.05.2011, is 2,85,126, as reported by CIL, Kolkata, to Coal Mines Pension Fund Organization (CMPFO).

(b) and (c) :No, Sir. Mr. Liyaquat Khan, President and Chief Actuary, Actuarial Society of India, Mumbai, has been appointed for valuation of Coal Mines Pension Scheme, 1998, and the Corpus of Pension Fund on 4.6.2011. Board of Trustees (BOT), CMPFO has directed that the Actuary should submit its report by 31st December, 2011.

(d) and (g) : The consideration of additional pension depends on the sustainability of CMPS, 1998. Under clause 22(1) of the CMPS, 1998, actuarial evaluation of the pension fund has to be made every third year. Accordingly, the work of actuarial evaluation of the CMPS, 1998 and Pension Fund was taken up for the period upto March, 2001, in 2001. The period covered was extended till 31.12.2002. The actuary submitted his revised evaluation report on 29.07.2003. The Central Government asked the CMPFO to have a second opinion/ re-evaluation of the actuarial report by an actuary in the panel with Actuarial Society of India. This report of the actuary was submitted on 29.06.2006 followed by a supplementary report dated 10.10.2006. Both these reports were placed in the 145st meeting of the Board of Trustees CMPFO held on 11.10.2006. The actuary indicated a deficit of Rs. 1946.67 cores and recommended enhancement of contribution from the working coal employees by amendment in the CMPS, 1998. Since the evaluation was based on just 40.35% of the data pertaining to strength of CMPF/ pension membership, the BOT directed to get the evaluation done on 100% data.

The evaluation of the Coal Mines Pension under CMPS, 1998 was subsequently entrusted to National Institute of Financial Manager in 2007-08. However, they could not complete the study. As mentioned in reply to para (b) and (c) of the question, now an actuary has been appointed on 04.06.2011.

Any increase in pension will depend on sustainability of CMPS, 1998 as reflected in actuarial evaluation, which is in progress.

(e) and (f) :No, Sir. The payment of dearness allowance is not applicable to pensioners of CIL and its subsidiaries, as calculation of pension under CMPS is made aggregating the salary/wages with the Industrial DA and other allowances at the first place. The benefits under the Coal Mines Pension Scheme, 1998 (CMPS, 1998) is the third benefit apart from the benefit of Contributory Provident Fund under Coal Mines Provident Fund Scheme, 1948 and gratuity which is payable by the employer Coal Companies.