



ALL INDIA ASSOCIATION OF COAL EXECUTIVES (AIACE)

(Regd. under The Trade Union Act 1926; Regd. No. 546 / 2016)

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AIACE/CENTRAL/2019/02

Dated -- 7 /1/2019

The Chairman
Coal India Limited,
Coal Bhawan
Premise No-04 MAR, Plot No-AF-III, Action Area-1A
Newtown, Rajarhat, Kolkata-700156

Sub:-- Implementation of Executive Defined Contributory Pension Scheme, 2007.

Dear Sir,

Further to our earlier letter on Executive Defined Contributory Pension Scheme, popularly known as NPS among Coal Indians, we appreciate the steps being taken by CIL Management for implementation of the scheme. At the same time, for speedy disbursement of pension at the earliest or latest by 1st April.2019, we shall like to submit our few suggestions for consideration in implementing this scheme.

1. In order to cut short the delay, it is proposed that the corpus held by CIL may be deposited with the fund manager after deducting tax if any as per 10E data provided successfully by Executives. Whereas, working Executives may find it easier to fill up form 10E, the case may not be equally easy for retired Executives. Those retired Executives, who have been able to preserve their past Income Tax returns, are fortunate enough since searching the data from various CIL offices is almost next to impossible due to formatting and up gradation of computers and lack of proper maintenance of manual records. Income Tax dept provides data from the F.Y. 2006-07 for e-filed returns only. E-filing was made mandatory from the F.Y. 2011-12 and before this e-filing was optional.
2. Next, asking for Declaration-2, stating that the Executive does not want to submit 10E form, looks superfluous and management is free to consider and take into account Declaration-1 only. Those who are able to fill form 10E at a later date, may do so and claim refunds, if any, from Income Tax deptt.
3. For most of the Executives, their only source of income is service in Coal India. So, Form-16 is bible for them and they pay their Income Taxes based on this. It will be a nice idea to upload Form-16 of every Executives, on CIL website, for all the relevant years.
4. Another point is that CIL must deposit the entire fund, without deducting any taxes, so that the Executives can receive a bigger chunk of pension. Tax deduction from working Executives may be done from their forthcoming salary. In case of retired Executives, they can be asked to deposit the payable taxes in the form of Demand Draft. Suitable arrangement may be chalked out for ensuring tax deposit by demand draft by retired executives.
5. There is no mention of interest portion on the accumulated fund for respective years as per website notification. Management must add the interest earned on the fund by CIL for respective years with the original amount and deposit the same. Our association is having the document regarding interest earned by CIL on respective years as supplied by CIL on our RTI query.
6. Theoretically speaking, an Executive is liable to receive pension from the next month of his/her retirement. Since, this scheme will be implemented from a later date, payment of arrear pension must be ensured for lump sum payment.
7. Option to opt out must be provided to Executives against whom accumulation of pension fund for continuous 120 months has not been achieved. This will be in line with the parent scheme launched by Central Government under NPS.

8. Similarly, in line with originally muted Government patronized NPS, option to withdraw the permissible extent of pension fund (40% as per government provision) should be allowed for every Executives.

9. There is a mention of accumulated fund till Sept,2017 only and that to on the basis of pre revised salary. The fund accumulation for 2017-18 on revised salary and also till December in 2018-19 must be shown in the website and total amount till date should be invested.

10. Last but on the least, our repeated requests for updation of data of executives for the superannuation fund has not been done fully and data for many retired executives and executives transferred from one company to another during last ten years are yet to be updated. This needs to be done before handing over the fund to the fund managers.

To conclude, likely shortcomings in the entire process may be reviewed in a continual way to make the scheme more beneficial.

Looking forward to a positive response from your end,

Regards



P K SINGH RATHOR
Principal General Secretary

CC-

DF/DP, Coal India Ltd, Kolkata.

CMD/DP/DF , all subsidiary companies

Copy for kind information

The Minister of Coal, Govt of India, New Delhi

The Coal Secretary, Govt of India, New Delhi.