



# ALL INDIA ASSOCIATION OF COAL EXECUTIVES (AIACE)

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

302, Block No. - 304, RamKrishna Enclave, Nutan Chowk, Sarkanda, Bilaspur (CG);

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AIACE/CENTRAL/2018/05

Dated -- 8 /1/2019

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

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

Dear Sir,

For speedy reimbursement of an annuity by 1<sup>st</sup> April.2019, it is proposed that the corpus held by CIL of Executive Defined Contributory Pension Scheme, may be deposited with the fund manager at the earliest.

At the same time, our association shall like to submit a few suggestions for consideration in implementing this scheme smoothly at a greater pace.

SN	ITEM	DESCRIPTION	SUGGESTION
1	Need to fill Form 10E	If the accumulated pension for any year is found to be taxable then data in Form 10E is needed for computation of Income Tax for the relevant year.	For Working Executives, it may be useful and moreover, they are at a comfort level to fill this form due to the easy availability of data and other facilities.  For Retired Executives, in most of the cases, the year-wise accumulated pension will be well below the taxable limit. Hence they may be exempted from filling this form. 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	Successful filing of Form 10E	It will allow Executives to spread their accumulated pension fund over past years and to avail tax benefits.	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.

3	Un-success in filing Form 10E	An Executive, whether Working or Retired, may not have relevant Form 10E data for various reasons	Availability of relevant data for Form 10E, may be hampered due to various reasons as stated in Sl. No. 1 above.  So, those who are able to fill form 10E at a later date may be permitted do so and claim refunds, if any, from Income Tax dept and CIL management should transfer corpus fund for availing annuity at the earliest.
4	Declaration-2	Required for Executives unwilling to submit 10E form	This declaration looks superfluous and management should feel 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 dept.
5	Uploading of Form-16	This form helps Executives to file their respective IT Returns.	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.
6	Immediate Transfer of corpus fund in totality	This is required for availing enhanced annuity	It is suggested that CIL can 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 the case of retired Executives, they can be asked to deposit the payable taxes in the form of Demand Draft. Suitable modalities may be chalked out for ensuring tax deposit by demand draft.
7	Interest accrued on NPS fund	The delay in implementation of NPS scheme has naturally drawn an Interest part.	It is suggested to provide interest over NPS amount by CIL, which is also a significant amount.
8	Arrear of pension from eligibility date	Delayed implementation of NPS has generated arrears from the month of pension eligibility	Theoretically speaking, an Executive is liable to receive a 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.
9	Option to opt out of Scheme	To have the Option to opt out of Scheme due to meagre or less number of monthly contributions.	Option to opt out must be provided to Executives against whom accumulation of pension fund for continuous 120 months has not been achieved. Also there are Executives who have meagre amount of accumulated pension fund, or otherwise unwilling to join due to various reasons. This will be in line with the parent scheme launched by Central Government under NPS.

10	Option for part withdrawal of pension fund	To meet exigencies, there should be an option to part-withdrawal	Similarly, in line with originally muted Government patronized NPS, option to withdraw the permissible extent of the pension fund (40% as per government provision) should be allowed for every Executive.
11	Data updating in CIL website	Updating of records of executives in CIL website	It is suggested to take up, on war-footing, the issue of data updating. There are many executives whose records are not updated till date.
12	Cases of deceased executives	Many executives have died before implementation of the scheme	The nominee should be refunded whole provisioned amount.
13	Representation in the annuity trust	Representation of AIACE in the trust formed for annuity purpose	AIACE, in its capacity of the only registered trade-union body in CIL representing Working as well as Retired, may be accorded representation in the trust meant to be formed to look after this annuity scheme. This association does not wish to be a competitor of other unregistered bodies, but only requests its due RIGHT.

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-

DT/DP/DF/DM, Coal India Ltd, Kolkata.

CMD/DP/DF, All subsidiary companies of CIL

The Coal Secretary, Ministry of Coal, Govt of India, New Delhi.

The Minister of Coal, Govt of India, New Delhi.