ALL INDIA ASSOCIATION OF COAL EXECUTIVES (AIACE)

(Regd. Under the Trade Union Act, 1926; Regd. No. 546 / 2016)

302, Block No. 4, Ram Krishna Enclave, Nutan Chowk, Sarkanda; Bilaspur (CG)

E-mail : centralaiace@gmail.com ; Ph. 9907434051

Ref No. AIACE/CENTRAL/2025 / 067/Supplementary **Dated 30.10.2025**

To
The Under Secretary,
CMPF Section, Ministry of Coal, Government of India,
Shastri Bhawan, New Delhi – 110001
Email: so-cmpf@gov.in

Sub: Supplementary Suggestion on The Draft Coal Mines Provident Fund and Miscellaneous Provisions (Amendment) Bill, 2025

Dear Sir,

Further to our earlier submission vide our letter no. AIACE/CENTRAL/2025/067 dated 15th October, 2025 on the official notification and draft bill issued by the Ministry of Coal (F. No. 20011/2/2021-CMPF dated 8 October 2025), please find enclosed/attached herewith our supplementary suggestion on "***Inclusion of an alternative provision under Schedule–II and related sections to allow refund of pension corpus with compound interest and discontinuation of CMPS–1998 to those members who opt for this."***

Earlier, our representation had focused on the urgent need to rationalise and enhance pension under the existing CMPS-1998 framework. However, considering the prolonged inaction and systemic failure to secure fair pensionary justice, we hereby submit an alternative proposal recommending EXIT from the CMPS-1998 pension scheme and refund of the acrued pension corpus to those contributors who are willing to opt for this.

In the 27 years since its inception, no comprehensive revision or actuarial rebalancing has ever been implemented. The pension amount paid to retired coal employees is grossly inadequate—in many cases less than ₹1000 per month—rendering the scheme socially meaningless and financially exploitative. The Court case and representations for enhancement of pension over two decades show a complete failure of fiduciary responsibility and erosion of pensioners' faith in the system.

The Draft CMPF (Amendment) Bill, 2025, offers an opportunity to correct a long-standing injustice. In the absence of meaningful reform or pension enhancement, the logical and equitable remedy is to allow for ***"Refund the pension corpus to willing worker/pensioner with 12% compound interest and discontinue the CMPS-1998 scheme."*** This will be a win-win situation for both, CMPFO and the pensioners/subscribers. The pensioners/subscribers will have an opportunity to receive a handsome refund amount while CMPF will be relieved of arranging fund for pension disbursement.

This action has the potential to restore credibility of CMPF accompanied with restoration of dignity, fairness, and transparency to the coal workers' social security framework envisioned under the CMPF Act, 1948.

Yours sincerely,

(P. K. SINGH RATHOR)
Principal General Secretary

Encl: Our Supplementary Suggestions, as above, in Annexure-I

CC
1. Hon'ble Minister for Coal and Mines, Govt of India, New Delhi
2. The Secretary (Coal), Govt of India, New Delhi
3. Smt. Rupinder Brar, Addl Secy (Coal), Govt of India, New Delhi

Annexure – I

THE SECOND SCHEDULE **(See sub-section (2) of section 21)** MATTERS TO BE PROVIDED FOR IN THE COAL MINES EMPLOYEES' PENSION SCHEME	
Salient Provisions in Draft Bill	**Our Comments/Suggestions**
Schedule–II in the draft bill outlines the framework for the Coal Mines Pension Scheme (Revised), empowering the Central Government to modify or restructure pension benefits.	**(A) Proposed Inclusion under Schedule–II (Alternative Scheme Provision):** Proposed to insert an Additional Clause (to be inserted as Clause 7 or at suitable location in Schedule–II): "7. Option for Withdrawal from Pension Scheme and Refund of Corpus: (1) Notwithstanding anything contained in this Act or the Pension Scheme, any employee, pensioner, or legal heir may exercise an option for withdrawal from the Coal Mines Pension Scheme, 1998. (2) Upon such option, the member shall be entitled to refund of the total pension corpus accumulated out of employee's and employer's contributions, along with interest compounded annually at the rate of twelve percent (12%) per annum from the date of contribution. (3) For pensioners already drawing pension, the amount of pension received till the date of such option shall be deducted from the payable corpus. (4) The Central Government may prescribe the procedure for determination, certification, and payment of such refunds in consultation with the Board of Trustees of the Fund."**
	(B) Suggested Cross-reference in Section 3E (or corresponding re-numbered section): Proposed Addition (Sub-section 7 or as suitable): "Provided further that where the continuance of a Pension Scheme under this Act ceases to serve its intended social security objective, the Central Government may, by notification, permit refund of individual corpus with due interest to the contributors as an alternative to pension."
	(C) Suggested Mention in Statement of Objects and Reasons (for legal clarity): "The Bill also seeks to empower contributors under the Coal Mines Pension Scheme, 1998 to exercise an option for withdrawal and refund of corpus with interest, in view of prolonged stagnation of pension benefits and actuarial imbalance, ensuring fairness and protection of workers' financial rights."

Justification for our Proposal:

- Failure of Objective: The CMPS–1998 has failed to deliver meaningful post-retirement security; continuation without revision is unjustifiable.

- Restoration of Ownership: The proposed clause allows contributors to reclaim their rightful corpus with accrued interest.

- Fiscal Neutrality: Refund of corpus will reduce future pension liability and litigation costs for the government/CMPFO.

- Social Justice: This amendment restores dignity to aged mine workers who have been denied fair pensionary treatment for decades.