

# Coal Mines Provident Fund and Bonus Schemes Act, 1948

UNION OF INDIA

India

## Coal Mines Provident Fund and Bonus Schemes Act, 1948

### Act 46 of 1948

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Coal Mines Provident Fund and Bonus Schemes Act, 1948(Act No. 46 of 1948)Last Updated 16th January, 2020[Dated 03.09.1948]An Act to make provision for the framing of a Provident Fund Scheme and a Bonus Scheme for persons employed in coal mines.Whereas it is expedient to make provision for the framing of a Provident Fund Scheme and a Bonus Scheme for persons employed.It is hereby enacted as follows: -

#### 1. Short title and extent.

(1)This Act may be called the Coal Mines Provident Fund and Bonus Schemes Act, 1948.(2)[ It extends to the whole of India [except the State of Jammu and Kashmir] [Substituted by the A.O.1950 for the original sub-section (2).].]

#### 2. Interpretation.

- In this Act, unless there is anything repugnant in the subject or context, -(a)"bonus" means any sum of money payable to an [employee] [Substituted by Act 80 of 1950, section 3 for 'employee in a coal mine'.] under the Coal Mines Bonus Scheme framed under this Act;(b)"coal mine" means any execution where any operation for the purpose of obtaining coal has been or is being carried on, and includes all works, machinery, tramways and sidings, whether above or below ground, in or adjacent to or belonging to a coal mine:Provided that it shall not include any part of the coal mine on which a manufacturing process is being carried on unless such process is a process for coke-making or the dressing of minerals.(c)"contribution" means the contribution payable in respect of a member under the Coal Mines Provident Fund Scheme framed under this Act;(d)"employee" means any person who is employed in any kind of work, manual or otherwise, in or in connection with a coal mine and who gets his wages directly or indirectly from the employer;(e)"employer" means the owner of a coal mine as defined in clause (g) of section 3 of the Indian Mines Act, 1923 (4 of 1923);(f)"Fund" means

the provident fund established under the Coal Mines Provident Fund Scheme; and (g) "member" means a member of the Fund.

### **3. Coal Mines Provident Fund Scheme.**

(1) The Central Government may, by notification in the Official Gazette, frame a scheme to be called the [Coal Mines Provident Fund Scheme] [(For the Coal Mines Provident Fund Scheme, 1948, see Gazette of India, Extraordinary, p.1917.)] for the establishment of a provident fund for [employees] [Substituted by Act 80 of 1950, section 4, for 'employees in coal mines'.] and specify the coal mines to which the said scheme shall apply. (2) Any scheme framed under the provisions of sub-section (1) may provide for all or any of the matters specified in the First Schedule.

### **4. Fund to be recognised under Act 11 of 1922.**

- For the purposes of the Indian Income-tax Act, 1922 (11 of 1922), the Fund shall be deemed to be a recognised provident fund within the meaning of Chapter IX-A of that Act.

### **5. Coal Mines Bonus Scheme.**

(1) The Central Government may, by notification in the Official Gazette, frame a [scheme] [{For the Coal Mines Bonus Scheme, 1948, see Gazette of India, Extraordinary, p.961.}] to be called the Coal Mines Bonus Scheme for the payment of bonus to [employees] [Substituted By Act 80 of 1950, section 4, for 'employees in coal mines'.] and specify the coal mines to which the said scheme shall apply. (2) A scheme framed under the provisions of sub-section (1) may provide for all or any of the matters specified in the Second Schedule.

### **6. Retrospective operation of a scheme.**

- A scheme framed under this Act may provide that any of its provisions shall come into force either prospectively or retrospectively with effect from such date as may be specified in this behalf in the scheme.

### **7. Modification of a scheme.**

- The Central Government may, by notification in the Official Gazette, add to, amend or vary a scheme framed under this Act.

### **8. Protection against attachment.**

(1) The amount of the provident fund standing to the credit of any member in the Fund shall not in any way be capable of being assigned or charged and shall not be liable to attachment under any decree or order of any Court in respect of any debt or liability incurred by the member and neither the Official Assignee nor any Receiver appointed under the Provincial Insolvency Act, 1920, shall be

entitled to, or have any claim on, any such amount.(2)Any amount standing to the credit of any member in the Fund at the time of his death and payable to his nominee under the Coal Mines Provident Fund Scheme shall, subject to any deduction authorized by the said scheme, vest in the nominee and shall be free from any debt or other liability incurred by the deceased or incurred by the nominee before the death of the member.

## **9. Penalty.**

(1)Any scheme framed under this Act may provide that any person who contravenes any of the provisions thereof shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.(2)No Court shall take cognizance of any offence punishable under any such scheme except on a report in writing of the facts constituting such offence made by an Inspector with the previous sanction of such authority as may be specified in this behalf by the Central Government.

## **10. Inspectors.**

(1)The Central Government may, by notification in the Ins Official Gazette, appoint such persons as it thinks fit to be Inspectors for the purposes of the Coal Mines Provident Fund Scheme or the Coal Mines Bonus Scheme and may define their jurisdiction.(2)An Inspector may, in respect of any coal mine within his jurisdiction,-(a)require an employer to furnish such information as he may consider necessary for the purposes of any scheme framed under this Act;(b)at any reasonable time, enter any coal mine or its office and require any one found in charge thereof to produce before him such accounts, books, registers and other documents relating to the employment of persons in the coal mine as he may consider necessary;(c)examine, with respect to any matter relevant to any of the purposes aforesaid, the employer, his agent or servant or any other person found in charge of the coal mine or its office or whom the Inspector has reasonable cause to believe to be or to have been an employee in the coal mine(3)Every Inspector shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code, 1860 (45 of 1860).

## **10A. [ Mode of recovery of money due from an employer. [Inserted by Act 21 of 1951, section 2 ]**

- Any amount due from an employer in respect of any contribution or bonus under any scheme framed under this Act may be recovered by the Central Government in the same manner as an arrear of land revenue.]

## **11. Priority of payment of contribution and bonus over other debts.**

- The amount due in respect of any contribution or bonus under f a scheme framed under this Act or any charges incurred in respect of the administration of any such scheme, shall, where the liability therefor has accrued before the persons liable has been adjudicated insolvent or, in the case of a company ordered to be wound up, before the date of such order, be deemed to be included among

the debts which, under section 49 of the Presidency-towns Insolvency Act, 1909 (3 of 1909), or under section 61 of the Provincial Insolvency Act, 1920 (5 of 1920), or under section 230 of the Indian Companies Act, 1913 (7 of 1913), are to be paid in priority of to all other debts in the distribution of the property of the insolvent or the assets of a company being wound up, as the case may be.

**11A. [ Protection for acts done in good faith. [Inserted by Act 80 of 1950, section 5.]**

- No suit or other legal proceeding shall lie against any person in respect of anything which is in good faith done or intended to be done under this Act or under any scheme framed thereunder.]

**12. Repeal of Ordinance 7 of 1948.**

(1)The Coal Mines Provident Fund and Bonus Schemes Ordinance, 1948 (7 of 1948), is hereby repealed.(2)Notwithstanding any such repeal, anything done or any action taken in exercise of any power conferred by or under the said Ordinance shall be deemed to have been done or taken in exercise of the powers conferred by or under this Act, as if this Act had commenced on the 23rd day of April, 1948.The First Schedule(See section 3)Matters to be Provided for in the Coal Mines Provident Fund Scheme

**1. The employees or class of employees who shall join the Fund, the contributions payable to the Fund and the conditions under which an employee may be exempted from joining the Fund or from payment of contributions.**

**2. [ Payment of contributions to the Fund by employers and by, or on behalf of, employees, the rate, time and manner of such payment and the manner in which such contributions may be recovered.] [Substituted by act 21 of 1951, s.3, for para.2]**

**3. The payment by the employer of such sums of money as may be considered necessary to meet the cost of administering the Fund and the rate at which and the manner in which [the payment shall be made] [Substituted by act 21 of 1951, section 3, for 'it shall be paid'.]**

**4. The constitution of a Board of Trustees consisting of nominees of the Central Government and representatives of employers and employees nominated by the Central Government in consultation with the representative organisations concerned, subject to the condition that the number of the**

**representatives of the employees shall not be less than the number of the representatives of the employers; the number of Trustees and the terms and conditions under which they may be nominated, and the time, place and procedure of meetings of the Board.**

**5. The appointment of officers and servants of the Board and the opening of regional and other offices.**

**6. The manner in which accounts shall be kept, the investment of moneys belonging to the Fund, the preparation of a budget, the audit of accounts and the submission of reports to the Central Government**

**7. The conditions under which withdrawals from the Fund may be permitted and any deduction or forfeiture may be made and the maximum amount of such deduction or forfeiture.**

**8. The fixation of the rate of interest payable to members by the Central Government in consultation with the Board of Trustees.**

**9. The form in which an employee shall furnish particulars about himself and his family when required.**

**10. The nomination of a person to receive the amount standing to the credit of a member after his death and the cancellation or the change of such nomination.**

**11. The registers and records to be maintained by the employer and the returns to be furnished by him.**

**12. The form or design of an identity card or a token or a disc for purposes of identifying any employee and for the issue, custody and replacement thereof.**

**13. The fees to be levied for any of the purposes specified in this Schedule.**

**14. Any other matter which may be necessary or proper for the purpose of implementing the Coal Mines Provident Fund Scheme.**

The Second Schedule(See section 5)Matters to be Provided for in the Coal Mines Bonus Scheme

- 1. The payment of bonus dependent on the attendance of an [employee] [Substituted by Act 80 of 1950, section 6, for 'employee in a coal mine'.] during any period.**
- 2. The employees or class of employees who shall be eligible for the bonus and the conditions of eligibility.**
- 3. The rate at which the bonus shall be payable to an employee and the manner in which the bonus shall be calculated.**
- 4. The conditions under which an employee may be debarred from getting the bonus in whole or in part.**
- 5. The rate at which sums shall be set apart by the employer for payment of bonus, and the time and manner of such payment.**
- 6. The registers and records to be maintained by the employer and the returns to be furnished by him.**
- 7. Any other matter which may be necessary or proper for the purpose of implementing the Coal Mines Bonus Scheme.**