

2

ORGANISATION

2.1 SECRETARIAT SET UP

The Secretariat of Ministry of Coal is headed by a Secretary who is assisted by one Additional Secretary, three Joint Secretaries (including the Financial Advisor), one Project Advisor, one Economic Advisor, seven Directors, one Deputy Secretary, nine Under Secretaries, eighteen Section Officers, one Assistant Director (Official Language), one Controller of Accounts, one Deputy Controller of Accounts, two Senior Accounts Officers and four Assistant Accounts Officers and their supporting staff.

2.2 FUNCTIONS OF THE MINISTRY OF COAL

The Ministry of Coal is concerned with exploitation, development and exploitation of coal and lignite reserves in India. The works allocated to the Ministry of Coal (includes Subordinate office or other organization including PSUs concerned with their subjects) under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time are as follows:

- (i) Exploration and development of coking and non-coking coal and lignite deposits in India.
- (ii) All matters relating to production, supply, distribution and prices of coal.
- (iii) Development and operation of coal washeries other than those for which the Department of Steel (ISPAT Vibhag) is responsible.
- (iv) Low Temperature carbonization of coal and production of synthetic oil from coal.
- (v) Administration of the Coal Mines (Conservation and Development) Act, 1974 [28 of 1974].
- (vi) The Coal Mines Provident Fund Organization.
- (vii) Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 [46 of 1948].
- (viii) Rules under the Mines Act, 1952 [32 of 1952] for the levy and collection of duty of excise on coke and coal produced and dispatched from mines and administration of rescue fund.
- (ix) Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957 [20 of 1957].
- (x) Administration of the Mines and Minerals (Development and Regulation)

Act, 1957 [67 of 1957] and other Union Laws in so far the said Act and Laws relate to coal and lignite and sand for stowing, business incidental to such administration including questions concerning various States.

(xi) Administration of Coal Mines Nationalization Act, 1973 [26 of 1973].

2.2.1 A Consultative Committee consisting of 16 Member of Lok Sabha and 4 Member of Rajya Sabha has been set up under the Chairmanship of Shri Sriprakash Jaiswal, Minister of State (I/C) for Coal & SPI for the Ministry of Coal. The Committee had one meeting during the period. The committee discussed the issue of Underground Coal Gasification.

2.3 PUBLIC SECTOR/JOINT SECTOR COMPANIES

Coal India Limited with its headquarters at Kolkata is the apex body in Coal Industry under the administrative control of the Ministry of Coal. It is responsible for laying down policy guidelines and work coordination with its subsidiary companies. CIL has been entrusted with the responsibility of investment planning, manpower management, purchase of heavy machineries, financial budgeting etc on behalf of all its subsidiaries. Coal India Ltd. (CIL) has following 8 subsidiary public sector undertaking companies under its control:-

i) Bharat Coking Coal Limited (BCCL), Dhanbad, Jharkhand

ii) Central Coalfields Limited (CCL), Ranchi, Jharkhand

iii) Eastern Coalfields Limited (ECL), Sanctoria, West Bengal

iv) Western Coalfields Limited (WCL), Nagpur, Maharashtra

v) South Eastern Coalfields Limited (SECL), Bilaspur, Chhattisgarh

vi) Northern Coalfields Limited (NCL), Singrauli, Madhya Pradesh

vii) Mahanadi Coalfields Limited (MCL), Sambalpur, Orissa

viii) Central Mine Planning and Design Institute Limited (CMPDIL), Ranchi, Jharkhand

2.3.1 The Neyveli Lignite Corporation Limited (NLC), with registered office at Chennai and corporate office at Neyveli in Tamil Nadu is engaged in exploitation and excavation of lignite, generation of thermal power and sale of raw lignite.

2.3.2 Singareni Collieries Company Limited (SCCL) - A Joint Sector Undertaking of Government of Andhra Pradesh and Government of India with equity capital in the ratio of 51:49.

2.4 SUBORDINATE OFFICE AND AUTONOMOUS ORGANISATION

The following subordinate office and autonomous organisation are under the administrative control of Ministry of Coal -

- (i) Office of the Coal Controller's Organisation (CCO) - a subordinate office
- (ii) Coal Mines Provident Fund Organisation [CMPFO] - an autonomous body

2.5 COAL CONTROLLER'S ORGANISATION

2.5.1 The Coal Controller's Organisation is a subordinate Office of Ministry of Coal, having its headquarters at Kolkata and field Offices at Dhanbad, Ranchi, Bilaspur, Nagpur and Kothagudem.

The Coal Controller's Organisation discharges various statutory functions derived from the following statutes:

- (i) The Colliery Control Order, 2000 and the Colliery Control Rule, 2004.
- (ii) The Coal Mines [Conservation and Development] Act, 1974 and the Coal Mines [Conservation & Development] Rules, 1975.
- (iii) The Collection of Statistics Act, 1953 [(32 of 1953)] and the Collection of Statistics [Central] Rules, 1959.
- (iv) The Coal Bearing Areas [Acquisition & Development] Act, 1957 [20 of 1957]

The Coal Controller's Organisation also discharges the following functions:

- (a) Monitoring progress of development of Captive Coal/Lignite Blocks and their associated end-use projects.
- (b) Monitoring of Washeries.

2.5.2 A brief description of the performance of Coal Controller's Organisation during the period Apr' 09 to Dec '09 is as under:-

(i) Grant of Permission for opening and re-opening of coal mines

Coal Controller, as directed by the Union Government, granted permission for opening and re-opening of 19 Coal mines/ Lignite mines during April'2009 to Dec'2009 and two more permission for opening of coal mines are under process.

(ii) Disposal of cases under Section 8 of the Coal Bearing Areas [Acquisition and Development] Act, 1957

During the period from April'2009 to Dec '2009, Coal Controller submitted reports to the Ministry of Coal under section 8 of CBA Act, 1957 in respect of 12 notifications.

(iii) CCDA Release funds under stowing/ Protective works and Roads

The Coal Controller acts as the Member Secretary for the Coal Conservation & Development Advisory Committee (CCDA), constituted under the Coal Mines [Conservation & Development] Rule 1975. The office of Coal Controller receives, processes and submits applications from coal companies regarding stowing,

protective work, road and railways project in the coal fields areas to CCDA for release of funds.

(iv) Coal Samples Inspected, Statutory Complaints Received & Settled

Under the Colliery Control Rules (CCR), 2004, Coal Controller is to monitor the quality of Coal dispatched from collieries and also settle quality complaints of consumers. During the period from April'09-Dec'09, 638 sample checks were taken. During this period, 7 non statutory complaints were received.

(v) Collection of Excise Duty

Rs.373.77 Crores were collected towards expenditure during the period April'2009 to Dec '2009. The Estimated (Projected) figure for the period Jan'10-March'10 is Rs. 134.30 crores .

(vi) Collection, Compilation and Publication of coal Statistics

Coal Controller is the Statistical Authority for compilation and dissemination of data relating to coal and lignite in the country. Besides, providing the monthly data to Ministry of Coal, the Central Statistical Organisation, the Indian Bureau of Mines, RBI, DIPP and other national and international data users, the office of the Coal Controller also published the Annual

Coal Directory 2008-09, containing detailed data. Provisional Coal Statistics was published in April, 2009.

(vii) Monitoring of progress of captive coal blocks allocated and its associated end use projects

12 coal blocks were allotted during the period Jan, 09 to Dec, 09 to different private companies. No new blocks has started coal production during the period April, 09 to Dec, 09. One review meeting was held under the chairmanship of Special Secretary.

2.5.3 During 2009-10 Rs. 135.00 crores has been provided in BE/RE under the head of conservation and safety for stowing and protective works. Coal Conservation and Development Advisory Committee (CCDAC) in its 65th and 66th meetings recommended for release of Rs. 69.808 crores and Rs. 68.438 crores respectively as reimbursement claim to the coal companies. The release of funds to the coal companies is under process and this will be restricted to RE provision of Rs. 135.00 crores.

Under the head Development of Road and Rail infrastructure in coalfield areas, Rs. 22.00 crores was provided in BE 2009-10 but has been reduced to Rs.0.01 crores at

RE stage due to non availability of in principle approval from the Planning Commission and approval by EFC.

2.6 COAL MINES PROVIDENT FUND ORGANISATION (CMPFO)

The Coal Mines Provident Fund Organisation is an autonomous body under the Ministry of Coal, Government of India, established in 1948 through an Act of Parliament to administer different schemes of Provident Fund, Pension and Deposit Linked Insurance for coal miners. These schemes are administered by a tripartite Board of Trustees, (BOT) consisting of representatives representing Union of India, State Govt. employers' and employees' representatives under the Chairmanship of Secretary (Coal), Govt. of India. The Commissioner is the CEO and ex-officio member of the Board.

The Organisation renders services to approx. 4.84 lakh Provident Fund subscribers and about 3 lakh pensioners. The Headquarters of CMPFO is at Dhanbad and its 24 Regional Offices are spread all over country.

2.6.1 Coal Mines Provident Fund Scheme

At the end of the year 2008-2009 the total number of units covered stood at 928 excluding coke plants operating in Private Sector. Live membership of the Provident Fund as on 31.12.2009 is approx 4.84 lakh.

During 2009-10 upto 31.12.2009 Provident Fund Contributions including voluntary contributions amounting to Rs. 2,252 crore approx were received in the Coal Mines Provident Fund raising the total contributions up to Rs. 28,364 crore approx. The net accretion by way of contribution and interest thereon, less refund and advances, amounted to Rs. 28,371 crore approx. The entire accumulation in the fund is invested in accordance with the guidelines laid down by the Ministry of Finance. The total face value of the fund's investment upto 31.12.2009 stood at Rs. 38,762 crore approx.

During 2008-09 provisional interest has been allowed on member's accumulation at the rate of 8.5%.

Refund from Provident Fund during 2009-10 upto 31.12.2009 together with the advances paid is indicated below:-

The cost of Administration of CMPF Scheme is met out of the administrative

	No of cases settled up to 31.12.2009
Provident Fund	11900
Marriage Advance	
Education Advance	12421
House Building Advance	
The amount disbursed on P.F. and Advances	1247.17crore approx

All figures are provisional.

Charge @3% paid by the Coal companies to the CMPFO.

2.6.2 Coal Mines Deposit Linked Insurance Scheme

In the event of death of an employee in harness who was a member of Coal Mines Provident Fund his/her nominee is entitled to receive in addition to the Provident Fund, an amount equal to the average balance, in the account of the deceased during the preceding 3 years, subject to a maximum of Rs. 10,000/-.

In accordance with the Scheme, the employers are required to contribute at the rate of 0.5% of the aggregate wages of covered workers. The Central Government is also required to pay half of the amount contributed by the employers under the Scheme

The CMDLI Scheme was discontinued from operation by the Central Government from 24.3.2009 for the employees of public sector coal companies. As per the provision of the scheme, the Scheme is applicable to the members of Coal Mines Provident Fund Scheme and for meeting the cost of administration of the Private Sector employer's contribute @ 0.1% of aggregate wages and the Central Government contributes 50% thereof i.e. 0.05% of aggregate wage.

2.6.3 Coal Mines Pension Scheme, 1998

The Coal Mines Pension Scheme has come into force with effect from the 31st day of March, 1998. The number of claims of Pension settled in 2009-10 (Up to 31.12.2009) is 17,120. The total amount disbursed under the Coal Mines Pension Scheme, 1998 is Rs. 450.22 Crore approx.

The highlights of the Scheme are given below:-

Corpus of the Fund and its sustainability:

The Pension Fund consists of the following:-

- (a) Net assets of the Coal Mines Family Pension Scheme, 1971 as on the appointed day.
- (b) an amount equivalent to two and one-third percent of the salary of the employee, being the aggregate of equal shares of the employee and the employer from their respective contributions to be transferred from the appointed day from the Fund of employee.
- (c) an amount equivalent to two percent of the salary of the employee from the first day of April, 1989 or the date of joining, whichever is later, upto the 31st day of March, 1996 and two percent of the notional salary of the employee from the 1st day of April, 1996 or the date of joining, whichever is later to be transferred from his salary.

- (d) an amount equivalent to one increment to be calculated on the basis of the salary of the employee as on the first day of July, 1995 or the date of joining, whichever is later, to be transferred from the first day of July, 1995 or the date of joining, whichever is later, from the salary of the employee.
- (e) An amount equivalent to one and two-third of the salary of the employee to be contributed by the Central Government from the appointed day.
- (f) Amounts to be deposited by Pension members including new optee in terms of the provisions of the Scheme.

In 2009-10 (upto 31.12.2009) Rs. 409 crores approx was diverted to Pension Fund from Provident Fund. Net accretion in the pension fund as on 31st Dec.2009 (without Government Shares and interest) is Rs. 800 crores approx. As per provisions of the Pension Scheme valuation of the Pension Fund will be done every third year by an Actuary to be appointed by the Board of Trustees. The work of evaluation of Pension Fund was entrusted to the National Institute of Financial Management, Ministry of Finance, Government of India, Faridabad, Haryana. Now Commissioner, CMPFO has intimated that the NIFM has closed the assignment on the ground that complete data/information has not been provided. However, efforts are being made to get the contract revised and have the work completed by NIFM.

Coverage

- (a) All employees who are members of the ceased Coal Mines Family Pension Scheme, 1971 and are on rolls on 31st March, 1998.
- (b) All such employees who are appointed on or after 31st March, 1998.
- (c) All such optee members who were in service from 1.4.94 to 31.3.98 opted for membership of the Pension Fund in form PS-1 and PS-2 as the case may be with the condition specified under the Scheme.
- (d) All such employees who died while in service during the period 01.04.1994 to 31.03.1998 are treated as deemed optee of the scheme vide G.S.R. No. 521(E) dated 12.08.2004.

Benefits

- (a) Monthly Pension.
- (b) Disablement Pension.
- (c) Monthly widow or widower pension.
- (d) Children Pension.
- (e) Orphan Pension.
- (f) Exgratia Payment

Note: All figures for the year 2009-10 (up to 31.12.2009) are provisional (un-audited).