

Executive Summary

The Ministry of Coal has the overall responsibility of determining policies and strategies in respect of exploration and development of Coal and lignite reserves, sanctioning of important projects of high value and deciding all related issues. These key functions are exercised through its public sector undertakings, namely, Coal India Limited (CIL) and Neyveli Lignite Corporation (NLC) Limited and Singareni Collieries Company Limited (SCCL), which is a joint sector undertaking of Government of *Telangana* and Government of India with equity capital in the ratio of 51:49 respectively.

The Outcome Budget of the Ministry of Coal for the year 2015-16 begins with an overview of the vision, mission and objectives of the Ministry together with its functions and organizational structure. [Chapter 1]

The 2nd chapter of this document deals with financial outlays, projected physical outputs and the budgeted outcomes. This chapter also brings out the financial outlays/IEBR component of PSUs. An analytical component has been woven in with focus on the outcomes in 2014-15, and the expected outcomes in terms of the quantifiable deliverables in 2015-16. It has not been possible to disaggregate the data by gender, as in the case of coal/lignite sector, the delivery point is not the individual.

The 3rd chapter deals with some important reform measures and policy initiatives undertaken in recent times. These include:

- Renewed policy thrust and commitment to increase coal production and enhance underground mining, identification of additional Coal & lignite blocks; completion of ongoing projects and expansion of existing projects; technology development for modernization of mines; setting up of new washeries; reforming and strengthening of the Coal Controller's organization; addressing critical areas of the Master Plan for Jharia and Raniganj coalfields, encouraging innovative partnerships under the PPP model.
- In addition, new policy initiatives have been taken to expedite environmental and forest clearances and push critical rail-link projects. Coal exploration work has been put on fast track; productivity norms are being reviewed; supply and linkage of coal has been rationalized; stringent quality control measures as also supply of crushed coal have been ensured; land and rehabilitation related issues are being streamlined and allocation

of coal blocks and monitoring of development of captive coal blocks are being given a special thrust.

- For the management and reallocation of 204 coal blocks cancelled/de-allocated by the Hon'ble Supreme Court of India, Government has promulgated the 'Coal Mines (Special Provisions) Ordinance, 2014' on 21-10-2014, followed by the Coal Mines (Special Provisions) Second Ordinance, 2014 on 26-12-2014. The Coal Mines (Special Provisions) Rules, 2014 have also been notified on 11-12-2014.

The 4th chapter reviews past performances in terms of targets, provides an analytical insight on the growth in coal and lignite production, and gives company and project wise status of ongoing projects of Rs.100 crores and above.

The 5th chapter reviews the overall trends in expenditure vis-à-vis Budget Estimates/Revised Estimates.

The 6th and the final chapter presents a concise and comprehensive review of the performance of Statutory and Autonomous bodies under the control of the Ministry. This chapter also documents important measures taken to increase transparency and accountability.

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Objectives, Functions, Schemes and Organizational Structure

The core objectives of MoC are linked to its vision of securing the availability of coal to meet the demand of different sectors of the economy in an eco-friendly and sustainable manner and the overall mission of augmenting production through Government companies as well as the captive mining route by adopting state-of-the-art, clean-coal technologies; enhancing exploration efforts with thrust on increasing proven resources and developing the necessary infrastructure for prompt evacuation of coal.

1.1 Objectives

- Ensuring achievement of Annual Action Plan targets for coal production and off-take, OBR removal, lignite production and lignite based power generation.
- Infrastructure development to augment coal and washed coal production.
- Leveraging technology to minimize environmental externalities.
- Cutting edge research and development initiatives.
- Enhancing exploration to augment resource base.
- Quality and reliability in customer services.
- Expeditious and joint solutions to interministerial issues.
- Improving efficiency of Coal India.
- Attracting private investments.
- Allocating new coal blocks in a transparent manner.

1.2 Functions

- Facilitating exploration, development and exploitation of coking and non-coking coal and lignite reserves in India.

- All matters related to production, supply, distribution and prices of coal.
- Development and operation of coal washeries other than those for which Department of Steel is responsible.
- Administration of the Coal Mines (Nationalisation) Act, 1973; Mines and Minerals (Development and Regulation) Act, 1957; the Coal Bearing Areas (Acquisition and Development) Act, 1957; the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948; rules under the Mines Act, 1952 for levy and collection of excise duty on coke and coal produced and dispatched from mines; the Coal Mines (Conservation and Development) Act 1974 and other Union laws related to coal and lignite and sand for stowing and the business incidental to such administration.

1.3 Schemes

- Research and Development
- Regional Exploration
- Detailed Drilling
- Environmental Measures and Subsidence Control
- Conservation and Safety in Coal Mines
- Development of Transport Infrastructure in Coalfield areas

1.4 Organizational Structure

The Secretariat of Ministry of Coal is headed by a Secretary who is assisted by an Additional Secretary, four Joint Secretaries (including the Financial Adviser), one Project Adviser, one Economic Adviser, seven Directors/Deputy Secretaries, one Technical Director, nine Under Secretaries, Twenty Section Officers, one Assistant Director (Official Language) and one Dy. Controller of Accounts and their supporting staff.

1.5 Coal India Limited (CIL) and its Subsidiary Coal Companies:

The Ministry of Coal has under its administrative control the Coal India Limited, a Maharatna category Public Sector Undertaking with eight subsidiary companies namely:-

- Bharat Coking Coal Limited at Dhanbad, Jharkhand

- Central Coalfields Limited at Ranchi, Jharkhand
- Eastern Coalfields Limited at Sanctoria, West Bengal
- Western Coalfields Limited at Nagpur, Maharashtra
- South Eastern Coalfields Limited at Bilaspur, Chhattisgarh
- Northern Coalfields Limited at Singrauli, Madhya Pradesh
- Mahanadi Coalfields Limited at Sambalpur, Orrisa
- Central Mine Planning and Design Institute Limited at Ranchi, Jharkhand

The CIL and its subsidiaries are incorporated under the Companies Act, 1956 and are wholly owned by the Central Government. The Coal mines in Assam and its neighboring areas are controlled directly by CIL under the unit North Eastern Coalfields.

1.6 Neyveli Lignite Corporation Limited (NLC):

The Ministry of Coal has under its administrative control the Neyveli Lignite Corporation Limited, a Navaratna PSU, with its registered office at Chennai and corporate office at Neyveli in Tamil Nadu. The company is engaged in exploitation and excavation of lignite, generation of thermal power and sale of raw lignite.

1.7 Singareni Collieries Company Limited (SCCL):

In addition to CIL and its subsidiaries and Neyveli Lignite Corporation Limited, there is another Coal company in the public sector, namely, the Singareni Collieries Company Limited (SCCL), which is a joint venture between the Government of Andhra Pradesh and Government of India, with equity capital shared in the ratio of 51:49 respectively.

1.8 Organisations under the Administrative Control of Ministry of Coal

1.8.1 Coal Controller's Organization:

The Coal Controller's Organization is a subordinate office of the Ministry of Coal, with its headquarters at Kolkata and 7 field offices at Dhanbad, Ranchi, Bilaspur, Nagpur, Kothagudem, Sambalpur and Aasansol. Each field office is headed by a GM/DGM level executive working in the capacity of Officer on Special Duty (OSD) being supported by other technical officials. The

Coal Controller's Organization discharges statutory functions derived from the following statutes:

- The Colliery Control Rules, 2004.
- The Coal Mines (Conservation and Development) Act, 1974 and the Coal Mines (Conservation and Development) Rules, 1975.
- The Collection of Statistics Act, 1953[32 of 1953] and the Collection of Statistics (Central) Rules, 1959.
- The Coal Bearing Areas (Acquisition and Development) Act 1957 [20 to 1957].

In addition Coal Controller's Organization discharges the following functions;

- Monitoring progress of development of Captive Coal/lignite blocks
- Monitoring of washeries
- Monitoring disposal of various Coal products
- Following up on submission of Mine Closure Plans

The Coal Controller office has a statistical wing responsible for collection, compilation and publication of Coal Statistics on a regular basis. This is the major source of coal statistics in Government of India.

1.8.2 Coal Mines Provident Fund Organization (CMPFO):

The Coal Mines Provident Fund Organization is a social security Organization, formed under the Central Statute – The Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (Act No.46 of 1948), It is an autonomous statutory Organization, with its headquarters at Dhanbad. It has 24 regional offices in the Coal producing States catering to the needs of employees of Coal Industries. This includes coal workers of the private sector. Hence, in a nutshell, the CMPFO has been entrusted with the responsibility of administering the Coal Mines Provident Fund & Miscellaneous Act, 1948 and schemes framed thereunder namely:

- The Coal Mines Provident Fund Scheme
- The Coal Mines Pension Scheme
- The Coal Mines Deposit Linked Insurance Scheme