

## Organisation

### 2.1 Secretariat Set Up

The Secretariat of Ministry of Coal is headed by a Secretary who is assisted by one Special Secretary, three Joint Secretaries (including 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 organisation including PSUs concerned with their subjects) under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time 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 is responsible.
- (iv) Low temperature carbonisation of coal and production of synthetic oil from coal.
- (v) All work related to coal gasification.

- (vi) Administration of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974).
- (vii) The Coal Mines Provident Fund Organisation.
- (viii) Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 (46 of 1948).
- (ix) Rules under the Mines Act, 1952 (32 of 1952) for the levy and collection of duty of excise on coke and coal produced and despatched from mines and administration of rescue fund.
- (x) Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957 (20 of 1957).
- (xi) 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.
- (xii) Administration of Coal Mines Nationalisation Act, 1973 (26 of 1973).

### 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 ordination 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 organisations 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 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. Each field office is headed by one GM/ DGM level executive working in the capacity of Officer on Special Duty being supported by other technical officers. Apart from carrying out inspection for ascertaining quality in selected mines, the field officers also carry out regular inspections to ensure compliance with specific orders relating to coal quality and resolving statutory complaints. Besides looking after the quality surveillance, the above field officers also entrusted with field assignments associated with CCDA assistance under Coal mines conservation and Development Rules 1975, opening /re-opening permission of seams of mines under the Colliery Control Rules, 2004 and co-ordination with the Coal Companies. In addition, one officer on Special Duty is posted in the Coal Controller's Organisation in Kolkata for co-ordinating the field offices along with in charge of coal mines under Asansol, Sambalpur and NEC Command area, monitoring of captive coal/lignite blocks and their associated end use projects and rendering assistance to Coal Controller

on all technical matters like parliamentary questions, Budget & EFC Note etc.

**2.5.2** The Coal Controller's Organisation discharges various statutory functions derived from the following Statutes:-

- (i) The Colliery Control Order , 2000 and the Colliery Control Rules, 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 to 1957]

**2.5.3** 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.
- (c) Following up of submission of mine closure plans.
- (d) Residual works of Commissioner of payments.

**2.5.4** A brief description of Coal Controller's Organisation performance during the period from April,2010 to December,2010 is as under :-

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

Coal Controller, under Rule 9(1) of Colliery Control Rules 2004, granted permission for opening and re-opening of seams of 21 Nos. of seams of Coal mines/Lignite mines.

**(ii) Disposal of cases under Section 8 of the Coal Bearing Areas (Acquisition and Development) Act. 1957**

Coal Controller submitted reports to the Ministry of Coal under Section 8 of the Coal Bearing Areas (Acquisition and Development) Act 1957, in respect of 14 Notifications.

**(iii) CCDA Release funds under Stowing/ Protective and Infrastructure facilities**

The Coal Controller acts as the Member Secretary for the Coal conservation & Development Advisory Committee (CCDAC), constituted under the Coal Mines (Conservation & development) Rule 1975. The office of Coal Controller receives processes and scrutinizes applications/claim from coal companies towards CCDA activities like stowing, protective work, Research & Development Activities, Road and Railways Infrastructure projects in the coal fields areas. All the proposals for subsidy are examined for partial reimbursement @ 100 %, 75 % and 90% assistance by the Central Government to the coal companies towards R & D , PW & ST. The balance cost in each case is borne by the coal companies. These rates under revision exercise by Central Mine Planning and Design Institute Ltd. (CMPDIL) as directed by CCDAC. to CCDA for submission to the Sub-Committee, which recommended it to CCDAC. Based on the approval of Coal conservation & Development Advisory Committee, Ministry of Coal release of funds under different heads.

During the year 2009-10 B.E was ₹135.00 Crores for subsidy towards Stowing, Protective works and R&D Head. In the above year 65th and 66th CCDAC were held on 31.10.2009

and 22.02.2010 respectively. The release of CCDAC fund of 2009-10 is shown as below :-

(₹ in Crores) 2009-10

Spill over from 2008-09	Recommendation in 65th CCDAC meeting		Recommendation in 66th CCDAC meeting		Spill over to 2010-11
	Stowing	Protective Works	Stowing	Protective works	
2.6747	65.1025	2.0314	60.6318	5.1028	3.2471

Ministry of Coal sanctioned ₹ 135.00 Crore for the year 2009-10. Total recommendation of CCDAC for 2009-10 was ₹138.2471 Crore including spill over amount from 2008-09 ₹2.6747 Crore. Ministry released ₹135.00 Crore and rest

of the amount ₹ 3.2471 Crore was spill over to the next year. In 2010-11 the 67th CCDAC meeting was held on 20.12.2010 and the committee recommended total amount ₹75.8510 Crore as shown in table below :-

(₹ in Crore) 2010-11 B.E. ₹ 135.00 Crore.

Spill over from 2009-10	Recommendation in 67th CCDAC meeting			Total
	Stowing	Protective Work	Research & Development works	
3.2471	62.5124	9.7242	0.3673	75.8510

₹22 Crore in BE in 2009-10 and ₹22 Crore in BE 2010-11 for Road & Rail infrastructure are kept pending for EFC approval from Ministry of Finance.

Development Act 1974, Coal Controller collects Excise Duty on the coal dispatched @ ₹ 10/Ton. ₹384.90 Cores has been collected during the period April, 2010 to December, 2010. The estimated (Projected) figure for the period from January 2011 to March, 2011 will be ₹160.10 cores.

**(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 April 2010 - December 2010, 1400 Nos. of check samples were drawn and analyzed. During this period, 12 Nos. of Non-Statutory complaints were received and necessary action have been taken by CCO.

**(vi) Collection, compilation and publication of coal statistics**

Under the collection of Statistics Act, 1953[(32 of 1953) and the Collection of Statistics (Central) Rules 1959, Coal Controller is the statistical authority for compilation and dissemination of data relating to coal and lignite in the country. Besides, providing monthly data to Ministry of Coal, the Central Statistical Organisation, the Indian Bureau of

**(v) Collection of Excise Duty**

As per Coal Mines (Conservation &

Mines, RBI, DIPP and other national and international organisations, also published the Annual Coal Directory 2008-09 and Provisional Coal Statistics 2009-10. The Annual Coal Directory 2009-10 will be published shortly.

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

Coal Controller monitors the progress of allocated coal blocks and associated end use projects on quarterly basis. At the level of Ministry, periodic reviews are carried out by a Committee headed by Additional Secretary (Coal), where representatives from the concerned State Governments also attend. So far, production has commenced in 26 coal blocks (14 private and 12 public) and the production from these coal blocks for the year 2009-10 was 35.313 million tonnes and for the year 2010-11 (Upto December, 2010 Prov.) was 26.921 million tonnes as reported by the Coal Controller's Office. One review meeting was held in July, 2010 during the period. Due to slow progress in achievement of various milestones, 84 show cause notices were issued to 41 private companies and 43 government companies.

**2.6 Coal Mines Provident Fund Organisation (CMPFO)**

The Coal Mines Provident Fund Organisation is an Autonomous body established under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, and is responsible for administering the Coal Mines Provident Fund Scheme, 1948, Coal Mines Deposit Linked Insurance Scheme, 1976, and Coal

Mines Pension Scheme, 1998. These three schemes are administered by a tripartite Board of Trustees, consisting of Central and State Government's representatives, employers' representatives and employees' representatives.

The Organisation renders services to 4.72 lakh Provident Fund subscribers and about 3.28 lakh pensioners approximately as on 31st December, 2010. The Headquarters of CMPFO is at Dhanbad and its 24 Regional Offices are spread in the Coal producing states in the Country.

**2.6.1 Coal Mines Provident Fund Scheme**

At the end of the financial year 2009-2010 the total number of coal mines and office units covered under the Scheme stood at 901 excluding coke plants operating in Private Sector. Live membership of the Provident Fund Scheme, 1948 as on 31.12.10 is 4.72 lakhs approx.

During 2010-11 (upto Dec, 10) Coal Mines Provident Fund Contributions including voluntary contributions amounting to ₹2900 Crore approx were received in the Coal Mines Provident Fund raising thereby the total contributions upto ₹ 31,264 Crore approx. The net accretion by way of contribution and interest thereon, less refund and advances; amounted to ₹32,948.81 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 31st Dec, 2010 stood at ₹42,973.38 Crore approx.



During 2009-10, provisional interest has been allowed on members' accumulation at the rate of 8.50 % per annum.

Refund from Provident Fund during 2010-11 (upto 31st Dec, 10) together with the advances paid is indicated below:-

Refund and Advance cases from Provident Fund	No of cases settled (from 01.04.2010 to 31.12.2010) and disbursed #
Provident Fund Refund Cases	18759
Marriage Advance Education Advance House Building Advance	10533
The amount disbursed on P.F. and Advances	₹ 1880.19 Crores approx

# All figures are provisional.

The cost of Administration of CMPF Scheme is met out of the administrative Charge @3% paid by the Coal companies to the CMPFO.

The executive cadre employees of CIL were exempted from operation of the said Scheme vide Gazette Notification No. S.O 822 (E) dated 24.03.2009. The workers of the CIL and its subsidiaries were exempted earlier from the operations of the Scheme by Ministry of Coal.

### 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 Scheme, 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 ₹10,000/-.

In accordance with the Scheme, the employers were required to contribute at the rate of 0.5% of the aggregate wages of covered workers. The Central Government was also required to pay half of the amount contributed by the employers under the Scheme. Currently, for meeting the cost of administration of this scheme, 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

In exercise of the powers conferred by Section 3E of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948( 46 of 1948) and in suppression of the Coal Mines Family Pension Scheme, 1971, except in respect of things done or omitted to be done before such supersession, the Central Government has framed the 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 new claims of Pension settled in 2010-11 (upto 31st Dec' 10) is 28,154. The total amount disbursed under the Coal Mines Pension Scheme, 1998 during 2010-11 (upto 31st Dec' 10) is ₹452.95 Crore approx.

**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 monthly 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, every month.
- (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 every month.
- (e) An amount equivalent to one and two-third percent of the salary of the employee to be contributed by the Central Government from the appointed day;  
Provided that in the case of an employee whose salary exceeds rupees one thousand six hundred per month, the contribution payable by the Central Government shall be equal to the maximum of the amount payable on the salary of rupees one thousand six hundred per month only;
- (f) Amounts to be deposited by Pension members including new optee in terms of the provisions of the Scheme.

During 2010-11 (upto 31st Dec, 10) ₹503.50 Crore approx was diverted to Pension Fund from Provident Fund as mandatory pension contributions of in service members. Net accretion in the pension contribution of in-service members as on 31st Dec, 2010 (without Government Share and interest) is ₹ 889.13 Crore approx.

**Coverage**

- (a) All employees who were members of the erstwhile Coal Mines Family Pension Scheme, 1971 and were 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 opted for membership of the Pension Fund in form PS-I 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. (Superannuation, Voluntary Retirement, exit from service)
- (b) Disablement Pension.
- (c) Monthly widow or widower pension.
- (d) Children Pension
- (e) Orphan Pension.
- (f) Exgratia Payment.

Note: All figures provided in the material for Annual Report of the Ministry of Coal for the year 2010-11 are provisional (un-audited).