

CHAPTER-1

MANDATE, GOALS & OBJECTIVES AND POLICY FRAMEWORK

Mandate

1.1 The Ministry of Coal is responsible for exploring development and exploitation of Coal and Lignite reserves in India. The subjects allocated to the Ministry under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time are as follows:

- Exploration and development of coking, non-coking coal and lignite deposits in India.
- All matters relating to production, supply, distribution and prices of coal.
- Development and operation of coal washeries other than those for which the Department of Steel is responsible.
- Low Temperature carbonization of coal and production of synthetic oil from coal.
- Administration of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974).
- The Coal Mines Provident Fund Organization.
- Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 (46 of 1948).
- 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.
- Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957 (20 of 1957).
- 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.

Economic Programme and Activities

1.2 The Ministry and its undertakings are primarily oriented towards production of coal and lignite to meet the growing demand. At the same time, due and timely action is also required to be taken on all the project cycle activities like coal

beneficiation / washing, loading and despatch facilities and measures for workers' safety and welfare. Other ancillary/ value addition activities like production of soft coke, low temperature carbonization of coal for smokeless fuel, coal gasification are also undertaken. Exploration for new deposits and research & development projects also are important activities under the Ministry. In addition, Neyveli Lignite Corporation is engaged in the exploitation of lignite deposits and generation of power from lignite.

- 1.3** Coal is most important source of energy for electricity generation in India. Bulk of electricity is generated from the thermal power stations which depend upon coal as feed stock. In addition, other sectors like Steel, Cement, Fertilizers, Chemicals, Paper and a large number of medium and small industries are dependent on coal for their process and energy requirements. In transport sector, though direct consumption of coal by the railways is nominal on account of phasing out of Steam locomotives, the increasing electrified traction of railways is dependent on coal converted to electric power. The Ministry of Coal is, therefore, engaged in developing coal resources of this country in a manner that requirements of coal of different consuming sectors are met in full and their dependence on oil/imported coal is minimized.

Organisational Structure

- 1.4** At the Secretariat level, the Ministry is headed by a Secretary who is assisted by an Additional Secretary, three Joint Secretaries (including Financial Adviser), a Project Adviser, an Economic Adviser, seven Directors, a Deputy Secretary, nine Under Secretaries, eighteen Section Officers, an Assistant Director (Official Language), a Controller of Accounts, a Deputy Controller of Accounts, two Senior Accounts Officers, four Assistant Accounts Officers and other supporting staff in the Ministry.

The Subordinate Offices and the Autonomous Bodies

- 1.5** Following subordinate Offices and autonomous organisation are under the Administrative control of this Ministry.
- (i) Office of the Coal Controller's Organisation (CCO) – a Subordinate Office.
 - (ii) Coal Mines Provident Fund Organisation (CMPFO) – an autonomous body .

Coal Controller's Organisation

1.6 The Coal Controller's Organisation is a subordinate office under the administrative control of Ministry of Coal, its headquarters being at Kolkata and field offices at Dhanbad, Ranchi, Bilaspur, Nagpur and Kothagudem. The Coal Controller has certain statutory functions to perform.

Some of the major functions of the Coal Controller under various statutes are as below:

a) The Colliery Control Rules, 2004:

- (i) Laying down the procedure and method of sampling and analysis of coal for declaration of grades (provisional, final & interim revision)
- (ii) Checking of quality of coal, its verification wherever necessary and acting as dispute settlement machinery regarding the declaration of grades.
- (iii) Regulation of disposal of coal stocks from coal mines or expected output of coal.
- (iv) Granting prior permission to open a coal/lignite mine, seam or section of a seam.

b) The Coal (Conservation & Development) Act, 1974 and Rules, 1975 made there under:

Coal Controller being the Member Secretary performs all the secretarial work of the Coal Conservation and Development Advisory Committee. The work includes –

- (i) Multi-level scrutiny of various claims and proposals of different Coal Companies for partial assistance under two major heads as- “Coal Conservation & Safety (Research & Development, Stowing & Protective Works) aspects in coal mining” and “Infra-structure Development (Road/Rail) activities in coalfield areas”
- (ii) Collection and assessment of excise duties levied on raw coal dispatched from the coal companies to consumers.

c) The Collection of Statistics Act, 1953 and The Collection of Statistics (Central) Rules, 1959.

Coal Controller is functioning as Statistical Authority for collection & publication of statistical information on coal and lignite mines in the country. ‘The Coal Directory of India ‘ is published annually and monthly coal Statistics is also published.

d) The Coal Bearing Areas (Acquisition & Development) Act, 1957 and Rules made there under:

Functioning as Hearing Authority for disposal of objections to acquisition of Coal Bearing Areas

e) Monitoring progress of Captive Coal/Lignite Blocks as well and its associated end-use projects.-

Coal Controller review the progress of Captive Coal/Lignite Blocks and end –use projects and forfeiture of Bank Guarantee for the defaults/lapses in developing the Coal/Lignite blocks.

f) Monitoring of Coal Washeries:-

Coal Controller also monitors establishment and functioning of Coal Washeries.

g) Coal Controller also look after the residual work of Office of the Commissioner of Payment and other miscellaneous functions as assigned by the Ministry of Coal.

Coal Mines Provident Fund Organisation (CMPFO)

1.7 This is an autonomous body set up under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948. CMPFO administers the Coal Mines Provident Fund Scheme, 1948, the Coal Mines Deposit Linked Insurance Scheme, 1976 and Coal Mines Pension Scheme, 1998. All these schemes have been formulated under the provisions of the Act of 1948.

Coal Companies under the Ministry of Coal.

1.8 The Ministry has under its direct administrative control the Coal India Limited (Holding company) and Neyveli Lignite Corporation Limited.

Coal India limited(CIL)

1.9 Coal India Ltd., having headquarters at Kolkata, is the holding company of seven producing subsidiaries and one planning and design subsidiary, viz:-

- (i) Eastern Coalfields Limited (ECL), Sanctoria (West Bengal)
- (ii) Bharat Coking Coal Limited (BCCL), Dhanbad (Jharkhand)
- (iii) Central Coalfields Limited (CCL), Ranchi (Jharkhand)

- (iv) Northern Coalfields Limited (NCL), Singrauli (Madhya Pradesh)
- (v) Western Coalfields Limited (WCL), Nagpur (Maharashtra)
- (vi) South Eastern Coalfields Limited (SECL), Bilaspur (Chhatishgarh)
- (vii) Mahanadi Coalfields Limited (MCL), Sambalpur (Orissa)
- (viii) Central Mine Planning & Design Institute Limited (CMPDIL), Ranchi,
(Jharkhand)

Neyveli Lignite Corporation Limited (NLC)

1.10 Neyveli Lignite Corporation Limited with headquarters at Neyveli in Tamil Nadu is primarily engaged in the exploitation of lignite deposits in the country and generation of power from lignite.

Singareni Collieries Company Limited (SCCL)

1.11 The Singareni Collieries Company Limited incorporated as public limited company in 1920 became a Government company in 1956 with headquarters at Kothagudem in Andhra Pradesh. The company is a joint undertaking of Government of Andhra Pradesh and Government of India. The share capital of this company is held by the Government of Andhra Pradesh and Government of India in the ratio of 51:49 respectively. This company is engaged in the exploitation of coal reserves in the State of Andhra Pradesh.