

## 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 Adviser), one Project Advisor, one Economic Advisor, seven Directors one Dy. Secretary, nine Under Secretaries, Eighteen Section Officers, One Assistant Director (Official Language) and one Dy. Controller of Accounts and their supporting staff.

### 2.2 FUNCTIONS OF THE MINISTRY OF COAL

The Ministry of Coal is concerned with exploitation, development of coal and lignite reserves in India. The works allocated to Ministry of Coal include Subordinate 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 is 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 Department of Steel is responsible.
- (iv) Low Temperature carbonization 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 dispatched 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** 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 organizations 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 are also entrusted with field assignments associated with CCDA assistance under Coal Mines (Conservation & 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:

- (i) Monitoring progress of development of Captive coal/lignite blocks
- (ii) Monitoring of washeries
- (iii) Monitoring disposal of various coal products
- (iv) Follow up of submission of Mine Closure Plan and act as the nominee of Govt of India for signing up Escrow account agreement with different coal/ lignite companies.

**2.5.4** A brief description of Coal Controller’s Organisation’s 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, as directed by the Union Government, granted permission for opening and re-opening of 23 Coal mines/Lignite mines during April, 2011 to Dec, 2011.

**(ii) Disposal of cases under Section 8 of the Coal Bearing Areas**

**(Acquisition and Development) Act, 1957:-**

During the period from April’2011 to December ‘2011, Coal Controller submitted reports to the Ministry of Coal under section 8 of CBA Act, 1957 in respect of 15 notifications.

**(iii) Release of funds by CCDA for stowing/ Protective works and Roads:-**

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 scrutinise applications/claims from coal companies regarding stowing, protective work, Reserch & Development Activities, Road and Railways Infrastructure Projects in the coal fields areas to CCDAC for release of funds.

During the period April’2011 to Dec’2011, the Coal Conservation & Development Advisory Committee (CCDAC) in their 69th committee meeting recommended to release ₹ 58.89 Crore to the coal companies for Stowing (ST), Protective works(PW)& R&D Head against BE ₹ 131.98 Cr (2010-11) (₹121.11 Cr. +₹ 10.82 Cr.for tribal areas). The said amount will be released by Ministry of Coal shortly. The committee also recommended release of ₹ 12.05 crore for development of road and infrastructure against a BE of ₹ 22 crore (2011-12). The CCDA assistance released under different schemes is as follows:-

**Stowing/ Protective Work & R&D Head**

Period	Schemes		
	Stowing ₹ (Cr.)	Protective ₹ (Cr.)	Total ₹ (Cr)
Approved in 69th CCDAC meeting i.e. October 2010 to March 2011	52.909	5.985	58.894
CCO estimated for the period April 11 to September 11	71.357	4.257	75.614

## Road/ Rail Infrastructure Head

Period	Road/ Rail Infrastructure Head
Approved in 69th CCDAC meeting i.e. October 2010 to March 2011	12.049
CCO estimated for the period April 11 to September 11	21.951

**(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, 2011-Dec2011, 720 sample checks were taken. During this period, 12 non statutory complaints were received.

**(v) Collection of Excise Duty :**

As per Coal Mines (Conservation & Development) Act, 1974, Coal Controller collects excise duty on the coal dispatches @ 10/Ton. ₹ 378.13 Crores were collected during the period April'2011 to Dec '2011. The Estimated (Projected) figure for the period Jan'10-March'10 will be around ₹ 125 crores .

**(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 being the statutory authority for collection, compilation, publication and dissemination of data regarding different parameters of production and despatch of coal and lignite it provides monthly data to Central Statistical Organisation, RBI, DIPP, Indian Bureau of Mines and other national and international organizations. It also publishes Annual Coal Directory and Provisional Coal Statistics. Coal Directory, 2009-10 and Provisional Coal Statistics, 2010-11 are published in

2010-11. Work of Coal Directory 2010-11 is under progress.

**(vii) Monitoring and progress of Coal Blocks:**

Coal controller monitors the progress of allocated coal blocks and associated End-use-projects on quarterly basis. At the level of Ministry, a periodic reviews are carried out in a Committee headed by Additional Secretary (Coal). Representatives of concerned State Governments also attend the periodic review meetings. So far, production from these coal blocks in 2010-11 is 34.22 MT and for the year 2011-12 (upto Dec, 2011) is 26.930 MT.

Total 2 coal blocks were allotted during the period Jan. 11 to Dec. 11 one to a public company and one to a private company. One block has started coal production during the period April, 11 to Dec, 11. One review meeting on development of captive coal blocks was held under the chairmanship of Addl. Secretary on 11-12 January, 2012.

**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 4.50 lakh Provident Fund subscribers and about 3.65 lakh pensioners approximately as on 31st December, 2011. 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 2010-2011 the total number of Coal mines and office units covered under the Scheme stood at 903 excluding coke plants operating in Private Sector. Live membership of the Provident Fund Scheme, 1948 as on 31.12.11 is 4.50 lakh approx.

During 2011-12 (upto December 11) Coal Mines Provident Fund Contributions including voluntary contributions amounting to ₹ 2950 crore approx were received in the Coal Mines Provident Fund Account. The entire accumulation in the fund is invested in accordance with the guidelines laid down by the Ministry of Finance. The total book value of the fund's investment upto 31st Dec, 2011 stood at ₹ 47,481.23 crore approx (including SDS investment of ₹ 16,522.50 crore).

During 2010-11, provisional interest has been allowed on members' accumulation at the rate of 8.50 % per annum.

Refund from Provident Fund during 2011-12 (upto 31st Dec, 11) together with the advances paid is indicated below:-

Refund and Advance cases for Provident Fund	No of cases settled (from 01.04.2011 to 31.12.2011) and disbursed #
Provident Fund Refund Cases	17,990
Marriage Advance Education Advance House Building Advance	9980
The amount disbursed on P.F. and Advances	₹ 2364.56 crore approx

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

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.



**2.6.3 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 2011-12 (upto 31st December 2011) is 21,628 approx. The total amount disbursed under the Coal Mines Pension Scheme, 1998 during 2011-12 (upto 31st December 2011) is ₹623.40 crore approx.

The highlights of the Scheme are:

**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 the fund, to be transferred from the appointed day from the Fund of the employee.
- (c) An amount equivalent to two percent of the Basic and dearness allowance paid 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, to be transferred 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 2011-12 (upto 31st Dec,11) ₹450.00 crore approx was diverted to Pension Fund from Provident Fund as mandatory pension contributions of in service members.

**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. 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 2011-12 (up to 31.12.2011) are provisional (un-audited).