

**GOVERNMENT OF INDIA  
MINES AND MINERALS  
LOK SABHA**

STARRED QUESTION NO:37  
ANSWERED ON:25.02.2000  
OFFICIALS INVOLVED IN FRAUD CASES IN CIL  
RAVINDRA KUMAR PANDEY

**Will the Minister of MINES AND MINERALS be pleased to state:**

- (a) whether a number of cases of shortage in coal stocks and other frauds have been detected during the period from 1989-90 onwards, particularly in the years, 1992, 1993, 1994 and 1995 in various subsidiaries of Coal India Limited;
- (b) if so, the details of cases detected so far in each subsidiary, particularly in case of BCCL, CCL, ECL and WCL;
- (c) whether the Government have constituted several committees to examine such cases;
- (d) if so, the details of such committees alongwith the dates of their constitution;
- (e) the details of recommendations made by each committee thereon;
- (f) whether all the guilty officials/employees have so far been punished according to the recommendations of the said committees; (g) if so, the details thereof and if not, the reasons therefor indicating the details of cases which have not been finalised till date; and (h) the efforts being made by the Government to dispose of the remaining cases with a view to make reports of the said committees effective and to stop the shortage in coal stocks?

**Answer**

MINISTER OF STATE FOR MINES & MINERALS (SMT. RITA VERMA)

(a) to (h): A Statement is laid on the Table of the House.

Statement referred to the reply to parts (a) to (h) of the Lok Sabha Starred Question No. 37 for answer on 25.2.2000

(a) to (h) Three Committees were set up by the erstwhile Ministry of Coal under the Chairmanship of Shri R.N.Mishra, a senior executive of Coal India Limited (CIL). The information about these three Committees is given below:-

(i) The Committee which was set up on 27.7.92 to investigate into the stock shortages in Bharat Coking Coal Limited (BCCL) during the period from 1986-87 to 1992-93 submitted its report on 24.12.93 to the Ministry of Coal. On 22.4.94 acceptance of the Ministry of Coal in regard to the major recommendations in the report was conveyed to CIL. On consideration of the Committee's recommendations, disciplinary action was initiated against 222 officials involved in 259 cases. Out of the disciplinary action against the 222 officials, disciplinary action against 220 officials has been completed by now.

(ii) The Committee which was set up on 7.10.94 to investigate into the low despatch of coal in Central Coalfields Limited (CCL) in 1994 submitted its report on 5.1.96 to the Ministry of Coal. On 3.6.96 acceptance of the Ministry of Coal in regard to the major recommendations in the report was conveyed to CIL. On consideration of the Committee's report, disciplinary action against 190 officials involved in 240 cases was initiated. As on date, disciplinary action against 166 officials involved in 193 cases has been completed. In remaining 47 cases, inquiry report has been submitted in 32 cases and in two cases inquiries have been completed but inquiry reports have not yet been submitted. The remaining 13 cases are pending in various stages of disciplinary proceedings.

(iii) The Committee which was set up on 19.5.93 to investigate into the stock shortages in Eastern Coalfields Limited (ECL) during the period 1992-93 submitted its report on 31.1.97 to the Ministry of Coal. On 2.1.98 acceptance of the Ministry of Coal in regard to the major recommendations in the report was conveyed to CIL. On consideration of the Committee's report, disciplinary action against 178 officials involved in 78 cases was initiated. As on date, disciplinary action against 144 officials involved in 54 cases has been completed. Out of the remaining 24 cases, inquiry reports have been submitted in 5 case. In two cases, inquiries have been completed but inquiry reports have not yet been submitted. The other 17 cases are pending in various stages of disciplinary proceedings.

The recommendations of these Committees were of following two categories:-

(i) Initiation of disciplinary proceedings against individual coal executives.

(ii) Recommendations regarding systems improvement in order to eliminate stock shortages and over-reporting of production.

The details of action taken in regard to the recommendations regarding systems improvement on the basis of information received from CIL are given in the Annexure.

## ANNEXURE

### Details of latest action taken in regard to the recommendations regarding systems improvement

Sl. No.	Recommendation	Latest status
1.	Separation of functions of Manager and Agent. Areas it has been found The functions of Mine Manager and Agent should be clearly demarcated so as to remove the overlap. The production of coal should be the primary responsibility of the Manager while the Agent should be the custodian of the stock and responsible for the despatches of the stock. the Coal Mines Regulations, 1957 and the Manager is fully responsible for the acts of commission and omission at the siding along with the mine since the siding is a part of the mine as per definition of "Mine" under the Mines Act, 1952 and the Manager cannot be absolved of the above responsibility.	After implementing the recommendation in a few functions of managers and Agents is not feasible as Directorate General of Mines Safety, Dhanbad objected to such demarcation on the ground that any loading place/siding is within the leasehold of a particular mine as per
2.	Optimum stock level  The stock of coal should be restricted to maximum of one month's production, preferably by augmenting despatches failing which by regulating the production As an alternative, each colliery must plan for a day when its stock level should be zero. In exceptional cases where stock cannot be zero, old stock must be disposed of and fresh coal must be stocked separately.	The level of coal stock is being controlled by restricting production, wherever necessary. The aggregate of coal stock in CIL as a whole as on 31.10.99 is equivalent to 0.77 month's as against 0.94 month's on 31.10.98.
	In case a particular heap cannot be so disposed of, the heap must be subjected to a thorough scrutiny for quality and quantity by CIL measurement team to	

determine the exact quantity and quality of the coal.

3. System of reporting production

In the revised guidelines In situ shales/stones are under formulation this aspect is being taken care of. considered for reducing the dumper factor whereas in the actual despatches some of these stones get mixed up and are despatched to the consumers. The differential quantity of coal is, however, not available with the colliery. This has led to under-reporting of production. A dual system of reporting production should be followed.

4. Computerisation of colliery operations

Under implementation. There should be computerisation of colliery operations so as to correlate various factors of cost and production.

5. Disciplinary action on stock shortages

All Line Managers should be made responsible for shortages. Power should be delegated to the CMDs to suspend and impose all penalties on all non-Board level executives working under them other than compulsory retirement, removal and dismissal. CMDs should also have powers to place any executive under suspension upto 3 months, concurrence of CIL Board being necessary for longer periods.

Implemented.

6. Stacking of Coal

No cognizance of coal production to be taken until it reaches the predetermined stacking ground.

This is being followed.

7. Despatch of Slow Moving Stocks

The subsidiaries have the powers to sell the coal which are of lesser quality. A policy must exist which allows flexibility in pricing of coal.

in the stock as per the actual quality.

8. Weighbridge/Fencing

Adequate fencing may be provided for each stocking area in a colliery. A crash programme should be taken up to install road weighbridges in each colliery.

proposition in view of large scattered stocking areas requiring very heavy initial investment as well as recurring expenditure

Work has been completed in most of the subsidiaries in respect of installation of road weighbridges. Fencing is not a feasible

9. Calibration of dumper/Tubs

In the revised guidelines Fixation of dumper factor and tub factor should be based on the carrying capacity and not based on average quantity of coal carried by them during the month.

under formulation this aspect is being taken care of.