

Fourteenth Report
STANDING COMMITTEE
ON ENERGY
(1994-95)

(TENTH LOK SABHA)

MODERNISATION AND GROWTH OF
COAL INDUSTRY— A CRITIQUE
(MINISTRY OF COAL)

*[Action Taken by the Government on the recommendations contained in the
10th Report of the Standing Committee on Energy (Tenth Lok Sabha)]*



Presented to Lok Sabha on _____
Laid in Rajya Sabha on _____

LOK SABHA SECRETARIAT
NEW DELHI

March 1995/Chaitra 1917 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON ENERGY

(1994-95)

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Shri Jaswant Singh

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- | | | |
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| 3. Shri A. Louis Martin | — | <i>Under Secretary</i> |

° Nominated with effect from 22.7.94 vice Shri Ram Tahal Choudhary resigned.

**** Nominated with effect from 25.7.94

*** Nominated with effect from 16.11.94

** Ceased to be a member of the Committee consequent upon his appointment as Minister in the Council of Ministers w.e.f. 10.2.95.

INTRODUCTION

1. the Chairman, Standing Committee on Energy having been authorised by the Committee to submit the report on their behalf, present this Fourteenth Report (Tenth Lok Sabha) on Action Taken by the Government on the recommendations contained in the 10th Report of the Standing Committee on Energy (Tenth Lok Sabha) on "Modernisation and Growth of Coal Industry—A Critique."

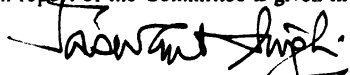
2. The 10th Report of the Standing Committee on Energy was presented to Lok Sabha on 11th August, 1994. Replies of the Government to all the recommendations contained in the report were received on 30th November, 1994. Information from the office of C&AG in respect of Committee's recommendation at Sl.No. 7 of the 10th Report was received on 7.12.1994. The Standing Committee on Energy considered and adopted this report at their sitting held on 24th March, 1995.

3. An analysis of the action taken by the Government and the recommendations contained in the 10th report of the Committee is given in Appendix-II.

NEW DELHI:

March, 28, 1995

Chaitra 7, 1917 (Saka)



JASWANT SINGH

Chairman
Standing Committee on Energy

CHAPTER I

REPORT

The Report of the Committee deals with the Action Taken by the Government on the recommendations contained in the Tenth Report (Tenth Lok Sabha) of the Standing Committee on Energy on, "Modernisation and Growth of Coal Industry—A Critique" which was presented to Lok Sabha on 11th August, 1994.

2. Action Taken Notes have been received from the Government in respect of all the 29 recommendations contained in the Report. These have been categorised as follows:—

- (i) Recommendations/Observations that have been accepted by the Government; Sl. No. 1 to 6, 7(ii), 8 to 14, 16, 19 to 26 and 29.
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies; Sl. No. 28.
- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee; Sl. No. 7(i) and 15.
- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited; Sl. No. 17, 18 and 27.

3. The Committee require that final replies in respect of the recommendations for which only interim replies have been given by the Government ought to be furnished to the Committee early.

4. The Committee will now deal with the action taken by the Government on some of their recommendations:—

A. Review of Coal Mining Activities Recommendation Sl. No. 1

5. Highlighting the various shortcomings in the growth of Coal Industry and taking note of the recent policy changes resulting in a competitive and liberal economic environment, the Committee observed that all these developments call for a thorough review of the whole gamut of public sector coal mining activities against global perspective and performance to identify the areas of weakness and to take appropriate remedial measures.

6. In its reply the Ministry of Coal has agreed with the observations of the Committee that production programme for future should be based on optimal mix of underground and opencast mining. The Government has further stated that Coal India Ltd. has been advised to re-orient its production and planning strategy with a view to bring about changes suiting to emerging market economy scenario and that in its strategy

preparation, CIL is addressing issues like quality, efficient cost of production, market competitiveness vis-a-vis imports, labour redundancy, essential inputs and rehabilitation of project affected people.

7. While welcoming the re-orientation of the production and planning strategy of CIL, the Committee would still like the Government's response to the question of undertaking a thorough review of the coal mining activities against global perspective and performance. The Committee require that a review as recommended by the Committee ought to be undertaken.

B. Plan for Modernisation

Recommendation Sl. No. 5

8. The Committee had desired that a plan for modernisation of existing projects should be drawn up expeditiously and sufficient funds provided for separately which would enable an assessment of progress achieved in modernisation.

9. In their reply, the Government has stated that CIL has been asked to undertake a study of each of the old and existing mines not already covered by any re-organisation, so as to establish their potential for re-organisation and also for assessing the requirement of funds for such re-organisation wherever necessary.

10. The Committee take a serious view of the fact that no plan for modernisation has been formulated nearly four months after the presentation of the report to Parliament. It is not enough for the Ministry of Coal to merely advise the Coal India Ltd. to undertake a study as advised. The Committee expect CIL to complete the study expeditiously. The Committee further expect a confirmation in this regard from the Ministry.

C. Accountability of Project Authorities

Recommendation Sl. No. 7 (i)

11. Expressing shock that 47 projects out of 168 projects sanctioned during the 7th Plan had been abandoned by CIL after incurring an expenditure of Rs. 52 crores, the Committee desired, *inter-alia*, that to prevent recurrence of such failures, the authorities concerned with project planning should be made accountable.

12. As regards fixing of responsibility, the Government has stated in its reply that these projects were withdrawn/not taken up due to constraints of land acquisition, lack of funds and geo-mining problems which were beyond the control of the coal companies.

13. The Committee find the reply of the Government as evasive and entirely unsatisfactory. Instead of identifying managerial failures and explaining the huge expenditure that preceded abandonment of projects, the Govt. has now come up with untenable assertions that the projects were withdrawn due to reasons beyond the control of the management. The Committee do not accept such reasoning. The Committee desire a more comprehensive and detailed explanation. Further to establish accountability

in such matters, the Committee require a detailed note from the Government. The Committee expect a fulfilment of these directions within 90 days.

D. Examination by C&AG

Recommendation Sl. No. 7(ii)

14. The Committee had recommended that the Comptroller and Auditor General should examine the expenditure of Rs. 52 crores incurred on the abandoned projects. It is observed from the information furnished by the C&AG in this connection that no record is available on equipment worth Rs. 8 lakh on Dalurband U.G. Project. While the expenditure on Jeevandhara OC Project as per the subsidiary companies records was only Rs. 44 lakhs, as per CIL, expenditure of Rs. 10.36 crores was incurred on this project. Similarly, the expenditure on Pipradih OC Project as per the subsidiary company's record was Rs. 1.59 crores whereas CIL's records indicate an expenditure of Rs. 2.73 crores on this project. In yet another case regarding Basundhara OC Project, the expenditure as per the subsidiary company was Rs. 5.18 crores while CIL shows the expenditure on this project as NIL.

15. The Committee trust that the serious discrepancies pointed out above will be gone into in detail by the Comptroller & Auditor General.

E. Fire in Raniganj and Chirmiri Coalfields

Recommendation Sl. No. 12

16. The Committee had among other things recommended that efforts should be made to control fires originated by subsidence due to unscientific mining in Raniganj and Chirmiri Coalfields. The reply of the Govt. is entirely silent on this point. The Committee expect that Government has taken note of this recommendation and will initiate suitable measures to control fires in Raniganj and Chirmiri Coalfields.

F. Findings of the Court of Enquiry

Recommendation Sl. No. 14

17. Regarding the accident at New Kenda Colliery on 25th Jan., 1994, the Committee desired that findings of the Court of Enquiry which was looking into the causes of the accident should be furnished. The Committee deprecate that Government has not yet provided the Committee with either the findings of the Court of Enquiry or the present status of the enquiry itself. The Committee require a response from the Government within six weeks.

G. Action against officials found guilty

Recommendation Sl. No. 15

18. While dealing with the safety aspect, it came to the notice of the Committee that three officers were found guilty of culpable negligence by a Court of Enquiry which enquired into the fatal accident of Mahabir Colliery in November, 1989. The Committee observed that whereas

Directorate General of Mines Safety has launched prosecution against these officers in the court, the management has not thought it fit to initiate even departmental action against those found guilty by a court of enquiry. The Committee further observed that they failed to understand the reasons for this inaction on the part of the management.

19. The Govt. has stated, in its reply that since DGMS has launched prosecution against the officers indicted by the Court of Enquiry in a regular Court of Law and the matter is still subjudice, the Management has not initiated a separate departmental proceedings.

20. The Committee are constrained to observe that instead of giving an explanation for the failure to initiate departmental action against those found guilty by the Court of Enquiry, the Government has simply restated the already known fact. The Committee deplore the Government's disregard in giving even an explanation for management's inaction. The Committee expect the Govt. to explain its position on this point within six weeks.

H. Settlement of dues

Recommendation Sl. No. 16

21. The Committee had noted that one of the major constraints in implementing modernisation projects and achieving desirable growth was non-availability of sufficient funds. The outstanding dues of CIL as on 31.12.1993 stood at whopping Rs. 3628 crores mainly from State Electricity Boards which held 81% of the CIL's total dues. To clear these dues, Central appropriation of State plan assistance had been proposed. The Committee felt that such a step would adversely affect the economic activity of the States concerned. The Committee therefore recommended that to protect the interests of the producer as well as the consumer, a mechanism should be evolved which should sort out the problems such as settlement of dues, disputes, mode of payments etc.

22. In its reply, the Government has stated that in order to find solution for settlement of dues promptly by SEBs and mode of payment the Committee of Secretaries in its meeting held on 17.3.1994 decided as follows:

- (i) The current dues would be met in full from the month of March, 1994 onwards for which purpose SEBs shall open an irrevocable revolving LC in favour of their suppliers (NTPC and CIL) to the tune of 105% of their past average monthly billing.
- (ii) As regards the arrears, the undisputed amounts should be cleared by the payment, equal to one month's billing, by each SEB to NTPC/Coal Companies for the month of March, 1994 and thereafter the remaining amount of dues may be cleared at the rate of 25% of the monthly average billing of each month.

23. The Ministry has further stated that despite the above decision, SEBs had neither cleared the undisputed dues nor opened IRLCs (except

by PSEB). As regards evolution of the mechanism for settlement of disputed outstanding dues, it was decided in the above meeting of the Committee of Secretaries that a convincingly transparent and speedy dispute resolution mechanism with all round acceptability is absolutely necessary and should be brought into place by setting up single Member Umpires on a regional basis. The suggested mode of settlement of disputes will not be under the arbitration Act but an informal mechanism where the concerned SEBs and Central PSU/Agency put forth their facts for a quick scrutiny and equitable decision. Pursuant to the above decision CIL is stated to have since proposed to refer to the umpires, in the first instance, to settle the disputed dues in respect of Punjab State Electricity Board (PSEB), Tamil Nadu Electricity Board (TNEB) and Uttar Pradesh State Electricity Board (UPSEB). It has been stated that the Ministry of Coal and CIL have also revived the proposal for recovery of undisputed outstandings specially since such a decision has already been taken in respect of dues by SEBs to NTPC.

24. The Committee are satisfied to note that a new mechanism has been evolved by establishing single member umpires for settlement of disputed outstandings. The Committee desire that the new mechanism should be given a fair trial to see whether it is effective. The Committee in this connection note that the Ministry of Coal and CIL have also revived a proposal for recovery of undisputed outstandings out of plan assistance payable to State Government. As already disapproved, the Committee are not in favour of this proposal. They are of the view that it should be possible to make a satisfactory arrangement to recover the undisputed dues without resorting to Central appropriation of State plan funds.

1. Re-orientation of production planning

Recommendation Sl. No. 18

25. The Committee observed that improper planning and non-availability of right type of coal had caused, on the one hand accumulation of stocks to an alarming level of 51.30 MT at the end of March 1993 and on the other hand necessitated import of Coking Coal to the tune of 6.33 MT in 1992-93. The Committee felt that there was therefore, an imperative need for reorienting the production planning and that the focus had to change from target-oriented production to need-based production providing right type of coal. The Committee also emphasised that any evaluation of coal production should be related not only to its volume but also to its useful heat value which was determinant of actual coal requirement.

26. The Govt. has stated in its reply that the main reasons for rising pit head stocks are:—

- (i) Non-materialisation of Demand forecast,
- (ii) Transport inadequacy in certain areas,
- (iii) Slump in certain sectors of Industry,

It has further stated that the production plan of CIL during the 8th Five Year Plan has been made taking into account the existing pit head stocks and that coal production targets have been set keeping in mind the need for liquidation of these stocks.

27. The Government appears to have drawn satisfaction by merely giving the reasons for the rising pit head stocks. The reply is silent on the question of evaluation of coal production in relation to its useful heat value. The Committee will await this information.

J. Action Plan for U.G. Production

Recommendation Sl. No. 20

28. The Committee had, inter-alia, desired that an action plan for accelerating UG production and productivity should be drawn up early and specific time targets established for implementation.

29. The Govt. in their reply has stated that CIL has planned to increase its UG production from the present level of 56.54 MT in 1993-94 to 64.30 MT in 1996-97 and accordingly time bound targets have been fixed for mines/projects which are to contribute to this additional quantity. Suitable instructions have reportedly been issued to CIL for drawing up an action Plan as suggested by the Committee.

30. The Committee desire that the Action Plan for accelerating underground production and productivity should be drawn up early and the Committee be apprised of its details.

K. Coal despatches

Recommendation Sl. No. 26

31. Taking note of the fact that the sample collection process is totally manual at present, the Committee emphasised the need to mechanise this process for successful implementation of quality assurance system introduced by CIL.

32. In its reply, the Government has agreed with the view of the Committee and has stated that the coal companies must ensure proper quality of despatches and also provide for adequate and effective facilities for sampling of coal before despatch.

33. The Government has not replied to the question of mechanisation of sample collection process. The Committee believe that the Government has taken note of this recommendation and will suitably instruct CIL to initiate appropriate measures to mechanise the sample collection process.

L. Constitution of R & D Board

Recommendation Sl. No. 27

34. The Committee observed that constitution of a Research & Development Board headed by Chairman CIL had been contemplated. They desired that this Board should be set up soon with sufficient funds and necessary thrust for R & D activity given to achieve desired results.

35. In its reply, the Government has stated a proposal for constituting Research & Development Board headed by Chairman, CIL is being considered by CIL.

36. The Committee are constrained to point out that more than eight months have elapsed since the Committee were informed of the proposal to constitute a Research & Development Board. The Committee are at a loss to understand why no decision could be taken on this matter during this period. The Committee urge that the question of constitution of the R & D Board should be examined without any further loss of time and the Committee be informed of the outcome.

CHAPTER-II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No. 1

Achieving growth in coal production was the primary objective of nationalised coal sector. In view of the production trends over the years, the Committee find that the growth has been steeply lopsided with incremental production coming only from opencast mines. The ratio between opencast (OC) and underground (UG) coal production at present is totally unbalanced. Modernisation and productivity in UG mines is at very low level. The Committee observe that the recent policy changes resulting in a competitive and liberal economic environment have posed a new challenge to the public sector coal industry. All these developments call for a thorough review of the whole gamut of public sector coal mining activities against global perspective and performance to identify the areas of weakness and to take appropriate remedial measures.

Reply of the Government

The production strategy of CIL is guided amongst others by the following important factors/considerations:—

- (i) Demand and its growth sector-wise.
- (ii) Requirement of individual grades based on (i).
- (iii) Geo-mining conditions.
- (iv) Financial viability of each mining proposal.

Over the years, Coal India has been able to, by and large, meet the demand of all coal consuming sectors, except the steel sector. A look at the growth of off-take from CIL for different consuming sectors during last few years indicate the following trend:—

	Off-take in million tonnes	
	1981-82	1993-94
Power Sector	39.45	147.29
Steel Loco Cement Fertilizer, Export Bricks, Soft Coke, Dom. consumption considered together	69.20	72.14

From the above, it can be seen that it is mainly coal consumption by the Power Sector which has increased substantially compared to a marginal increase in coal consumption by all other sectors taken together.

Requirement of coal in large quantities for large number of Super Thermal Power Plants set up at rapid pace in the immediate post-nationalisation period could only be met by opencast mining which had the potential for bulk mining with comparatively low gestation period, improved economic viability, safety and higher percentage of extraction. Opencast mining perhaps is the only answer to extraction of large reserves of seams of power grade coal at shallow cover. Side by side, adequate attention has to be paid to underground mining of coal. Ministry of Coal agrees with the observation of the Committee that production programme for future should be based on an optimal mix of underground and opencast mining.

CIL has been advised to re-orient its production and planning strategy with a view to bring about changes suiting to emerging market economy scenario. In its strategy preparation CIL is addressing issues like quality, efficient cost of production, market competitiveness *vis-a-vis* imports, labour redundancy, essential inputs and rehabilitation of project affected people.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated 29th Nov., 1994]

Comments of the Committee

(Please see para 7 of Chapter I of the Report)

Recommendation No. 2

Modernisation of exploration techniques

Nearly two-third of the total coal reserves constituting 197 billion tonnes are under Indicated/Inferred category awaiting detailed exploration. Considering the enormity of the task ahead, the steep decline in the overall drilling productivity and the detailed exploration undertaken by various agencies during the last five years is a matter of serious concern. While drilling productivity has declined from 201 metres to 168 metres per drill-per-month during the period 1988—92, the detailed exploration work undertaken has gone down from 3.90 lakh metres in 1988-89 to 2.51 lakh metres in 1992-93. The Committee trust that Government would soon take steps to induce the industry to modernise its exploration techniques and equipments to improve productivity on the lines of large coal producing countries. The Committee have been informed that Coal India Ltd. (CIL) is planning to involve foreign/private companies in exploration work. The Committee are of the opinion that instead of involving foreign companies in exploring the mines, CIL, itself should take up the exploration work. For better efficiency, CIL, may import technology, if required. The Committee are also of the opinion that for exploration

work, the services of Geological Survey of India under the Ministry of Mines should also be utilised and the Geological Survey of India should be strengthened for exploration purpose.

Reply of the Government

Coal India Ltd. is not contemplating to involve foreign companies in drilling for coal exploration. CIL through its subsidiary CMPDIL has been carrying out detailed exploration of indicated reserves. Mineral Exploration Corporation Ltd. is also being engaged for detailed exploration works.

At the time of nationalisation there was an urgent need to identify and explore blocks for immediate exploitation in order to meet the fast growing demand of coal by the power sector. Keeping this in view large scale exploration has been conducted in different coalfields. The exploration needs for meeting the coal production programme upto 9th plan has already been completed and current exploration in hand is aimed at proving resources required for production beyond 2001-02. A review recently conducted had indicated that a total quantum of 21.12 lakh metres of drilling would be required to be carried out between 1992-93 and 2001-02 to meet the projected growth in coal demand.

As regards drill productivity it may be stated that a comparative low of 168 metres in 1991-92 was mainly on account of operational problems of Mineral Exploration Corporation. Overall drill productivity during 1993-94 has been 211 metres per drill-per-month with CMPDIL's own drills recording an all time high productivity of 317 metres per drill per month.

The coal exploration strategy adopted for evaluation of coal prospects in almost all the countries in the world is basically the same. The various stages of exploration so also the methodology adopted may differ from country to country. Advanced technologies like inscam seismic survey, seismic tomography etc. have been taken up by CMPDIL as S & T Projects for attaining better efficiency in exploration work.

Recently GSI have been finding it difficult to cope up with its regional drilling programme mainly due to resource constraint. To supplement efforts of regional drilling, promotional drilling by Mineral Exploration Corporation Ltd. is also being carried out.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated 29th Nov., 1994]

Recommendation No. 3

Modernisation of underground mines

Mechanisation in underground mines is admittedly still a long way to catch up with the global level. CIL produces only 34% of its UG production through mechanisation as against almost 100% in the case of Australia, Germany and U.K. Regrettably, longwall technology introduced with imported equipment has not met with much success as

brought in one of the following paragraphs. Mechanisation of Bord and Pillar working has, however, been successful. The Committee urge that an action plan should be drawn up to achieve desired level of UG modernisation with equipment and technology found successful and economically viable.

Reply of the Government

The process of mechanisation is generally capital intensive and therefore progressive introduction of mechanisation in underground mines has to be suited to the geo-mining conditions and has also to be viable. Keeping this in view CIL has been constantly striving to increase production from UG mines by introduction of mechanisation in Bord & Pillar workings, adoption of powered support longwall technology for thin as well as thick seam mining and introduction of blasting gallery and other special methods. Although there has been initial setbacks in the application of longwall technology, recent experience with powered support faces at Jhanjra and Kottadih has been very encouraging. It is planned to progressively increase the number of such better performing longwall faces and other methods in the coming years. Efforts are also on to develop five mines based on longwall technology as well as 33 mines on Mechanised Bord & Pillar technologies. All these efforts as well as progressive increase in Bord & Pillar mechanisation will add to the share of mechanised production from underground mining to about 24 million tonnes in 1996-97 from a present level of about 14 million tonnes in 1993-94.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 4

Development of Technology

The percentage of reserves extractable by underground method is stated to be only 50% and in case of very thick seams recovery is stated to be as low as 25-30%. With the result, out of 68,047 MT of proved reserves only 30, 838 MT are stated to be extractable. Such low percentage of extraction in the age of scientific advancement is disappointing. It should have been possible to develop appropriate technology for raising the percentage of recovery. The Committee would like to be apprised of the efforts initiated in this direction.

The Committee recommends that Plan for modernisation of these projects which are incurring losses should be drawn up expeditiously and Committee be informed of action taken.

Reply of the Government

Major share of coal reserves in this country lie in thick seams which are more than 4.5 m in thickness. There are very few successful methods of extraction of thick seams by underground mining which can give high percentage of extraction. Further, presence of surface features, multiseams in close proximity, old workings containing water or on fire, geo-mining

problems also affected the extraction percentage. Moreover the traditional method of underground mining in India has been the Bord & Pillar system where recovery in extraction is less. Now methods like blasting gallery technique, longwall mining including sub-level caving, shield mining etc. have been introduced in number of mines which afford better percentage of recovery of *in-situ* reserves. It is expected that with the experience now being gained such technologies will be introduced on a larger scale. CIL has been advised to draw up a plan for introduction of mining methods with higher recovery wherever feasible.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 5

The Committee are surprised to learn that no separate provision of funds is made for modernisation programme. According to CIL, modernisation is built into the various aspects of the project including in the choice of technology, equipment, training etc. and it is difficult to segregate the financial component of modernisation from the total project cost. While this is understandable in the case of new projects, the Committee feel that in so far the existing projects are concerned, it should be possible to identify the modernisation requirements and funds required thereof. At present there are 32 large opencast projects and 23 underground projects which require significant modernisation. The Committee desire that a plan for modernisation of these projects should be drawn up expeditiously and sufficient funds provided for separately which would enable an assessment of progress achieved in modernisation.

Reply of the Government

55 large projects (each costing Rs. 20 crores and above) comprising of 32 opencast mines projects and 23 underground projects mentioned in Committee's observation based on CIL's report are in fact the projects under implementation. These projects consist of both new as well as re-organisation of mines. Re-organisation of existing mines is taken up wherever potentiality exists for modernisation. CIL has been asked to undertake a study of each old existing mine not already covered by any re-organisation for determining the potential for reorganisation and also for assessing the requirement of funds for such re-organisation wherever necessary.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Comments of the Committee

(Please see para 10 of Chapter I of the Report)

Recommendation No. 6

Project Implementation is an area which leaves much to be desired. The Committee are distressed to observe that only 15 projects have so far been completed. Out of 44 underground modernisation projects taken up at a

cost of over Rs. 444 crores by CIL during the 7th Five Year Plan, 12 projects are stated to be still under implementation and 4 others got inordinately delayed due to land acquisition problems. What causes grave concern is that as many as 13 modernisation projects could not be fully implemented due to adverse geominig conditions. The same reason has been attributed to abandonment of quite a large number of projects as discussed in the succeeding paragraph. The Ministry's claim that geominig condition encountered in these mines could not have been predicted at the time of planning is at best an excuse for totally unsatisfactory project planning. Geological prospecting of these mines had admittedly been carried out on traditional methods. The Committee feel that there is an urgent need to adopt sophisticated exploration techniques to minimise the chances of error in forecasting the geominig conditions which will considerably improve project reliability.

Reply of the Government

A detailed study of adverse geo-mining conditions which led to abandonment of four projects was undertaken by CMPDIL. The study had indicated that most prevalent problem of adverse geominig conditions mainly relate to encountering of minor faults, dykes and burnt zones associated with intrusions, piching and rolling. Encountering adverse geominig conditions is a world-wide phenomenon. However, advanced coal mining countries use advanced technologies like in-seam seismic surveys, seismic tomography etc. which have now been taken up as S&T project by CMPDIL. These investigations are taken up from advancing faces for detection of such features during actual mines working operations. These techniques are expected to be introduced on regular basis within few years and will be able to predict most of the geo-mining inconsistencies.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 7(ii)

The Committee also recommend that the Comptroller & Auditor General should examine the expenditure of Rs. 52 crores, including Rs. 22 crores spent on equipments and the status of equipments so purchased.

Reply of the Government

CIL/subsidiary companies shall furnish the requisite details of the expenditure incurred as also the equipment purchased and their status to the Comptroller and Auditor General as and when it takes up the issue for examination.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Comments of the Committee

(Please see para 15 of Chapter I of the Report)

Recommendation No. 8

It is axiomatic that delayed implementation of projects retards growth rate of production. The actual growth rate of coal production during the 7th plan was only 6% as against the target of 7%. An analysis of 58 on-going projects each costing Rs. 20 crores and above revealed that there were time over-runs ranging from 1 to 12 years in respect of 27 projects and cost escalation ranging between Rs. 1.36 crores and Rs. 457 crores in respect of 20 projects. The Committee recommend that in order to improve the present practices of exploration, planning appraisal, implementation and monitoring of all coal projects, the guidelines issued by the Ministry of Coal in Sept. '91 should be strictly adhered to and it should be ensured that projects are completed on schedule and without cost escalation.

Reply of the Government

Coal companies are following the guidelines issued by the Ministry in September, 1991 in regard to project planning, formulation, implementation and monitoring. It is expected that number of time and cost overrun projects will come down in the coming years.

Further arising out of concern about serious delays in implementation of central sector projects, a Group of Ministers (GOM) was constituted by the Government to suggest specific measures to cut delays on account of various factors. Some of the important recommendations made by the Group of Ministers are:—

- (i) Weeding out of projects which are unable to take off.
- (ii) Reprioritisation of projects (including reallocation of funds) on the basis of progress already made and availability of funds.
- (iii) Strengthening of the core management team including adequate delegation of powers to ensure accountability.
- (iv) Improvement in contract management.
- (v) Expediting acquisition of forest and non-forest land through association of State Governments and District Administration.
- (vi) Introduction of comprehensive monitoring of projects through use of modern management techniques.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 9

Constitution of "Land Bank"

The implementation of projects suffered due to problems of land acquisition and non-availability of forest land. The Committee suggest in this connection that concerned States should be persuaded to constitute "Land Bank" to simplify the process of compensatory afforestation.

Reply of the Government

Recommendation of the Committee has been brought to the notice of Ministry of Environment & Forests for taking up the matter appropriately with the concerned State Governments Ministry of Coal will also make efforts directly with the State Governments for setting up of "Land Banks".

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 10

Dismal production performance

The Committee are distressed to find that the production performance of some of the completed projects are dismal. For instance in Rajmahal expansion with an investment of over Rs. 807 crores, the production during 1992-93 was just 3.88 MT as against its capacity of 10 M.T. The position in respect of Sonepur Bazari and some other projects was no better. The position was even worse in regard to some of the new underground mines. The capacity utilisation of Dankuni Coal Complex is also very poor. The Committee recommend that the reasons for this unsatisfactory performance should be reviewed thoroughly and appropriate remedial measures taken at the earliest to ensure optimum production.

Reply of the Government

Observations of the Committee have been noted. However, in respect of three Projects namely Rajmahal, Sonepur Bazari (S.P.B.) and Low Temperature Carbonisation (L.T.C.) the position is explained below:

- (i) Capacity of Rajmahal project has been built up for a production level of 10.5 mty. However, production commensurate with current capacity could not be achieved due to failure on the part of NTPC to lift coal as per their off-take commitment. Rajmahal being a captive mine for NTPC's Farakka and Kahalgaon STPSs and coal being extremely susceptible to spontaneous heating and fire, the project cannot afford to build up pit head stock therefore, coal production had to be pegged down. Attempts are being made to supply coal from Rajmahal to other consumers. Of late there has been some measure of success.
- (ii) Start of the Sonepur Bazari project was delayed due to the problems of land acquisition and rehabilitation. After the problem of land acquisition and rehabilitation has been settled, the project is progressing satisfactorily. This project has produced 0.45 m.t. in 1993-94 and targetted to produce 1.20 m.t. in 1994-95. It will attain rated capacity of 3 m.t. in 1996-97.
- (iii) Low capacity utilisation of Low Temperature Carbonisation Plant At Dankuni has been due to problem of marketing gas & CIL COKE. The commercial production at this plant started in May 1990 on the basis of assurance from Greater Calcutta Gas Supply Corporation, GCGSC (A Government of West Bengal Undertaking) that they would develop market for ensuring complete offtake of gas produced for this plant. GCGSC failed to

develop the market. Alternative market for the gas was found in Alloy Steel Plant, Durgapur.

The strategy adopted and various other steps being taken by improving the overall performance of Dankuni Coal-Complex has started yielding positive results as evident from the following:—

The demand of CIL COKE has increased and it is currently more than production. The existing stocks of CIL COKE are likely to be liquidated within next five months.

For disposal of coal and coke fines, negotiations are being held with Bandel Thermal Power Station of WBSEB. About 40,000 tonnes coal fines are also expected to be exported to Nepal for which discussions are in progress.

Low phosphorous coke, which is being manufactured by bringing raw coal from Chirimiri is finding good market.

Tar products and other chemicals are also finding good market.

It is expected that with these steps being taken for bringing about overall improvement and also with the commissioning of 3rd retort bench, the capacity utilisation of the plant will increase to 60% by next year.

[Ministry of Coal: O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 11

Modernisation of Coal Washeries

The Committee note that the delay in modernisation of Coking Coal washeries recommended by Altekar Committee far back in 1986, is partly responsible for low utilisation of washeries and consequent shortage of coking coal necessitating imports. Some of the reasons advanced for the delay such as delay in finalisation of technology, delay in tender finalisation and delay on the part of contractor are obviously within the control of the management and could have been avoided with advance planning and timely corrective measures. The modernisation work is now expected to be completed by March, 1995. The Committee recommend that a task force should be formed to complete the modernisation of washeries in the light of the Altekar Committee Report and modernisation should be completed by 1995.

Reply of the Government

Both in BCCL & CCL Task Forces have already been constituted for time bound and expeditious implementation of Altekar Committee recommendations. Each of the Task Force is headed by a senior officer of the rank of Chief General Manager. The Task Force monitors day to day progress of implementation of developmental activities against the set time schedule so as to complete the implementation of various recommendations by 1995. The status of implementation of various major activities is annexed.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

*Progress of implementation on the Recommendations of Atekar Committee
(As on 1.10.1994)*

1. All the short term measures in respects of all washeries have been completed.
2. Some of the long term measures are yet to be completed alongwith the progress (which are likely to be completed by March, 1995) are given below:—

Coal Company/ Washery	Activities in hand	Status in percentage
<i>Bharat Coking Coal Ltd.</i>		
1. Bhojudih	(a) Installation of Deshaling Plant.	85%
	(b) Upgradation of fines in forth floatation plant.	75%
2. Dugda I	(a) Installation of Deshaling Plant.	65%
3. Dugda II	(a) Installation of Deshaling Plant.	45%
4. Moonidih	All the recommendations have since been implemented.	100%
5. Sudamdih	(a) Installation of Deshaling Plant.	40%
<i>Central Coalfields Limited</i>		
6. Kargali	(a) Installation of Deshaling Plant.	10%
7. Kathara	(a) Installation of additional ball mills.	50%
	(b) Increasing capacity of clean & middling bunkers	40%
	(c) Installation of Solid Bowl Centrifuge.	20%
	(d) Replacement of floatation cell and screen bowl.	10%
	(e) Oversize protection feed to thickner.	60%
8. Gidi	(a) Replacement of existing jig by modern jig.	10%

Recommendation No. 12

Fire in Jharia Coalfields

The Committee are concerned to note that with the available method technologies, it has not been possible to extinguish the fires in Jharia

Coalfields. At the time of nationalisation in 1971, there were 70 active fires in 42 collieries of Jharia Coalfield covering an area of 17.32 sq. kms. It has been estimated that about 1864 million tonnes of coal reserves are blocked about 37 million tonnes of coal damaged due to these fires. With the efforts made so far only five fires have so far been extinguished. It has been stated that suitable technologies are available in advanced countries to deal with the kind of fire in Jharia. The Committee hope that expeditious steps will be taken to get foreign assistance to deal with this problem and the Committee be informed of the outcome. Efforts should also be made to control fires originated by subsidence due to unscientific mining in Raniganj and Chirimiri Coalfields.

Reply of the Government

It is true that with the available fire control measures BCCL has not been able to extinguish these fires completely and it became necessary to look for suitable technologies from abroad which could completely extinguish the Jharia fires. In November, 1991, a CIL team had visited USA where many coalfields fire have been dealt with effectively. On the basis of the report of this team, World Bank was approached for technical and financial assistance. World Bank has agreed to provide assistance for a diagnostic study for development of programme to deal with the coalfield fires and a IDA credit for US \$ 12 million has also been approved.

The work relating to the study has been taken up in two phases—fire regarding development of fire fighting programme to bring Jharia coalfield fires under control and second for preparation of an Environment Management Plan for Jharia Coalfield. Contract to foreign consultants have already been awarded and work commenced. It is expected that the study will be completed by June, 1996.

[Ministry of Coal O.M. No. 54011/6/94—CPFC dated: 29th Nov., 1994]

Comments of the Committee

(Please see para 16 of Chapter of the Report)

Recommendation No. 13

Modernisation of Rescue Operation

One of the principal objects of nationalisation of coal mines has been scientific mining with safety of the miners. The information furnished to the Committee regarding the overall rate of fatalities per million tonne of output in CIL, shows a significant decline from 2.05 in 1973 to 0.57 in 1993 (provisional) and the fatality rates compares favourably with advanced countries like Germany and USA. The Committee feel that the overall fatality rate alone does not bring out the complete picture regarding safety. A more meaningful comparison would be to consider the fatality rate over the years in UG mines which are more hazardous and prone to accidents as compared to OC mines. The Committee would await this information. The Committee note in this connection that implementation of a plan for

expansion and modernisation of rescue services with CIL has been in progress. The Committee hope that implementation of the plan will be completed on schedule and large dia Boring machines for emergency rescue operation introduced early.

Reply of the Government

Fatality rates/Mill tonne of output for the underground and opencast separately over the years for CIL is as follows:

	Underground	Opencast	Overall
1973	2.63	0.21	2.05
1992	1.65	0.22	0.69
1993	1.48	0.14	0.61*

*Figures firmed up after reconciliation with D.G.M.S.

l)ja The fatalities of CIL underground mines for the last five years is given below:

FATALITIES

	Underground	Others	Total
1973	147	7	154
1990	104	27	131
1991	84	36	120
1992	108	42	150
1993	93	33	132
1994 (Upto Sept.)	114*	45	159

*(Including 55 fatalities of New Kenda Underground Fire)

The programme of modernisation of rescue services including construction of Rescue Stations/ Rescue Rooms, provision of apparatus/equipment and positioning of trained personnel has been taken up in all companies as per the recommendations of the Govt. of India Committee (Dubey Committee) in 1989.

Appreciable progress has been achieved in implementation of the same in CIL. As already stated in the report, 4 new rescue stations and 11 rescue rooms with refresher training facility (RRRT) have already been established. Balance 7 RRRTs are under various stages of construction and 3 such RRRTs are scheduled to be commissioned during 1995. Procurement action for modernisation self-contained Breathing Apparatus and other requirements of rescue stations and rescue rooms is in progress.

Procurement action in respect of Large Diameter Boring Machine is also in progress.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th Nov., 1994]

Recommendation No. 14

Review of Safety of Measures

The shocking accident at New Kenda Colliery on 25th January, 1994 which left 55 miners dead underlines the need for greater attention to the safety aspects of coal mines. A Court of Enquiry has been ordered to look into the causes of accident. The Committee will await its finding. It is needless to emphasise that safety measures should receive the highest consideration particularly where these concern the human lives. The Committee therefore, recommend that the Govt. should have fresh look at the safety measures presently followed in coal mines and if any gaps are revealed should take immediate corrective measures in order to minimise if not totally eliminate, such tragedies in future.

Reply of the Government

Immediately after the disaster at New Kenda Colliery due to fire on 25.1.94, special safety audit of all mines of Coal India Limited—underground mines in the first instance and opencast mines immediately thereafter was ordered to be carried out.

Special safety audit of all underground mines (No. 351) and opencast mines (No. 167) of Coal India Limited has already been completed.

Subsidiaries have been advised to draw up time bound action programme for removing the deficiencies as pointed out in the special safety audit reports as per the directives from the Hon'ble Minister of State (Coal).

A monthly system of computersied monitoring of safety status of each and every coal mines in CIL has been initiated with effect from June, 1994.

Safety and Rescue division of CIL is actively monitoring the various actions so initiated by the Subsidiary Companies.

[Ministry of Coal O.M. No. 54011/6/94—CPFC dated 29th Nov., 1994]

Comments of the Committee

(Please See para 17 of Chapter I of the Report)

Recommendation No. 16

One of the major constraints in implementing modernisation projects and achieving desirable growth is non-availability of sufficient funds. With the outstanding dues on the rise and budgetary support on the decline, the shortfall in resources according to the Chairman, CIL is expected to be to the tune of about Rs. 2000 crores during the 8th Five Year Plan. The outstanding dues of CIL as on 31.12.1993 stood at a whopping Rs. 3628 crores mainly from State Electricity Boards which held 81% of the CIL's total dues. To clear these dues, Central appropriation of State-plan

assistance has been proposed. The Committee feel that such a step would adversely affect the economic activity of the States concerned. The Committee would instead recommend that to protect the interests of the producer as well as the consumer a mechanism should be evolved which should sort out the problems such as settlement of dues, disputes, mode of payments etc.

Reply of the Government

The Committee of Secretaries considered this issue relating to huge outstanding dues to CIL from power houses in the meeting held on 17.3.1994. In order to find solution for settlement of dues promptly by SEBs and mode of payment the Committee of Secretaries in said meeting decided as follows:

The current dues would be met in full from the month of March, 1994 onwards for which purpose SEBs shall open an irrevocable revolving LC in favour of their suppliers (NTPC and CIL) to the tune of 105% of their past average monthly billing.

As regards the arrears, the undisputed amounts should be cleared by the payment, equal to one month's billing, by each SEB to NTPC/Coal Companies for the month of March, 1994 and thereafter the remaining amount of dues may be cleared at the rate of 25% of the monthly average billing of each month.

The meeting was attended by representatives of Railway Board Ministry of Power, concerned State Governments and SEBs.

Accordingly SEBs/Power Houses were requested to abide by the recommendations of the Committee of Secretaries and open IRLC for payment of current dues and release undisputed dues in instalments.

Despite the above decision SEBs have neither cleared the undisputed dues nor opened IRLCs (except by PSEB). As regards evolution of the mechanism for settlement of disputed outstanding dues. It was decided in the above meeting of the Committee of Secretaries that a convincingly transparent and speedy dispute resolution mechanism with all round acceptability is absolutely necessary and should be brought into place by setting up single Member Umpires on a regional basis. The suggested mode of settlement of disputes will not be under the arbitration Act but an informal mechanism where the concerned SEBs and Central PSU/Agency put forth their facts for a quick scrutiny and equitable decision.

Pursuant to the above decision CIL has since proposed to refer to the umpires, in the first instance, to settle the disputed dues in respect of Punjab State Electricity Board (PSEB), Tamil Nadu Electricity Board (TNEB) and Uttar Pradesh State Electricity Board (UPSEB). Ministry of Coal and CIL have also revived the proposal for recovery of undisputed outstandings from out of plan assistance payable to State

Government, specially since such a decision has already been taken in respect of dues by SEBs to NTPC.

[Ministry of Coal O.M.No. 54011/694—CPFC dated: 29th Nov., 1994]

Comments of the Committee

(Please See para 24 of Chapter I of the Report)

Recommendation No. 19

Mix of OC-UG Mining

Judicious planning of coal production demands a proper balancing between OC and UG coals, keeping in view the relation between available UG and OC reserves. The Committee have been informed that out of the proved coal reserves of 30.84 billion tonnes about 56% are extractable by UG mining and only 44% by OC mining. Viewing from this background the increase in the share of OC mining from 26% to 73% during the last 2 decades with corresponding decline in the share of UG mining is obviously lopsided. Unless this trend is reversed soon, the country will be confronted with an acute shortage of coal for want of shallower reserves. The Committee in this connection find that major coal producing countries like China, Poland, Germany and U.K. are producing more than 90% of their production from UG mining. Taking note of this and keeping long term prospective in view, the Committee urge that the production programme of OC and UG coal should be rescheduled to reach an optimum-mix in the successive five year plans.

Reply of the Government

The estimates of 56% reserves extractable by underground and 44% by opencast mining is a broad assessment. Accurate estimates can be done only after project planning taking into consideration the geo-mining characteristics of the deposit and techno-economies of the available methods of mining.

The decision for selection of a method of mining between OC and UG takes into consideration a number of factors like technological feasibility, quantum of demand, economies of scale, safety, extent of gestation period, percentage recovery by the methods etc. Thick seams lying under shallow cover are ideally suitable for opencast mining. UG mining of such coal deposits may entail extensive loss of reserves during extraction besides risk of fire, inundation etc. as had been experienced during the pre-nationalisation days.

Requirement of coal in large quantities for large number of Super Thermal Power Plants set up at rapid pace in the immediate post-nationalisation period could only be met by opencast mining which had the potential for bulk mining with comparatively low gestation period, improved economic viability, safety and higher percentage of extraction. Opencast mining perhaps is the only answer to extraction of large reserves

of seams of power grade coal at shallow cover. Side by side, adequate attention has to be paid to underground mining of coal.

Ministry of Coal agrees with the observation of the Committee that production programme for future should be based on an optimal mix of underground and opencast mining.

[Ministry of Coal O.M. No. 54011/6/94—CPFC dated: 29th Nov., 1994]

Recommendation No. 20

Action Plan to Accelerate Underground Production

The Committee observed that the underground production and productivity of CIL have more or less remained static at the level of 57 MT and 0.55 tonnes of output permanshift (OMS) respectively during the last two decades. The OC production has, however, risen from 17 MT in 1971 (All India) of 154 M.T. (CIL) in 1992-93 and the productivity from 1.90 tonnes to 3.64 tonnes of OMS. The Committee desire that an action plan for accelerating UG production and productivity should be drawn up early and specific time targets established for implementation.

Reply of the Government

CIL have planned to increase its U/G production from the present level of 56.54 MT in 1993-94 to 64.30 MT in 1996-97 and accordingly time bound targets have been fixed for mines/projects which are to contribute to this additional quantity.

Suitable instructions have been issued to CIL for drawing up an Action Plan as suggested by the Committee.

[Ministry of Coal O.M. No. 54011/6/94—CPFC dated 29th Nov., 1994]

Comments of the Committee

(Please See para 30 of Chapter I of the Report)

Recommendation No. 21

Underutilisation of Equipment

Equipment under utilisation is another area of serious concern. While norms of utilisation themselves appear to be unreasonably low, what dismays the Committee is that the actual utilisation by CIL fell much short of even these norms during 1992-93. the utilisation of dumper, dozer, drill and shovel was just in the range of 51% to 63% of the norms. Considering the replacement cost of these equipments which is estimated at Rs. 9000 crores such huge underutilisation causes grave concern. Various reasons have been advanced for this unsatisfactory performance, some of which are within the control of the management. The Committee feel that with advance planning and on-course corrective measures, it could have been possible to achieve high level of utilisation and production. The Committee hope that at least now measures will be

taken to remove the short coming and achieve optimum level of equipment utilisation.

Reply of the Government

A wide range of equipment is used for coal mining by CIL. Dragline, shovel, dumper, dozer and drills are major opencast mining equipment while longwall faces, Side Discharge Loaders (SDL) and Load Haul Dumpers (LHD) are major equipment used in underground mining.

It is a fact that utilisation of equipment both OC and UG with reference to the CMPDI set norms has not been optimal and there is a need for improvement.

Improvement of utilisation of equipment is a continuing process. A series of measures have been taken by CIL to improve the utilisation of equipment, especially heavy earth moving equipment. A strategy adopted to improve it further include:—

- (a) Monitoring of equipment performance.
- (b) Improving operational practices.
- (c) Human Resource Development (Training).
- (d) Development of facilities for repair & maintenance.
- (e) Improving spare parts management.

With a view to improving utilisation of OC equipment, the following has been planned and is in the process of phased implementation wherever applicable:—

- (i) Central despatch station.
- (ii) VHF trans-receiver sets on excavators and dumpers.
- (iii) Use of mobile walkie-talkie sets within the projects, etc.
- (iv) Public address system.

Steps have been taken for modernisation of the existing workshop and standardisation of the workshop practices through workshop design and construction manual.

Substandard performance/low utilisation of PSLW faces in various work environments has been studied by different expert groups at different points of time. As recommended by the Groups for achieving better performance and optimum utilisation of the equipment following measures have been/are being taken:

Geo-technical Appraisal:

A comprehensive check list and monographs have been prepared for mine planning, design coal clearance, materials handling, ventilation, etc. for PSLW faces.

Geo-technical data bank for longwall projects have been developed. Regular updating of this data bank is being maintained to enable the mine planners and operators to modify their strategy accordingly depending on these data.

For standardisation of longwall mining equipment, detailed study of the geotechnical data related to present and future longwall projects are being carried out.

Prior to the introduction of longwall system in a mine all possible geological investigations are being carried out to establish the position of faults/dykes in advance to take appropriate decision for introduction of PSLW faces.

Equipment selection:

For preparation of invitation to tender documents, more attention is being paid by involving a group of experienced mine operators/engineers for the respective projects.

Equipment supply:

- (i) Sufficiently rated PSLW system are being procured which can meet even the adverse geo-mining conditions.
- (ii) Equipment sets are procured through indigenous suppliers who have the tie up with their foreign collaborators for supplying spares and ensure after sales service support.
- (iii) Performance Guarantee clause have been incorporated with the supply of equipment so that the suppliers can not evade their responsibilities only by supplying the equipment and not achieving the committed performance.
- (iv) Training of the engineers and mine operators in the foreign manufacturers works as well as on the job training at project site are ensured while purchasing the equipment sets.
- (v) Alongwith the equipment sets, certain quantity of assorted spares (spare banks) are procured as accompanies spares. Indigenous suppliers and manufacturers are being encouraged to develop other non-critical spares which are of repetitive nature.
- (vi) Test standards for vital components of PSLW equipment have been developed in association with the longwall users/manufacturers and planners for obtaining interaction/approval of DGMS.

Performance:

- (i) Detailed action plan for face transfers are being prepared to ensure necessary resources to minimise face transfer time.
- (ii) Actions have been taken to motivate the management and the workforce of the longwall faces for practising safe working and to achieve rated performance.

Ministry of Coal appointed a Committee in December, 1991 to examine whether the existing system of equipment management and maintenance being followed in the subsidiary companies is adequate to give optimum utilisation of equipment and evaluate existing norm for utilisation of equipment and their productivity and if it considers necessary to evolve

fresh norms and to suggest how the system can be made effective so as to ensure optimum utilisation of equipment. The Committee submitted its Report in January, 1993 which has been accepted by the Government. The various recommendations made by the Committee are in different stages of implementation.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated 29th November, 1994]

Recommendation No. 22

Quality of equipments

One of the main reasons advanced for frequent unforeseen breakdowns of major equipments and consequent poor fleet availability is stated to be the inability of the indigenous manufacturers of HEMM to meet the desired quality standards and ruggedness. The Committee stress the quality of indigenous equipment after sales & service etc. should be improved to the level of international standards and modern devices like electronic sensors, early warning systems to warn against premature failures more sensitive thyristor control etc. should be introduced.

Reply of the Government

To ensure optimum availability/utilisation of equipment the following steps have already been taken:

- (i) Sufficiently rated PSLW system are now procured which can meet even the adverse geo-mining conditions.
- (ii) Test standards for vital components of PSLW equipment have been developed in association with longwall users/manufacturers.
- (iii) The equipment sets are procured through indigenous suppliers, who have the tie up with their foreign collaborators for supply of spares and ensure after sales service supports.
- (iv) Performance guarantee clause has been incorporated with the supply of equipment so that the suppliers cannot evade their responsibilities for not achieving the committed production.
- (v) Training of engineers and mine operators in foreign manufacturers works as well as on the job training at project site are ensured.
- (vi) Sufficient quantity of spares for 2/3 years are procured alongwith the equipment for smooth operation and subsequent indigenous development.
- (vii) CIL and its subsidiaries have entered into depot agreement with original equipment manufacturers (OEMs) to facilitate opening of depots in the proximity of projects/areas. One depot agreement has been concluded for UG equipment also.
- (viii) Increasing stress is being paid on rehabilitation of equipment rather than going in for new ones. During 1994-95, about 594

major equipment like dragline, shovel, dumper, drill, etc. are targeted for rehabilitation.

- (ix) In the Ministry, meeting is taken by Secretary (Coal) with OEMs and coal companies to review the position of supply of equipment. Apart from identifying the bottlenecks and the remedial action for removing them, matters of importance like timely supply of equipment as also quality thereof are invariably taken note of for improvement.
- (x) Review of equipment supply and their quality etc. is also taken during Board level discussion of CIL and its subsidiaries in which representative of the Ministry of Coal do participate.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th November, 1994]

Recommendation No. 23

Performance of Longwall faces

The Committee observe that even 15 years after introduction, CIL has not been able to satisfactorily employ longwall technology which has proved productive in other coals producing countries. During 1992-93 only 6 out of 15 longwall faces established at a cost of over Rs. 197 crores were operated and just 1.47 M.T. of production realised as against the capacity of 9 M.T. The Committee have been informed that 3 sets have outlived their life. Whatever be the reasons for such poor performance the least the Committee expect from the management is to rectify the identified deficiencies and optimise the production from the longwall faces at the earliest.

Reply of the Government

The identified deficiencies were:

- a. Under powered equipment
- b. Under rating of supports in some particular mining condition.
- c. Poor evacuation system.
- d. Break up spares and service supports.

For rectification of above identified deficiencies with respect to the PSLW equipment, following actions have been taken:—

For achieving rated production from the longwall mines, the outbye evacuation systems have been reorganised for undisturbed flow of coal in the existing mines. High powered conveyor systems have been installed in new projects. viz., Jhanjra, Kottadih Projects.

For obtaining effective back up spares and service supports, CIL procured the PSLW sets through the Indian Collaborators of Overseas manufacturers. Due to inherent structural weakness of these collaborators, effective supports in the area of supply of imported spares and services were not available.

The idea of developing a spare bank with ODA (UK) assistance had to be abandoned due to fund crisis of the Indian Collaborators.

For optimising production from the existing PSLW equipment, following positive actions have been taken:—

Rehabilitation of existing idle equipment in suitable mines for gainful deployment.

Advance development of longwall panels for timely shifting of equipment after completion of existing panels.

More on-the-job training for the face crews, supervisors and engineers on operation and maintenance of equipment.

Theoretically if all the existing 15 PSLW faces work together, annual coal production may be to the tune of 5.195 million tonnes only.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th November, 1994]

Recommendation No. 24

Revamping uneconomic Mines

At present CIL is required to continue operations in a large number of uneconomic mines. It has been stated that operation performance of 18 mines cannot be improved and that such mines are phased out. The Committee suggest that attempts should be made to revamp the uneconomic mines and in case this is not feasible, expeditious steps should be taken to close down these mines in a phased manner. The Committee also desire that an early decision should be taken regarding the question of denotification of acquired lands which are no longer required for coal mining purposes after proper reclamation and stabilisation.

Reply of the Government

Out of 18 uneconomic mines identified by CIL for closure 3 mines namely, Dharaband (BCCL), Dabor OC(ECL) and Kapasara OC(ECL) have already been closed.

Out of remaining 15 mines, four mines namely South Govindpur (BCCL), Tpsi (ECL), Hindegir (CCL) and Lapanga (CCL) have been regrouped and are now expected to be continued.

Decision to close the remaining mines may have to be taken by CIL for compelling reasons in a phased manner over a period of next 3-4 years.

Regarding denotification of lands which are no longer required by the coal companies, it is submitted that the coal companies have identified such lands for exchange in lieu of forest land required for on-going as well as new projects. As such denotification of such surplus lands would not be advisable.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th November, 1994]

Recommendation No. 25

The number of identified surplus manpower in CIL as on 1.4.93 was 10,848 as against 17,222 in the preceding year. 6232 workers have reportedly retired during 1992-93 under a Voluntary Retirement Scheme. Some of the subsidiaries of CIL have, however been experiencing difficulty in allowing employees to retire voluntarily due to paucity of funds. Considering the number of surplus labour in CIL, the pace of retirement under the scheme needs acceleration. The Committee therefore recommend that the Government, should provide requisite fund to CIL from National Renewable Fund for rationalising the work force through Voluntary Retirement Scheme.

Reply of the Government

Noted for future guidance:

During 1994-95, the Govt. have allocated Rs. 60 crores each to ECL & BCCL to allow workmen to retire under VRS(BPE). Further in order to accelerate the pace of implementation of VRS, constant follow up is being maintained by CIL with the subsidiary Companies for encouraging and speeding up the progress of retirement under the scheme. This is being reviewed regularly at the CMDs meet as well.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th November, 1994]

Recommendation No. 26

At present 83% of CIL's total coal despatch to various consumers is subjected to joint sampling arrangements. The Committee regret to learn that the sample collection process is totally manual at present. The Committee hardly need to emphasise that it is essential to mechanise this process for successful implementation of quality assurance system introduced by CIL. The present system of coal marketing and distribution is admittedly cumbersome. CIL has pleaded for free hand in the area of distribution and marketing strategies. The Committee agree with this plea and recommend that Government should take suitable measures in this regard at the earliest to ensure CIL's efficient operation within the competitive environment.

Reply of the Government

Ministry of Coal is also of the same view that the coal companies must ensure proper quality of despatches and also provide for adequate and effective facilities for sampling of coal before despatch. This is considered utmost important for ensuring consumer satisfaction. As regards CIL having a free hand in distribution and marketing of coal, as stated in reply under Recommendation No. 17. Government is considering deregulation of pricing and distribution of coking coal and superior grade 'A', 'B', 'C' non-coking coal. In respect of other grades of coal, present arrangement is proposed to be continued to protect the supplies to power houses which are major users of power grade coals.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated: 29th November, 1994]

Comments of the Committee

(Please see para 33 of Chapter-I of the Report)

Recommendation No. 29

There is an imperative need for development of coal utilisation technologies which are environmentally benign. However, this has not received the attention it deserves. The Committee, therefore, emphasise that suitable R & D strategy should be evolved to develop technologies like coal gasification, integrated gasification, combined cycle, etc. for commercial application to ensure efficient and cleaner utilisation of coal.

Reply of the Government

Ministry of Coal agrees with the observations of the Committee. The details of some of the steps taken in this behalf are given below:—

I. (A) *Underground Coal Gasification (UGC)*

An S & T project was taken up in August, 1987 with the objective of generation of necessary data to evaluate the suitability of the tentatively selected sites for underground coal gasification and subsequently planning for pilot scale application of the technology. Extensive drilling has been carried out in Merta Raod block to establish the feasibility of this technology in lignite deposits.

(B) *Coal Gasification for production of Fuel Gas*

For production of fuel gas for replacement of furnace oil in small/medium scale industries, a technology on fluidised bed gasification of high ash coal has been developed by ICCT, Hyderabad with funds provided from coal S & T grant. The prototype unit has been developed at a capacity of 4 TPD coal throughput. The design basis for similar plants has been prepared for installation of similar or near capacity plants.

(C) *Integrated Gasification Combined Cycle (IGCC)*

A project titled "Data Generation and Scale-up of moving bed pressure gasification system using coal containing 40% ash" was taken up as a joint collaborative project by Indian Institute of Chemical Technology, Hyderabad with the following objectives:—

1. To generate data for testing coal containing about 40% ash in the 24 TPD IICT and 150 TPD BHEL moving bed pressurised gasification plant.
2. To evaluate the Date for establishing optimum parameters and identifying design changes required for effective and reliable plant operation.
3. To develop scale up methodology for commercial size moving bed gasification technology for IGCC System.

In all, five specific experimental runs were conducted to achieve the above mentioned objectives. The results clearly affirm the capability of indigenous design, installation and observation of High pressure moving bed gasification plant for gasifying high ash coals. The successful demonstration of combined cycle plant in gas mode signifies the technical feasibility of IGCC plants based on moving bed coal gasification. It was also established that IGCC offers potentially higher efficiencies and better cost effectiveness through optimised thermodynamic cycle. The development of combined cycle plants utilising coal gas generated from coal of high ash content holds high priority. Setting up of a demonstration plant is now being coordinated between Department of Power and CSIR under the Clean Coal Technology Mission.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated 29th November, 1994]

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation No. 28

Coal produced adverse environmental impact at all the stages of fuel cycle right from extraction to its end use. Detailed environmental, entail management plans are reportedly being drawn up to regulate adverse environmental impact of air water, water and noise pollution, land degradation etc. of existing mines. The Committee would like to be informed of the details and programme of implementation of these plans and the progress made in implementation of these plans and the progress made in implementing the guidelines issued by Government on 19.10.90 regarding rehabilitation of land oustees. The committee recommend that in order top ensure effective implementation of the EMPs, a statutory authority with clearly defined objectives should be set up.

Reply of the Government

While according environmental clearance for the coal projects the Ministry of Environment & Forests stipulates not only the implementation of environmental projection measures but it also requires regular monitoring of variuous environmental parameters and anti-pollution measures carried out during the course of coal mining. This aspect has now become mandatory in terms of Notification on Environmental Impact Assessment of Developmental Projects dated 27.1.94 (issued by MOEF) excerpts of which are reproduced below:—

“In order to enable the Impact Assessment Agency to monitor effectively the implementation of the recommendations and conditions subject to which the environmental clearance has been given the project authorities concerned shall submit a half yearly report to the Impact Assessment Agency. Subject to the public interest, the Impact Assessment Agency shall make compliance reports publicly available.”

In view of the fact that the compliance reports are being submitted to MOEF no separate statutory authority for the same purpose is necessary.

In addition to the rehabilitation package adopted by Ministry of Coal in October, 1990 the coal companies have been advised to abide by the State Governments instructions wherever such rehabilitation packages are

available. Recently Coal India Ltd., have formulated a comprehensive Rehabilitation and Resettlement (R&R) Policy for providing relief to the Project Affected People (PAP). Main ingredients of CIL's R&R Policy are:—

- (i) The rehabilitation process will start simultaneously with land acquisition.
- (ii) Socio-economic survey will be carried out to ensure adequate economic rehabilitation.
- (iii) Land owners, tribal cultivating land under traditional rights, persons whose homestead is acquired, share croppers, land losers, tenants and day labourers etc. will be covered in the rehabilitation package.
- (iv) Rehabilitation plans will be prepared in consultation with PAPs and State Governments
- (v) Resettlement sites will be provided with infrastructural facilities like schools; roads; drains, community centres. etc.
- (vi) Contractors will be persuaded to give jobs to eligible PAPs on preferential basis.
- (vii) Land oustees will be eligible for jobs on preferential basis whenever outside recruitment becomes necessary.
- (viii) Coal companies will assist PAPs in developing opportunities for self employment options like dairy and poultry, small business, petty contractors etc.
- (ix) Coal companies will shift the tribal community as a unit and provide facilities to meet the specific needs of maintaining their cultural identity.
- (x) A committee comprising of nominees of State Governments Project GM, PAPs etc. will be constituted to examine grievances of PAPs and proper corrective action.

[Ministry of Coal O.M. No. 54011/6/94-CPFC dated 29th November, 1994]

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation No. 7(i)

Uneconomic Projects

The Committee are shocked to note that 47 projects out of 168 projects sanctioned during 7th Five Year Plan were abandoned by CIL after incurring an expenditure of Rs. 52 crores including Rs. 22 crores on equipment. Strangely, uneconomic projects had been selected with the presumption that average viability of the industry would take care of the losses through cross subsidisation. CIL's plea that uneconomic projects had to be dropped in changed economic scenario only shows that *ad hocism* ruled the project planning with its inevitable impact on the project implementation. The Committee expect that atleast in future the CIL will be prudent and will function on commercial principles. Further, the Committee desire that to prevent recurrence of such failures, the authorities concerned with project planning should be made accountable.

Reply of the Government

Out of 47 projects which were withdrawn/not taken up for various reasons during Seventh Five Year Plan period, in case of 20 projects no expenditure was incurred. On the remaining projects, the expenditure incurred was only marginal and the plant and machinery wherever procured was transferred to other mines where the same was gainfully utilised. As regards fixing of responsibility, as already explained in the submissions made earlier these projects were withdrawn/not taken up due to constraints of land acquisition, lack of funds and geo-mining problems which were beyond the control of the coal companies.

The guidelines for the project planning, formulation, implementation and monitoring were issued by the Ministry in September, 1991. It is expected that the Quality of project formulation and implementation shall improve with the adoption of these guidelines. In the context of resource constraints now being faced by CIL, some of the sanctioned on-going projects may also have to be shelved while prioritising the need of investment with the available resources. This concept is also in accordance with the recommendations of Group of Ministers constituted to control time and cost overrun of Central Sector projects.

[Ministry of Coal O.M. No. 54011/6/94-CPPC dated 29th Nov., 1994]

Comments of the Committee

(Please see para 13 of Chapter-I of the Report)

Recommendation No. 15

While dealing with the safety aspect, it came to the notice of the Committee that three officers were found guilty of Culpable negligence by a Court of Enquiry which enquired into the fatal accident of Mahabir Colliery in November, 1989. Whereas Directorate General of Mines Safety has launched prosecution against these officers in the court, the management has not only allowed them to continue in service but has in one case even promoted the officer to a higher grade. The management has not thought it fit to initiate departmental action against those found guilty by a court of enquiry. The Committee fails to understand the reasons for this inaction on the part of the management.

Reply of the Government

In its report, the Mahabir Colliery Court of Enquiry indicted three officers viz. Md. Kalim, Agent-cum-Manager, Shri P.L. Banerjee, Safety Officer and Shri K. Dutta, Asstt. Manager.

The Court of Enquiry has submitted the report on 17.1.92 and the findings were forwarded by the Ministry to CIL with endorsement to CMD, ECL on 8.7.92 which was received by CMD, ECL on 18.7.92.

The position with regard to three officers indicted by the Enquiry is as follows:—

(a) Md. Kalim who was in the rank of Superintendent of Mines in E-5 grade was transferred from Mahabir Colliery to Toposi Colliery in June, 1990 to function as Agent-cum-Manager in the same rank of Supdt. of Mines in E-5 grade. He retired in March, 92 as Suptd. of Mines in E-5 grade.

(b) Shri P.L. Banerjee, Safety Officer was in E-4 grade, date of entry in E-4 grade being January, 1989. He was designated as Manager, Mahabir Colliery in May, 1991. He was transferred to Amrasota Colliery in December, 1992 to function as Manager, in E4 grade. Subsequently he was transferred to Kunustoria Colliery, in November, 1993 to function as Sr. Asst. Manager in E-4 grade. He has since been taken out of the line function. He continues to be in E-4 grade and has not been promoted.

(c) Shri K. Dutta, Asst. Manager was in E3 grade since November, 1986. He was transferred from Mahabir Colliery to Amrasota Colliery in April, 1990 and was promoted to E-4_o grade in March, 1991 before the findings of Court of Enquiry were received in July, 1992. He is continuing in E-4 grade and has not been given in any line function.

Since DGMS has launched prosecution against the officers indicted by the Court of Enquiry in a regular Court of Law and the matter is still subjudice, the Management has not initiated a separate departmental proceedings.

[Ministry of Coal O.M. No. 54011/6/94/CPPC dated: 29th Nov., 1994]

Comments of the Committee

(Please see para 20 of Chapter-I of the Report)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation No. 17

Decontrol of Prices

Another problem in raising resources according to the Ministry of Coal is posed by inadequacy of coal prices and consequent losses accumulated by CIL to the tune of Rs. 2094 crores as at the end of March, 1993. The performance of CIL which for long had been in the red had picked up only in the last two years regarding a modest profit. The question of decontrol of prices of coking coal and some grades of non-coking coal is stated to be under the consideration of Government. The Committee trust that the Government will take an early decision on this question taking into account the imperative need to generate internal resources for investment in future projects.

Reply of the Government

Periodical revision of coal prices is necessary to compensate coal companies for increase in costs of inputs. Since 1992, the Government has started regularly revising the price of coal in accordance with the formula evolved by the BICP.

The question of decontrol of prices of coking coal and 'A', 'B' & 'C' grades of non-coking coal is under consideration of the Government.

[Ministry of Coal O.M. No. 54011/6/94-CPPC dated 29th Nov., 1994]

Recommendation No. 18

Reorientation of Production Planning

While coal production has grown phenomenally from 75.6 MT in 1971 to 245 MT in 1993-94, what causes concern is that it has been accompanied by raising pithead stocks which have gone up rapidly over the years with adverse impact on the economics of the industry and with attendant problems like higher propensity to coal fire and deterioration in coal quality. The Committee note that achievement of production growth has been realised mainly from inferior grades of coal as available from opencast mines. Improper planning and non-availability of right type of coal have caused, on the one hand accumulation of stocks to an alarming level of 51.30 MT at the end of March, 1993 and on the other has necessitated import of coking coal to the tune of 6.33 MT in 1992-93. There is, therefore, an imperative need for reorienting the production planning. The focus has to change from target-oriented production to

need based production providing right type of coal. This would also entail a shift from OC mining to UG mining, the latter being the major supply source of high quality coal. The Committee would also like to emphasise that any evaluation of coal production should be related not only to its volume but also to its useful heat value which is the determinant of actual coal requirement.

Reply of the Government

Factors determining quantum of coal production have already been stated in reply to Recommendation Sl. No. 1. The main reasons for rising pit head stocks are:—

- (i) Non-materialisation of Demand forecast,
- (ii) Transport inadequacy in certain areas,
- (iii) Slump in certain sectors of Industry.

The production plan of CIL during the 8th Five Year Plan has been made taking into account the existing pit head stocks. Coal production targets have been set keeping in mind the need for liquidation of these stocks.

[Ministry of Coal O.M. No. 54011/6/94-CPPC dated 29th Nov., 1994]

Comments of the Committee

(Please see para 27 of Chapter-I of the Report)

Recommendation No. 27

Thrust on R&D activities

The Committee are distressed that Research and Development which is a vital for modernisation and growth of coal industry has been a neglected area. Although a Standing Scientific Research Committee headed by the Coal Secretary is in existence, the contribution of R&D towards modernisation and growth of coal industry is admittedly not significant. The Committee are dismayed to learn that the total expenditure incurred on S&T programme during the last 18 years was just Rs. 52.6 crores which by any yardstick was vastly insufficient to undertake any major R&D programme. There is no in-house R&D set up in coal sector. It is only now that constitution of a Research & Development Board headed by Chairman, CIL has been contemplated. The Committee expect that this Board should be set up soon with sufficient funds and necessary thrust for R&D activity given to achieve desired results. The Committee also recommend that the Standing Scientific Research Committee in the Ministry of Coal should monitor the progress in solving the specific problems relating to mining technology, safety and coal utilisation, improvement in coal quality and environmental protection, etc.

There are several committees/organisation which are engaged at present in the R&D work relating to coal. The Committee desire that efforts of these organisations should be effectively coordinated and target should be

fixed to achieve results in a specified time in the areas such as higher percentage of recovery, public safety, low cost of production and meeting the requirements of coal consumers.

Reply of the Government

CIL has informed that a proposal for constituting Research & Development Board headed by Chairman, CIL is being considered by them. In CMPDIL, the nodal agency for R&D work, separate cells in different disciplines are there to devote on research and development activities.

In the Ministry of Coal the Standing Scientific Research Committee is already being assisted by 4 sub-committees and these sub-committees have specific mandate to monitor implementation of R & D projects and seek application of research findings.

The SSRC includes members from academic institutions, research organisations, industry, CSIR, Department of S & T Planning Commission etc., so that the committee is abreast with development in other organisations which are connected with coal and coal mining.

Simultaneously, coal industry and CMPDI are represented on Research Councils of various research institutes concerned with coal and coal mining as well as academic council of educational institutions. The R & D efforts by industry, educational and research institutes are thus coordinated with the involvement of all concerned organisations.

For the VIII Five Year Plan the total funds allocated for S & T are of the order of Rs. 87 crores including Rs. 5 crores for UNDP projects. Of the Rs. 82 crores allocated for S & T, the total expenditure in the VIII Plan on on-going and new projects likely to be approved by March, 1995 is expected to be Rs. 52 crores. The remaining Rs. 30 crores available for new projects to be taken up in the remaining two years of the VIII Plan. As regards UNDP projects, the total expenditure upto March, 1996 is expected to be Rs. 4.21 crores.

[Ministry of Coal O.M. No. 5401/6/94-CPPC dated 29th Nov., 1994]

Comments of the Committee

(Please see para 36 of Chapter-1 of the Report).



JASWANT SINGH,

Chairman,

Standing Committee on Energy.

NEW DELHI;
March 28, 1995

Chaitra 7, 1917 (Saka)

APPENDIX I

MINUTES OF THE SEVENTH SITTING OF STANDING COMMITTEE ON ENERGY HELD ON 24TH MARCH, 1995

The Committee sat from 15.30 hrs. to 16.30 hrs.

PRESENT

Shri Jaswant Singh—*Chairman*

MEMBERS

2. Smt. Dil Kumari Bhandari
3. Dr. Krupasindhu Bhoi
4. Shri K.P. Reddaiah Yadav
5. Shri Laxminarain Tripathi
6. Shri Bhawani Lal Verma
7. Shri Virender Singh
8. Shri Arjun Singh Yadav
9. Shri Parmeshwar Kumar Agarwalla
10. Shri M.M. Hashim
11. Shri Dipankar Mukherjee
12. Smt. Ila Panda
13. Shri J.S. Raju
14. Shri Rajni Ranjan Sahu

SECRETARIAT

1. Smt. Roli Srivastava — *Joint Secretary*
2. Shri G.R. Juneja — *Deputy Secretary*
3. Shri A. Louis Martin— *Under Secretary*

- | | | |
|-------|----|----|
| 1. ** | ** | ** |
| 2. ** | ** | ** |

3. Thereafter, the Committee considered and adopted the following draft reports:—

- | | | |
|--------|----|----|
| (i) ** | ** | ** |
|--------|----|----|

(ii) Action Taken by the Government on the recommendations contained in the 10th Report of Standing Committee on Energy (1994-95) on "Modernisation and Growth of Coal Industry—A Critique."

4. The Committee also authorised the Chairman to finalise the Reports mentioned in para 2 & 3 above on the basis of factual verification by the Ministry concerned and to present the same to Parliament.

The Committee then adjourned.

** Para 1, 2 and 3(i) of the Minutes relating to consideration of Coal India (Regulation of Transfers and Validation) Bill, 1995 and consideration of two other draft reports not included.

APPENDIX II

(Vide Para 3 of Introduction)

Analysis of Action Taken by the Government on the Recommendations contained in the 10th Report of the Standing Committee on Energy (Tenth Lok Sabha).

I.	Total No. of recommendations made	29
II.	Recommendations that have been accepted by the Government (vide recommendations at Sl. No. 1 to 6, 7(ii), 8 to 14, 16, 19 to 26 and 29).	23.5
	Percentage to total	79.31%
III.	Recommendation which the Committee do not desire to pursue in view of Government's replies (vide recommendation at Sl. No. 28).	1
	Percentage to total	3.45%
IV.	Recommendation in respect of which replies of Government have not been accepted by the Committee (vide recommendation at Sl. No. 7(i) and 15).	1.5
	Percentage to total	6.90%
V.	Recommendations in respect of which final replies of the Government are still awaited (vide recommendation at Sl. No. 17, 18 and 27)	3
	Percentage to total	10.34%