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**STANDING COMMITTEE ON
COAL AND STEEL
(2019-2020)
SEVENTEENTH LOK SABHA**

MINISTRY OF COAL

**DEMANDS FOR GRANTS
(2020-21)**

SIXTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
MARCH, 2020 /PHALGUNA, 1941 (SAKA)**

SIXTH REPORT

STANDING COMMITTEE ON COAL AND STEEL (2019-2020)

SEVENTEENTH LOK SABHA MINISTRY OF COAL DEMANDS FOR GRANTS (2020-21)



Presented to Lok Sabha on 12.03.2020

Laid in Rajya Sabha on 12.03.2020

LOK SABHA SECRETARIAT

NEW DELHI

MARCH, 2020/PHALGUNA, 1941 (SAKA)

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COMPOSITION OF THE STANDING COMMITTEE ON COAL AND STEEL (2019-2020)

Chairperson - Shri Rakesh Singh

Lok Sabha

2. Shri Balubhau Dhanorkar alias Suresh Narayan
3. Shri Vijay Kumar Hansdak
4. Shri Kunar Hembram
5. Shri Raghurama Krishnaraju Kanumuru
6. Shri C. Lalrosanga
7. Shri S. Muniswamy
8. Shri Ajay Nishad
9. Shri Basanta Kumar Panda
10. Smt. Riti Pathak
11. Shri Komati Reddy Venkat Reddy
12. Shri Chunni Lal Sahu
13. Shri Arun Sao
14. Dr. Beesetti Venkata Satyavathi
15. Shri Sushil Kumar Singh
16. Shri Pashupati Nath Singh
17. Shri Sunil Kumar Singh
18. Dr. Alok Kumar Suman
19. Dr. Thirumaavalavan Thol
20. Shri Shyam Singh Yadav
21. Shri Tokheho Yepthomi

Rajya Sabha

22. Dr. Vikas Mahatme
23. Shri Mukut Mithi
24. Shri Prashanta Nanda
25. Shri Ram Vichar Netam
26. Shri Samir Oraon
27. Shri Dhiraj Prasad Sahu
28. Shri Prabhakar Reddy Vemireddy
29. Shri B. Lingaiah Yadav*
30. Shri Anil Desai[#]
31. Vacancy

*w.e.f. 3rd December, 2019

[#]w.e.f. 21st December, 2019

SECRETARIAT

- | | | |
|-----------------------|---|---------------------|
| 1. Shri Pawan Kumar | - | Joint Secretary |
| 2. Shri Arvind Sharma | - | Director |
| 3. Smt. Geeta Parmar | - | Additional Director |
| 4. Shri Girdhari Lal | - | Deputy Secretary |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal and Steel having been authorized by the Committee to present the Report on their behalf, present this Sixth Report (Seventeenth Lok Sabha) on Demands for Grants (2020-21) relating to the Ministry of Coal.

2. The Demands for Grants of the Ministry of Coal were laid on the Table of the House on 05.02.2020. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Coal and Steel are required to consider the Demands for Grants of Ministries under their jurisdiction and make Report on the same to both the Houses of Parliament.

3. The Committee took evidence of the representatives of the Ministry of Coal on 19.02.2020.

4. The Report was considered and adopted by the Committee at their sitting held on 11.03.2020.

5. The Committee wish to express their thanks to the officials of the Ministry of Coal for the cooperation extended by them in furnishing written replies and for placing their considered views and perceptions before the Committee.

6. The Committee place on record their profound appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

**NEW DELHI;
11 March, 2020
21 Phalguna, 1941 (Saka)**

**RAKESH SINGH
Chairperson,
Standing Committee on Coal and Steel**

REPORT

PART-I

CHAPTER -I

INTRODUCTORY

The Ministry of Coal has the overall responsibility of determining policies and strategies in respect of exploration and development of coal and lignite reserves, sanctioning of important projects of high value and for deciding all related matters. These key functions are exercised through its public sector undertakings, namely Coal India Limited (CIL), NLC India Limited (NLCIL) and Singareni Collieries Company Limited (SCCL), a joint sector undertaking of Government of Telangana and Government of India with equity capital in the ratio of 51:49.

1.2 The following are the core objectives of Ministry of Coal to accomplish its vision of Modern, sustainable and competitive coal sector enabling accelerated coal production for energy security and economic growth:

- "Ensuring achievement of Annual Action Plan targets for coal production and off-take, Over Burden Removal (OBR), lignite production and lignite based power generation.
- Infrastructure development to augment coal and washed coal production.
- Leveraging technology to minimize environmental externalities.
- Cutting edge research and development initiative.
- Enhancing exploration to augment resource base.
- Quality and reliability in customer services.
- Expeditious and joint solutions to inter-ministerial issues.
- Improving efficiency of Coal India.
- Attracting private investments.
- Allocating coal blocks in a transparent manner."

1.3 The Ministry of Coal is concerned with exploration, development and exploitation of coal and lignite reserves in India. The subjects allocated to the Ministry of Coal (includes Subordinate or other organizations including PSUs concerned with their subjects) under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time as follows:

- Exploration and development of coking and non-coking coal and lignite deposits in India.
- All matters relating to production, supply, distribution and prices of coal.
- Development and operation of coal washeries other than those for which the Department of Steel is responsible.
- Low temperature carbonization of coal and production of synthetic oil from coal.
- All work related to coal gasification.

- Administration of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974).
- The Coal Mines Provident Fund Organization.
- Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 (46 of 1948).
- Rules under the Mines Act, 1952 (32 of 1952) for the levy and collection of duty of excise on coke and coal produced and dispatched from mines and administration of rescue fund.
- Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957(20 of 1957).
- Administration of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and other Union Laws in so far the said Act and Laws relate to coal and lignite and sand for stowing, business incidental to such administration including questions concerning various States.
- Administration of Coal Mines Nationalization Act, 1973 (26 of 1973).
- Administration of Coal Mines (Special Provisions) Act, 2015.

1.4 Coal accounts for around 55% of the India's primary commercial energy. Nearly 72% of the entire power generated in the country is coal based, which is a testimony to the importance of coal. Admittedly, a conscious impetus is laid on alternative clean and renewable energy sources, especially solar. India targets to add renewable energy capacity to 175 GW by 2022 and 275 GW by 2027. This move is in accordance with Paris protocol and certainly a welcome step as it would supplement coal's role, if not entirely substitute it. World over, many countries are migrating from coal to cleaner forms of renewable energy sources. In India, the situation is different from the world scenario as the current power demand is being met predominantly by coal and through a lesser extent by Solar, Wind, Hydel and natural gas. For the past couple of years, India accounted for around 11% of the global coal consumption. India remains the second largest coal consumer in the world.

1.5 The inventory of Geological Resources of Indian coal as on 1.4.2019 and up to a depth of 1200 meter prepared by the Geological Survey of India on the basis of resources estimated by Central Mine Planning & Design Institute Limited (CMPDI), Mineral Exploration Corporation Ltd. (MECL), Geological Survey of India (GSI), SCCL and others is 326.05 Bt. Out of the total coal resources estimated, proved coal resources are 155.61 BT while indicated and inferred are 140.05 BT and 31.07 BT respectively.

1.6 There has been a continuous increase in overall consumption of coal over the years. Consumption / actual supply of coal (including import) increased from 836.93 Million Tonnes in 2016-17 to 969.47 Million Tonnes in 2018-19. As per CIL/CCO, the demand for coal for 2019-20, was estimated to be 1000 Million Tonnes (MT),

whereas the indigenous availability was estimated at 811 Million Tonnes. The gap of 189 MT was projected to be met through imports. During the year 2019-20 upto Dec. 19, the actual indigenous supply of coal was 508.62 MT (provisional). Of this the supply of coal from CIL, SCCL and Others including captive blocks was 417.08 MT, 46.35 MT and 45.19 MT respectively.

PUBLIC SECTOR/JOINT SECTOR COMPANIES

Coal India Limited (CIL)

1.7 Coal India Limited (CIL) is a 'Maharatna' company under the Ministry of Coal with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and one of the largest corporate employers with manpower of 2,77,357 (as on 31st Dec'19). CIL operates through 83 mining areas spread over 8 provincial states of India. It has 364 mines, of which, 166 are underground, 180 opencast and 18 mixed mines. CIL also operates 16 coal washeries, (12 coking coal and 4 non-coking coal) and manages other establishments like workshops, hospitals, and so on. It has 27 training Institutes. Indian Institute of Coal Management (IICM) is an excellent training centre under CIL and imparts multidisciplinary management development programmes to the executives. Coal India's major consumers are Power and Steel sectors. Others include cement, fertilizer, brick, kilns, and a host of other industries.

1.8 CIL has eight fully owned subsidiary companies, viz. Eastern Coalfields Limited (ECL); Bharat Coking Coal Limited (BCCL); Central Coalfields Limited (CCL); Western Coalfields Limited (WCL); South Eastern Coalfields Limited (SECL); Northern Coalfields Limited (NCL); Mahanadi Coalfields Limited (MCL); and Central Mine Planning & Design Institute Limited (CMPDIL). In addition, CIL has a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL).

NLC India Limited (NLCIL)

1.9 NLC India Limited, a "Navratna" company with its registered office at Chennai and corporate office at Neyveli in Tamil Nadu is a pioneer among the Central Public Sector Enterprises in the energy sector. NLCIL has lined up a number of projects and spreading its wings in Tamil Nadu, Rajasthan, Uttar Pradesh, Odisha, Jharkhand, Andaman States including expansion/ augmentation of its existing mines and power plants, setting up of green-field mines & power plants, acquisition of power assets, setting up of wind and solar power plants across the country with Pan-India Foot Prints. NLCIL is an Energy Major, utilising Lignite & Coal and harnessing Thermal Power and Green Energy.

The Singareni Collieries Company Limited (SCCL)

1.10 The Singareni Collieries Company Limited (SCCL) is a Joint Venture of Govt. of Telangana and the Govt. of India with equity participation in the ratio of 51:49 respectively. SCCL is having 10622 Million Tonnes of Proved reserves in the Pranhita – Godavari Valley Coalfield. SCCL is producing around 9% of the total all India Production. It is having the registered office in Kothagudem, Bhadrachari District of Telangana. SCCL is presently operating 18 Opencast Mines and 27 Underground Mines in the six districts of Telangana State with manpower of 47,178.

SUBORDINATE AND AUTONOMOUS ORGANISATION

1.11 The office of the Coal Controller's Organization (CCO) – a subordinate office and Coal Mines Provident Fund Organization (CMPFO) – an autonomous body are under the administrative control of Ministry of Coal .

(i) Coal Controller's Organisation

1.12 The Coal Controller's Organization is a subordinate Office of Ministry of Coal, having its headquarter at Kolkata and field Offices at Dhanbad, Ranchi, Bilaspur, Nagpur, Sambalpur, Asansol and Kothagudem. This office plays an important role in approving the grades of Coal, Monitoring of Captive Coal Blocks, Nodal office for collection, compilation and dissemination of all the Statistical information on Coal, granting of Opening permission, Opening of Escrow Accounts and Reimbursement for mine closure, NOC for land acquisition under CBA (A&D), Act, 1957, Monitoring of the residual works of Collection of Stowing Excise Duty, CCDA, Works related to Commissioner of Payment, etc.

1.13 The Coal Controller's Organization discharges various statutory functions derived from the following statutes:

- (i) The Colliery Control Rules, 2004.
- (ii) The Coal Mines (Conservation & Development) Act, 1974 and The Coal Mines (Conservation & Development) Rules, 1975 (amended in 2011)
- (iii) The Collection of Statistics Act, 2008 and the Collection of Statistics (Central) Rules, 2011.
- (iv) The Coal Bearing Areas (Acquisition & Development) Act, 1957(20 of 1957).

1.14 The Coal Controller's Organisation also discharges the following functions:-

- a. Job of monitoring of coal production of the captive coal blocks (Vested & Allotted)

- b. Job of monitoring of washeries
- c. Follow up of submission of Mine Closure Plan and act as the representative of Govt of India for signing up Escrow agreement with different coal/ lignite companies.

(ii) Coal Mines Provident Fund Organization (CMPFO)

1.15 The Coal Mines Provident Fund Organisation is an Autonomous body established under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, and is responsible for administering the Coal Mines Provident Fund Scheme, 1948, Coal Mines Deposit Linked Insurance Scheme, 1976, and Coal Mines Pension Scheme, 1998. These three schemes are administered by a tripartite Board of Trustees, consisting of Central and State w.e.f. 6th June, 2007. Residual work of the office of Commissioner of Payments, Kolkata has been transferred to the office of Coal Controller. At present, the Coal Controller is functioning as ex-officio Commissioner of Payments.

1.16 The detailed Demands for Grants (2020-21) of the Ministry of Coal were presented to Lok Sabha on 05.02.2020. While analyzing the detailed Demands for Grants of the Ministry of Coal, the Committee in the present Report have examined various schemes/ programmes of the Ministry and other PSUs under its administrative control. The detailed analysis along with observations/ recommendations of the Committee on various issues have been given in the succeeding chapters of the Report.

CHAPTER – II

ANALYSIS OF DEMANDS FOR GRANTS (2020-21)

A. SUMMARY OF DEMANDS FOR GRANTS 2020-21

The Demands for Grants (2020-21) of the Ministry of Coal reflect a provision of Rs. 882.61 Crore for Central Sector Schemes, Establishment and other Central Sector expenditure as Gross Budgetary Support. Out of the same, a provision of Rs. 819.98 Crore has been made for the Central Sector Schemes, Rs 62.05 Crore for establishment and other Central Sector Expenditure. The three Public Sector Companies under the Ministry of Coal implement their Capital Investment Plans amounting to Rs. 18467 Crore from their Internal and Extra Budgetary Resources (IEBRs) without Budgetary Support from Government of India.

2.2 The details with regard to the allocations earmarked for Central Sector Schemes, Establishment, other Central Sector expenditure and allocations earmarked by PSUs for the year 2020-21 are as under:-

(Rs. In Crore)

	Revenue		Allocation
A	Central Sector Scheme		
1	Research & Development Programme		25.00
2	Conservation Safety and Infrastructure Development in Coal Mines	Conservation and Safety in Coal Mines	10.00
		Development of Transportation Infrastructure in coalfields areas	84.48
		Environmental Measures and Subsidence Control	0.50
3	Exploration of Coal and Lignite	Regional Exploration	70.00
		Detailed Drilling	630.00
Total Central Sector Schemes			819.98
B	Establishment and other Central Sector Expenditure		
4	Coal Controller		10.82
5	Nominated Authority		3.27
6	Secretariat - Economic Services		26.19
	LABOUR, EMPLOYMENT AND SKILL DEVELOPMENT		
7	Contribution to Coal Mines Pension Scheme		22.35
Total Establishment and other Central Sector Expenditure			62.63
	Grand Total (Revenue)		882.61

2.3 The Committee have observed that the Central Sector Scheme component of Rs. 882.61 Crore includes mandatory provision of Rs. 82.00 Crore towards North Eastern Region under the schemes of Research & Development, Regional Exploration, Detailed Drilling & Environmental Measures and Subsidence Control.

CENTRAL SECTOR SCHEMES

2.4 The Ministry of Coal in their Background Note highlighted the Outlay of the following six Central Schemes:

- (i) Research and Development Projects
- (ii) Provisional (Regional) Exploration
- (iii) Detailed Drilling in Non CIL Blocks
- (iv) Conservation and Safety in Coal Mines
- (v) Environmental Measures and Subsidence Control (EMSC)
- (vi) Development of Transport Infrastructure in Coalfields Areas

2.5 Asked about the physical targets and financial requirement in respect of their Central Sector schemes, the Ministry of Coal has informed the Committee as under:

(Rs. in Crore)

Scheme	Physical Targets and explanation of Financial requirement	BE 2020-21	
		Projected	Approved BE
Detailed Exploration	Annual Plan (BE) for drilling in 2020-21 is 6.00 lakh metre with 2D seismic survey for which the projected outlay is needed.	2000	630
Promotional drilling	Annual Plan for Promotional drilling in 2020-21 is 1.00 lakh metre (including associated supplementary studies/CBM Projects) for which the projected outlay is needed.	300	70
Environmental Measures and Subsidence Control.	All the EMSC schemes have been merged in the Master Plan dealing with Fire, Subsidence, Rehabilitation and Diversion of surface infrastructure in Jharia and Raniganj coalfields within the leasehold of BCCL and ECL sanctioned by the Govt. in Aug, 2009 at an investment of Rs. 9657.61 Crore spread over a period of 10 years. This is being funded partly by the internal resources of CIL and partly from the amount collected by the levying of stowing Excise Duty under the CM(C&D) Act, 1974.	0.50	0.5
Conservation and safety in coal mines	To reimburse partially (stowing/protective works/scientific development work) to ensure enhanced coal production and subsidence control, under the provision of Coal Mines Conservation & Development Act.	100	10
Development of transportation infrastructure in coalfield areas	To reimburse partially development of transport infrastructure in coalfield areas to facilitate coal/sand transportation, under the provisions of the Coal Mines Conservation & Development Act.	160	84.48
Research and Development/ S&T.	3 new projects are to be undertaken and 3 ongoing projects are expected to be completed during 2020-21.	50	25
Total		2610.50	819.98

B. ANALYSIS OF DEMANDS FOR GRANTS (PLAN) FOR THE LAST THREE YEARS

2.6 The allocations for Scheme, Projects/Programmes of the Ministry of Coal for the year 2020-21 have been analyzed with reference to actual utilization of funds during the last three years as follows:

CENTRAL SECTOR SCHEMES /PROGRAMMES BEING IMPLEMENTED WITH GROSS BUDGETARY SUPPORT

2.7 Actual Expenditure during, 2016-17, 2017-18, 2018-19, 2019-20 and Outlay for 2020-21 are given as below:

(Rupees in Crore)

Schemes	Actual 2016-17	Actual 2017-18	Actual 2018-19	BE 2018-19	BE 2019-20	RE 2019-20	BE 2020-21
(i)Research & Development Programme	8.50	8.80	24.27	10	25	22	25
Percentage increase over Actual/BE of last year	-	3.53	175.79	-	150	120	0.00
(ii)Regional Exploration	45	55.78	100.74	150	120.00	90.00	70.00
Percentage increase over Actual/BE of last year	-	23.95	80.60	-	-20	-40	-41.66
(iii)Detailed Drilling in Non-CIL Blocks	80.55	103.50	346.91	350	817.00	665.05	630.00
% increase over Actual/BE of previous year	-	28.49	235.18	-	133.43	90.01	-22.89
(iv)Environmental Measures and Subsidence Control (EMSC)	0	0.05	0	0.50	0.50	0.50	0.50
% increase over Actual/BE of previous year	-	100	-100	-	-	0	0.00
(v) Conservation and Safety in coal mines	170	200	42.40	59.50	4	4	10
Percentage increase over Actual/BE of last year	-	17.65	-78.80	-	-93.28	-93.28	150
(vi) Development of Transport infrastructure	180	299.50	140.00	140	130.50	90.00	84.48
Percentage increase over Actual/BE of last year	-	66.39	-53.26	-	-6.79	-35.71	-6.13

Percentage increase over previous year BE

CHAPTER III

IMPLEMENTATION OF CENTRAL SECTOR SCHEMES

The Committee have been apprised of the allocation vis-à-vis utilization of funds allocated for various schemes of the Ministry of Coal during 2017-18, 2018-19 and 2019-20 along with reasons for shortfall, if any, as follows:

(Rs. In Crore)

Scheme	Year	BE	RE	Utilization	Remark
Detailed Exploration	2017-18	115	115	103.50	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies.
	2018-19	350	350	346.91	Drilling in areas other than NE In 2017-18, amount of Rs.13.28 Crore utilized for detailed drilling from opening spillover balance. In 2018-19, additional fund was provided by MoC through re-appropriation of fund from other schemes.
	2019-20	817	665.05	584.78 (Apr-Dec'19)	
Promotional Exploration	2017-18	60.00	60.00	55.78	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies.
	2018-19	150.00	150.00	100.74	Drilling in areas other than NE In 2017-18, amount of Rs.1.41Crore utilized from opening spillover balance. In 2018-19, the allocated fund was re-appropriated to carry out priority drilling in detailed exploration.
	2019-20	120.00	90.00	70.28 (April-Dec'19)	
Research and Development/ S&T	2017-18	10	10	8.80	The allocated R&D fund could not be fully utilized due to poor response of Institutes/Organizations located in NE and reluctance of institutions located elsewhere to take up R&D projects for NE region.
	2018-19	10	25	24.27	
	2019-20	25	22	18.78 (April-Dec'19)	
Conservation and Safety in Coal Mines	2017-18	200	200	200	
	2018-19	59.50	59.50	42.40	
	2019-20	4	4	3.60 (April-Dec'19)	
Development of Transport Infrastructure in coalfield areas	2017-18	299.50	299.50	299.50	
	2018-19	140	140	140	
	2019-20	130.50	90	75.46 (April-Dec'19)	
Environmental Measures and Subsidence	All the EMSC schemes have been merged in the Master Plan dealing with Fire, Subsidence, Rehabilitation and Diversion of surface infrastructure in Jharia and Raniganj coalfields within the leasehold of BCCL and ECL sanctioned by the Govt. in Aug, 2009 at an investment of Rs.				

Control.	9657.61 Crore spread over a period of 10 years. This is being funded partly by the internal resources of CIL and partly from the amount collected by the levying of stowing Excise Duty under the CM(C&D) Act, 1974.
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3.2 It may be seen that as against budgetary allocation of Rs. 1097 Crore at BE (2019-20) for various Central Sector Schemes, total utilization of fund during April-December, 2019 has been Rs. 752.9 Crore (Detailed Exploration: Rs. 584.78 Crore + Promotion Exploration: Rs. 70.28 Crore + Research and Development/S&T: Rs. 18.78 Crore + Conservation and Safety in Coal Mines: Rs. 3.60 Crore + Development of Transport Infrastructure in coalfield areas: Rs. 75.46 Crore + Environmental Measures and Subsidence Control: Rs. 00.00 Crore) which is 68.63% of Budget Estimate (BE).

REVIEW OF SCHEMES

A. RESEARCH AND DEVELOPMENT PROJECTS

Status of research projects under S&T

3.3 The R&D activities in Coal sector are administered through an apex body namely, Standing Scientific Research Committee (SSRC) with Secretary (Coal) as its Chairman. The other members of this apex body include Chairman CIL, CMDs of CMPDI, SCCL and NLCIL, Director General (DG) of Directorate General of Mines Safety (DGMS), Directors of concerned CSIR Laboratories, Representatives from Department of S&T (DST), NITI Aayog and Educational Institutions, etc. The main function of SSRC is to plan, programme, budget and oversee the implementation of research projects. The SSRC is assisted by a Technical Sub-Committee headed by CMD, CMPDI. The R&D projects are covered under 5 thematic areas viz. improvement in production, productivity & safety in coal mines, coal beneficiation, coal utilization, protection of environment & ecology and clean coal technology. CMPDI acts as the Nodal Agency for co-ordination of research activities in the coal sector, which involves identification of 'Thrust Areas' for research activities, identification of agencies which can take up the research work in the identified fields, processing the proposals for Government approval, preparation of budget estimates, disbursement of fund and monitoring the progress of implementation of the projects, etc.

3.4 It has been informed that a total of 392 S&T projects have been taken up till 31.12.2019 and 322 S&T projects have been completed till 31.12.2019.

PHYSICAL PERFORMANCE

3.5 The status of Coal S&T projects during 2019-20 is as under:

Sl. No.	Parameters	Quantity
1	Projects on-going as on 01.04.2019	13
2	Projects completed during 2019-20	1+3* (*Expected to be completed by March, 2020)
3	Projects on-going as on 01.04.2020	13 (Considering expected approval of 4 projects & completion of 4 projects)
4	Projects approved by SSRC during 2019-20	4* (*Expected to be approved by March, 2020)

3.6 The Ministry has added that the amount of Rs. 25.00 Crore allocated for R&D at BE 2019-20 was reduced to Rs. 22.00 Crore at RE 2019-20 and actual utilization (up to December, 2019) is Rs. 18.78 Crore. The amount allocated for R&D for BE stage during 2020-21 remains stagnant at Rs. 25.00 Crore.

3.7 The Committee asked about the reasons for reduction of the allocated fund from BE to RE during 2019-20 and efforts being taken to fully utilize the allocated funds up to 31st March, 2020. The Ministry in written reply has clarified that allocation for Research and Development was reduced at RE as there was reduction in the overall Budget of Ministry of Coal at RE 2019-20 stage. Two meetings of Technical Sub-Committee of SSRC were held on 27.09.2019 & 20.01.2020 and five new S&T projects have been recommended for approval of SSRC. Continuous efforts are being made by CMPDI for disbursement of remaining funds to ongoing and new projects to be approved by SSRC. It has been added that the amount of Rs.25.0 Crore has been sanctioned as BE for 2020-21, is sufficient for implementing the R&D schemes by Ministry of Coal.

CMPDIL

3.8 About initiatives/measures taken for adoption of modern technology with regard to opencast mining and underground mining, the Coal India Ltd. in a written reply furnished the following information:

- A total of 26 Continuous Miners are proposed to be deployed in 19 UG mines of CIL in next 5 years out of which 2 Nos. of Continuous miners have already been commissioned (one in Bangwar Mine of SECL and another at Kumardih B Mine, ECL).
- 2 mines have been identified for PSLW deployment (Moonidih XV Seam and Muraidih UG of BCCL) and 2 mines identified for High Wall Miners (Batura, SECL and Nimcha of ECL).
- 2 Pipe Conveyors are under construction at Hingula & Bhubaneswari OCP of MCL.
- 2 more Pipe Conveyors are proposed: one each at Lakhanpur OCP & Bhubaneswari OCP of MCL.

- High Angle Conveyor are proposed at Kalyaneshwari OC & Kotre Basantpur Pachmo OCP.
- A total of 28 Surface Miners are proposed to be deployed in 14 mines of CIL in next 5 years out of which 1 No. Surface Miner has been commissioned in MCL.
- CMPDI has placed work order for supply of 2 No. of Drones / UAVs for Survey & Mapping.
- 15 CIL mines have been identified for MDO operations using state of the art technology, in the next 3 years with a total production capacity of 215 MTY. The Model Contract agreement (MCA) and Request for Bid (RFB) for MDO operations in Opencast Mines have been approved by CIL Board and circulated to Subsidiaries for implementation.
- All mines having capacity of more than 4 MTPA, have been planned to have CHPs and Rapid loading Systems. 35 projects of First Mile Connectivity have been taken up to avoid the Road Transport of Coal, as an Environment Friendly Measure.
- CIL is in the process of deploying 275 Nos. of Dumpers (Rs.6565 Crs.), 27 Nos. of Shovels (Rs.1701 cr.), 44 Nos. of Dozers (Rs.607Crs.) and 6 nos. of Draglines (Rs.1176 Crs.).

S&T activities for technological upgradation

3.9 CMPDI is fully equipped to monitor and co-ordinate the on-going technology up-gradation through S&T activities under the S&T programme of Ministry of Coal. CMPDI, besides being the Nodal Agency, implements a number of research projects. CMPDI has emerged as a premier R&D unit over the years with well-equipped laboratories for carrying out investigations for Geo-Chemical, Coal Petrography, Mining Technology, Coal Bed Methane, Coal Washability, Environmental and Geo-physical studies. Besides being nodal agency, CMPDI is also conducting a wide range of research work in exploration, mining, mine safety, geomatics, environment related activities in mining, coal preparation and utilization, etc., for safe and optimum exploitation of coal reserves. There are some research projects supported under S&T Grant of Ministry of Coal which have resulted in technological up-gradation in respect of coal mining, as outlined below:

(i) Development of an on-line coal washability analyser

Total approved cost:	Rs. 849.00 lakh
Total fund disbursed:	Rs. 765.00 lakh

(ii) Sustainable livelihood activities on reclaimed open cast coal mines: a technology enabled integrated approach in Indian coal sector

Total approved cost:	Rs. 371.69 lakh
Total fund disbursed:	Rs. 363.55 lakh

(iii) Development of self-Advancing (Mobile) Goaf Edge Supports (SAGES) for depillaring operations in underground coal mines

Total approved cost: Rs. 197.75 lakh
Total fund disbursed: Rs. 195.00 lakh

(iv) Enhancing life of de-watering pipes in coal/lignite mines by prevention of erosion-corrosion with Nano-crystalline surface engineering treatments

Total approved cost: Rs. 293.99 lakh
Total fund disbursed: Rs. 230.04 lakh.

(v) Assessment of horizontal stress fields in deeper horizons and development of roof hazards maps of coal resources in SCCL command area

Total approved cost: Rs. 358.40 lakh
(MoC contribution: Rs. 322.56 lakh)
Total fund disbursed: Rs. 320.04 lakh

(vi) Design and development of truck mounted mobile coal sampler for instant coal ash & moisture analyser at site from railway wagon/truck

Total approved cost: Rs. 167.60 lakh
Total fund disbursed: Rs. 161.00 lakh

3.10 The details of the funds allocated, actual expenditure and likely expenditure in 2019-20 are as follows:

BE: Rs.25.00 Crore
RE: Rs.22.00 Crore
Actual Expenditure: Rs.18.67 Crore (till 12.02.2020)
Likely Expenditure: Rs.22.00 Crore

3.11 As regards the new projects which are proposed to be undertaken during 2020-21 for R&D, the Ministry in their written reply has stated that following five new S&T projects have been recommended by the Technical sub-committee of SSRC which are to be submitted for approval of SSRC. If approved, these will be taken up in 2020-21:

- (i) Indigenous Development of Miner tracking and Active Method of Detecting Buried Human for Open Cast Mines - Indian Institute of Technology (IIT), Bombay; Central Mine Planning & Design Institute (CMPDI), Ranchi and

Mahanadi Coalfields Ltd. (MCL), Sambalpur. (Estimated Cost: Rs. 4.59 Crore, Project duration: 3 years)

- (ii) Development of Integrated Low Power Wireless Load Monitoring, Gas Monitoring and Tracking System using RFID Technology for Underground Mines - Indian Institute of Technology (IIT), Kharagpur; M/s Pranay Enterprises, Hyderabad and Singareni Collieries Co. Ltd. (SCCL), Kothagudem. (Estimated Cost: Rs. 4.99 Crore, Project duration: 2 years)
- (iii) Impact assessment of geological discontinuities on stability of underground workings and design guidelines of effective mechanized coal extraction - Central Institute of Mining & Fuel Research (CIMFR), Dhanbad; Eastern Coalfields Ltd. (ECL), Sanctoria and Singareni Collieries Co. Ltd. (SCCL), Kothagudem. (Estimated Cost: Rs. 3.51 Crore, Project duration: 2 years)
- (iv) Assessment of Rare Earth Elements (REE) and other economic resources in Coal & Non-Coal Strata and Characterization of Acid Mine Drainage and its pollution control from the North Eastern Region (NER) Coalfield, India” – Punjab University, Chandigarh; CMPDI, Ranchi & Duke University, USA (Estimated Cost: Rs. 3.61 Crore, Project duration: 2 years)
- (v) Indigenous Development of IoT Enabled Technology for Monitoring, Analysis and Interpretation of Longwall Shield Pressures for Improving Safety and Productivity” – Central Mine Planning & Design Institute (CMPDI), Ranchi; Indian Institute of Technology (IIT), Kharagpur and ECL, Sanctoria (Estimated Cost: Rs. 4.71 Crore, Project duration: 3 years)

3.12 In addition to the above, a few new proposals are under scrutiny by CMPDI which may be put up for consideration before concerned committees of MoC, if found suitable.

3.13 When asked about the steps taken or proposed to be taken by CMPDI to ensure timely completion of various ongoing and new R&D projects, the Ministry in their written reply has stated the following steps being taken for timely completion of their on-going and new projects:

- (a) Progress of Coal S&T projects is monitored by CMPDI in review meetings at CMPDI and followed up at regular interval. Progress is also reviewed by the Technical Sub-committee of Standing Scientific Research Committee (SSRC) as well as the SSRC headed by the Secretary (Coal). Implementing agencies submit quarterly progress reports of the projects to CMPDI which, after examination, are placed before Technical Sub-committee and SSRC.

- (b) Periodic visits to the implementing institutes are undertaken by CMPDI officials to monitor the progress of these projects and necessary assistance is extended to them.

B. PROMOTIONAL (REGIONAL) EXPLORATION IN COAL AND LIGNITE

3.14 According to Ministry of Coal, the total potential coal bearing area is 19400 square km. Out of the same, 16078 square km covered under Regional Exploration (RE) has been explored and 3322 square km is proposed for RE. Further, an area of 9720 square km covered under Detailed Exploration (DE) has been explored and 6358 square km is proposed for DE.

Promotional Exploration

3.15 Mineral Exploration Corporation Limited (MECL), State Governments and CMPDI are conducting Promotional Exploration under the Ministry of Coal's Plan scheme of "Promotional Exploration for Coal & Lignite". The summary of Promotional Drilling carried out in coal & lignite during the period 2017-18, 2018-19 and 2019-20 [April'19-Dec'19 (Actual) and Jan'20-Mar'20 (Projected)] is given below:

(Drilling in Metre)

Command Area	2017-18 Actual	2018-19 Actual	2019-20 (Apr'19-Dec'19) Actual	2019-20 (Jan'20-Mar'20) Projected
Drilling in CIL Command Area	92787	91238	55202	34000
Drilling in SCCL Command Area	0	4747	9075	500
Drilling in Lignite Areas	41894	43023	23983	12500
Total	134681	139008	88259	47000
Growth%	28%	3%		

3.16 The details with regard to amount earmarked and released in previous two years and allocated during 2019-20 and utilized upto December, 2019 along with reasons for shortfall, if any is given below:-

(Rs. In Crore)

Scheme	Year	BE	RE	Utilization	Remark
Promotional Exploration	2017-18	60.00	60.00	55.78	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies.
	2018-19	150.00	150.00	100.74	Drilling in areas other than NE In 2017-18, amount of Rs.1.41Crore utilized from opening spillover balance. In 2018-19, the allocated fund was re-appropriated to carry out priority drilling in detailed exploration.
	2019-20	120.00	90.00	70.28	

				(April- Dec'19)	
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3.17 The Committee have been informed that Rs.120.00 Crore allocated for Regional Exploration at BE 2019-20 was reduced to Rs. 90.00 Crore at RE stage. The actual utilization of this allocation was Rs. 70.28 Crore only upto April-December, 2019. The allocation at BE Stage during 2020-21 has been further reduced to Rs. 70.00 Crore compared to RE of Rs. 90.00 Crore and BE of Rs., 120 Crore during 2019-20. Similarly, against the drilling target of 1.53 lakh meters for FY 2019-20, the drilling target was reduced to 1.10 lakh meters at RE 2019-20 and only 0.88 lakh meters of drilling has been carried out upto December, 2019. Now, the drilling target for 2020-21 has been fixed at 1.00 lakh meters against the target of 1.53 lakh metres at BE 2019-20.

3.18 On being asked about the reasons for reduction of the financial as well as physical targets during 2019-20, the Ministry in their written reply has stated that there was reduction in overall budget of MoC at RE 2019-20 stage. CMPDI has proposed a program of 1.53 lakh metre of Regional drilling along with 2D Seismic survey as per availability of BE of 120.00 Crore for 2019-20. Due to priority drilling in detailed exploration and limited resources of MECL, CMPDI & State Govt. DGMS, the proposed targets could not be achieved and allocation & drilling targets were subsequently reduced. Now, initiative has been taken for outsourcing of drilling & 2D seismic survey. The likely drilling will be about 1.10 lakh metre & expenditure will be about Rs.70 Crore during 2019-20.

3.19 Asked whether this reduced drilling target would affect the overall target set for coal production, the Ministry in their written reply has stated that target has been set / revised as per availability of funds. However, the new blocks are not likely to come into production in next 5 years.

C. DETAILED EXPLORATION IN NON-CIL BLOCKS

Detailed Drilling in Non-CIL Blocks

3.20 The Committee are informed that CMPDI carries on Detailed Exploration in CIL and Non-CIL blocks as per strict timelines to bring resources falling in indicated and inferred category into the measured (proven) category. The exploratory drilling in non-CIL/captive Mining blocks is taken up under the Ministry of Coal's Plan scheme of Detailed Drilling in Non-CIL Blocks.

3.21 The details of actual drilling in Non-CIL/Captive Mining Blocks during the period 2017-18, 2018-19 and 2019-20 (Apr.'19–Dec.'19) and projected achievement for 2019-20 (Jan.'20-Mar.'20) are given below:

(Drilling in Metre)

Command Area	2017-18 Actual	2018-19 Actual	2019-20 (Apr.'19-Dec.'19) Actual	2019-20 (Jan.'20-Mar.'20) Projected
CMPDI (Departmental)	113228	140683	110882	140000
Outsourcing by CMPDI	372661	342926	312316	160000
Total	485889	483609	423198	300000
Growth %	57%	0%		

3.22 It has been informed that CMPDI has substantially improved its capacity of drilling during the XI & XII plan period. As against the achievement of 2.09 lakh metre in 2007-08, CMPDI achieved 4.98 lakh metre in 2011-12, 13.60 lakh metre in 2018-19 and 8.90 lakh metre in 2019-20 upto Dec'19 (Projected drilling from Apr.'19-Mar.'20 is 14.00 lakh metre) through Departmental resources and outsourcing. For capacity expansion through modernization of departmental drills, 39 new Mechanical drills & 26 Hydrostatic drills have been procured since 2008-09, out of which 15 have been deployed as additional drills and 33 as replacement drills. CMPDI has also replaced 38 mud pumps and 74 trucks in last nine years.

Drilling Performance in 2019-20:

3.23 According to Annual Report (2019-20) of the Ministry of Coal, CMPDI deployed its departmental resources for detailed exploration of CIL/Non-CIL blocks whereas State Govt. of Odisha deployed resources in CIL blocks only. In addition, seven other contractual agencies have deployed resources for detailed drilling/exploration in CIL/Non-CIL blocks. A total of 130 to 150 drills were deployed in 2019-20, out of which, 71 were departmental drills. Apart from the above, CMPDI continued the technical supervision of Promotional (Regional) Exploration work undertaken by MECL in coal Sector in 14 blocks, DGM (Nagaland) in 1 block & Outsourced Agencies in 2 blocks. CMPDI has also taken up promotional drilling in 2 blocks. Promotional Exploration work was undertaken by MECL in Lignite Sector in 6 blocks. A total of about 0.88 lakh metre of Promotional (Regional) drilling was carried out in Coal (0.64 lakh metre) & Lignite (0.24 lakh metre) during 2019-20 (April'19 to December'2019). In 2019-20, CMPDI and its contractual agencies took up exploratory drilling in 114 blocks/Mines of 19 coalfields situated in 14 States. Out of 114 blocks/mines, Departmental drills of CMPDI took up exploratory drilling in 57 blocks/mines, whereas, contractual agencies took up exploratory drilling in 57 blocks.

3.24 The details with regard to the amount earmarked and released by Ministry of Coal in previous two years and during 2019-20 is given below:

(Rs. In Crore)

Scheme	Year	BE	RE	Utilization	Remark
Detailed Exploration	2017-18	115	115	103.50	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies.
	2018-19	350	350	346.91	Drilling in areas other than NE In 2017-18, amount of Rs.13.28 Crore utilized for detailed drilling from opening spillover balance. In 2018-19, additional fund was provided by MoC through re-appropriation of fund from other schemes.
	2019-20	817	665.05	584.78 (Apr-Dec'19)	

3.25 The Committee have observed that provision has been made for detailed drilling in the non-CIL coal mining blocks so that geological reports generated may help prospective investors in taking investment decisions regarding coal mining and reduction of time for preparation of mining plan. This is expected to promote private investment in the coal mining industry. The scheme is implemented by CMPDIL. Amount allocated for Detailed Drilling at BE 2019-20 was Rs. 817.00 Crore. However, it was reduced to Rs. 665.05 Crore at RE 2019-20. The allocation for BE 2020-21 has been further reduced to Rs. 630.00 Crore.

3.26 When asked about the reasons for bringing down the allocation of Rs. 817.00 Crore (BE 2019-20) to Rs. 665.05 Crore (RE 2019-20), the Ministry in their written reply has stated that it was due to reduction of overall fund allocated to MoC at RE stage. It has also been informed that about Rs.495.77 Crore has been disbursed during 2019-20 (April'19-Jan'20) and total allocated fund of Rs.598.54 Crore (Ex-NE) is likely to utilised. The likely expenditure during the year 2019-20 will be about Rs.650 Crore (Ex-NE).

3.27 The Ministry of Coal has informed the Committee about the target and achievement under the scheme of Detailed Drilling in Non-CIL blocks in the last 3 years and during 2019-20 as follows:

Financial Year	Drilling Targets (Lakh Metre)	Achievement (Lakh Metre)
2016-17	3.48	3.08
2017-18	5.00	4.86
2018-19	5.93	4.84

2019-20	8.16	7.10 (Likely Achievement)
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3.28 The variance is stated to be mainly due to non-availability of forest permission, adverse law & order condition in many states, availability of fund and prolonged unseasonal rains.

3.29 To a pointed question whether the outlay of Rs. 630.00 Crore for detailed drilling would be sufficient for achieving the target set for 2020-21, the Ministry in their written reply has stated that the drilling target of about 6.00 lakh metre with 800 LKM of 2D seismic survey has been proposed. The outlay is not sufficient for achieving the enhanced drilling target of about 7.50 lakh metre & 2D seismic survey of about 2000 Line KM for 2020-21. Hence, supplementary demands for grants will be sought to achieve the target for 2020-21.

3.30 Further, it has been informed to the Committee that CMPDI has planned 13.00 lakh metre of detailed drilling in 2020-21, out of which, about 7.50 lakh metre, in association with 2D Seismic/Geophysical supplement will be taken up in Non-CIL Blocks to cover more area. This will continue in 2021-22 & 2022-23 at same level subject to provisioning of funds.

3.31 During oral evidence held on 19.02.2020, the Ministry of Coal, through a Power Point Presentation informed the Committee about the Exploration Programme during 2020-21 as under:

- ❖ Ministry of Coal aims at faster exploration to prove the resources and to carve out more coal blocks for auction/allocation.
- ❖ Coal blocks to be auctioned/allocated on Prospecting- Licence- cum Mining Lease (PL-cum-ML) basis for coal blocks not having detailed exploration.

Regional Exploration (RE):

- Area to be explored under CSS funding : 3322 sq km
- Fund Provision Be (2020-21) : Rs. 70 Crore
- Area Planned to be explored (2020-21) : 200 sq km

Detailed Exploration (DE)*:

- Area to be explored under DSS funding : 4343 sq km
- Fund Provision BE (2020-21) : Rs. 630 Crore
- Area planned to be explored (2020-21) : 350 sq km

* Area for DE will increase after completion of RE.

D. Environment Measures & Subsidence Control Measures (EMSC)

3.32 The Committee have been informed that all the EMSC schemes have been merged in the Master Plan dealing with Fire, Subsidence, Rehabilitation and Diversion of surface infrastructure in Jharia and Raniganj coalfields within the leasehold of BCCL and ECL sanctioned by the Govt. in Aug, 2009 at an investment of Rs. 9657.61 crore spread over a period of 10 years. This is being funded partly by the internal resources of CIL and partly from the amount collected by the levying of stowing Excise Duty under the CM(C&D) Act, 1974. As per the information later on furnished to the Committee, Jharia Raniganj Master Plan was approved with an estimated cost of Rs. 9657.61 Crore in the year 2009 with an annual outlay of Rs. 977 Crore for a period of ten years. Coal India Limited has to first spend Rs. 350 Crore from its internal resources and the same amount will be funded from GBS. Total expenditure during the period is less than Rs. 350 Crore, hence there is nil expenditure from Central Sector Schemes fund. Against the Budget Estimates of Rs. 0.50 Crore during 2019-20 for EMSC, the budget allocation of Rs. 0.50 Crore for 2020-21 has again been proposed.

3.33 When asked about the reasons for non-utilization of funds of Rs. 350 Crore from its internal resources, the Ministry in their written reply has stated that the utilization of fund is done jointly by BCCL and Jharia Rehabilitation & Development Authority (JRDA). The main component of fund utilization by BCCL is dealing with fire and shifting of the BCCL families. BCCL is ahead in construction of BCCL houses for the BCCL families and likely to be completed within tenure of Master plan. Shifting of non BCCL families is responsibility of JRDA. JRDA is reassessing the number of the encroachers with the different cutoff date i.e. before 2009 and after 2009. The survey of the Legal Title Holder (LTH) is recently completed. The main part of the fund utilization to be done by JRDA is shifting of LTH and encroachers which includes compensation. As there is delay in socio economic survey of the non BCCL families, the provision of the compensation is delayed, which ultimately results in non-utilization of fund.

3.34 When asked about the reasons of non-utilization of funds for Raniganj Master Plan, they are stated to be as under:

- (a) Land for re-settlement townships in non-coal bearing areas could not be acquired by Asansol Durgapur Development Authority (ADDA) in time for

which demand for construction of flats could not be placed from the inception of this rehabilitation project to till 2017.

- (b) The fund towards payment of cash compensation to LTH Households against homestead land and buildings in the affected area could not be spent and remained unutilized as valuation of LTH households is yet to be finalized and published by ADDA.
- (c) ADDA has taken much of time for correction of irregularities identified in the Demographic survey report. However, final figure of survey report is yet to be published by State authority

3.35 When asked whether the budget allocation for 2020-21 is sufficient for meeting the responsibility towards environmental measures and subsidence control, the Ministry in their written reply in respect of Jharia Master Plan has stated that as per the provision of the master plan, the allocated budget for the year 2020-21 is Rs. 423.70 Crore for rehabilitation. A draft proposal for the revision of the master plan is under preparation with revised requirement. In respect of Raniganj Master Plan, it has been stated that all Environmental measures and subsidence control (EMSC) Schemes has already been merged in a Master Plan dealing with fire, subsidence, Rehabilitation and diversion of infrastructures within the leasehold areas of ECL sanctioned by the Govt. of India on 12.08.2009 at an estimated amount of Rs. 2661.73 Crore. The time frame of 10 years for implementation of activities specified in Master Plan has already been over on 11.08.2019. Comprehensive proposal incorporating alternative Rehabilitation package, time and cost overrun has been prepared and incorporated in the revised Master Plan on the basis of recommendation of the committee consisting of CMD ECL, CEO ADDA, DT, CIL and CMD CMPDI constituted in the 19th meeting of High Powered Central Committee (HPCC). The comprehensive proposal is under finalization by the Committee members and after that it would be sent to MOC to get cabinet approval on stand-alone basis.

3.36 When asked to furnish a detailed note on the delay in implementation of the scheme and the steps taken by the Government to complete it in a time bound manner, the Ministry in a written reply has stated that the reasons for delay in implementation of Jharia Master Plan are reassessing the number of the encroachers by JRDA with the different cutoff date i.e. before 2009 and after 2009. While the survey of the LTH and encroachers are recently completed, revision of master plan is under process.

3.37 The reasons for delay in implementation of Raniganj Master Plan are stated to be non-publication of Demographic Survey report for non-ECL houses and

valuation of immovable properties for LTH households by ADDA, non-acquisition of land in non-coal bearing areas by WB Govt. in time for which starting of construction activity has been delayed and non-identification of chunk of land parcels in non-coal bearing areas within Asansol sub-division, tender for construction of balance no. of flats (assessed by Housing Department, Govt. of WB on the basis of provisional figure of Demographic survey report) could not be floated resulting delay in the matter of issuance of work order in connection with construction of flats at resettlement sites. Further, time line for handover of flats (which are on-going) as per work order has been elapsed at all resettlement sites due to very slow progress of construction for which shifting of non-LTH families could not take place till date.

E. CONSERVATION AND SAFETY IN COAL MINES

Coal Conservation

3.38 Conservation of Coal is an important area, particularly when our Coal reserves are finite. The aspect of conservation of Coal is taken into account right from the planning stage and maximum recovery is ensured during the implementation stage. Mines are designed to work the Coal seams either through opencast or through underground methods depending on the technical feasibility and economic viability. Mechanised opencast (OC) mining is presently the commonly adopted technology for extraction of thick seams at shallow depth. This is also important from the conservation point of view since the percentage recovery by this technology is around 80% to 90%. Presently, this technology dominates the Coal industry contributing over 94% of country's Coal production. Further, whenever it is feasible, the developed pillars of underground mines are being extracted through opencast operations. Introduction of new technologies like longwall method, shortwall method, highwall mining and Continuous Miner technology have resulted in increased percentage of extraction in underground mining (UG). With the improvement in roof support technology with mechanized bolting with resin capsules, it has been possible to maintain wider gallery span and extract seams under bad roof conditions more efficiently resulting in improved conservation of Coal.

SAND STOWING

3.39 Further, sand stowing in underground mines is yet another effective means of Coal conservation, which is widely in use for extraction of Coal pillars from underground coal seams lying below built-up areas, such as important surface structures, railway lines, rivers, nallahs, etc. which otherwise would have resulted in locking of coal in pillars. Stowing also helps in the extraction of thick seams in several lifts increasing the

percentage of extraction. Due to scarcity of sand, various experimental trials are being conducted to use other materials like fly ash, boiler ash, crushed overburden material etc. for stowing in underground mines as substitute for sand. Currently, crushed overburden material is being used commercially for stowing purposes in underground coal mines where sand is not available in the near vicinity of the mine or it is costlier to transport sand from distant river sources.

3.40 The details with regard to amount earmarked and released in previous two years and allocated during 2019-20 and utilized upto December, 2019 are given below:-

(Rs. In Crore)

Scheme	Year	BE	RE	Utilization
Conservation and Safety in Coal Mines	2017-18	200	200	200
	2018-19	59.50	59.50	42.40
	2019-20	4	4	3.60 (April-Dec'19)

3.41 It may be seen from above that Rs. 4.00 Crore was allocated for conservation and safety of coal mines for the year 2019-20, however, the actual spending stands at Rs. 3.60 Crore upto December, 2019. The BE for year 2020-21 is Rs. 10.00 Crore.

3.42 The details of the activities undertaken under this scheme during 2019-20 are tabulated below:-

Sl.	Name of Mine / Company	Brief description of Job	Scrutinized amount (Rs.)	Amount approved by CCDA Committee (Rs.)	Remarks
1.	Shyamsundarpur, ECL	N ₂ Flushing for saving the R-VIII Seam	12,93,675	11,64,308	Approved in 83 rd CCDAC Meeting
2.	Durgapur Rayatwari/ WCL	Support of galleries to protect Rly acquired land.	7,87,849	7,09,064	
3.	Adriyala L/W Project/ SCCL	Flushing of N ₂ and CO ₂ to prevent fire	1,49,74,650	1,34,77,185	
4.	GDK-11/ SCCL	Flushing of N ₂ and CO ₂ to prevent fire	1,70,57,146	1,53,51,431	
5.	VK-7/ SCCL	Flushing of N ₂ and CO ₂ to prevent fire	1,67,14,660	1,50,43,194	
6.	Churcha/ SECL	Installation of Tele-Monitoring System	2,15,00,000	2,15,00,000	
	Total		7,23,27,980	6,72,45,182	

7.	NEC Area/ CIL	Preliminary assessment report on prospect of CBM.	32,30,000	32,30,000	Approved in 84 th CCDAC Meeting & likely to be disbursed in 2019-20.
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3.43 As regards the reasons for the enhanced allocation for the scheme during 2020-21 and details of the activities proposed to be taken in the light of increased allocation, the Ministry in their written reply has stated that proposal for reimbursement of higher fund has already been recommended. Against the fund requirement of Rs. 7.09 Crore (i.e. Rs. 0.37 Crore spillover + Rs. 6.72 Crore approved by 83rd CCDAC) in 2019-20, Rs. 3.60 Cr has already been utilized and disbursed. Another 0.323 Crore shall be reimbursed within March, 2020, An amount of about Rs. 3.49 Crore shall remain spillover from 2019-20. Moreover, 84th CCDA Committee has agreed to reimburse Rs. 2.62 Crore for 4 nos. of protective works and Rs. 2.96 Crore for 5 nos. of Scientific Development works. From the above, it is evident that out of Rs. 10 Crore of BE 2020-21, an amount of Rs. 9.07 Crore (i.e. 3.49 + 2.62 + 2.96) is already approved.

3.44 During oral evidence of the Ministry of Coal, in a power point presentation, the Committee was informed about the safety as under:

- Safety major thrust area of the Ministry.
- Significant improvement in safety aspects since nationalisation of coal mines.
- Average fatalities reduced from 259 (1961-70) to 69 (2018), whereas coal production increased from around 70 MT (1970) to 730 MT (2018-19).
- Besides expenditure on safety by coal companies, Ministry of coal supports to enhance safety in mines through CCS funding.
- Thrust areas on safety are strata monitoring, man-riding, tele-monitoring, communication system, slope/dump stability, protective works etc.
- Expenditure during 2018-19 was Rs. 73 Crore which is proposed to be enhanced to Rs. 100 Crore (2020-21).

3.45 As regards the safety measures, the Coal India Ltd. in a written reply has added as under:

- Fatal Accidents reduced from 33 in 2018 to 30 in 2019 (9% reduction) and Fatalities reduced from 43 in 2018 to 34 in 2019 (21% reduction). Serious Accidents reduced from 89 in 2018 to 86 in 2019(3% reduction) and Serious Injuries reduced from 98 in 2018 to 90 in 2019(8% reduction). This is the lowest on all parameters since inception of Coal India.
- Safety Audit has been completed in 321 nos of producing mines of CIL by multi-disciplinary teams in 2019-20. Necessary corrective steps have been taken as per the recommendations of Safety Audit.

3.46 Further, Ministry of Coal during the evidence held on 19.02.2020 informed that a two day 'Chintan Shivir' at Ahmedabad, Gujarat was organized wherein it has been decided to achieve 'Zero Fatalities' in coal sector upto 2023-24.

F. DEVELOPMENT OF TRANSPORT INFRASTRUCTURE IN COALFIELDS

3.47 In order to achieve the planned growth in production and evacuation in future, CIL has undertaken the construction of major railway infrastructure projects. These railway infra- projects are being implemented by either Indian Railways (on deposit basis) or through JV companies with IRCON representing Railways, Subsidiary Company (representing CIL) and concerned State Government.

3.48 The amount earmarked and released in previous two years and during 2019-20 (upto December, 2019) for Development of Transport Infrastructure in Coalfields is given below:

Scheme	Year	BE	RE	Utilization
Development of Transport Infrastructure in coalfield areas	2017-18	299.50	299.50	299.50
	2018-19	140	140	140
	2019-20	130.50	90	75.46 (April-Dec'19)

3.49 During evidence, the Committee have been informed about Coal Evacuation system in PSUs and Infrastructure Development required which are as under:

- About 67% of coal is produced from mines of 4 MTPA and above in PSUs
- Presently only 34% coal is evacuated by means other than road (i.e. by MGR, Rail, Belt)
- Plans made to increase evacuation by means other than road to 87% in next 5 years
- Integrated installation of pit head Crusher / mobile crusher; conveyor belt; Coal Handling Plant, Silo, Rapid Loading System
- Environmental concerns will be addressed
- Efficiency will increase
- Enhanced Capital requirements - Request for budgetary support

G. BUDGETARY PROVISION TO NORTH EASTERN AREAS UNDER THE SCHEMES

3.50 The Committee have observed that a mandatory provision of Rs. 82.00 Crore towards North Eastern Areas under the Schemes of Research and Development, Regional Exploration, Detailed Drilling and EMSC has been made in BE for the year 2020-21 which saw a decline in the outlay as compared to the BE for the year 2019-20 which stood at Rs. 109.70 Crore. The decline in the total allocation for the year 2020-21 compared to 2019-20 attributed for decline in the allocation of NER.

However, for S&T Scheme at NE Region, allocation has been increased from Rs.2.20 Crore to Rs.2.50 Crore.

3.51 When asked whether BE of Rs. 109.70 Crore during 2019-20 is likely to be fully utilized, the Ministry in their written reply has stated that the NER component for Detailed & Promotional Exploration, as per RE 2019-20, is Rs. 75.51 Crore. The detailed and regional exploration in NE region could not be taken up at large scale due to medium to dense forest cover, rugged topography and adverse Law & Order situations and limited availability of exploration agencies. The Promotional (Regional) exploration is under progress in Changki B block by DGM (Nagaland) and achieved about 702.00 metre during 2019-20 (upto Jan'2020). After prolonged efforts, CMPDI got a breakthrough by starting of drilling through outsourcing in Phatapara block, Singrimari Coalfield, Assam under Promotional Exploration and Koth-Arda block, Mikir Hills Coalfield, Assam under detailed exploration in Dec'19 & Jan'20 respectively. Some amount will be utilized in both the schemes during 2019-20. During 2019-20, RE under S&T Scheme for NE Region is Rs.2.20 Crore. One S&T project related to NER has been recommended by the Technical Sub-committee of SSRC for its consideration.

3.52 On being asked about the concrete initiatives that have been taken to ensure optimum utilization of funds allocated for the year 2019-20 and 2020-21, the Ministry in their written reply has stated that CMPDI with the support of State Government (DGM/DMR) of North Eastern Region (NER) has identified blocks for Regional/Promotional exploration & CMPDI is extending all supports to NE State DGM/DMR for taking up exploration through their own resources or through outsourcing. The tendering process for outsourcing Promotional (Regional) exploration in Lusaichera & Rotlang blocks in Mizoram and Detailed exploration in Namchik East & Namchik West is under process. After successful finalization of tender, allocated fund for NER during 2020-21 is expected to be utilized in these schemes. Several request letters inviting research proposals were sent to Institutes/Organizations located in North Eastern Region (NER) and other institutes. As a result, two S&T proposal have been received from NE Region, of which only one has been recommended by the Technical Sub-committee of SSRC. During visit to different Institutes/Organizations for review of ongoing research projects, requests were also made to them for submission of new project proposal including proposals related to NE Region. Around 14 visits were made during last year to different Institutes/Organizations with a request to submit new research proposal related to NE Region. Efforts are continuing with around 70 Academic Institutes/Research

Organizations/Agencies (including 23 IITs and 32 NITs) for their wider participation in research activities related to NER & beneficial to coal sector.

CHAPTER- IV

PHYSICAL AND FINANCIAL PERFORMANCE OF COAL PSUs

Total demand (actual)/supply of coal (thermal and non-coking coal) during the years 2016-17, 2017-18 and 2018-19 is given below:-

Year	2016-17	2017-18	2018-19
Domestic Supply (MT)	645.98	690.28	734.23
Import (MT)	190.95	208.27	235.24
Total Demand /consumption actual (MT)	836.93	898.55	969.47

4.2 The overall production of Coal for 2019-20 was projected at 810 Mte. During the year 2019-20, the actual production (April-Dec.19) was 480.04 Million tonnes compared to 498.51 Million tonnes (MT) during corresponding period of 2018-19, showing a negative growth 3.71%. During the period Apr'19 – Dec'19 Raw Coal dispatch from Coal India Limited (CIL) was 417.079 Million Tonne (Provisional) against 444.590 Million Tonne during the same period last year, registering a negative growth of 6.19 % over corresponding period of previous year.

4.3 The Physical Targets and financial requirements during 2018-19 and 2019-20 and explanation of financial requirements of Coal PSUs are as under:

Physical Performance

(i) Coal India Limited and Singareni Collieries Company Limited

4.4 The Subsidiary-wise production targets vis-à-vis achievements of CIL and SCCL during 2018-19, 2019-20 and targets during 2020-21 are as follows:

(in Mt.)

Company	2017-18		2018-19		2019-20		2020-21 (BE)
	Target	Ach.	Target	Ach.	Target	Ach.#	Proposed Target
ECL	47.00	43.57	46.76	50.16	53.50	38.50	59.00
BCCL	40.00	32.60	38.00	31.04	36.00	21.38	39.00
CCL	72.00	63.40	68.70	68.72	77.00	47.03	86.00
NCL	89.00	93.02	95.00	101.50	106.25	89.11	110.50
WCL	48.50	46.22	49.70	53.18	56.00	39.60	59.00
SECL	153.00	144.71	159.50	157.35	170.50	110.69	183.00
MCL	149.30	143.06	151.50	144.15	160.00	104.91	173.00
NEC	0.70	0.78	0.84	0.78	0.75	0.29	0.50
CIL	600.00	567.37	610.00	606.89	660.00	451.52	710.00
SCCL	62.00	62.01	65.00	64.41	67.00	52.47	70.00
# Upto January, 2020							

4.5 It may be seen from above that during the year 2019-20 (upto January, 2020) ECL, BCCL, CCL, NCL, WCL, SECL, MCL and NEC have achieved their physical targets only by 72%, 59%, 61%, 84%, 70.7%, 65%, 66% and 39%, respectively.

Similarly, in the case of SCCL, against the coal production target of 67 MT during 2019-20, the actual production upto January, 2020 has been 52.47 MT, accounting for a shortfall of 14.53 MT.

NLC India Ltd.

4.6 The physical targets vis-à-vis achievements by NLC India Ltd. during 2017-18, 2018-19, 2019-20 and targets during 2020-21 are as follows:

Particulars	NLC India Ltd.						
	2017-18		2018-19		2019-20		2020-21
	Target	Actual	Target	Actual	Target	Actual Upto Jan.20	Not Available
Lignite Production(Mt)	26.80	25.15	24.69	24.25	25.57	19.68	
Power Generation in MU	22000	20740.84	20500	20676.18	23500.00	17781.37	

4.7 The major reasons for not achieving the Coal Production Targets are stated to issues relating to Land acquisition, Delay in physical possession of land, R & R issues, Encroachment issues, Delay in Forestry and Environmental Clearances, Evacuation & logistics constraints, Law & Order problem.

4.8 It was further informed to the Committee that off-take could have been more, but for the following reasons the performance was below the required level in the year 2018-19:

- **ECL:** Production & despatch affected at Rajmahal OC during the first 3 quarters of the year due to delay in possession of land at Taljhori & Bansdiha village.
- **BCCL:** Subsequent to closure of Dhanbad - Chandrapura line, transportation arrangement to sidings was required to be reorganized. This increased the distance of transportation from 3 / 4 km to 10/15 km and that too through highly dense population thereby reducing the turnover of road transport. This affected evacuation of coal. Dhanbad - Chandrapura line was restored only in February 2019.
- **CCL:** Offtake was affected due to late finalization of transport contract at Magadh & Amrapali and frequent law & order problem. During the last 2 months of the fiscal, supply of rakes by Railways was less than the indent.
- **NCL:** Offtake was affected due to less lifting of coal through MGR by NTPC pit head plants in view of their high stocks. Railway logistic problem for movement of coal to upcountry power plants also affected loading.
- **SECL:** Loading of rakes at SECL was affected due to restriction in movement of rakes due to repairing of Champa Railway bridge and failure in railway's electronic panel at Chapa resulting in heavy congestion hindering inward and outward movement of rakes during February 2019. Washery operators of RRVUNL, MPPGCL, GSECL also lifted lesser coal during 1st quarter of the year 2018-19

- **MCL:** Frequent strikes/ bandhs at different mines of Talcher Area affected dispatch throughout the year. High incidence of overloading and push backs at IB field also affected loading.

4.9 With regard to new projects proposed to be undertaken by Coal and Lignite companies during 2020-21, the Ministry has submitted the following details:

S. N.	Sub.	Name of project / Mine	Type of Mine	PR Capacity (Mty)	Production Contribution in 2020-21 (Mt)
1	ECL	Mohanpur Expn. (Ph-II)	OC	1.50	1.00
2	ECL	Sonepur Bazari Expansion	OC	12.00	11.00
3	BCCL	Kalayneshwari	OC	4.00	1.25
4	WCL	Bhatadi Expn. (including NW)	OC	1.75	1.40
5	WCL	Dinesh Expn. (Incr)	OC	8.00	5.00
6	WCL	New Majri Expn UG to OC (Incr)	OC	3.00	1.20
7	WCL	Amalgamated Inder- Kamptee (Inc)	OC	3.20	1.50
8	MCL	Integrated Lakhanpur Bel. Lilari	OC	30.00	0.00
9	NEC	Lekhapani	OC	0.25	0.10
Total				63.7	22.45

4.10 Besides, SCCL proposed the commissioning of following 4 new opencast projects during the 2020-21:

SL. No.	New Mines	Rated Capacity	Coal Production planned during 2020-21	Remarks
1	Indaram OC	1.20 MTPA	0.80 MT	NFL acquisition is in final stage. OB removal will start from March 2020.
2	KTK OC III	1.50 MTPA	0.50 MT	NFL acquisition is in final stage. OB removal will start from April 2020.
3	GDK 5 OC	3.00 MTPA	0.50 MT	EC requires.
4	Naini OC	10.00 MTPA	0.10 MT	Production scheduled from February 2020.
Total		15.70 MTPA	1.90 MT	

4.11 The new projects of NLCIL are mentioned below:

Sl. No	Name of the Project	Capacity	Project Estimated Cost Rs. in Crore	Scheduled Month of commissioning
01	Mine III	11.5 MTPA	2815.23	2023-24
02	Thermal Power Station II 2 nd Expansion	2X660 MW	8733.49	Unit 1 : Mar 2023 Unit 2: Sep 2023
03	Neyveli Talabira Thermal Power Project	3X800 MW	17636.78	Unit 1: May 2023 Unit 2: Nov 2023 Unit 3: May 2024
04	Neyveli Uttar Pradesh Power Ltd (Ghatampur TPP, UP)	3X660 MW	17237.80	Unit-I: Nov - 2020 Unit-II: May -2021 Unit-III: Nov-2021
05	Pachwara South Coal Block, Jharkhand.	11 MTPA	1795.01	Opening of the mine: 2023-24 Coal production commencement will be firmed up after the preparation of mine plan

4.12 Regarding latest information on the status of coal production, the Committee have been apprised as under:

- In 1st Qtr 2019-20 CIL started with a positive growth over same period last year. But, because of excessive and extensive heavy rains during monsoon period, which went beyond normal period, coal production was adversely affected.
- CIL showed distinct improvement in production, recording growth of 7.2% in the month of Dec, 10.3% in Jan and 14.2% in Feb.
- With continuous effort and improvement in its operations, CIL is confident of achieving positive growth in coal production during this financial year.

4.13 As regards the initiatives on import substitutions, the Committee have been informed that in order to stop the avoidable imports, CIL has undertaken the target to produce 1 Billion Tonnes by FY 2023-24. Detail planning for Project Approval, Environmental Clearance (486.56 MTPA incremental EC), Forestry Clearance (20041 Ha Stage II FC) and Acquisition of Land (Possession of 24377 Ha) has been taken up.

4.14 When asked what initiatives have been taken by the Coal Companies to ensure that they stay competitive and maintain its market share despite the entry of Private Players in the coal sector in the near future, the Ministry of Coal in a written reply has stated that with the recent legislative changes, it is apprehended that CIL may lose its market share in India. However, as per the study conducted by M/s KPMG at the behest of CIL there will be a growth in demand of coal upto 2029-30 though the growth rate will be lower. CIL has already earmarked the strategy to maintain the market share through increase in coal production and supply of coal. In fact, contribution of coal by private commercial miner will only complement the CIL's effort to fulfil the demand which would have otherwise been imported.

4.15 During oral evidence held on 19.02.2020, the Ministry of Coal informed the Committee about the status of Coal Blocks to be Auctioned for Commercial Coal Mining as under:

- Discussion papers on auction of coal mines for sale of coal containing key terms and conditions (Revenue Sharing Basis) has been published for stakeholders consultation on 14.01.2020 along with list of 80 coal mines [68 coal mines under Coal Mines (Special Provision) Act, 2015 and 12 coal mines under Mines and Minerals (Develop and Regulation) Act, 1957].
- Stakeholder Consultation meeting was held in Delhi, Kolkata and Mumbai on 23.01. 2020, 28.01.2020 and 29.01.2020 respectively.
- Processing for approval of revenue share based bidding methodology from CCEA is underway.
- Preparation of mine Dossier and finalization of bid documents underway.
- First tranche is proposed to be launched in current financial year.

100% FDI through automatic route approved on 28 August 2019 for coal.

Financial Performance

4.16 During oral evidence of the Ministry of Coal, through a Power Point Presentation, the Committee was informed about the CAPEX of coal/lignite PSUs as under:

(Rs. Crore)

S.No.	Name of PSI	2018-19				2019-20				2020-21
		BE	RE	Actual	% of Actual w.r.t. RE	BE	RE	Actual (upto Jan, 2020)	% of Actual w.r.t. RE	BE
1	CIL	9500	9500	7311	77	10000	10000	3861	38.61	9500
2	NLCIL	7645	6120	7208	118	8271	8271	5340	64.57	6667
3	SCCL	2000	1100	1230	112	1850	1850	1186	64.12	2300
Total		19145	16720	15749	94	20121	20121	10387	51.63	18467

4.17 Regarding the financial targets (Plan outlays) set out for coal and Lignite PSUs during each of the last two years and during 2019-20 and achievements thereof, the Ministry has furnished the details as under:

(i) CIL and its Subsidiaries

(Rs. in Crore)

Company	2017-18		2018-19		2019-20		
	B.E	Actual	BE	Actual	BE(Overall)	BE(Prog. Jan'20)	Actual
ECL	1050	959.99	B.E	Act.	1100.00	560.00	471.74
BCCL	650	928.92	1090	832.5	625.00	457.50	317.57
CCL	650	1702.34	730	408.73	850.00	425.00	556.52
NCL	1000	664.33	1100	766.72	1235.00	889.20	256.29
WCL	1050	1236.98	1150	1075.06	1050.00	585.98	391.74
SECL	1950	1965.16	1150	808.7	2100.00	1015.09	1100.25
MCL	1300	1367.87	2050	1565.46	1700.00	1391.55	713.49
CMPDI	40	41.66	1600	1414.64	55.00	34.32	11.37
CIL & Others*	810	467.3	40	19.55	1285.00	204.50	41.94
Overall CIL	8500	9334.55	590	420.1	10000.00	5563.14	3860.91
% Utilization over BE		110	9500	7311.46			38.61

* Others include CIL HQ., NEC, Master Action Plan, R&D

As per the draft MoU which is yet to be finalised.

4.18 As regards the reasons for variations in Capital Expenditure of Coal India Ltd. during 2019-20 (Till Jan'20), the details was given as under :-

Out of total Capital budget target of Rs 10000.00 Crore, an amount of 3860.91 Crore has been spent with percentage utilization of 38.61 %. Major shortfall is under 'Land' and 'Plant & Machinery' head.

SCCL

Year	CAPEX (Rupees in Crore)			Reasons for shortfall in CAPEX
	BE	Actual	Ach (%)	
2016-17	2300.00	2013.55	88 %	Delay in acquisition of private Land and R&R issues in certain OC Projects. Delay in procurement of HEMM – due to delay in grounding of new projects.
2017-18	1600.00	1447.39	92%	Delay in Forest Land diversion in MNG OC II Extn. , Koyagudem OC III. Delay in Non Forest land and R&R related works in Kistaram OC, IK OC, KK OCP and RG OC-II
2018-19	2000.00	1229.69	61%	Delay in approval / clearances related to 1X800 MW Super Critical Thermal Power Plant of SCCL for which Rs. 900 Crore was allocated in the year 2018-19.
2019-20	1850.00	1192.84 (as on 09.02.2020)		Anticipating 100% utilization by the end of FY.
2020-21	2300.00	-		

NLCIL

(Rs. Crore)

Outlay	2016-17		2017-18		2018-19		2020-21
	Target	Actual	Target	Actual	Target	Actual	Target
NLC India Limited-Projects (Standalone)	3,540.00	3569.07	3,798.12	3,751.31	4,080.00	3,670.01	4667.00
JV Projects	2741.83	1,006.61	1,150.00	1,354.12	3,565.00	3,538.15	2000.00
Total Consolidated	6281.83	4,575.68	4,948.12	5,105.43	7,645.00	7,208.16	6667.00*

* As per the draft MoU which is yet to be finalised.

Reasons for not achieving the targets are furnished in **Annexure**.

4.19 Regarding the likely utilization of capital outlay by CIL and SCCL during 2019-20 and the reasons for expected underutilization of funds, if any, the Ministry have furnished the following information:

CIL:-

4.20 The approved capital outlay of CIL for the year 2019-20 is Rs. 10000 crore as on 31st January 2020, the provisional expenditure is Rs 3860.91 crore. It is expected that CIL may achieve around Rs. 9443 crore by the end of the year 2019-20. There may be some shortfall mainly on account of Land and Plant and Machinery (P&M) Heads.

The reasons for which shortfall under the head 'Land' are as follows:

- i) At NCL: Land verification survey for payment of Land compensation is delayed due to resistance by villagers.
- ii) At SECL :
 - a. Disbursement of compensation at Amera OC, Dipka OC & Kusmunda OC got delayed due to villager's resistance.
 - b. Delay in obtaining land record from state authority by villagers for claiming R&R benefits
 - c. Proposals for NPV of forest land of Baroud OC & Chhal OC, processing got delayed due to requirement of additional information by State authority
- iii) At MCL: building structure and land measurement are delayed especially in Talcher Coal field due to frequent law and order problem and resistance of villagers in allowing measurement.

4.21 The reasons for which there was shortfall under the head 'P&M' are stated to be that delay in start of the process for procurement of high capacity HEMM centrally at CIL HQ for the following

- due date of opening of tender was extended twice for some items and thrice for some other items on the basis of requirement from the prospective manufacturers,
- limited pool of equipment manufacturer and
- Requirement of repeated clarifications during scrutiny of offers etc.

4.22 Further, HEMMs, having an estimated indent value of more than Rs 7000 Crs, are under various stages of procurement at CIL. Contracts have been signed for 10-12 Cum Hydraulic excavator, 15 cum Hydraulic excavator, 150T dumper, 190 T dumper 850 HP Dozer and 460 HP Wheel Dozer having order value of Rs 3122 Crs. LCs have been opened for all items as mentioned. Considering lead time for supply of such high capacity equipment, which is normally 8-12 months, a major portion of HEMMs are expected to be supplied only in next fiscal.

SCCL :-

SCCL is anticipating the 100 % capital utilization by the end of 2019-20. Capital expenditure is Rs. 1192.84 Crore up to 9th February 2020.

4.23 Asked about steps taken/proposed by CIL and SCCL to ensure full utilization of Plan outlays for the year 2020-21, the Ministry have furnished the following information in their written replies:-

CIL :-

The tentative target for the capital outlay which has been proposed in Draft MoU for the year 20-21 is Rs 9500 Crore. Advance action plan taken are as follows:

In order to ensure the procurement of HEMM, purchase order of RS. 3000 Crs have already been placed. The procurement of other P&M is being closely monitored and issues related to procurement are being taken-up to resolve them. Revised "Contract and Purchase Manual" is in sync with need of the day. In order to ensure timely possession of land and diversion of Forest land, efforts are being made at all levels for follow-up with concerned State Government. District level Land Cell has been created jointly by subsidiaries and State Government to resolve the issues of R&R and possession of land. Ministry of Coal is providing pro-active support to resolve crucial issues involved in possession of non-forest land and R&R, diversion of Forest land, EC and implementation of evacuation projects. As a contingency plan, investments are also being sought in diversification endeavors to Solar Power, Coal to Gas and Coal to Liquid etc. Investment into mechanization of evacuation process under the First Mile Connectivity (FMC) plan is also being synced with expenditure plan and inclusion of capitalization of investments in JVs is under consideration. Moreover, CAPEX is being reviewed regularly at CIL Board on monthly basis. Besides, review meeting are regularly held at Subsidiary Head Quarters regularly.

SCCL:

Regular payment against the allocation is being ensured. Capital utilization is regularly being monitored under the heading of procurement, land, infrastructure etc.

NLC India Ltd.

4.24 As regards the actual utilization (likely) of capital outlay (both for Coal/Lignite & power sector) by NLC India Ltd. during 2019-20 (Till January, 2020). the Ministry have furnished the following:-

(Rs. In Crore)

Name of the Project	2019-20		
	BE	RE	Actual till Jan
COAL SECTOR			
1 Area Expn of Mine- I and Expn. of Mine- IA	8.50	19.78	28.18
2 Talabira Mine – II & III	557.23	591.02	111.73
3 Science & Technology (S&T)	37.36	-	7.06
4 Other Completed projects(incl. Land)	-	50.05	14.76
Total – Coal Sector	603.09	660.85	161.73
POWER SECTOR			
Projects under Implementation / Formulation			
1 NNTPS	700.00	762.43	635.95
2 Bithnok Power Project	-	0.84	0.84
3 Barsingsar Extension TPS/ Hadla	-	0.81	0.81
4 TPS II 2 nd Expansion – 2*660 MW	700.00	9.98	10.69
5 Odisha TPS 2400 MW	443.00	7.84	2.94
6 Tamil Nadu – 500 MW Solar Project	-	-	18.08
7 Tamil Nadu – 709 MW Solar Project	1,652.33	1,564.33	1,358.16
8 Solar Project: Ground Mounted, Neyveli (10MW)	-	20.00	
9 Roof Top Solar Phase II – 4 MW	20.00	-	
10 Andaman Solar 20 MW	101.58	94.99	71.25

Name of the Project		2019-20		
		BE	RE	Actual till Jan
11	Misc. New Schemes and JVs	-	610.35	
12	Others			138.67
	Total – Power Sector	3,616.91	3,071.57	2,237.39
A	TOTAL – NLCIL Standalone	4,220.00	3,732.42	2,399.12
B	JV – NUPPL	4,000.00	4,484.64	2,922.44
C	JV – NTPL	36.00	37.64	14.45
D	Coal Block Pachwara (NUPPL)	15.00	16.30	4.25
	TOTAL – NLCIL Consolidated (A to D)	8,271.00	8,271.00	5,340.26

4.25 It has been stated that the planned outlay of 2019-20 is likely to be achieved.

4.26 About the project-wise plan allocation of NLC India Ltd. during 2020-21, the Ministry have furnished following information:-

(Rs. Crore)

Name of the Project		2020-21 BE
COAL SECTOR		
1	Mine – III	87.00
2	Talabira Mine – II & III	364.00
3	Other Completed projects (incl. Land)	24.00
	Total – Coal Sector	475.00
POWER SECTOR		
Projects under Implementation / Formulation		
1	NNTPS	500.00
2	TPS II 2 nd Expansion – 2*660 MW	620.00
3	Odisha TPS 2400 MW	1,575.00
4	Tamil Nadu – 709 MW Solar Project	19.00
5	Solar Project: Ground Mounted, Neyveli (10MW)	28.00
6	PAN India SPP (800 MW)	1,450.00
	Total – Power Sector	4,192.00
A	TOTAL – NLCIL Standalone	4,667.00
B	JV – NUPPL	2,000.00
	TOTAL – NLCIL Consolidated (A + B)	6,667.00

4.27 It has been added that all out efforts will be made to achieve the planned CAPEX target projected for FY 2020-21 by NLCIL & its JVs.

OUTSTANDING DUES

4.28 The Committee enquired about the state-wise and utility-wise outstanding dues of Coal India Limited, SCCL and NLC India Ltd. as on 31 March, 2017, 2018 and 2019. In this regard, the Ministry in a written reply have furnished the following information:-

CIL

"Year-wise outstanding dues of Coal India Ltd. (CIL) from Power Sector are as following:

- As on 31.03.2017: Rs. 12,084.40 Crore
- As on 31.03.2018: Rs. 8,533.20 Crore
- As on 31.03.2019: Rs. 8,435.19 Crore
- As on 31.01.2020: Rs. 12,423.36 Crore (Provisional)

NLCIL :- The following is the statement showing the State wise dues of NLCIL as on 31.03.2017, 31.03.2018 and 31.03.2019

(Rs. Crore)

STATE	31.03.2017	31.03.2018	31.03.2019
ANDHRA PRADESH	194.10	147.97	316.37
TELENGANA	303.07	149.27	359.30
TAMILNADU	2199.28	2429.66	3421.98
KARNATAKA	803.73	500.83	530.60
KERALA	276.65	146.75	146.42
PONDICHERY	99.06	135.22	157.49
RAJASTHAN	372.91	135.06	199.16
TOTAL	4248.80	3644.76	5131.32

4.29 Further, following is the statement showing the year-wise dues and recovery details:

(Rs. Crore)

PARTICULARS	31.03.2017	31.03.2018	31.03.2019	31.01.2020
Receipts during the Yr.	588.02	7678.31	5069.62	4092.83
Balance Outstanding as on	4248.80	3644.76	5131.32	6286.91

SCCL: The following is the Statement showing the State wise dues of SCCL as on 31.03.2017, 31.03.2018, 31.03.2019 and 31.01.2020:

(Rs. In Crore)

State	Customer	Outstanding dues as on			
		31.03.2017	31.03.2018	31.03.2019	31.01.2020
Andhra Pradesh	APGENCO	1646.54	530.97	688.48	605.18
Telangana	TSGENCO	983.89	1214.08	1831.77	2306.47
	NTPC	126.99	224.60	342.35	234.89
Maharashtra	MSEB	75.85	96.35	65.52	330.46
Karnataka	KPCL	322.97	137.56	310.52	584.85
TOTAL		3156.24	2203.56	3238.64	4061.85

4.30 When asked about the steps taken to recover all their dues in a time bound manner, the Ministry has stated that CIL and its subsidiaries continuously monitor outstanding dues and interact with consumers for earlier recovery of dues. Following steps are stated to have been taken by coal companies to bring down outstanding dues:

- DO letters were issued from Secretary (Coal) to Secretary (Power) and Chief Secretaries of 4 States having high outstanding dues on 06.03.2019 for clearing outstanding dues in a time bound manner.
- DO letters were issued from Hon'ble Minister (Coal) to Chief Ministers of 11 States on 05.02.2020 for clearing outstanding dues in a time bound manner.

- Coal India supplies coal to consumers under Fuel Supply Agreement which provides for payment of coal supplies through advances. However, it needs to be stated that most of the times keeping in mind national interest and maintaining uninterrupted power generation even though SEBs/ State Gencos/CPSUs do not make timely payment, CIL had to continue coal supply and this further increases outstanding dues. Further it may be observed from statement attached that majority of coal sales dues of Coal India Limited towards Power Sector pertains to State Gencos and Central Gencos.
- Coal Sales Dues are continuously monitored by CIL & its subsidiaries and regular follow-up is done with consumers for early recovery. From time to time, coal sales dues of SEBs/State Gencos and CPSUs are realized following settlement of accounts.
- Moreover, FSA provides for levy of interest on delayed payment and coal companies are claiming interest on delayed payment from consumers.

4.31 The steps taken by NLCIL to recover the dues in time bound manner are given as under:

- Continuous follow up with the Discoms for dues.
- Regular customer contacts.
- Encouraging the channel finance, bills discounting and other financial institutions support.
- Offering Cash discounts (Rebates) for the Discoms who pay before the due dates.
- Insisting Letter of Credits as per recent MOP circular.
- TOP management is meeting the CMD of Discoms and appraising the necessity of the funds to the NLC and insisting to clear the overdue outstanding in a time bound manner.
- Bills discounting facility offered to the Discoms in order to liquidate the old dues.

4.32 It has been added that regular follow-up is being made by SCCL for getting the timely payments from the power customers. In addition to the Follow-up in writing, matter is brought to the notice of C&MDs of the respective customers by highest Authority of the company.

PART-II

OBSERVATIONS/RECOMMENDATIONS

INTRODUCTORY

The Committee note that coal accounts for around 55% of the India's primary commercial energy and nearly 72% of the entire power generated in the country is coal based. Further, India targets to add renewable energy capacity to 175 GW by 2022 and 275 GW by 2027. The Committee perceive that this move is in accordance with Paris protocol and would supplement coal's role, if not entirely substitute it. Renewables and coal have to co-exist for some time before renewable can significantly contribute to a larger share of India's energy basket but till such time coal would remain the dominant energy source in the country. The Committee feel that the Ministry of Coal has a larger role to play in securing the availability of coal to meet the demands of different sectors of the economy in an eco-friendly and sustainable manner through Government Companies as well as the captive mining route by adopting state-of-art-clean coal technologies. The Committee note with satisfaction that consumption / actual supply of coal (including import) has increased from 836.93 million tonnes in 2016-17 to 969.47 million tonnes in 2018-19. Further, during April-December 2019, the actual indigenous supply of coal was 480.51 Mt. The Committee trust that Ministry of Coal/ Coal PSUs would continue to maintain the momentum in coal production.

BUDGET OUTLAYS OF MINISTRY OF COAL

2. The Committee note that the Ministry of Coal had projected an outlay of Rs. 2610.50 crore for its Central Sector Schemes during 2020-21 which was scaled down to Rs. 819.98 crore by the Ministry of Finance. This year allocation is even 25.25% less than BE, 2019-20 of Rs. 1097 crore. With these

reductions in annual budgetary allocations, the Committee apprehend that it would lead to substantial shortfall in completion of the projects/schemes/activities of the Ministry of Coal during the year. The Committee, therefore, recommend that the total plan allocation be reviewed and enhanced allocations be sought at the RE stage.

3. The Committee note that during the year 2019-20, out of the Budgeted amount of Rs. 1097 crore, an amount of Rs. 752.9 crore (68.63%) has been utilized up to December, 2019. The reason for underutilization is stated to be less utilization of the North East component of Budget as exploration could not be taken up there at large scale due to medium to dense forest cover, rugged topography, adverse law and order conditions, Special Land Tenancy Act and limited availability of exploration agencies in the area. The Committee have learnt that the Ministry of Finance has imposed the restriction for carrying out expenditure up to 25% and 10% in the last quarter/month. Keeping this in view, the Committee apprehend that there would be shortfall in utilization of funds by the Ministry of Coal besides North East component during 2019-20. The Committee, therefore, recommend that the Ministry of Coal should take necessary steps to timely execute the projects and prepare targets for quarterly utilization of funds lest it leads to shortfall in physical and financial targets during the year.

RESEARCH & DEVELOPMENT (R&D)

4. Research and Development/S&T Scheme of the Ministry of Coal supports R&D activities in the coal sector and is administered through Standing Scientific Research Committee (SSRC) with Secretary, Coal as its Chairman. The Committee note that for R&D a provision of Rs. 25 crore was made in BE, 2019-20, however, the allocation was reduced to Rs. 22 crore at RE stage. Against RE of Rs. 22.00 crore, the Ministry has utilized Rs. 18.78

crore up to December, 2020. The Committee hope that the Ministry will take all the required steps to improve the pace of implementation of their R&D projects and would optimally achieve the physical and financial targets during 2019-20.

5. The Committee further observe that the Ministry had proposed Rs. 50 crore for its research activities during 2020-21, however it has been reduced by 50% and an amount of Rs. 25.00 crore has been allocated which is again the same as BE, 2019-20. In view of the fact that the R&D in coal sector is important for development of clean coal technologies, safety in coal mines and protection of ecology, for a safe and secure clean energy future, it is high time that Government extend sufficient budgetary support to the Ministry of Coal for the research activities in coal sector. In this context, the Committee would like the Government to closely monitor the actual expenditure incurred by the Ministry of Coal during the previous years on R&D and thereafter allocate funds for the next year. Hence, the Committee recommend that the budgetary allocation be reviewed and stepped up at RE 2020-21 stage.

REGIONAL EXPLORATION AND DETAILED DRILLING

6. The Committee note that the prime objective of the Plan Scheme of the Ministry of Coal on Promotional Exploration for coal and lignite is to undertake preliminary drilling to assess availability of coal in various areas. The scheme is being implemented through various agencies viz. CMPDIL, GSI, MECL and State Government Companies. Further, Detailed drilling aims at bringing coal resources falling in indicated and inferred category, into proven category. The Committee note with concern that allocations during 2020-21, for Regional Exploration and Detailed Drilling have been reduced as compared to the year 2019-20. Whereas Rs. 70 crore and Rs. 630 crore, respectively has been approved during 2020-21, budget allocation of Rs. 120 crore and Rs. 817 crore, respectively was provided during the year 2019-20. Under the Exploration

Programme (2020-21), the Ministry of Coal aims at faster exploration to prove the resources and to carve out more coal blocks for auction/allocation. Besides coal blocks have to be auctioned/allocated on Prospecting Licence cum Mining Lease basis for coal blocks not having detailed exploration. Besides, an area of 3322 sq km is targeted for Regional Exploration and 4343 sq km for Detailed Exploration under Central Sector Schemes (CSS) funding.

In view of its ambitious plan for undertaking Regional and Detailed Exploration under CSS funding in vast areas, the Committee have been given to understand that the Ministry of Coal proposes to seek supplementary grants to achieve the targets during 2020-21. The Committee are of the opinion that the budgetary support to the Ministry of Coal to meet the targets for its exploration schemes during 2020-21 is needed to be augmented to the required level at RE stage.

7. The Committee note that for Regional Exploration, the budget outlay of Rs. 120 crore was reduced to Rs. 90 crore in RE, 2019-20. It has been stated that due to priority drilling in detailed exploration and limited resources of MECL, CMPDI & State Governments DGMS, the proposed target could not be achieved and allocation and drilling target were subsequently reduced. Now by outsourcing and 2D seismic survey, the likely drilling is 1.10 lakh metre and expenditure will be about Rs. 70 crore. The Committee are of the opinion that the budgetary allocations as decided by the Ministry as necessary to carry its activities should not be reduced at RE stage, however, it is equally important that the Ministry exert itself and optimally utilize the allocated funds. In view of the lower utilization of funds for Regional Exploration, the Committee would like to be assured that the factors affecting the performance during the year should be dealt with on priority and whatever might be the constraints, serious

efforts should be made to achieve the physical and financial targets during 2020-21.

8. Similarly, for detailed drilling BE, 2019-20 of Rs. 817.00 crore was reduced to Rs. 665.05 crore at RE stage. During 2018-19 and 2019-20, against the target of 5.93 lakh metre and 8.16 lakh metre, respectively of drilling targets, the achievement remained 4.84 lakh metre and 7.10 lakh metre (likely), respectively. The Committee have been informed about the reasons like non-availability of forest permission, adverse law & order condition in many States and non-availability of funds and prolonged unreasonable rains. The Committee, therefore, desire that the Ministry should review the performance with regard to drilling in Non-CIL blocks and take corrective steps to ensure fulfillment of the targets in respect of detailed drilling in Non-CIL blocks and the Committee be apprised of the same.

ENVIRONMENT MEASURES & SUBSIDENCE CONTROL MEASURES (EMSC)

9. The Environmental Measures and Subsidence Control (EMSC) Scheme aims to improve the environmental conditions in the old mined out areas of Jharia and Raniganj coalfields by addressing fire and subsidence problems. EMSC Scheme has subsequently been merged in a Master Plan dealing with Fire, Subsidence, Rehabilitation and Diversion of surface infrastructure in Jharia and Raniganj coalfields within the leasehold areas of BCCL and ECL. The said Master Plan was sanctioned by the Government in August 2009 at an investment of Rs. 9657.61 crore with an annual outlay of Rs. 977 crore spread over a period of 10 years. The Committee learn that as per tenets of the Plan, CIL was required to first spend from its own resources upto Rs. 350 crore per year and the additional funds required, if any, are to be made available from the Budget. However, CIL has not been able to spend its share. Now as the time frame of 10 years is over on 11.08.2019, a revised Master Plan has been

prepared based on recommendation of the committee consisting of CMD, ECL, CEO, ADDA, Director (Technical), CIL and CMD, CMPDI. The comprehensive proposal is under finalization before it will be sent to MOC for Cabinet approval. The Committee are concerned to note that the environmental issues in the Jharia and Raniganj coalfields for which the master plan was sanctioned way back in 2009 did not get the attention it deserved. Hence, the earlier Master Plan has met with a failure and a revised Master Plan is under consideration. The Committee would like to be assured that the revised Master Plan be finalized at the earliest and advance action be taken so that some concrete results are seen on ground level. The Committee would like to be apprised of the progress in the matter.

CONSERVATION AND SAFETY IN COAL MINES

10. The Committee note that the aspect of conservation of coal is taken into account right from the planning stage and maximum recovery is ensured during implementation stage. Further, Coal mining poses several inherent, operational and occupational hazards and associated risks to the work persons. Hence, safety is always an utmost priority for Coal Companies and is one of the main ingredients of their mission statements. The Committee are, however, concerned to note that the budgetary allocation during the last three years for the scheme 'conservation and safety in coal mines' is on the decline. During 2017-18, 2018-19 and 2019-20, budgetary allocations of Rs. 200 crore, Rs. 59.50 crore and Rs. 4.00 crore, respectively were made under the scheme. The Committee further note that during 2020-21, Rs. 10 crore only has been allocated under the scheme against Rs. 100 crore projected by the Ministry of Coal. The Committee also observe that Safety is a major thrust area of the Ministry and significant improvements in safety aspect has been brought about since nationalization of coal mines. The Committee note with satisfaction that Fatal Accidents have reduced from 33 in 2018 to 30 in 2019

(9% reduction) and Fatalities from 43 in 2018 to 34 in 2019 (21% reduction) while serious Accidents have reduced from 89 in 2018 to 86 in 2019 (3% reduction) and Serious Injuries from 98 in 2018 to 90 in 2019 (8% reduction) which is the lowest on all parameters since inception of Coal India Ltd. Further, attaching significance to safety aspects in coal mines, the Ministry had organized recently a two day 'Chintan Shivir' at Ahmedabad, Gujarat wherein need for Zero Harm Potential was highlighted. The Committee are of the considered view that the larger goals of higher productivity in coal mining industry should be synchronized with sustained efforts for protection and safety of workers in coal mines and for that funds should not be a constraint. The Committee feel that though there is a decrease in number of fatalities in coal mines, there is an absolute need to further reduce the number in this regard which is possible only with the use of the state of the art technologies and ensuring institutional arrangements for skill up-gradation and required training of the work force engaged in the coal mining areas and hence the required steps should be taken.

DEVELOPMENT OF TRANSPORTATION INFRASTRUCTURE IN COALFIELD AREAS

11. The Committee have been informed that about 67% of coal is produced from mines having capacity of coal production of 4 MTPA and above in all PSUs. It is a matter of concern that presently only 24% coal is evacuated by MGR/Rail/Belt and the rest is evacuated by road. The Committee, however, note that the Ministry of Coal has plans to improve this percentage for which enhanced capital requirements would be needed. The Committee are happy that the Ministry has optimally utilized the funds of Rs. 299.50 crore, Rs. 140 crore allocated for the scheme during 2017-18 and 2018-19, respectively. During 2019-20, against the allocation of Rs. 130.50 crore, the Ministry has utilized Rs. 75.46 crore (up to Dec. 2019). Looking at the performance of the

Ministry during the last two years, the Committee hope that funds allocated during 2019-20 would be fully utilized. At the same time, the Committee are concerned to note that though the Ministry had projected Rs. 160 crore, for the scheme only Rs. 84.48 crore have been allocated during 2020-21 which is even less than last year's allocation of Rs. 130.50 crore. Taking into account the ambitious plan of the Government/Coal Companies to address the environmental concerns, increase efficiency and bring cost effectiveness and to increase evacuation of coal by means other than road to 87% in next 5 years which would cover integrated installation of pit head crusher/mobile crusher; conveyor belt; Coal Handling plant, Silo, Rapid Loading System etc., the Committee would like the Government to enhance the budgetary support under the scheme for the year 2020-21 at RE stage.

BUDGETARY PROVISION TO NORTH EASTERN AREAS UNDER THE SCHEMES

12. The Committee note that budgetary provision of Rs. 82.00 crore towards North Eastern Areas has been made during 2020-21 under the Schemes of R&D, Regional Exploration, Detailed Drilling and EMSC which is less as compared to the BE, 2019-20 of Rs. 109.70 crore. While observing that North-East component of the budget for detailed exploration and promotional exploration could not be utilized due to constraints like medium to dense forest cover, rugged topography and adverse Law & Order situations and limited availability of exploration agencies, the Committee are happy to learn that the Promotional (Regional) exploration is under progress in Changki B block by DGM (Nagaland) and about 702.00 metre drilling work has been completed during 2019-20 (upto January, 2020). Further, after prolonged efforts, CMPDI got a breakthrough by starting of drilling through outsourcing in Phatapara block, Singrimari Coalfield, Assam under Promotional

Exploration and Koth-Arda block, Mikir Hills Coalfield, Assam under detailed exploration in December, 2019 & January, 2020 respectively.

The Committee also take note of the fact that NE component of the budget for R&D also could not be utilized due to poor response of the institutes/organizations located in NE and reluctance of institutions located elsewhere to take up R&D projects for NE region. Meanwhile, one S&T project related to NER has been recommended by the Technical Sub-committee of SSRC for consideration and efforts are continuing with around 70 Academic Institutes/Research Organizations/Agencies (including 23 IITs and 32 NITs) for their wider participation in research activities related to NER & beneficial to coal sector. While appreciating the steps taken by the Ministry/Coal Companies to allocate more R&D projects to Institutes located in North East and elsewhere, the Committee hope that the regional and detailed exploration in NE Region will soon take off after the approval of the S&T projects by SSRC. The Committee would like to be apprised of the progress in the matter in this regard from time to time.

PHYSICAL PERFORMANCE OF COAL/LIGNITE PSUS

13. The Committee note that the physical target set for coal production by CIL for the year 2020-21 stands at 710 MT. During 2019-20, against the target of 660 MT coal production, the actual production upto January, 2020 has been 451.52 MT. In a subsequent reply, the Committee have been informed that CIL has showed distinct improvement in production, recording growth of 7.2% in the month of December, 2019, 10.3% in January, 2020 and 14.2% in February, 2020. As regards the reasons for shortfall in targeted coal production during 2019-20, the Ministry of Coal has attributed it to problems in land acquisition, delay in Forestry and Environmental clearances, R&R Evacuation and logistics constraints, law and order problem, etc. Subsidiary-wise performance during

2019-20 (upto January, 2020) is also not very impressive as ECL, BCCL, CCL, NCL, WCL, SECL, MCL and NEC have achieved only 72%, 59%, 61%, 84%, 70.7%, 65%, 66% and 39% of their physical targets, respectively. Similarly, in the case of SCCL, against the coal production target of 67 MT during 2019-20, the actual production upto January, 2020 has been 52.47 MT. The Committee desire that factors responsible for lower production performance are required to be looked into. The Committee trust that the Ministry would make earnest efforts in addressing the issues affecting the coal production and would optimally achieve the targets fixed for 2019-20 and 2020-21.

FINANCIAL PERFORMANCE OF PSUS

14. The Committee note that all the three Public Sector Companies of the Ministry of Coal implement their Capital Investment Plans from their Internal and Extra Budgetary Resources (IEBRs) without Budgetary Support from the Government of India and an amount of Rs. 18467crore (CIL-Rs 9500 crore +NLCIL- Rs 6667crore +SCCL- Rs. 2300 crore) has been proposed for the year 2020-21. As regards the extent of implementation of the Capital Investment Plans against the allocations during the year 2019-20, the Committee find that while the total Plan outlays (RE) 2019-20 of all Coal PSUs stood at Rs.20121 crore, the actual expenditure upto January, 2020 was Rs.10387 crore indicating 51.63% utilization of capital outlay. The Committee also note that the percentage utilization of outlays upto January, 2020 for all the Coal/Lignite PSUs viz. CIL, SCCL and NLC *vis-a-vis* RE 2019-20 stands at 38.61% in respect of CIL (RE Rs. 10000.00 crore; Actual Expenditure - Rs.3861crore) 64.12% in respect of SCCL (RE Rs. 1850.00 crore; Actual Expenditure Rs.1186 crore) and 64.57% in respect of NLCIL (RE Rs.8271 crore; Actual Expenditure Rs.5340 crore), respectively. Reasons cited for non-achievement of financial targets include inter-alia heavy unprecedented rain; delays in getting EC/FC and

handing over of forest land; R&R Problem, delay due to poor performance of outsourced agencies; delay in land acquisition, putting on hold of Rajasthan Lignite projects, etc. The Committee hope that the Ministry of Coal / PSUs would intensify their efforts to resolve all issues responsible for their non-achievement of financial as well as physical targets during the years 2019-20 and 2020-21.

COMMERCIAL COAL MINING

15. The Committee note that as against 969.47 MT of total demand of coal during 2018-19, indigenous supply was to the tune of 734.23 MT and the gap of 235.24 MT (24.26%) was met by import during the year. Further, in order to reduce dependence on imported coal, the Government is considering allocation of coal mines for commercial mining to augment availability of domestic coal. In this regard, discussion papers on auction of coal mines for sale of coal containing key terms and conditions (Revenue Sharing Basis) has been published for stakeholders consultation on 14.01.2020 along with list of 80 coal mines [68 coal mines under Coal Mines (Special Provision) Act, 2015 and 12 coal mines under Mines and Minerals (Development and Regulation) Act, 1957 and processing for approval of revenue share based bidding methodology from CCEA is underway. Further, preparation of mine Dossier and finalization of bid documents is also underway. First tranche is proposed to be launched in current financial year. While appreciating the proposed allocation of the coal mines through auction, the Committee desire that necessary formalities for finalization of auction process and allocation of coal mines should be completed in a time bound manner. The Committee feel that in order to attain country's self sufficiency in coal production, this step will go a long way and the precious foreign exchange spent by the exchequer on import of coal can be utilized for other developmental activities in the country.

OUTSTANDING DUES OF COAL/LIGNITE PSUS

16. The Committee note with concern the huge amount of dues which are outstanding from the States and other utilities for years and as a result, outstanding dues of CIL, SCCL and NLCIL upto January, 2020 have soared to Rs.12,423.36 crore, Rs. 4061.85 crore and Rs. 6286.91 crore, respectively. The Committee note that Ministry of Coal and its PSUs have taken various steps to recover the outstanding dues, viz. communication through letters and reminders from Secretary(Coal) to Secretary(Power) and Chief Secretaries of State Governments concerned; communication from CMDs of subsidiary companies to Chairman/MDs of defaulting power houses; formulation of 'Graded Rebate Scheme' in NLCIL; entering into Power Sales Agreement with State utilities incorporating Payment priority Mechanism, etc. While appreciating the initiatives taken by Coal PSUs to recover huge outstanding dues which have so far proved to be inadequate, the Committee desire that matter should be taken up more vigorously and if warranted, imposition of Late Payment Surcharge (LPS) on the defaulting parties may be considered.

NEW DELHI;
11 March, 2020
21 Phalguna, 1941 (Saka)

RAKESH SINGH
Chairperson,
Standing Committee on Coal and Steel

Annexure**Reason for shortfall in Capex 2016-17**

Rs. Crore

		Target	Actual	Excess/ Shortfall	Reasons
1	Expansion of Mine-I 10.5 MTPA (Area Expansion) and Expansion of Mine IA (from 3.0 to 7.0 MTPA)	279.53	179.15	-100.38	NLCIL Board in 461 st meeting, approved to incur expenditure under plan Budget for Rs.709.06 Crore as against the approved project cost of Rs. 1458.17 Crore by incurring certain new expenditure and excluding other expenditure. Accordingly an amount of Rs.150.00 Crore was projected & approved under RE 2016-17 against Rs.279.53 Crore
2	TPS II Expn – 500 MW	120.02	21.91	-98.11	Performance Guarantee test is delayed owing to delay in stabilization of certain technical issues like refractory application, air cooler performance etc.
3	NTPL – 1000 MW	491.83	238.07	-253.76	Delay in conducting PG test due to delay in unit stabilization.
4	Bithnok Power Project – 250 MW	190.00	124.31	-65.69	LOA for Bithnok Power Project was issued in November 2016 to Ms. Reliance Infrastructure Mumbai. Pre construction activities are in progress
5	Barsingsar TPS Expansion 250 MW	190.00	149.19	-40.81	LOA for Barsingsar Extension TPS was issued in November 2016 to Ms. Reliance Infrastructure Mumbai. Pre construction activities are in progress
6	Solar Power – BSPP130MW	585.00	0.01	-584.99	Project dropped with approval of NLCIL's Board
7	Solar Power- NSPP 130MW	587.91	425.24	-162.67	LOA dated 04.06.2016 was issued to M/s BHEL & M/s Jakson Engineers Ltd. Delay in supply of plant & equipments.
8	Solar Power Projects in TN/ Other States & Andaman (1000 MW)	500.00	2.07	-497.93	LOA was awarded to six SDOs for TN solar 500 MW on 28 th February 2017. Andaman Solar Power Project: As the land allotment letters are not received in full from A&N Administration.
9	NUPPL	750.00	766.88	16.88	
10	Other Projects*	2587.54	2668.85	81.51	
	Total	6281.83	4575.68	-1706.15	

* Includes Halda Mine, Bithnok Mine and NNTPP

Reason for shortfall in Capex for 2017-18

Rs. Crore

		Target	Actual	Excess/ Shortfall	Reasons
1	New Projects - Rajasthan	610.00	22.96	-587.04	Rajasthan Project are now on hold, awaiting clearance from GoR
2	Talabira Mines	50.00	23.14	-26.86	Due to certain technical snags, retender for the selection of MDO was issued on 30 th September 2017
3	S&T	30.95	0.00	-30.95	(i) Floating Solar tender opened on 04.01.2018 (ii) Matmor: NMDC consent received LOA issued on 06.02.2018 for DD study. Draft report furnished by consultant. (iii) Desalination of sea water using solar power diverted to NTPL (iv) Solar Intercropping: Project deferred for time being.
4	Other Completed Project – Including land	40.00	33.45	-6.55	Subsequent to enactment of new Central Land Acquisition Act viz "Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement Act 2013" with effect from 01.01.2014, there is a hindrance in the LA process.
5	TPS-II Expansion	50.00	10.92	-39.08	Main Plant Package: Supply of pending Mandatory spares and Performance Guarantee tests not yet completed by BHEL. PG test for Unit-I and Unit-II it is anticipated 2018-19.
6	Solar Power Projects in Tamilnadu/Other States/Andaman	2,000.00	1,548.62	-451.38	NLCIL Board in its 474 th meeting held on 14 th November 2017 has accorded approval to cancel the tender exercise for the installation of 250 MW SPP in Odisha owing to delay in execution of PPA with M/s GRIDCO for the project. For other States Viz. Karnataka, Uttar Pradesh, Jharkhand PPA not yet finalised. For 20MW Andaman project tendering activities are in progress. Actions are being expedited for issue of LOA. 709MW Tamilnadu Project tender opened on 29.11.2017. Bid evaluation is under scrutiny. Actions are being expedited for issue of LOA. For 500MW Tamilnadu projects LOA issued on 28.02.2017. Land transfer and site development and erection activities under progress.
7	NUPPL	1,000.00	1,203.56	203.56	Construction activities were forced to be suspended for 82 days during the period between 22.05.2017 to 11.08.2017, due to law and other problem created by agitation by local villagers led by Bharatiya Kissan Union (BKU) for land compensation issues. Hence no progress could be made during the said dates resulting in shortfall in CAPEX achievement. M/s NUPPL is closely following with Kanpur Nagar District Administration for sorting out the law and order issue at Ghatampur Project site.
8	Other Projects*	1,167.17	2,262.78	1,095.61	
	Total	4,948.12	5,105.43	157.31	

*includes Mine IA, NNTPP, TS-II 2nd Expansion & NTPL, 130 MW & Rooftop

Reason for shortfall in Capex for 2018-19

Rs.Crore

		Target	Actual	Excess/ Shortfall	Reasons
1	Area Expn. of Mine I and Expn. of Mine-IA	120.00	54.19	-65.81	Out of the Rs.120.00 Crore, Capex for the year an amount of Rs.105.00 Crore was ear marked for removing OB during the year 2018-19 by M/s BGR. The same could not be utilized as the contract was foreclosed as per NLCIL Board resolution No.478.04.
2	Talabira Mine II & III	300.00	309.44	9.44	
3	TPS II 2 nd Expansion – 2*660 MW	750.00	21.40	-728.60	LoA for the project is was not issued as the tendering process of Techno commercial bid evaluation is still in progress
4	Solar Project: TamilNadu – 500MW	625.00	683.21	58.21	
5	Odisha Power Plant (3x800 MW – Ph-1)	500.00	28.31	-471.69	Qualifying requirements evaluation for selection of bidders is under process.
6	JV NTPL	63.69	17.64	-46.05	Ash dyke: placement of Loa under process. Construction of Addition service water tanking being processed along with FGD package. Finalisation of technical specification under progress. Construction of Silo is in progress.
7	JV NUPPL (Including Pachwara)	3501.31	3,520.51	19.20	
8	Other Projects*	1,785.00	2,573.46	788.46	
	Total	7,645.00	7,208.16	-436.84	

*includes NNTPP, Solar 709MW & other projects

Reason for shortfall in Capex for 2019-20

S. No	Schemes	MOU 2019-20	Upto the Month January 2020		Reason for short fall
			Target	Actual (Provl.)	
I	COAL SECTOR				
	Projects under Implementation/ Formulation				
1	Area Expn. of Mine I and Expn. of Mine- I A	8.50	4.60	28.18	-
2	Bithnok Mines Project	-	-	-	Put on Hold
3	Hadla Mines Project	-	-	-	Put on Hold
4	Mine III	-	-	-	<p>The Public Hearing(PH) meeting was conducted on 11.12.2018 & approved minutes received only on 29.09.2019. Reply to the Minutes has been prepared by NLCIL and the same is under circulation for internal approval. On approval, the reply along with Final EIA-EMP Report will be submitted to MoEF& CC for EC.</p> <p>The final approval of mining plan will be issued by MoC after receipt of Lol from State Govt. for grant of lease.</p> <p>Grant of lease was submitted to Directorate of Geology and Mining, Chennai on 03.09.2018 and Cuddalore on 14.09.2018 awaiting the land administrative sanction & Lol from GoTN.</p> <p>5331 Ha of Land is required for the Mine-III project in Neyveli, Tamilnadu. Discussions are being held with Revenue Officials of Cuddalore Dist., GoTN for Land acquisition process.</p>
5	Talabira Mine II & III	557.23	378.01	111.73	<p>1. Tree cutting is a precedent for other key activities such as initial OB removal, setting up of permanent magazine, setting up of diesel bunk etc. Had tree cutting been successful, mining operation could have commenced and capex would have been better in this fiscal year.</p> <p>2. Disbursement of Land Compensation and R&R benefits: District Collector, Sambalpur is yet to communicate the enhanced R&R benefits to the beneficiaries and not yet given permission to resume tree cutting activities.</p> <p>3. R&R benefits: Due to delay in availability of land, the construction work of only 212 nos. of houses out of 544 nos. planned is under progress which has resulted in lesser CAPEX of 2019-20.</p>
6	Others (Science & Technology, Geological Investigation and LA)	37.36	8.90	7.06	Reverse auction during the purchase of the equipment has brought down the capex to a lower value.
7	Other Completed projects - Land			14.76	
	TOTAL COAL	603.09	391.51	161.73	
II	POWER SECTOR				
	Projects under Implementation/ Formulation				

S. No	Schemes	MOU 2019-20	Upto the Month January 2020		Reason for short fall
			Target	Actual (Provl.)	
1	NNTPS	700.00	649.00	635.95	1. Delayed the commissioning of Unit- 1 & 2. 2. NTA-4 (FGD Package) contract award also delayed.
2	Bitnok Power Project	-	-	0.84	Put on Hold
3	Barsingsar Extention TPS/Hadla	-	-	0.81	Put on Hold
4	TPS II 2nd Expansion - 2*660 MW	620.00	540.00	10.69	NLCIL Board has approved to cancel the SE1 and SE2 tenders of TPS II 2nd Expansion (2X660MW), since the short listed bidder M/s BHEL has not given price due to Bench Mark Price. Capex target could be achieved only after retendering and issuing of LOA subsequently. Board approved to float tender to execute 2X660MW TPS II 2nd Expansion project as single package EPC, comprising SG,STG,BOP and FGD works
5	Solar Project : Tamilnadu - 500 MW	-	-	18.08	
6	Solar Project : Tamilnadu - 709 MW	1493.04	1,493.04	1,358.16	There was heavy unprecedented rain in the southern part of Tamil Nadu where the projects are located which affected Civil & Structural works and had cascading effects on supplies of remaining Plant & Equipments, installation & erection works, hence the shortfall.
7	Solar Project : Roof top Solar - 1 MW	-	-	-	
8	Solar Project : Andaman - 20 MW	93.27	93.27	71.25	The scheduled date of completion is 11 Mar 2020, but on best endeavour basis project was planned to be completed by Dec 2019. But due to heavy rain & shortage of raw materials like sand & steel in Andaman Island, solar plant works are behind the best endeavour schedule and hence the succeeding activities are also getting delayed. Battery Energy Storage System (BESS) manufacturing & testing is taking time for completion due to unique nature of design specification to meet the Andaman Grid requirements. Hence delay in supply and shortfall in CAPEX.
9	Solar Project : Ground mounted, Neyveli (10 MW)	20.00	10.00	-	Evaluation of technology to be adopted for the project with an aim to achieve higher CUF is not finalised due to slower response from prospective vendors.
10	Odisha Power Plant (3x800 MW)	203.60	-	2.94	Capex is scheduled for March 2020.
11	Misc. New Schemes and JVs	-			

S. No	Schemes	MOU 2019-20	Upto the Month January 2020		Reason for short fall
			Target	Actual (Provl.)	
12	Others	-		138.67	
	Total - Power Sector	3129.91	2785.31	2237.39	
	Grand Total (NLC Stand alone)	3733.00	3176.82	2399.12	
III	JOINT VENTURES (JVs)				
1	Coal Block-Pachwara (NUPPL) MDO Mode	15.00	14.62	4.25	1. The MDO was awarded LOA on 21.10.2018; however, the work couldn't commence on the scheduled date due to Law and Order problem. Actual activities started from 15.04.2019. 2. The work was again suspended from 25.04.2019 and couldn't resume till 25.05.2019 as requested by the local administration in view of Parliamentary Elections. 3. As per the Para 19.5.1 of the LoA No.CO/CONTS/0012G/RT/MDO/PSCB/e-Conts./2018, Dated: 22.10.2018; after the completion of each Phase-1 activities Mine Development and Operator (MDO) has to raise the bills. Since, the activities under the Phase – 1 is yet to be completed by MDO, and the timeline for completing the same is getting extended for the reasons mentioned in Pt. 2 above. Therefore no invoice has been raised by MDO.
2	JV NTPL	38.00	32.60	14.45	1. Construction of CISF Qtrs., Barracks & amenities: Contractor stopped the work since 31.03.2019.

S. No	Schemes	MOU 2019-20	Upto the Month January 2020		Reason for short fall
			Target	Actual (Provl.)	
3	JV NUPPL	4485.00	3,675.00	2,922.44	<p>Plant & Machinery:</p> <p>GA-1:</p> <p>1. Rs. 96.29 Cr. achieved against Target of Rs.141.00 Cr.</p> <p>2. Erection bill for unit 1, 2, 3 not claimed since Nov'19 by M/s. L&T MHPS due to non-submission of HR compliance.</p> <p>3. Price Variation (PV) bill yet to be claimed by Contractor.</p> <p>4. PVC bill for 3rd quarter not claimed by Contractor.</p> <p>GA-3:</p> <p>1. Rs. 11.51 Cr. achieved against Target of Rs. 86.00 Cr.</p> <p>2. Shortage of Manpower, reinforcement steel and structural steel(Supply not made by vendor due to huge outstanding to the vendor by M/s. BGRESL.</p> <p>3. Vendor has put on hold the dispatch/manufacturing due to the non-payment of outstanding dues by M/s. BGRESL.</p> <p>4. MDCC issued to few vendors but vendor has not dispatched the material due to the pending outstanding for the materials, which are already dispatched by them.</p> <p>5. Service bill not claimed.</p> <p>GA-4:</p> <p>1. Contract yet to award (Target - Rs. 12Cr).</p> <p>Infrastructure:</p> <p>1. Rs. 79.83 Cr. achieved against Target of Rs. 118 Cr.</p> <p>2. Water Intake System:</p> <p>3. Due to continuous requirement of water, the canal closing period had been reduced. Hence, the work progress is hampered and required Capex is not achieved.</p> <p>4. Water Carrier System:</p> <p>5. Due to Non-availability of the work front. Hence, No progress of work.</p>
	NLCIL Consolidated	8271.00	6899.04	5340.26	

MINUTES OF THE TENTH SITTING OF THE STANDING COMMITTEE ON COAL AND STEEL HELD ON WEDNESDAY, THE 19 FEBRUARY, 2020 IN COMMITTEE ROOM 'C', GROUND FLOOR, PARLIAMENT HOUSE ANNEXE, NEW DELHI.

The Committee sat from 1340 hrs. to 1530 hrs.

PRESENT

Shri Rakesh Singh- Chairperson

Lok Sabha

2. Shri Balubhau Dhanorkar alias Suresh Narayan
3. Shri Vijay Kumar Hansdak
4. Shri Kunar Hembram
5. Shri Raghurama Krishnaraju Kanumuru
6. Shri Komati Reddy Venkat Reddy
7. Shri Chunni Lal Sahu
8. Shri Arun Sao
9. Dr. Beesetti Venkata Satyavathi
10. Shri Pashupati Nath Singh
11. Dr. Alok Kumar Suman
12. Dr. Thirumaavalavan Thol
13. Shri Shyam Singh Yadav

Rajya Sabha

14. Dr. Vikas Mahatme
15. Shri Prashanta Nanda
16. Shri Dhiraj Prasad Sahu

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Shri Arvind Sharma - Director
3. Smt. Geeta Parmar - Additional Director
4. Shri Girdhari Lal - Deputy Secretary

WITNESSES

MINISTRY OF COAL

1 Sh. Anil Kumar Jain

Secretary

2	Sh. Vinod Kumar Tiwari	Additional Secretary
3	Sh. Maddirala Nagaraju	Joint Secretary
4	Sh. Rajesh Kumar Sinha	Joint Secretary
5	Smt. Vismita Tej	Joint Secretary
6	Sh. Bhabani Prasad Pati	Joint Secretary (Parliament)
7	Smt. Reena Sinha Puri	JS & FA
8	Sh. Animesh Bharati	Economic Advisor
9	Sh. Anupam Lahiri	DDG
10	Dr. Anindya Sinha	Adviser(Project)

COAL PSUs

11	Sh. Pramod Agrawal	Chairman, Coal India Ltd.
12	Sh. P.M. Prasad	CMD, Bharat Coking Coal Ltd.
13	Sh. Gopal Singh	CMD, Central Coalfields Ltd.
14	Sh. Shekhar Saran	CMD, Central Mine Planning and Design Institute Ltd.
15	Sh. P.S. Mishra	CMD, Eastern Coalfields Ltd.
16	Sh. B.N. Shukla	CMD, Mahanadi Coalfields Ltd.
17	Sh. P.K. Sinha	CMD, Northern Coalfields Ltd.
18	Sh. A.P. Panda	CMD, South Eastern Coalfields Ltd.
19	Sh. R.R. Mishra	CMD, Western Coalfields Ltd.
20	Sh. Rakesh Kumar	CMD, NLC India Ltd.
21	Shri B. Bhaskara Rao	Director (P&P), SCCL

2. At the outset, the Chairperson welcomed the Secretary and other representatives of the Ministry of Coal and its Public Sector Undertakings (PSUs) to the sitting of the Committee convened to examine the Demands for Grants (2020-21). The Chairperson then drew their attention to Direction 55 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings.

3. Thereafter, the Secretary, Ministry of Coal briefed the Committee about the Plan Outlays for the year 2020-21, funds allocation *vis-a-vis* actual utilization during the year 2019-20 by the Ministry and the PSUs under its administrative control. In a visual presentation, the Committee were apprised about the financial and physical targets set and achieved by the Ministry of Coal and its PSUs during 2019-20 and the major thrust areas envisaged for the development of Coal Sector during 2020-21.

4. The Committee then sought clarification on the issues like reduction of Budgetary Allocation for the Central Sector Schemes for the year 2020-21 compared to the financial requirements proposed by the Ministry of Coal; status of revised comprehensive Environmental Measures And Subsidence Control Scheme (EMSC) proposal, and reaction of States thereto; reason for underutilization of funds in North-

East Areas during 2019-20; coal import policy of the Government; physical and financial performance of Coal/Lignite PSUs; Commercial Mining, etc.

5. The representatives of the Ministry of Coal/ Coal/Lignite PSUs replied to queries of the Members.

A copy of verbatim record of the sitting has been kept.

The Committee then adjourned.

**MINUTES OF THE ELEVENTH SITTING OF THE
STANDING COMMITTEE ON COAL AND STEEL**

The Committee sat on Wednesday, the 11th March, 2020 from 1530 hrs. To 1600 hrs. in Hon'ble Chairperson's Chamber, Room No. '210', B-Block, PHA Extension Building, New Delhi.

PRESENT

Shri Rakesh Singh - Chairperson

Lok Sabha

2. Shri Vijay Kumar Hansdak
3. Shri Kunar Hembram
4. Shri Raghurama Krishnaraju Kanumuru
5. Shri C. Lalrosanga
6. Shri Ajay Nishad
7. Shri Basanta Kumar Panda
8. Smt. Riti Pathak
9. Shri Arun Sao
10. Dr. Beesetti Venkata Satyavathi
11. Shri Pashupati Nath Singh
12. Shri Sunil Kumar Singh
13. Dr. Alok Kumar Suman
14. Dr. Thirumaavalavan Thol
15. Shri Shyam Singh Yadav

Rajya Sabha

16. Dr. Vikas Mahatme
17. Shri Mukut Mithi
18. Shri Prashanta Nanda
19. Shri Anil Desai

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Shri Arvind Sharma - Director
3. Shri Girdhari Lal - Deputy Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee thereafter considered and adopted the following Reports without any amendments:-

(i) Draft Report of the Standing Committee on Coal and Steel on "Demands for Grants (2020-21)" relating to Ministry of Coal;

(ii) ** ** ** **

(iii) ** ** **

3. The Committee then authorized the Chairperson to finalise the Reports in the light of the factual verification received from the concerned Ministries and present/lay the same in both the Houses of Parliament.

The Committee, then, adjourned.

****Do not pertain to this Report.**

**SUMMARY OF THE OBSERVATIONS/RECOMMENDATIONS OF THE
COMMITTEE**

- 1. The Committee note with satisfaction that consumption / actual supply of coal (including import) has increased from 836.93 million tonnes in 2016-17 to 969.47 million tonnes in 2018-19. Further, during April-December 2019, the actual indigenous supply of coal was 480.51 Mt. The Committee trust that Ministry of Coal/ Coal PSUs would continue to maintain the momentum in coal production.**
- 2. With the reductions in annual budgetary allocations, the Committee apprehend that it would lead to substantial shortfall in completion of the projects/schemes/activities of the Ministry of Coal during the year. The Committee, therefore, recommend that the total plan allocation be reviewed and enhanced allocations be sought at the RE stage.**
- 3. The Committee apprehend that there would be shortfall in utilization of funds by the Ministry of Coal besides North East component during 2019-20. The Committee, therefore, recommend that the Ministry of Coal should take necessary steps to timely execute the projects and prepare targets for quarterly utilization of funds lest it leads to shortfall in physical and financial targets during the year.**
- 4. The Committee hope that the Ministry will take all the required steps to improve the pace of implementation of their R&D projects and would optimally achieve the physical and financial targets during 2019-20.**
- 5. The Committee would like the Government to closely monitor the actual expenditure incurred by the Ministry of Coal during the previous years on R&D and thereafter allocate funds for the next year. Hence, the Committee**

recommend that the budgetary allocation be reviewed and stepped up at RE 2020-21 stage.

6. In view of the ambitious plan for undertaking Regional and Detailed Exploration under CSS funding in vast areas, the Committee have been given to understand that the Ministry of Coal proposes to seek supplementary grants to achieve the targets during 2020-21. The Committee are of the opinion that the budgetary support to the Ministry of Coal to meet the targets for its exploration schemes during 2020-21 is needed to be augmented to the required level at RE stage.

7. In view of the lower utilization of funds for Regional Exploration, the Committee would like to be assured that the factors affecting the performance during the year should be dealt with on priority and whatever might be the constraints, serious efforts should be made to achieve the physical and financial targets during 2020-21.

8. The Committee desire that the Ministry should review the performance with regard to drilling in Non-CIL blocks and take corrective steps to ensure fulfillment of the targets in respect of detailed drilling in Non-CIL blocks and the Committee be apprised of the same.

9. The Committee would like to be assured that the revised Master Plan be finalized at the earliest and advance action be taken so that some concrete results are seen on ground level. The Committee would like to be apprised of the progress in the matter.

10. The Committee feel that though there is a decrease in number of fatalities in coal mines, there is an absolute need to further reduce the number in this regard which is possible only with the use of the state of the art technologies and ensuring institutional arrangements for skill up-gradation

and required training of the work force engaged in the coal mining areas and hence the required steps should be taken.

11. Taking into account the ambitious plan of the Government/Coal Companies to address the environmental concerns, increase efficiency and bring cost effectiveness and to increase evacuation of coal by means other than road to 87% in next 5 years which would cover integrated installation of pit head crusher/mobile crusher; conveyor belt; Coal Handling plant, Silo, Rapid Loading System etc., the Committee would like the Government to enhance the budgetary support under the scheme for the year 2020-21 at RE stage.

12. While appreciating the steps taken by the Ministry/Coal Companies to allocate more R&D projects to Institutes located in North East and elsewhere, the Committee hope that the regional and detailed exploration in NE Region will soon take off after the approval of the S&T projects by SSRC. The Committee would like to be apprised of the progress in the matter in this regard from time to time.

13. The Committee trust that the Ministry would make earnest efforts in addressing the issues affecting the coal production and would optimally achieve the targets fixed for 2019-20 and 2020-21.

14. The Committee hope that the Ministry of Coal / PSUs would intensify their efforts to resolve all issues responsible for their non-achievement of financial as well as physical targets during the years 2019-20 and 2020-21.

15. While appreciating the proposed allocation of the coal mines through auction, the Committee desire that necessary formalities for finalization of auction process and allocation of coal mines should be completed in a time bound manner. The Committee feel that in order to attain country's self

sufficiency in coal production, this step will go a long way and the precious foreign exchange spent by the exchequer on import of coal can be utilized for other developmental activities in the country.

16. While appreciating the initiatives taken by Coal PSUs to recover huge outstanding dues which have so far proved to be inadequate, the Committee desire that matter should be taken up more vigorously and if warranted, imposition of Late Payment Surcharge (LPS) on the defaulting parties may be considered.