

CHAPTER-VII

COAL PROJECTS & LAND MANAGEMENT

PROJECTS SANCTIONED DURING 2001-02 TILL 31-12-2001

7.1 During the year 2001-02, no new project has been sanctioned in the coal sector by the Government till 31-12-2001. The list of the Revised Project Reports /Revised Cost Estimates sanctioned by the Government is given below :

Sl. No.	Name of the Project	Company	Capacity (Mty)	Capital Cost (Rs. Crs.)
1	K.D.Hesalong Expn. OC RPR	CCL	4.50	316.12
2	Parej East OC RPR	CCL	1.75	162.88
3	Dudhichua Expn. OC RCE	NCL	10.00	1281.39
Total			16.25	1760.39

7.2 The list of New Projects / Revised Projects Reports sanctioned by Coal India Limited and Coal Companies under the delegated powers is given in *Annexure – I*.

7.3 Up-to-date position of Projects each costing Rs. 2.00 Crs. & above sanctioned since nationalization and upto 31-12-2001 is as under :

MINING PROJECTS

Company	Costing				Sanctioned Cost (Rs. Crs.)	Ultimate Capacity (Mty)
	More than Rs.100 Crs. (No.)	Rs.20 – 100 Crs. (No.)	Rs.2 – 20 Crs. (No.)	Total (No.)		
ECL	6	6	42	54	3363.64	39.12
BCCL	3	5	58	66	1462.10	30.29
CCL	5	10	47	62	2643.13	53.94
NCL	7	5	3	15	5215.60	50.60
WCL	1	35	57	93	2690.89	44.20
SECL	3	34	50	87	2834.59	65.21
MCL	7	7	7	21	1836.89	45.00

CIL	32	102	264	398	20046.84	328.36
SCCL	9	21	41	71	3961.12	40.963

7.4 As on 31-12-2001, out of total 398 mining projects of CIL, each costing Rs.2.0 Crores and above, 319 projects stand completed (including projects where coal reserve has since been exhausted). Out of remaining 79 projects under various stages of implementation, 45 are on schedule and 34 are delayed. In SCCL out of total 71 mining projects, 46 projects have been completed. Out of the remaining 25 projects 15 are on schedule and 10 are delayed. The Company-wise position is as follows :

Company	Total No. of Projects	No. of Completed Projects	Ongoing Projects		
			Total	On Schedule	Delayed
ECL	54	41	13	3	10
BCCL	66	60	6	1	5
CCL	62	44	18	5	13
NCL	15	12	3	3	-
WCL	93	78	15	11	4
SECL	87	66	21	19	2
MCL	21	18	3	3	-
CIL	398	319	79	45	34
SCCL	71	46	25	15	10

7.6 STATUS OF PROJECTS MONITORED AT THE GOVERNMENT LEVEL

At the Government level projects each costing Rs.20 Crores and above are being monitored. As on 31-12-2001, there are 63 such projects (mining & non-mining) under implementation at Coal India Limited (CIL) Singareni Collieries Company Limited (SCCL). Summarised position of these 63 ongoing projects is as follows :

Company	No. of Projects	Sanctioned Capital (Rs. Crores)	Ultimate Capacity (Mty)	No. of Projects On Schedule	No. of Projects Delayed
CIL	50	6596.22	51.37	35	15
SCCL	13	885.42	10.10	11	2
Total	63	7481.64	61.47	46	17

Details of projects, company-wise, costing Rs. 20 Crores and above in coal sector as on 31-12-2001 are given in Annexure-II.

7.7 MAIN REASONS FOR SLIPPAGE IN THE IMPLEMENTATION OF PROJECTS ARE :-

- (i) Delay in acquisition of land and associated problems of rehabilitation,
- (ii) Delay in supply of equipment and turn key execution
- (iii) Delay due to adverse geo-mining conditions and
- (iv) Shortage of funds and other miscellaneous reasons.

7.8 STEPS TAKEN TO IMPROVE PROJECT IMPLEMENTATION

a) Land acquisition and rehabilitation :

i) Vigorous follow up action with land acquisition officials of State Govts. are being actively done to expedite acquisition proceedings.

ii) Regular meetings with State authorities viz. Land Revenue Commissioner, LR Secretary and Chief Secretary are held to sort out acute problems.

iii) To overcome the problem of acquisition of land, forestry and environmental clearance, "Advance Action" for projects costing Rs.50.00 Crs. and above are being sanctioned up to Rs.10.00 Crs. in each case since April,1989 to help initiate processes involved for various clearances before sanction of the project by the Government.

b) Equipment supply and turn-key execution : Regular follow-up with the representatives of the public sector mining equipment manufacturers through measures like :

- posting of coal company officials at the works for expediting supplies.
- frequent Director/CMD level discussions.
- regular review meetings at Secretary level where representatives of concerned Ministries/ Departments are also present.

c) Geo-mining constraints : Sophisticated geological and geophysical exploration techniques adopted for advance forecasting of geo-mining conditions.

d) Project Management :

- i) Director (Projects & Planning) posted in each company with overall responsibility of implementation of projects.
- ii) Comprehensive guidelines for project formulation and monitoring issued by the Department of Coal.
- iii) The system of monitoring at various levels has been standardised.

e) **Guidelines by the Govt. on specific measures to cut delays in implementation of projects.**

A Group of Ministers (GOM) had been constituted under the directive of the PM in Feb,1994 to suggest specific measures to cut delays in implementation of projects. The Group submitted its report. Main recommendations were, identification of projects for shelving or transferring to Joint/Private sector and re-prioritisation of projects in view of resource constraints. The Govt. has accepted these recommendations. Ministry of Statistics and Programme Implementation is coordinating with all the concerned Ministries for implementation of these decisions. On the advice of the Department, Coal companies are taking further necessary action..

7.9 **Assistance required in Project Implementation :-**

- (i) State Govt. should share the responsibility for acquisition of land along with coal companies
- (ii) Responsibility for acquisition of forest land should be restricted to payment of afforestation charges etc. only by the coal companies.
- (iii) Public Sector equipment manufacturers to ensure timely supply and commissioning

LIGNITE SECTOR

Projects Sanctioned:

7.9 No major projects have been sanctioned during the year under report. However, advance action proposals for the following projects have been approved by Ministry of Coal in March '99 for incurring expenditure on preliminary activities.

1. Mine-II Expansion from 10.5 MT to 15 MT of lignite per annum.
2. T.P.S-II expansion by adding 1 unit of 500 MW raising the capacity from 1470 MW to 1970 MW.
3. Mine - III -12 MT of Lignite per annum (now proposed for 8 MTPA).
4. T.P.S - III - 3 x 500 MW capacity. (now proposed for 1000 MW).

In respect of Mine-II expansion and TPS-II expansion, Feasibility Reports were considered by an Inter Ministerial Group in its meeting held on 31st May, 2001.

7.10 Details of projects costing Rs. 20 crores and above in respect of NLC as on 31.12.2001 is given in Annexure – III.

LAND MANAGEMENT

Status of Land acquired under the C.B.A. Act, 1957.

7.11 Land and Rights are acquired under the Coal Bearing Areas (Acquisition & Development) Act, 1957 (CBA Act). It is a Central Act for the acquisition by the State of unworked land containing or likely to contain coal deposits or rights in or over such land and matters connected therewith.

PROBLEMS OF LAND ACQUISITION.

Tenancy Land:

- (i) Record of Rights (ROR)
- (ii) Non-availability of updated ROR causes delay in acquisition. Periodical updation of the Record of Rights to be effected by the State Government.
- (iii) Employment.
- (iv) Demand for employment beyond the laid down norms is another cause of delay in obtaining land in time. System of monetary compensation in lieu of employment has been introduced.
- (v) Physical Possession.
- (vi) Land owners are reluctant to deliver peaceful possession of land on some pretext or other even after completion of acquisition proceedings.

Government Land.

- (i) Delay in transfer.

State Government may like to frame a time bound programme to deliver land so that delay could be avoided.

- (ii) Resurvey of Land .

Government land recorded as Jungle-Jhari is required to be resurveyed for reclassification so that delay could be avoided in processing acquisition proposal.

- (iii) High rates of compensation: Exorbitant rates of compensation for Govt. land are raised by State Governments. These rates should be at par with adjoining tenancy land.

Forest Land.

- (i) Long chain of processing proposals.

Proposals pass through various agencies of the Government causing delay in their clearance. Processing of proposals should be simplified and the stages of processing should be reduced.

- (ii) Dispute over ownership of land between Forest & Revenue Departments.

Discrepancies in the land records are to be sorted out between Forest & Revenue Departments of the State Government.

- (iii) Jungle – Jhari Land.

As per order of the Hon'ble Supreme Court, land recorded as Jungle-jhari/chotel bore jhar ki jungle etc. is to be treated as forest land and No Objection Certificate (NOC) is required for processing this type of land. State Government is to issue the NOC expeditiously.

7.12 Company-wise position of acquisition of All Rights & Mining Rights under the CBA Act since Nationalisation to December 2001 is given below.

Company	Area Acquired (in Ha.)		
	All Rights	Mining Rights	Total
ECL	3442.48	74.87	3517.35
BCCL	0.00	534.97	534.97
CCL	33344.13	500.47	33844.60
WCL	9773.14	26550.76	36023.90
SECL	7407.27	51461.37	58868.64
MCL	16431.32	4083.15	20514.47
NCL	13874.00	0.00	13874.00
TOTAL:	83972.340	83205.590	167177.930