



GOVERNMENT OF INDIA

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**Outcome  
Budget  
2009 - 2010**

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**MINISTRY OF COAL**

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**Outcome Budget**

2009 - 2010

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## Executive Summary

The Ministry of Coal is entrusted with the responsibility of scientific exploitation of the Coal and Lignite reserves, determination of policies and strategies for the exploration of Coal and Lignite reserves to ensure energy security for the country. The performance of the Coal Public Sector Undertakings (PSUs) in terms of Coal and Lignite production has been excellent and the physical performance has always been above the estimated targets. Keeping in view the robust growth in the Indian economy, the Coal India Limited and its subsidiary companies are striving their level best to increase coal production despite the hostile condition existing in several coal fields.

The Outcome Budget of Ministry of Coal for the year 2009-10 to start with gives an introduction about the mandate, the functions and the activities, and organizational structure of the Ministry of Coal including the subordinate offices and statutory bodies.

Thereafter, the Outcome Budget while detailing the Budget Estimates and the Plan Outlay of the Ministry of Coal and Coal PSUs also brings out the quantifiable deliverables and physical outputs along with the timelines for both the Plan and Non Plan schemes operated in the Ministry of Coal. The new initiatives and policy measures on the new coal distribution policy, fresh e-auction scheme, revision in the Coal Royalty Rate, the formation of Coal Ventures International (Special Purpose Vehicle of Central Public

Sector Undertakings including Coal India Limited) etc. are also brought out in the Outcome Budget 2009-10 . In addition, the Outcome Budget also addresses the issues relating to measures to increase coal production through Emergency Coal Production Plan and Captive Coal Block allocation.

The document also presents a review of the past performances of Coal PSUs in terms of physical output and expenditure against Capital Outlay including the schemes being operated under the Ministry of Coal, in addition to review of the schemes administered by the Coal Mines Provident Fund Organisation – an autonomous body of the Ministry of Coal. The Outcome Budget also gives inputs in detail about the six Plan schemes being operated by Ministry of Coal through budget support and brings out the efficacy of the schemes.

In order to encourage transparency and facilitate easy accessibility to the public and the coal consumers at large, the following measures have been put in place:

- (i) All the important circulars and policies are made available on the website of the Ministry of Coal. This includes the status of all long term coal linkages approved for various coal consumers in the power, cement and steel sectors and details of coal blocks allotted /to be allotted to the approved end users for captive consumption.
- (ii) The Budget Estimates and the Detailed Demands for Grants of the Ministry of Coal are also available on the official website of the Ministry.

- (iii) A Facilitation Center is operating in the Ministry to assist and help information seekers on the activities of the Ministry.
- (iv) In addition, the Coal PSUs also have their own websites to facilitate information dissemination.
- (v) Under the Right to Information Act, Central Public Information Officers have been appointed along with apex Appellate Authority to facilitate easy access to the public in general seeking information about the activities of the Ministry of Coal.

The major coal projects in respect of Coal India Limited (CIL), Singareni Collieries Company Limited (SCCL) and Neyveli Lignite Corporation Limited (NLC) are monitored through the quarterly progress meetings held under the Chairmanship of Secretary (Coal) and wherever there is slow pace of implementation, the reasons are analyzed and remedial measures taken to speed up their implementation as per targeted schedules. In addition Minister of State (Independent Charge) Coal reviews the activities of the Coal PSUs and the Ministry of Coal to ensure that the Policies are being implemented in right earnest and bottlenecks, if any encountered, are effectively sorted out so that the activities progress towards achieving the overall policy objectives.

# CHAPTER-1

## Mandate, Goals & Objectives and Policy Framework

### Mandate

**1.1** The Ministry of Coal is responsible for exploring development and exploitation of Coal and Lignite reserves in India. The subjects allocated to the Ministry under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time are 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.
- 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.

## **Economic Programme and Activities**

**1.2** The Ministry and its undertakings are primarily oriented towards production of coal and lignite to meet the growing demand. At the same time, due and timely action is also required to be taken on all the project cycle activities like coal beneficiation / washing, loading and despatch facilities and measures for workers' safety and welfare. Other ancillary/ value addition activities like production of soft coke, low temperature carbonization of coal for smokeless fuel, coal gasification are also undertaken. Exploration for new deposits and research & development projects also are important activities under the Ministry. In addition, Neyveli Lignite Corporation is engaged in the exploitation of lignite deposits and generation of power etc. from lignite based power projects.

**1.3** Coal is most important source of energy for electricity generation in India. Bulk of Electricity is generated from the thermal power stations which depend upon coal as feed stock. In addition, other industries like Steel, Cement, Fertilizers, Chemicals, Paper and thousands of medium and small industries are dependent on Coal for their process and energy requirements. In transport sector, though direct Consumption of coal by the railways is nominal on account of phasing out of Steam locomotives, the increasing electrified traction of railways is dependent on coal converted to electric power. The Ministry of Coal is, therefore, engaged in developing coal resources of this country in a manner that requirements of coal of different consuming sectors are met in full and their dependence on oil/imported coal is minimized.

## **Organisational Structure**

**1.4** At the Secretariat level, the Ministry is headed by a Secretary who is assisted by one Special Secretary, one Additional Secretary, two Joint Secretaries (including Financial Adviser), one Project Adviser, one Economic Adviser, seven Directors, one Deputy Secretary, nine Under Secretaries, eighteen Section Officers, one Assistant Director (Official Language) and one Controller of Accounts, one Deputy Controller of Accounts, two Senior Accounts Officers and four Assistant Accounts Officers and their supporting staff.

## **The Subordinate Offices and the Autonomous Bodies**

**1.5** Following subordinate Offices and Autonomous Organisation are under the Administrative control of this Ministry.

- (i) Office of the Coal Controller's Organisation (CCO) – a Subordinate Office.
- (ii) Coal Mines Provident Fund Organisation (CMPFO) – an autonomous body .

### **Coal Controller's Organisation**

**1.6** The Coal Controller's Organisation is a subordinate office under the administrative control of Ministry of Coal, its headquarters being at Kolkata and field offices at Dhanbad, Ranchi, Bilaspur , Nagpur and Kothagudem. The Coal Controller has certain statutory functions to perform:

Some of the major functions of the Coal Controller under various statutes are as below:

#### **a) Under Colliery Control Order, 2000 /Colliery Control Rules, 2004:**

- (i) Laying down the procedure and method of sampling and analysis of coal for declaration of grades (provisional, final & interim revision)
- (ii) Checking of quality of coal, its verification wherever necessary and acting as dispute settlement machinery regarding the declaration of grades.
- (iii) Regulation of disposal of coal stocks from coal mines or expected output of coal.
- (iv) Granting prior permission to open a coal/lignite mine, seam or section of a seam.

**b) Under Coal Conservation and Development Act, 1957 and Rules made thereunder:**

Coal Controller being the Member Secretary performs all the secretarial work of the Coal Conservation and Development Advisory Committee. The work includes –

- (i) multi-level scrutiny of various claims and proposals of different Coal Companies for partial assistance under two major heads- “coal conservation coupled safety (Research & Development, Stowing & Protective Works) aspects in coal mining” and “Infra-structure Development (Road/Rail) activities in coalfield areas”
- (ii) Collection and assessment of excise duties levied on raw coal dispatched from the coal companies to consumers.

**c) Under Collection of Statistics Act, 1953**

Functioning as Statistical Authority for collection & publication of statistical information on coal and lignite in the country.

**d) Under Coal Bearing Areas (Acquisition & Development) Act - 1957 and Rules made there under :**

Functioning as Hearing Authority for disposal of objections to acquisition of Coal Bearing Areas.

- i) Apart from the above statutory functions, the Coal Controller also discharges the responsibility assigned by the Ministry of Coal to look after the work of monitoring of progress of Captive Coal/Lignite Blocks as well as the progress of its associated end-use projects and forfeiture of Bank Guarantee for the defaults/lapses in developing the coal/Lignite blocks.
- ii) Coal Controller also discharges the responsibility to look after the residual work of erstwhile Coal Board and other miscellaneous functions as assigned by the Ministry of Coal.

- iii) Office of the Commissioner of Payments, Kolkata has been wound up with effect from 06.06.2007 and the remaining work has been transferred to the Coal Controller's Organisation alongwith the existing manpower. At present the Coal Controller also functions as Commissioner of Payments.

### **Coal Mines Provident Fund Organisation (CMPFO)**

**1.7** This is an autonomous body set up under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948. CMPFO administers the Coal Mines Provident Fund Scheme, 1948, the Coal Mines Deposit Linked Insurance Scheme, 1976 and Coal Mines Pension Scheme, 1998. All these schemes have been formulated under the provisions of the Act of 1948.

### **Coal Companies under the Ministry of Coal.**

**1.8** The Ministry has under its direct administrative control the Coal India Limited (Holding company) and Neyveli Lignite Corporation Limited.

**1.9** Coal India Ltd., having headquarters at Kolkata, is the holding company of seven producing subsidiaries and one planning and design subsidiary, viz:-

- (i) Eastern Coalfields Limited (ECL), Sanctoria (West Bengal )
- (ii) Bharat Coking Coal Limited (BCCL), Dhanbad (Jharkhand)
- (iii) Central Coalfields Limited (CCL), Ranchi (Jharkhand)
- (iv) Northern Coalfields Limited (NCL), Singrauli (Madhya Pradesh)
- (v) Western Coalfields Limited (WCL), Nagpur (Maharashtra)
- (vi) South Eastern Coalfields Limited (SECL), Bilaspur (Chhatishgarh )
- (vii) Mahanadi Coalfields Limited (MCL), Sambalpur (Orissa)
- (viii) Central Mine Planning & Design Institute Limited (CMPDIL), Ranchi, (Jharkhand)

### **Neyveli Lignite Corporation Limited (NLC)**

**1.10** Neyveli Lignite Corporation Limited with headquarters at Neyveli in Tamil Nadu is primarily engaged in the exploitation of lignite deposits in Tamil Nadu and generation of power from lignite based power projects.

### **Singareni Collieries Company Limited (SCCL)**

**1.11** The Singareni Collieries Company Limited incorporated as public limited company in 1920 became a Government company in 1956 with headquarters at Kothagudem in Andhra Pradesh. The company is a joint undertaking of Government of Andhra Pradesh and Government of India. The share capital of this company is held by the Government of Andhra Pradesh and Government of India in the ratio of 51:49 respectively. This company is engaged in the exploitation of coal reserves in the State of Andhra Pradesh.

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## CHAPTER-II

### FINANCIAL OUTLAYS, PROJECTED PHYSICAL OUTPUTS AND BUDGETED OUTCOMES

2.1 This chapter relates to Non-Plan and Plan Budget of the Ministry of Coal. Details of Budget Estimates are given below..

#### Details of Budget Estimates

(Rs. in crore)

	2008-09 (BUDGET)			2008-09 (REVISED)			2009-10 (BUDGET)			
	PLAN	NON - PLAN	TOTAL	PLAN	NON - PLAN	TOTAL	PLAN	NON - PLAN	TOTAL	
	Total	300.00	45.50	345.50	210.00	46.00	256.00	300.00	49.00	349.00
1	Secretariat - Economic Services	3.00	8.49	11.49	0.23	10.43	10.66	3.00	12.73	15.73
2	<b><u>LABOUR AND EMPLOYMENT</u></b> <b><u>COAL MINES LABOUR</u></b> <b><u>WELFARE</u></b> Contribution to Coal Mines Pension Scheme/ Deposit Link Insurance Scheme	0.00	33.52	33.52	0.00	31.02	31.02	0.00	30.52	30.52
3	<b><u>COAL AND LIGNITE</u></b> Conservation and Safety in Coal Mines (met out of cess collections)	135.00	0.00	135.00	132.00	0.00	132.00	135.00	0.00	135.00
4	Development of Transportation Infrastructure in coalfields areas (Met out of cess collections)	21.80	0.00	21.80	0.01	0.00	0.01	22.00	0.00	22.00
5	Research & Development Programme	10.00	0.00	10.00	10.00	0.00	10.00	20.00	0.00	20.00
6	Regional Exploration	30.00	0.00	30.00	34.70	0.00	34.70	30.39	0.00	30.39
7	Detailed Drilling	60.00	0.00	60.00	15.00	0.00	15.00	60.00	0.00	60.00
8	Environmental Measures and Subsidence Control	10.00	0.00	10.00	10.00	0.00	10.00	15.00	0.00	15.00
9	Coal Controller	0.20	3.49	3.69	0.26	4.55	4.81	0.31	5.75	6.06
10	<b>Total Coal and Lignite EXPENDITURE MET FROM C.B.A.</b>	<b>267.00</b>	<b>3.49</b>	<b>270.49</b>	<b>201.97</b>	<b>4.55</b>	<b>206.52</b>	<b>282.70</b>	<b>5.75</b>	<b>288.45</b>
	<b><u>ACQUISITION FUND</u></b>									
	10.01 Acquisition of Coal Bearing Areas	0.00	30.00	30.00	0.00	30.00	30.00	0.00	30.00	30.00
	10.02 Deduct Expenditure met from C.B.A. Acquisition Fund	0.00	- 30.00	- 30.00	0.00	- 30.00	- 30.00	0.00	- 30.00	- 30.00
11	Lumpsum provision for North Eastern Areas	30.00	0.00	30.00	7.80	0.00	7.80	14.30	0.00	14.30
	<b>Grand Total</b>	<b>300.00</b>	<b>45.50</b>	<b>345.50</b>	<b>210.00</b>	<b>46.00</b>	<b>256.00</b>	<b>300.00</b>	<b>49.00</b>	<b>349.00</b>

		BUDGET SUPPORT	IEBR	TOTAL	BUDGET SUPPORT	IEBR	TOTAL	BUDGET SUPPORT	IEBR	TOTAL
	<b><u>INVESTMENT IN PUBLIC ENTERPRISES</u></b>									
13	Coal India Limited	0.00	3214.70	3214.70	0.00	2755.00	2755.00	0.00	2900.00	2900.00
14	Singareni Collieries Company Ltd.	0.00	665.30	665.30	0.00	665.30	665.30	0.00	580.57	580.57
15	Neyveli Lignite Corporation Limited (Mines)	0.00	772.00	772.00	0.00	506.79	506.79	0.00	524.09	524.09
	Neyveli Lignite Corporation Limited (Power)	0.00	1945.00	1945.00	0.00	1388.55	1388.55	0.00	1369.75	1369.75
	Neyveli Lignite Corporation Limited (Total)	0.00	2717.00	2717.00	0.00	1895.34	1895.34	0.00	1893.84	1893.84
	<b>TOTAL</b>	0.00	6597.00	6597.00	0.00	5315.64	5315.64	0.00	5374.41	5374.41
	<b><u>PLAN OUTLAY</u></b>									
16	POWER	0.00	1945.00	1945.00	0.00	1388.55	1388.55	0.00	1369.75	1369.75
17	COAL AND LIGNITE	0.00	4652.00	4652.00	0.00	3927.09	3927.09	0.00	4004.66	4004.66
	<b>TOTAL PLAN OUTLAY (MOC)</b>	<b>300.00</b>	<b>6597.00</b>	<b>6897.00</b>	<b>210.00</b>	<b>5315.64</b>	<b>5525.64</b>	<b>300.00</b>	<b>5374.41</b>	<b>5674.41</b>

### **Non-Plan Budget.**

**2.2** The Non-Plan Budget (2009-10) of Rs. 49.00 crores mainly comprises of Secretariat (Economic Services), Coal Controller's Organisation, payment of Government contributions statutorily required under Coal Mines Pension Scheme, 1998 and Coal Mines Deposit Linked Insurance Scheme, 1976 framed under Coal Mines Provident Fund and Misc. Provisions Act, 1948. Further an amount of Rs. 30.00 crores have been kept for payment of compensation for acquisition of coal bearing areas under Coal Bearing Areas (Acquisition and Development) Act, 1957. This amount is paid back to Coal India Limited after the same is deposited by it with Government in advance for release to the land oustees by the subsidiary company. It does not entail any cash outgo. The Non-Plan Budget can not be linked to deliverable output. The details of the Non Plan provisions in the prescribed format, are given in **Annexure II (A)**

**Ministry of Coal  
Outcome Budget 2009-10 (Non Plan)**

**Annexure II (A)**

Sl No	Name of Scheme/ Programme	Objective/ outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process timelines	Remarks /Risk Factors
1	2	3	4	5	6	7	8
1.	<b>Coal Mines Pension Scheme (CMPS) and Coal Mines Deposit Linked Insurance Scheme (CMDLIS)</b>	Statutory contribution. a) Govt. contribution under CMDLI Scheme is Rs 1.50 crore b) Reimbursement of administrative charges for CMDLI Scheme is Rs 0.32 crore. c) Govt. contribution under CMP Scheme is Rs 18.50 crore. d) Reimbursement of administrative charges for CM P Scheme is Rs 10.20 crore	30.52 cr	The amount constitutes Statutory obligation on the part of Government under the two schemes which will become the part of the corpus. Further Government is also required to meet a portion of Administrative expenses of the two schemes.	Social Security Benefits to the employees	The benefits are payable after retirement/ exit from service.	-
2.	<b>Secretariat Economic Services</b>	Payment of pay and allowances Expenditure on Office Expenses Expenditure on Medical treatment Expenditure on travel Expenditure on Publications	12.73 cr	Can not be quantified being expenditure of administrative nature	-	-	6 <sup>th</sup> Pay Commission Report has increased salary budget substantially

## Annexure II (A) contd.

Sl No.	Name of Scheme/ Programme	Objective/ outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process timelines	Remarks /Risk Factors
1	2	3	4	5	6	7	8
3.	<b>Coal Controller's Organisation</b>	Payment of pay and allowances Expenditure on Office Expenses Expenditure on Medical treatment Expenditure on travel Expenditure on Publications	5.75 cr	Can not be quantified	Discharging various statutory functions derived from different legislations such as Colliery Control Order, 2000, Statistics Act, 1953, Coal Mines (Conservation and Development) Act, 1974, Coal Bearing Areas(Acquisition and Development) Act, 1957 and Monitoring of progress of captive coal mines	On going administrative expenditure	-
4.	<b>Acquisition of Coal Bearing Areas</b>	Payment of compensation to land oustees	30.00 cr	Coal extracted from land acquired under Coal Bearing Areas(Acquisition and Development) Act, 1957 contributes to national economy	This is a statutory requirement	2009-10	Payment is made after the same is deposited in advance with the Govt. by CIL

## Plan Budget.

2.3 Details of Plan outlay for the year 2008-09 and 2009-10 are given in the following table:

(Rs. In crore)			
Company/Schemes	(BE) 2008-09	2008-09 (RE)	2009-10 (BE)
<b>(i) Internal and Extra Budgetary Resources (IEBR)</b>			
CIL	3214.70	2755.00	2900.00
SCCL	665.30	665.30	580.57
NLC (Coal)	772.00	506.79	524.09
NLC (Power)	1945.00	1388.55	1369.75
NLC (TOTAL)	2717.00	1895.34	1893.84
<b>TOTAL (i) (IEBR)</b>	<b>6597.00</b>	<b>5315.64</b>	<b>5374.41</b>
<b>(ii) Gross Budgetary Support (GBS)</b>			
<b>Regional Exploration</b>	30.00	34.70	30.39
<b>Environmental Measures and Subsidence Control (EMSC)</b>	10.00	10.00	15.00
<b>Information Technology</b>	3.00	0.23	3.00
<b>Research &amp; Development (Science &amp; Technology)</b>	10.00	10.00	20.00
<b>Detailed Drilling</b>	60.00	15.00	60.00
<b>Coal Controller</b>	0.20	0.26	0.31
<b>Lump Sum provision for North Eastern Region</b>	30.00	7.80	14.30
<b>Conservation and safety in Coal Mines</b>	135.00	132.00	135.00
<b>Development of Transport Infrastructure in coal fields</b>	21.80	0.01	22.00
<b>TOTAL (ii)(GBS)</b>	<b>300.00</b>	<b>210.00</b>	<b>300.00</b>
<b>GRAND TOTAL (i + ii) (IEBR + GBS)</b>	<b>6897.00</b>	<b>5525.64</b>	<b>5674.41</b>

2.4 In the Plan outlay 2009-10, provision has been made for (i) Regional Exploration (Rs. 30.39 crore) , EMSC (Rs. 15.00 crore), Research and Development (S&T) (Rs. 20.00 crore ), Detailed Drilling (Rs.60.00 crore), Conservation and Safety in Coal Mines (Rs 135.00 crore) and Development of Transport Infrastructure in Coalfield Areas (Rs 22.00 crore). Provision of Rs. 3.00 crore has been made for Information Technology. It is proposed to provide more IT equipments especially to cater the need for digital imaging solutions so that more and more work assigned through IT. The Budget provision will also be utilized for further strengthening the IT infrastructure of the Ministry for creating more

online working environment. The amount of Rs. 14.30 crore being 10% of the Plan outlay, has been kept as per mandatory requirement for development of NE Region.

The details of the Plan provisions and their Outcome are given in the prescribed format at **Annexure II (B)**.

**Ministry of Coal  
Outcome Budget 2009-10 (Plan)**

**Annexure II (B)  
(Rs. in Crore)**

<b>Sl. No.</b>	<b>Name of Scheme/ Programme</b>	<b>Objective/ Outcome</b>	<b>Outlay 2009-10</b>	<b>Quantifiable Deliverables/ Physical Outputs</b>	<b>Projected Outcomes</b>	<b>Process Timelines</b>	<b>Remarks/ Risk Factors</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>1</b>	<b>Science and Technology (S&amp;T) Programmes</b>	Development of technology/ system and its successful transfer for commercial application	20.00 (Plan)	<p>i.) During 2008-09 there were 34 on-going projects</p> <p>ii) Out of 34, 10 projects have been completed and one project foreclosed.</p> <p>iii) At present, there are 28 on-going S&amp;T projects, as on 01.04.2009, including 5 projects sanctioned during 2008-09.</p> <p>iv) During 2009-10, there will be 38 on-going projects. Out of which 10 projects are expected to be completed during the year.</p>	<p><i>Major expected outcomes:</i></p> <p>(i) Indigenous development of longwall supports</p> <p>(ii) Stability of parting between coal pillars working in contiguous seams</p> <p>(iii) Micro-seismic monitoring system for difficult to cave roof conditions</p> <p>(iv) CBM recovery and utilisation</p> <p>(v) Design of jigs and heavy media cyclones for treatment of different coals.</p> <p>(vi) Efficient by-product coke oven for production of hard coke.</p> <p>(vii) Fly ash characterisation for mine voids reclamation</p>	Research projects support to coal industry and the projects are usually of 2 to 4 years duration.	Since the projects involve research work their outcome can only be assessed after successful completion of the Projects.

## Annexure II (B) contd.

Sl. No.	Name of Scheme/ Programme	Objective/ Outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process Timelines	Remarks/ Risk Factors
1	2	3	4	5	6	7	8
2	<b>Regional Exploration of Coal &amp; Lignite</b>	To undertake regional drilling for identification of additional resources of coal and lignite for inclusion in the National Inventory; Preparation of web-enabled Integrated Coal & Lignite Resource Information System (ICRIS/ILRIS) and Assessment of CBM resources	30.39 crore	<p><b>i) Drilling:</b> 1.58 lakh metre of drilling (Coal=0.81, Lignite=0.77)</p> <p><b>ii) ICRIS:</b> Computerisation of basic data of explored blocks</p> <p><b>iii) ILRIS:</b> Computerisation of basic data of explored blocks</p> <p><b>iv) CBM Studies in 12 Boreholes</b></p>	<p><b>i) Drilling:</b> 1.58 lakh metre of drilling. ii) GR preparation</p> <p><b>ii) ICRIS:</b> Capture of map data of explored blocks; integration of survey reference point &amp; RDBMS design.</p> <p><b>iii) ILRIS:</b> Procurement &amp; capture of basic data of blocks explored by other agencies; integration of survey reference point.</p> <p><b>iv) CBM:</b> Collection of samples from BHs &amp; analysis for preparation of CBM report.</p> <p>Progress of implementation is monitored during periodic reviews at MoC.</p>	<p>i) Total drilling distributed in the year. GRs will be prepared after completion of drilling and qualitative analysis of the block.</p> <p>ii) <b>ICRIS:</b> Map data capture to be completed in year; other items to continue in next year</p> <p>iii) <b>ILRIS:</b> Procurement &amp; basic data capture of available GRs to be taken up in year, other items to continue in subsequent years</p> <p>iv) <b>CBM:</b> Collection of core samples from 12 BHs in year and analysis for determination of CBM content &amp; other parameters at lab.</p>	<p>i) This scheme is in continuation from X Plan to XI Plan.</p> <p>ii) <b>ILRIS:</b> Data procurement from GSI/CGM, Gujarat is delayed; Available data of Gujarat / surveying are not in order &amp; may take longer time for integration.</p> <p>iii) <b>CBM:</b> CBM gas composition &amp; desorption tests started at CMPDI- CBM Lab. Procurement of more equipment has been taken up.</p>

## Annexure II (B) contd.

Sl. No.	Name of Scheme/ Programme	Objective/ Outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process Timelines	Remarks/ Risk Factors
1	2	3	4	5	6	7	8
3	<b>Detailed Exploration in Non-CIL Blocks</b>	To undertake detailed drilling for generation of data for proving the indicated/ inferred resources identified during Regional Exploration and use the same in preparation of Geological Reports leading to Feasibility Studies and formulation of Project Reports	60.00 Crore	1.17 lakh metre of drilling in Non-CIL blocks (departmental-0.576 lakh m and outsourcing-0.594 lakh m)	i) 1.17 lakh metre of drilling as per Annual Targets ii) GR preparation.  Progress of implementation is monitored during periodic reviews at MoC	1.17 lakh metre of drilling distributed in the year. GRs will be prepared after completion of drilling and qualitative analysis of the block.	i) This scheme is in continuation from X Plan to XI Plan. ii) Actual drilling through outsourcing depends on availability of parties through tendering iii) Achievement of targets would depend on permission to explore in forest areas..

## Annexure II (B) contd.

Sl. No.	Name of Scheme/ Programme	Objective/ Outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process Timelines	Remarks/ Risk Factors
1	2	3	4	5	6	7	8
4	<b>Environmental Measures and Subsidence Control</b>	<p>(i) Dealing with fire and subsidence and reclamation of degraded land in BCCL.</p> <p>(ii) Stabilisation of inaccessible waterlogged voids beneath villages in ECL.</p> <p>(iii) Shifting of people from most endangered areas of BCCL and rehabilitation of unstable localities of ECL.</p> <p>(iv) Dealing with fire and control of fire and subsidence for protection of railway lines and jores in BCCL</p>	15.00 crore	<p>(i) Two schemes for dealing with fire and subsidence and one scheme for reclamation of degraded land in BCCL</p> <p>(ii) Nine schemes for stabilisation of inaccessible waterlogged voids in ECL</p> <p>(iii) One scheme for shifting of people in BCCL and one scheme for rehabilitation of four unstable localities in ECL.</p> <p>(iv) Three schemes for dealing with fire in BCCL.</p>	<p>Control of subsidence in the old, abandoned waterlogged workings in Raniganj Coalfield, control of mine fires and subsidence in Jharia Coalfield.</p> <p>Reclamation of mined out areas in older coalfields like Raniganj, Jharia, Bokaro, Karanpura, etc.</p> <p>Construction of 4600 houses for shifting of people from the most endangered areas of BCCL.</p>	<p>(a) The completion schedule of one scheme of fire and subsidence of item (i) under Col 5 was June 2006. This scheme is under revision. The other scheme of fire and subsidence which was scheduled for completion in 2007-08 has now been completed. Completion report has been prepared &amp; is to be placed before BCCL board. One scheme of reclamation of item (i) under Col 5 which was expected to be completed in 2008-09 is under revision.</p> <p>(b) One scheme of item (ii) in Col 5 was expected to be completed in 2008-09 which is under revision now and the remaining eight schemes are expected to be completed in 2009 -10.</p> <p>(c) The completion schedule of the scheme in BCCL as per item (iii) in Col 5 was March 2009 which is also under revision.</p> <p>The scheme in ECL is expected to be completed in 2010-11.</p> <p>(d) One scheme of item (iv) in Col 5 was expected to be completed in 2008-09. This scheme is under process for closure. Second scheme of item (iv) in Col 5 is expected to be completed in 2009-10 and the third scheme in 2010-11.</p>	

## Annexure II (B) contd.

Sl. No	Name of Scheme/ Programme	Objective/ Outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process Timelines	Remarks/ Risk Factors
1	2	3	4	5	6	7	8
5.	<b>Coal Controller</b>	Discharging various statutory functions derived from Collection of Statistics Act, 1953.	0.31 crore	Ongoing process	Data collection and analysis for Publication of Coal Directory of India, Provisional Coal Statistics on yearly basis and Monthly Coal Statistics.		
6.	<b>Secretariat Economic Services</b>	Providing IT support in the office.	3.00 crore	Ongoing process	To provide more IT equipments especially to cater the need for digital imaging solutions..	It will strengthen the IT infrastructure of the Ministry for creating more online working environment	
7.	<b>Lump-sum provision for North Eastern Region and Sikkim</b>		14.30 crore	Not quantified	Drilling	Coal Exploration in North Eastern States & Sikkim	

## Annexure II (B) contd.

Sl. No	Name of Scheme/ Programme	Objective/ Outcome	Outlay 2009-10	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Process Timelines	Remarks/ Risk Factors
1	2	3	4	5	6	7	8
8.	<b>Investment in Public Enterprise</b>	CIL – Production 437.00 Million Tonnes (MT) SCCL— Production 44.50 MT NLC- Production Lignite-21.75 MT Power=16600 Million Unit (MU)	<u>Internal and Extra Budgetary Resources (IEBR)</u> CIL= 2900.00  SCCL 580.57 NLC 1893.84	Implementation of projects. Production of Coal, Lignite, Overburden Removal and Generation of Power	.Coal production is projected at 534.33 MT, Lignite production 21.75 MT and Power Generation 16600 MU.	A. Completed and ongoing projects i. Lignite production ii. Electricity generation iii. Coal production iv. Overburden removal v. dispatch. B. New projects Implementation as per the sanctioned Project Report(PR) Yearly production targets monitored quarterly during Quarterly Performance Review(QPR) and projects costing more than Rs. 100 crore are being monitored quarterly.	Industrial relation, Law and Order. Land acquisition, rehabilitation, forestry and environmental clearances, evacuation system(Railways), unforeseen geological disturbances, mine accidents and disasters and delay in procurement of equipments

**Annexure II (B) contd.**

<b>Sl. No</b>	<b>Name of Scheme/ Programme</b>	<b>Objective/ Outcome</b>	<b>Outlay 2009-10</b>	<b>Quantifiable Deliverables/ Physical Outputs</b>	<b>Projected Outcomes</b>	<b>Process Timelines</b>	<b>Remarks/ Risk Factors</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>9.</b>	<b>Conservation and safety in coal mines</b>	To reimbursement partially stowing/protective work.	135.00 crore	Can not be quantified being the sum of multiple items	Stowing ensures enhanced coal production and subsistence is controlled.	Mostly on-going projects, assistance on reimbursement basis is proposed for the work to be taken up during Oct 2008-Sept 2009.	This is aimed at conservation of coal resources.
<b>10.</b>	<b>Development of Transport Infrastructure in coal fields.</b>	To reimbursement partially development of Transport infrastructure	22.00 crore	Can not be quantified being the sum of multiple items	Coal/Sand transport facilitated	Mostly on-going projects, assistance on reimbursement basis is proposed besides advance to railway projects.	This aimed at building up of basic infrastructure in coalfields for coal evacuation.

## **CHAPTER III**

### **REFORM MEASURES AND POLICY INITIATIVES**

#### **3.1 Policy Initiatives**

##### **Supply of coal to consumers in small and medium sector**

The New Coal Distribution Policy formulated in compliance of the directions of the Supreme court of India came in force w.e.f 18.10.2007. Under this Policy, each sector/consumer have been treated on merit, keeping in view the regulatory provisions applicable thereto. The Policy specifically addresses the issue of supply of coal to consumers in small and medium sector. As per this policy, small and tiny consumers in the erstwhile non-core sectors, whose annual consumption is less than 4200 metric tonnes per annum and are otherwise not having any access to purchase coal or conclude FSA for coal supplies with coal companies, are eligible to get coal through agencies nominated by the State Governments.

So far 24 States / Union Territories have nominated their agencies for distribution of coal to the small scale industries, out of which 14 States have already signed FSA. Six States / Union Territories namely Delhi, Haryana, Tripura, Chandigarh, Andaman & Nicobar Islands and Daman & Diu indicated nil requirement of coal.

#### **3.2 Supply of coal on “cost plus basis”**

In the past, some of the consumers were accorded linkage by SLC(LT) on “cost plus basis”. Under this formula, coal company was to develop a specific project for supply of coal to the consumer and the cost of supplies was to be worked out by the coal company, based on IRR of the project. In recent time also, coal companies have agreed to provide coal on “cost plus basis” subject to grant of LoA in accordance with the provisions under New Coal Distribution Policy 2007 on “cost plus basis” . Further, in order to ensure allocation of coal on “cost plus basis” in a fair and transparent manner, comprehensive guidelines have been issued by the Ministry.

### **3.3 E-auction of coal**

Coal distribution through e-auction was introduced by CIL with a view to provide access to coal for such consumers who are not able to source coal through the available institutional mechanisms for reasons like the seasonality of coal requirement, limited requirement of coal not warranting long-term coal linkage etc. Under NCDP, about 10% of estimated annual production of CIL has been earmarked for offer under e-auction. During the period from April 2008 to March 2009, CIL offered a quantity of about 91.96 Million Tonnes of coal as compared to 33.92 Million Tonnes offered during the same period of the previous year under e-auction/e-booking.

### **3.4 Measures being taken to increase coal production:**

**Coal India Limited has taken the following steps to increase indigenous production:**

- 127 mining projects are envisaged to be undertaken during XIth Plan with envisaged capacity of 300.05 Mty and by the terminal year (2011-12) of XIth Plan period, capacity addition would be order of 133.53 Mty.
- Improvement in equipment utilization
- Timely implementation of projects
- All new mines being planned with mechanization.
- Increasing productivity in both underground and opencast mines.

**SCCL has taken the following steps to increase the coal production:**

- 38 new mining projects are envisaged to be undertaken during XIth Plan.
- Conversion of Underground mines to Opencast mines wherever feasible.
- Introduction of High capacity Longwalls for extraction of deeper deposits.
- Improvement in capacity utilization of HEMM and other equipment.
- Opencast mines will continue to contribute major share of production. Underground Mechanization is stabilized with gradual decline in conventional Board and Pillar Mines; new mines being opened with mechanization only.
- Improvement in the productivity of underground mines.

### 3.5 Emergency Coal Production Plan

In view of increase in demand of coal, CIL has prepared an Emergency Coal Production Plan. Salient features of this plan are given below:

16 opencast projects / mines have been identified (3 in CCL, 6 in NCL, 3 in SECL & 4 in MCL) where production from existing mines / projects can be enhanced at a higher level yielding additional production of 71.30 Mt.

**Details of Projects under Emergency Coal Production Plan are given below:**

(Status as on March 2009)

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
1	Lakhanpur Open Cast Expansion, MCL	10	15	5	116.54	Expn PR for 15 Mty (Incr. 5 Mty) has been approved in Sept-08 for a Sanc. Capital of Rs. 116.54 Crs. EMP clearance obtained. Land acquisition proposals are under preparation.
2	Asoka Open Cast, CCL	6.5	10	3.5	341.63	Expn PR for 10 Mty has been approved in Dec-07. EMP cleared in Apr-08. Forestry clearance and R&R activities under progress.

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
3	Kaniha Open Cast Expansion, MCL	3.5	10	6.5	457.77 (Incl 96.18 – existing capital)	Expn PR for 10 Mty (Incr. 6.5 Mty) approved in Dec-07 for a capital of Rs. 457.77 Crs. EMP cleared in Oct-07. Forestry clearance and R&R activities under progress.
4	Bhubaneshwari Expansion, MCL	10	20	10	490.10 (Incl 336.68 – existing capital)	Expn PR for 20 Mty (Incr. 10 Mty) approved in Dec-07 for a capital of Rs. 490.10 Crs. EMP clearance for incr. 10 Mty awaited. Forestry clearance and R&R activities under progress.
5	Dipka Open Cast Expansion, SECL	20	25	5	634.92 (UCE-July-08)	<b>On-going Project (20 Mty).</b> PIB meeting for Expn. PR (25 Mty) held on 25-08-08. Final EMP (25 Mty) submitted in Dec-08. Land and R&R activities under progress. Processing of CCEA Note held up for approval of EMP.

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
6	Gevra Open Cast Expansion, SECL	25	35	10	780.11	Ongoing Project (25 Mty) PIB meeting for Expn PR (35 Mty) held on 23-07-07. Final EMP (35 Mty) submitted in Dec-08. Land and R&R activities under progress. Processing of CCEA Note held up for approval of EMP.
7	Krishnashila Open Cast NCL	4	4	-	-	Ongoing Project (4.00 Mty) Expn PR not required. Coal production started during 2007-08. HEMM procurement in progress.
8	Amlohri Open Cast Expansion, NCL	4	5	1.0		Completed project (4.00 Mty). Expn PR for 10 Mty (Incr. 6 Mty) sanctioned in May-06 for an incremental capital of Rs 1352.04 Crs. EMP for 10 Mty obtained in Feb-06. Land and R&R activities under progress.

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
9	Kusmunda Open Cast Expansion, SECL	10	15	5	450.66	Expn PR for 15 Mty (Incr. 5 Mty) approved in June-08 for an Incr. Capital of Rs. 450.66 Crs. Final EMP (15 Mty) submitted in Dec-08. Land and R&R activities under progress.
10	Block B Open Cast , NCL	3.5	3.5	-	-	Ongoing Project (3.5 Mty) Expn PR not required. Coal production started during 2007-08. Land and R&R activities under progress.
11	Magadh Open Cast Expansion, CCL	12	20	8	706.40 (Total OS Option)	Expn PR for 20 Mty approved in Aug-08 for a capital of Rs. 706.40 Crs. EMP (20 Mty) obtained in Oct-08. Land and R&R activities under progress.
12	Bharatpur Open Cast Expansion, MCL	11	20	9	131.39 Coal & Incr OB-OS for 5 years	Ongoing Project (20Mty) Expn PR approved by CIL Board on 12.02.07. EMP (20 Mty) obtained in Oct-08. Land and R&R activities under progress.

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
13	Khadia Open Cast Expansion, NCL	4	4.8	0.8	-	Expn PR (10 Mty – Incr 6 Mty) cleared by PIB on 30.11.2005. Processing of CCEA Note held up for want of forestry clearance.
14	Piparwar Open Cast, CCL	6.5	10	3.5	21.87	Expn PR (10 Mty – Incr. 3.50 Mty) has been approved by Company Board, under delegated powers.
15	Jayant Open Cast, NCL	10	12	2.0	-	Expn PR (12 Mty – Incr. 2 Mty) has been approved by Company Board, under delegated powers.
16	Dudhichua Open Cast, NCL	10	12	2.0	-	Expn PR (12 Mty – Incr. 2 Mty) has been approved by Company Board, under delegated powers. Expn PR for a Capacity of 15 Mty (Incr. 5 Mty) at an incremental investment of Rs.326.75 Crs, approved by NCL Board in July-08.

### **3.6 Coal Videsh**

Coal India Limited's initiatives for acquiring coal mines abroad is being pursued through two modes; through internal "Coal Videsh Division" and participation in Joint Venture Company "International Coal Ventures Limited".

The initiatives taken by "Coal Videsh Division" during the year has yielded the following results.

- (i) CIL has emerged as the successful bidder in the global tender process run by Govt. of Mozambique, for allocation of prospecting licenses for coal concessions in Mozambique. CIL has been awarded prospecting license for two coal concessions namely A-1 & A-2 in Mozambique. CIL will shortly undertake the activities of exploration and formation of a company in Mozambique.
- (ii) A high level team under the leadership of Hon'ble MOS (Coal) consisting of Chairman, CIL and Director-in-Charge (Coal Videsh), CIL visited USA in October, 2008. The team held meeting with Investment Bankers on issues related to acquisition of coal properties abroad.
- (iii) CIL also created a panel of 10 Investment/Merchant Bankers for identifying opportunities abroad and assist in due diligence.
- (iv) CIL has short listed several opportunities in Indonesia. However, with enactment of the New Mining Law in Indonesia, its implications are being examined prior to making any investment decision.

Government has approved participation of CIL in a Joint Venture Company with SAIL/RINL/NMDC & NTPC for acquisition of coal resources abroad. The Joint Venture Company is proposed to be registered as International Coal Ventures Limited (ICVL). The equity contribution of CIL in this Joint Venture will be Rs.1000 Crores, out of initial paid up capital of Rs. 3500 Crores. International Coal Ventures Limited (ICVL). The following are the activities undertaken by CIL for ICVL :-

(i) CIL Board in its 247th meeting held on 11.12.2008 approved Joint Venture Agreement (JVA) to be signed between partner companies of ICVL. Subsequently, the JVA approved by the Board of all partner PSUs was signed on 14.01.2009. The Memorandum / Articles of Association of ICVL was finalized. International Coal Ventures Private Limited has been formally incorporated on 20th May, 2009 by Registrar of Company, Delhi and Haryana.

(ii) Coal Videsh Division, CIL is actively involved in the activities of ICVL. The division also worked extensively in the selection process of Investment Banker (IB) for ICVL and a panel consisting of 10 (ten) Investment bankers of international repute have been constituted.

(iii) ICVL is pursuing acquisition opportunities in Mozambique, Australia, Canada and USA.

### **3.7 Measures to improve financial viability of public sector enterprises**

**Revival of Bharat Coking Coal Ltd. (BCCL):** BCCL was formed in 1971 pursuant to the nationalization of coal mines in the country and became one of the subsidiaries of Coal India Limited w.e.f. 01.11.1975. Since its inception, BCCL has been incurring losses. A revival plan for BCCL was submitted to BIFR. In its 19<sup>th</sup> meeting, Board for Reconstruction of Public Sector Enterprises (BRPSE), inter-alia, directed that the revival plan be vetted by an independent consultant. M/s Credit Analysis and Research Ltd. (CARE) was appointed as the consultant by BCCL. Based on the appraisal report of the consultant, a modified Revival Package for BCCL was submitted to BRPSE. BRPSE has approved the proposal and the same has been sent to BIFR for concurrence.

### **3.8 Captive Mining**

- The Coal Mines (Nationalization) Amendment Act, 1973 was amended from time to time to allow private sector participation in coal mining for manufacturers of steel & iron, generation of power, washing of coal obtained from a mine and for other end uses to be notified by Government from time to time.
- Subsequently, captive mining of coal for production of cement was also permitted vide notification-dated 15.03.1996 and production of syn-gas obtained through coal gasification (underground and surface ) and coal liquification was also notified as end use vide notification dated 12.07.2007.
- Further, the State Government companies or undertakings are allowed to do captive mining of coking and non-coking coal reserves, either by opencast or underground method, anywhere in the country, subject to certain conditions under the revised Coal Mining Policy, 1979 (New State Coal Mining Policy 2001), dated 12th December, 2001.
- In order to implement the aforesaid framework, an administrative mechanism was devised whereby a ‘ Screening Committee’ was constituted in the Ministry of Coal.
- The Screening Committee is headed by Secretary (Coal). It is an inter- Ministerial and inter- Governmental body by nature.
- The Committee comprises representatives from the concerned State Governments, concerned nationalized coal companies and Central Ministries/Departments etc.
- It does the selection of companies eligible for allocation of coal blocks for captive mining.
- It follows the process of discussion and deliberation and decides allocation on relative merits of the applicants.
- Govt. has further identified 47 coal blocks with a Geological Reports (GR) of 17.72 BT and 38 lignite blocks with reserves of about 6.24 BT. Also, 25 coal blocks with GR of about 7.26 BT from the old list of 148 blocks are available to be allocated. The process of earmarking these blocks is under active consideration.
- 201 coal blocks (3 blocks have been de-allocatted and mining lease in case of one

block has been declared void) have so far been allocated out of which 97 coal blocks with 27592.99 MT GR have been allotted to Government companies and 100 coal blocks with GR of 17931.37 MT have been allotted to private companies.

- So far, production has commenced in 23 blocks. Production of coal from captive coal blocks has been 21.17 million tonnes during 2007-2008 and 27.829 million tonnes during 2008-2009 (upto Feb., 2009 - Provisional). Many more coal blocks are likely to come into production in the 11<sup>th</sup> plan and the production from these blocks in the terminal year of the 11<sup>th</sup> plan would be approximately 104 MT.

### **3.9 Measures to address Environmental Concerns:**

A Coal-mining project is approved only after the Environment Impact Assessment/Environment Management Plan(EMP) clearance is obtained from Ministry of Environment and Forests. Strict compliance of Environmental mitigation measures as laid down in the EMP is a regular activity during and after completion of mining activity. The compliance is also monitored by MoEF and other concerned authorities. Massive plantation of saplings in and around the mines, monitoring of ambient air & water quality, land reclamation, treatment of effluent from mines, workshops, coal handling plants, washeries etc are regular activities in a mining project. In addition, Coal India Limited has taken up monitoring of afforestation, land reclamation & Mine Closure activities through Remote Sensing techniques.

Environmental awareness programme, observation of World Environmental Day/ Environmental Protection Week are held regularly to educate the work force and various stakeholders.

The unscientific mining carried out by erstwhile mine owners in Jharia & Raniganj coalfields has led to fire and subsidence problems in these areas endangering the lives and property. Continuous efforts made in addressing the issue have resulted in extinguishing 10 numbers. of fires in Jharia Coalfield since nationalization. However, population in the endangered areas has increased manifold. A high level committee of Government of India in

1996 had made certain recommendations to address the problems. On the basis of this a Master Plan has been prepared covering both Jharia & Raniganj coalfields.

Meanwhile, late Shri Haradhan Roy, Ex-M.P filed a writ petition (PIL) in the Hon'ble Supreme court in 1997 praying for initiation of immediate steps for control of subsidence and fire in BCCL & ECL and mitigation of its impact on surface in a specified time frame. The Hon'ble Supreme Court in its order-dated 03.05.2005 directed DGMS to verify the actions taken by BCCL and ECL so far and submit a report. Accordingly, DGMS submitted its report in August 2005. One of the observations of the committee was to evacuate the affected areas instead of planning for stabilization of the same as there was no scientific method available to check long term stability of the areas filled through sand stowing. Accordingly, the Master Plans for Jharia & Raniganj coalfields dealing with fire, subsidence & rehabilitation of people from endangered areas have been revised in July/August 2006 and the capital cost further updated in March 2008 (Rs.6358.45 crores for Jharia Action Plan and Rs.26661.73 crores for Raniganj Action Plan).

Based on the recommendations of the High Level Committee, two demonstration schemes one each in Jharia Coal Field (JCF) and Raniganj Coal Field (RCF) were taken up under the plan head of Environmental Measures & Subsidence Control (EMSC) of MoC on 19.05.1998 for a capital investment of Rs. 61.09 crores and Rs. 32.52 crores respectively for rehabilitation of inhabitants from unstable and endangered locations in the coalfields. Further, 5 number of fire control schemes under the leasehold of BCCL, were approved for a total capital of Rs.81.26 crores, out of which Rs. 14.88 crores has since been cleared by CIL & disbursed to BCCL till date.

For implementing the rehabilitation of Non-BCCL/Non-ECL houses, the state governments of Jharkhand & West Bengal have already entrusted the job to Jharia Rehabilitation & Development Authority (JRDA) and Asansol Durgapur Development Authority (ADDA) respectively.

The State Governments of Jharkhand & West Bengal have conveyed their acceptance to the R & R package contained in the Master Plans. The combined proposal of Master Plan is in advance stage of approval by the Government. Implementation of the fire control measures and rehabilitation of CIL employees residing in the endangered areas will be the responsibility of the concerned subsidiaries whereas the rehabilitation of non-CIL houses/structures from the endangered areas will be the responsibility of the concerned State Governments.

**3.10 Measures for Welfare of Employees:**

<b>Welfare Measures</b>	<b>At the time of Nationalization</b>	<b>As on 31.03.2008</b>
Number of Houses available	1,18,366	4,13,022
Housing satisfaction (%)	21.07 %	96.93 %
Population covered under water supply scheme	2,27,300	22,93,063
Hospitals (Nos)	49	85
Dispensaries (Nos)	197	424
Ambulance (Nos)	42	667
Hospital Beds	1482	5835
Educational Institutions who have been provided grant-in-aid/Infrastructure/Occasional help	287	584
Canteen (Nos)	210	481
<b>Co- operative (Nos)</b>	<b>177</b>	<b>336</b>

CIL has a well-defined Resettlement and Rehabilitation policy (R & R Policy-2000), which has provision of Employment against land acquired in exceptional circumstances only to fill vacancies subject to the land losers meeting the eligibility criteria and further subject to approval of the Board of Directors of the subsidiary company concerned.

In 2005, CIL has proposed revision of the existing R & R Policy, which has not been ratified by the committee of Secretaries on the ground that all Ministries should adopt the existing National Policy on R & R (NPRR-2003). A national rehabilitation & resettlement policy 2007 (NRRP 2007) has been formulated by Ministry of Rural Development, Govt. of India dated 31.10.2007.

R & R policy has since been modified by CIL Board in its 242<sup>nd</sup> meeting held on 29.04.2008 and has been circulated to all subsidiaries of CIL. The modified R & R policy has been modified to make it more PAP friendly and for facilitating quicker and easy possession of land and ensuring a decent and satisfactory livelihood to the Project Affected Persons (PAPs).

### **3.11 Notification of coal gasification and coal liquefaction as specified end uses**

Government of India has notified Coal Gasification (Surface & Underground) as end uses under Captive Mining Policy for allotment of Blocks to potential entrepreneurs. 5 Lignite Blocks & 2 Coal Blocks have been identified for offer in this regard. Offer/allotment of these blocks is under consideration.

### **3.12 Declaration of Navratna Status**

CIL has been conferred with Navratna status by the Government of India on 24.10.2008, considering its importance in the country's economy and its achievements. As Navratna Company, CIL has now been delegated with higher financial powers and greater autonomy in its functioning. The enhanced powers delegated to CIL under its Navratna status also includes incurring capital expenditure on each new project upto Rs. 1,000 crore for making investment abroad, etc. without Government approval.

### **3.13 Regulator for Coal Sector**

A Cabinet Note on setting up of a Coal Regulatory Authority, along with the draft Bill, was circulated to various Ministries/Departments for obtaining their comments. The comments of all the Ministries/Departments have been received and are being examined. Meanwhile the Ministry of Law has suggested some major modifications in the draft Bill, which are being studied for their suitability of incorporation in the Bill.

### **3.14 Revision of rates of coal royalty on coal/lignite.**

Royalty on coal and lignite is payable under Section 9(1) of the Mines and Minerals (Development and Regulation) Act. Section 9(3) of the MMDR Act, 1957 empowers the Central Government to enhance or reduce the royalty rates in respect of any mineral. The proviso to Section 9(3) of the Act prevents the Central Government from enhancing the rate of royalty in respect of any mineral more than once during any period of three years.

The royalty rates in respect of coal were last revised on 16.08.2002 and the royalty rate in respect of lignite was revised on 15.03.2001.

Ministry of Coal constituted a Committee under the Chairmanship of the Additional Secretary (Coal) on 02.06.2005 to examine the issue of revision of royalty rates on coal. The Committee after detailed deliberations with all stake holders submitted its report on 14.7.2006.

The Government after considering all facts has revised the royalty rates on coal and lignite w.e.f 01.08.2007 on the basis of a formula consisting of advalorem + a fixed component. The rates of royalty, which shall be a combination of specific and ad valorem rates of royalty be as follows :

$$\mathbf{R \text{ (Royalty Rupees/tonne)} = a+bP}$$

Where '**P**' (price) shall mean basic pithead price of Run of Mine(ROM) coal and lignite as reflected in the invoice, excluding taxes, levies and other charges and the values of '**a**' (fixed component) and '**b**' (variable or ad-valorem component); '**b**' has been fixed at 5% of the invoice price, excluding taxes etc, and the fixed component is different as per the grade of coal.

The coal producing States are likely to be benefited by the revision in rates of royalty on coal and lignite.

### **3.15 Expert Committee:**

The Expert Committee under the chairmanship of Shri T.L. Shankar, constituted by the Govt, to draw a road map for coal sector had submitted its report. The recommendations of the Expert Committee included long term demand and supply prospects of Coal and Lignite, improving the procedures for approval of coal mines, Regulation and Governance in coal sector, restructuring of Coal India Limited, improvement in productivity, technology up-gradation in coal sector and human resource management in coal sector. The Govt. has initiated action on the recommendations which have been accepted. A road map indicating the timelines for implementation of the same has been prepared and coal companies have been directed to implement the recommendations.

### **3.16 MASTER PLAN FOR JHARIA & RANIGANJ COALFIELDS**

A combined proposal on Master Plan for Jharia and Raniganj Coalfields dealing with fire, rehabilitation and diversion of surface infrastructure in the lease hold of BCCL & ECL with a total outlay of Rs. 9773.84 crore (Rs. 7112.11 crore for Jharia Action Plan and Rs. 2661.73 crore for Raniganj Action Plan) is in advance stage of approval by the Government.

## CHAPTER – IV

### REVIEW OF PAST PERFORMANCE

#### 4.1 Sector – wise Coal Demand as assessed by Planning Commission:-

(In million Tones)

	Xth Plan	XI Plan				
Sector	(2006-07) Actual	2007-08 Actual	2008-09 <u>BE</u>	2008-09 <u>RE</u>	2009-10	2011-12 (Proj.)
<i>I) Coking Coal</i>						
Steel/Coke Ovens & Cokeries	17.30	17.99	26.20	26.20	20.29	27.65
Steel (Import)	17.88	22.03	17.80	17.80		40.85
<b>Sub-Total Coking</b>	<b>35.17</b>	<b>40.01</b>	<b>44.00</b>	<b>44.00</b>	<b>20.29</b>	<b>68.50</b>
<i>II) Non-Coking Coal</i>						
Power Utilites(Gen.Req.)	307.84 (1.54)*	332.09 (1.35)*	373.00	373.00	397.54	483.00
Captive Power	28.13 (1.64)*	31.58 (1.55)*	38.00	38.00	57.66	57.06
Cement	19.74	19.32	25.00	25.00	25.59	31.90
Steel DR	17.47	20.92	18.00	18.00	44.33	28.96
BRK & others	55.52	60.293	52.00	52.00	58.93	61.58
Sub-Total Non-Coking	428.70 (3.18)*	464.20 (3.18)*	506.00	506.00	584.04	662.50
<b>Grand Total (I+II):</b>	<b>463.87 (3.18)*</b>	<b>504.21 (3.18)*</b>	<b>550.00</b>	<b>550.00</b>	<b>604.33</b>	<b>731.00</b>

\* Middlings.

**4.2** Through a sustained programme of investment and greater thrust on application of modern technology, it has been possible to raise the production of coal from a level of about 70 million tones at the time of nationalization of coal mines in the early seventies to about 457.00 million tones (All India) by 2007-08. Coal production in the year 2008-09 is 493.275 Million tones (Provisional).

### 4.3 All India Coal Production:

(Fig. In Million Tonnes)

COMPANY	2006-07 Actual	2007-08 Actual	2008-09			2009-10 BE
			B.E	RE	Actual up to March 2009 (Prov)	
CIL	360.91	379.46	405.00	405.00	403.73	435.00
SCCL	37.71	40.60	41.50	42.56	44.54	44.50
Others	31.88	36.94	50.79	44.28	45.005	52.83
<b>Total</b>	<b>430.50</b>	<b>457.00</b>	<b>497.29</b>	<b>491.84</b>	<b>493.275*</b>	<b>532.33</b>

4.4 With a view to meet the increased demand of coal, new coal mining projects and welfare activities are proposed to be taken up.

### LIGNITE

4.5 The Production Programme for NLC for BE 2008-09, RE 2008-09 and BE 2009-10 with actuals of 2007-08 and 2008-09 are given below :

Item	2007-08 (Actual)	2008-09 (Actual)	2008-09 (BE)	2008-09 (RE)	2009-10 (BE)
1. Lignite (LT)	215.46	213.10	211.40	206.40	217.50
2. Power (MU)	17456.58	15765.56	16299.00	15121.00	16600

### Review of the Plan Schemes

#### Research & Development Projects

4.6 The Government of India through its Coal Science & Technology (S&T) Plan and Coal India Limited through its R&D Board have launched R&D activities for improvement in production, productivity and safety in coal mines, coal beneficiation and utilisation and protection of environment and ecology. Substantial funds are being earmarked annually by the Ministry of Coal and CIL R&D Board to carry out research work on the above subjects in coal and lignite sector.

**4.7** Standing Scientific Research Committee (SSRC) under the Chairmanship of Secretary (Coal) is the Apex Body to administer coal related research activities and research grant of Coal India is administered through CIL R&D Board under the Chairmanship of Chairman, CIL.

**4.8** Central Mine Planning and Design Institute (CMPDI) is the nodal agency for coordination and monitoring of Coal S&T and CIL R&D projects. These projects are being implemented by various research and academic institutes related to coal and allied industries with active participation of coal and lignite mining companies. Besides being the nodal agency, a number of research projects have also been implemented / are being implemented by CMPDI.

The role and functioning of CMPDI as the nodal agency are:

- Identification of 'Thrust Areas' for research activities in Coal and Lignite sector
- Processing of research proposals for approval
- Preparation of detailed agenda for various technical committees
- Co-ordinating and monitoring of implementation of the projects
- Disbursement of fund to various implementing agencies on the basis of physical progress in the projects
- Preparation of Annual Budgets
- Arrangement of fund from Ministry of Coal and CIL
- Preparation of monthly / quarterly / half yearly performance reports
- Site visits for providing necessary guidance in executing projects in line with approved objectives
- Evaluation of completed research projects and dissemination of research findings
- Publication of annual reports
- Apart from above work, replies to various queries on research findings and other financial matters related to fund utilisation by the MoC, CIL and Parliament / Energy Committees.

**4.9** The status of Coal S&T Projects funded by Ministry of Coal under Coal S&T Grant during the X plan & XI Plan period is given below:

(Rs. in crore)

PLAN YEAR	X					XI	
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Spill over projects from previous year	42	42	49	47	45	36	34
Projects sanctioned during the year	10	18	08	09	02	09	05
Projects on-going during the year	52	60	57	56	47	45	39
Projects completed during the year	10	10	10	11	10	10	10
Projects terminated/foreclosed during the year	Nil	01	Nil	Nil	01	01	01
On-going projects as on 01.04.2009	-	-	-	-	-	-	28

### Regional Exploration

#### 4.10 PROMOTIONAL (REGIONAL) EXPLORATION IN COAL & LIGNITE

GSI, MECL and CMPDI are continuing Promotional Exploration in XI plan also under the MoC's plan scheme of Promotional Exploration for Coal & Lignite. The summary of Promotional Drilling carried out in Coal & Lignite sectors in 2007-08 and programme for 2008-09 & 2009-10 are given below:

(Drilling In metre)

Command Area	2007-08 Actual	2008-09 BE	2008-09 RE*	2009-10 BE
<b>Physical:</b>				
1. Drilling in C.I.L. Command Area	53028	38000	61000	66000
2. Drilling in S.C.C.L. Command Area	17154	10000	18000	15000
3. Drilling in Lignite Areas	45350	36000	71000	77100
<b>TOTAL</b>	<b>115532</b>	<b>84000</b>	<b>150000</b>	<b>158100</b>

\* Revised as lesser allocation of budget by Govt. in 2008-09 BE has been restored by CIL by allocation of additional fund.

Note: 1) In the year 2008-09, a total of 1,26,813m of promotional drilling has been carried out. Out of it, 49,666m has been drilled in CIL command area, 14,731m in SCCL command area and 62,416m in lignite areas. A total of 11 Geological Reports (coal-9, lignite-2) have also been submitted during the year.

2) Under ICRIS project, map data capture of 623 maps has been finalised. Processing of data for creation of Geological models is progressing and 13 models have been created.

3) Under ILRIS project, procurement of GRs from GSI/CGM, Gujarat is under process. Data capture agency has been changed to facilitate entry of data from remaining GRs. Geological model of Bahur field prepared. The details for 2008-09 are yet to be received from NLC.

4) CMPDI and GSI have collected samples from 13 boreholes for CBM studies and analysis of samples is under progress. Three CBM reports have been submitted during the period.

## DETAILED EXPLORATION IN NON-CIL BLOCKS

**4.11** CMPDI is continuing the Detailed Exploration in CIL & Non-CIL blocks and minor amount of Promotional (regional) Exploration as per the programme. The exploratory drilling in Non-CIL/Captive Mining blocks is taken up under the MoC's plan scheme of Detailed Drilling in Non-CIL Blocks.

**4.12** The details of actual drilling in Non-CIL/Captive Mining Blocks in 2007-08 and programme for 2008-09 & 2009-10 are given below:

*(Drilling In metre)*

Agency	2007-08 Actual	2008-09 BE (revised)*	2008-09 RE	2009-10 BE
<b>Physical:</b>				
1) CMPDI Departmental	45151	49000	49000	57600
2) Outsourcing	-	58500	17200	59400
<b>TOTAL</b>	<b>45151</b>	<b>107500</b>	<b>66200</b>	<b>117000</b>

- \* Targets revised at RE stage due to lesser allocation of budget by Govt. in 2008-09 RE, time taken in tender processes to outsource the work and non-availability of clearance to explore in forest areas where work have been awarded after tendering.

Note: In the year 2008-09, a total of 74,330m of detailed drilling has been carried out in Non-CIL/Captive Mining blocks falling in CIL Command Area. Out of it, 59,936m has been drilled by CMPDI (departmentally) and 14,394m has been drilled through outsourcing. Two Geological Reports on Non-CIL blocks have been submitted during the year.

## **ENVIRONMENTAL MEASURES AND SUBSIDENCE CONTROL**

**4.13** The objective of this scheme is to improve the environmental conditions in the old mined out areas at Jharia and Raniganj by addressing fire and subsidence problems.

**4.14** Major thrust areas in EMSC during the XI Plan period are the following:-

- (a) Control of subsidence in the old, abandoned waterlogged workings in Raniganj Coalfields.
- (b) Control of mine fires and subsidence in Jharia Coalfields.
- (c) Reclamation of mined-out areas in older coalfields like Raniganj, Jharia, Bokaro, Karanpura, etc.
- (d) Rehabilitation of unstable and fire affected areas in Jharia and Raniganj Coalfields.

**4.15** The problem of subsidence in the old, abandoned and waterlogged workings has arisen due to unscientific mining carried out under shallow cover in the past and is mainly confined to Raniganj coalfield of West Bengal. For this problem of Raniganj Coalfield, an Apex Monitoring Committee consisting of representatives of Coal Company, District Administration, Directorate General of Mines Safety, Central Mining Research Institute and peoples' representatives (M.P., MLA etc.) was constituted by CIL in 1990.

**4.16** Occurrence of fires in coal mines is due to the phenomenon of spontaneous combustion which is inherent in Indian coals. The first occurrence of coalfield fire in Jharia was reported in 1916. At the time of Nationalisation of coking coal mines in 1971, there were 70 active fire sites spread over an area of about 17 Sq. km. Out of these, 10 fires have been extinguished so far. Further work is in progress.

**4.17** For dealing with the problem of subsidence and fire in Raniganj and Jharia Coalfields, in a comprehensive manner, a Committee was constituted by Govt. of India in December 1996 with Secretary (Coal) as Chairman and representatives of Planning Commission, Ministry of Labour, Govt. of West Bengal, Govt. of Bihar, Directorate General of Mines Safety, CIL, CMPDI, BCCL and ECL as members. The Committee submitted its report in December 1997. The recommendations of the Committee have been accepted by the Government. Accordingly, Master Plans for rehabilitation of unstable and fire affected areas have been drawn up for Jharia and Raniganj Coalfields. In the first stage, two schemes, one each in BCCL and ECL command areas with estimated cost of Rs. 33.88 crores and Rs. 32.52 crores respectively have been sanctioned.

**4.18** The status of the schemes under implementation by ECL and BCCL are as follows:-

**Status of the scheme EMSC-25 “Stabilisation of four unstable localities in ECL”**

In respect of Samdih village (Salanpur area), Kenda village (Kenda area), Bengal Para (Pandaveswar area) and Harispur village (Kajora area) village committees have been constituted. Videography of the affected sites was done as well as photographs of the heads of the households were taken. Demography survey, land record verification and assessment of valuation of dwellings were completed. Identity card of the head of the family is ready for issue. Proposed rehabilitation site has been selected. In respect of Bengal Para (Pandaveswar area) proposed rehabilitation site selection is in process.

**Status of the scheme EMSC-24 “Scheme for shifting of people from the most endangered areas of BCCL”**

This scheme envisages 4600 houses (1500 for BCCL employees and 3100 for non-BCCL persons). Construction of 344 houses for BCCL families has been completed out of which 204 families have been shifted. For construction of houses for 1156 BCCL families, finalisation of tender is awaited. For construction of 3100 non-BCCL houses, a committee was constituted vide order No.BM/17/96/980/M dated 2.3.98 by the Govt. of Bihar to deal with the matter of construction of 3100 houses for non-BCCL families. This committee was headed by Commissioner, North Chhotanagpur Division of Jharkhand State. During the detailed deliberations of the above committee on the subject of rehabilitation of non-BCCL personnel from the endangered areas, it was found that there were several inherent shortcomings on the basic features of the conventional **Indira Awas Yojna** type houses. The philosophy behind such conventional type of units has been construction of housing units primarily for rural people whereas in the present situation rehabilitation relates to the urbanised section of people, even though economically they are very poor. As a result of this, it was felt that this type of houses may not be liked by the people and they would be reluctant to shift in such houses at a place which is away from their existing habitat. Therefore the committee suggested to provide **Visthapit Awaas** with better facilities meeting basic requirements. Hence the scheme was revised. The original scheme was revised to a capital cost of Rs. 61.09 crores in Feb, 2003. A fund of Rs.2219.79 lakhs has been released to State Govt. for construction of Non-BCCL houses. Jharia Rehabilitation and Development Authority (JRDA) is doing the work of construction of 3100 houses at Belgoria Mauza. Construction of 900 houses is in advanced stage of completion by HSCL. Construction of balance 2200 houses is also in progress by NBCC at Belgoria Mauza.

Demographic Survey of Non-BCCL houses is to be conducted by Jharkhand State Govt. For this purpose, Rs.5.40 lakhs has been released to the State Government by BCCL. Demographic Survey of BCCL houses is to be conducted by CMPDI.

**4.19** In the older coalfields like the Raniganj, Jharia, Bokaro and Karanpura, mined out areas, both due to underground mines and opencast mines were left unreclaimed especially during the pre-nationalisation period. To reclaim these degraded areas, reclamation schemes have been prepared in the command areas of ECL, BCCL and CCL. Two schemes in BCCL, one each in ECL and CCL have been completed. Completion report is awaited.

**4.20** The actual disbursement since inception of the EMSC Schemes (including four RCFS schemes sanctioned in 2001-02) till 31.03.2009 is Rs. 129.67 crores.

**Conservation & Safety in Coalmines and Development of Transport Infrastructure under CCDA.**

**4.21** These schemes are partially subsidized through Non-Plan provisions for the last 31 years in the form of reimbursement to the Coal Mine owners as per the statutory provisions under the Coal Mines (Conservation and Development) Act.1974 primarily to ensure conservation of coal with related safety aspects of the coal mines and also to facilitate smooth movement of the coal to the consumers at large through infrastructure development. The said Act empowers Central Government to collect duty of excise on all coal produced and despatched from all the collieries in India (actually paid by the consumers) and to disburse ,in each financial year, a sum not exceeding a net proceeds from such collection during preceding year or years, to owners, agents or the managers for execution of stowing and other operations for the safety in coal mines or conservation of coal, prosecution of research work connected with the conservation of coal or development of coal mines and any other purpose connected with the conservation of coal or transportation, distribution or utilising of coal.

The principal objective of the Act is to collect excise duty on coal for disbursing the same in total back to the coal mines for conservation and development related works including infrastructure development.

**4.22** The examination and scrutiny for reimbursement are done by a duly constituted 'Coal Conservation and Development Advisory Committee' (CCDA Committee) as per the provisions of Coal Mines (Conservation & Development) Rules, 1975. The Government partially reimburses (rest being borne by Coal Companies) these amount to the coal companies through budget provision taking into account the liability already existing during the preceding financial year. The requirement is assessed by the CCDA Sub-committee, followed by the CCDA Committee.

#### **Development of North Eastern Region/Sikkim**

**4.23** As per relevant instructions on the subject, 10% of the Plan Outlay is required to be earmarked for Development of North Eastern Region /Sikkim. If the amount is not spent , the same is transferred to the Non lapsable pool of the Central Government.

**4.24** The projects implemented by Coal PSUs using their own Internal and Extra Budgetary Resources (IEBR) and the Government does not provide any Budgetary support to them. The statement showing company wise and project wise details costing Rs. 100 crore and above are given in the format at **Annexure –IV (A)**.



**ANNEXURE-IV (A)**

**DETAILS OF ON-GOING / NEW PROJECTS COSTING RS. 100 CRORES & ABOVE  
IN COAL INDIA LIMITED (CIL)**

SL NO.	NAME OF PROJECT & COMPANY	TYPE	SANCD. CAPACITY (MTY)	SANCD. CAPITAL (Rs.Crs.)	DATE OF SANC. SCH. OF COMPLN.	GRADE OF COAL LINKAGE	ACTUAL PRODN. 2007-08 (MTE)	BE 2008-09 (MTE)	ACTUAL PRODN. 2008-09 (MTE)	BE 2009-10 (MTE)	STATUS AS ON 31.03.2009
1	NARAIKURI	UG	0.540	149.0600	Feb-09	C (LF)	--	--	--	--	Land- 10.4 Ha to be acquired.
	ECL				Mar-15						EMP-Draft EMP is under preparation
					Mar-15	POWER					R&R-No. of PAPs to be assessed.
2	JHANJRA 2ND CM	UG	0.510	122.3500	Feb-09	C & D	--	--	--	--	Land- Addl. 259.46 Ha to be acquired.
	ECL					NTPC, TNEB, Kolaghat etc					EMP-Approved for 0.90 MTY .
					Mar-11						R&R-No. of PAPs to be assessed.
					Mar-11						NIT for global tender for Continuous Miner floated on 02-03-09.
3	SARPI(RCE) AUG.	UG	0.760	147.8600	Jun-08	B	0.1690	0.3000	0.2250	0.3200	Land- Additional 91.25 Ha to be acquired.
	ECL										EMP-Fresh EMP required.
					Mar-11	POWER, CEMENT					R&R-Employment of 113 persons is to be given for acquisition of above land.

4	JHANJRA PSLW(R-VI)	UG	1.700	287.1700	Nov-06	B	0.0000	0.7000		0.0000	Land- 906.29 Ha in possession.
	ECL										EMP-Approved for 3.50 MTY.
					Mar-10	NTPC					R&R-No. of PAPs to be assessed.
					Mar-11						Modified NIT for global tender for PSLW equipment floated on 30.01.09.
5	CHITRA EAST	OC	2.500	112.6900	Aug-07	D	0.0000	0.3000		1.2500	Req. of Balance Land :Forest : 142.10 Ha, Govt : 118.20 Ha, Tenancy : 311.00 Ha.
	ECL										EMP-PH held on 17.03.09, proceedings awaited.
					Mar-12	NTPC-FARKA					R&R-Negotiation for shifting in villages Khoon & Chitra is in progress.
					Mar-12	& KAHALGN.					NIT for Integrated Washery, will be finalised after receipt of soil investigation report.
6	PURNADIH	OC	3.000	210.9800	Jul-08	E	0.0000	0.0000		0.0000	Forest Land (111.89 Ha):Forestry clearance to be applied shortly.
	CCL										EMP:EC received on 19-05-2009.
					Mar-12	POWER					
					Mar-12	(CAPTIVE)					R&R:No. of PAPs as per PR being assessed

7	PAREJ EAST	UG	0.510	128.8900	May-08	Washery I to IV	0.0000	0.0000		0.0000	Req. of Balance Land(189.28 Ha:12.46 Ha Tenancy & 30.80 Ha GMK & 146.02 Ha is forest land.Land schedule is being prepared.
	CCL										
					Mar-12	Washery					EMP-Form-I to be submitted shortly.
					Mar-12						R&R Not Required.
8	MAGADH EXPN.	OC	20.000	706.4000	Aug-08	F	0.0000	0.0000			Forest land:Stage-II clearance for 96.72 ha (for initial 8 years)required.
	CCL										Non-forest land: 1436 Ha (626 Ha for 10 years)
					Mar-13	Tandawa TPS/Basket					EMP: clearance for 20 MTY obtained vide letter dt. 27-10-2008.
					Mar-13						R&R:Tenants not accepting the payment , demanding compensation and employment beyond R&R policy of CIL.
9	ASHOK EXPN.(10 MTY)	OC	10.000	341.6300	Dec-07	E	6.3028	9.5000	7.1000	9.0000	Acquisition of balance 75.11 Ha forest & 252.89 Ha Tenancy land in process.
	CCL										
					Mar-11	POWER					EMP clearance for 10 MTY received.
					Mar-11	(CAPTIVE)					R&R:12 hutments shifted out of 14 hutments planned.

10	TAPIN	OC	2.500	264.6800	Aug-08	W-111	0.7200	0.5000	0.5800	0.7500	Stage-II Clearance for 213.52 Ha required.
	CCL										Authentication for 7.46 Ha GMK Land pending with State Govt.
					Mar-12	ST					Final EMP will be submitted shortly.
					Mar-12						R&R: Not required.
11	ROHINI EXPN.	OC	2.000	105.6700	Sep-08	E	1.0900	0.7000	0.7000	0.3000	Application for release of balance Forest Land 74.81 Ha forwarded by CF to RCCF on 19.03.09.
	CCL										Proposal for Compensation Payment 103.76 Ha Non-forest land is under competent approval.
					Mar-11	POWER					EMP to be submitted shortly.
					Mar-11	(CAPTIVE)					R&R:126 PAFs required to be resettled for first five years.
12	NORTH URIMARI	OC	3.000	179.8700	Dec-07	C	0.4860	0.8000	0.3500	0.5000	Forest land :Stage-II clearance for 226.51 Ha required.
	CCL										Non Forest(295.16 Ha): Compensation is being paid.
					Mar-11	BRO.					EMP: Approved in Feb-06.
					Mar-11						R&R:245 PAPs involved. Total rehabilitation for first 5 years is 126.

13	CHURI-BENTI CM	UG	0.810	165.5100	Aug-07	B(LF)	0.1213	0.1300	0.0800	0.1400	Stage-II clearance for 312.75 Ha required.
	CCL										
					Mar-11						Non Forest(274.52 Ha):Assessment of PAFs, to be resettled & rehabilitated is in process
					Mar-11						EMP:Draft EMP is expected to be prepared shortly.
14	URIMARI	OC	2.000	143.5700	Jan-09	D	2.3300	2.0000	2.4400	2.2500	For additional 53.06 Ha forest land, application for Stage-I clearance submitted on 10.11.08.
	CCL										
					Mar-11	POWER					TOR finalized. EC to be expedited.
					Mar-11	(CAPTIVE)					
15	DUDHICHUA EXPN.(15)	OC	5.000	326.7500	Jul-08	E	0.0000	2.0000		12.7500	<b>Forest Land:</b> 443 Ha. is required for incremental 5 Mtpa.
	NCL										<b>Non-Forest Land:</b> 58 Ha. is required for incremental 5 Mtpa .
					Mar-13	BUSKET					<b>Rehabilitation:</b> About 122 families to be rehabilitated.
					Mar-13						Final EMP for a capacity of 15 Mty (peak capacity18 Mtpa) is under preparation by CMPDI.
											EC for the existing Dudhichua OCP from 12.5 to <b>15.5 Mtpa</b> approved.

16	NIGAHI EXPN.PH-II	OC	15.000	2105.8900	Oct-07	C,D,E	11.3100	11.5000	11.6600	13.0000	No additional land is required for Expansion PR (15 MTY).
	NCL										EMP (15 Mty) approved.
					Mar-12	VINDHYACHAL					R&R:625 PAPs out of 1178 have been shifted.
					Mar-12	SUPER TPS					
17	KRISHNASILA	OC	4.000	789.8800	May-06	D-E	0.0600	2.0000	1.0800	3.0000	The mode of dispatch (Rail / Silo / MGR) for main CHP is yet to be decided along with firm linkage.
	NCL										EMP cleared on 02-02-2006.
					Mar-10	RENUSAGAR TPS					
					Mar-10						Rehabilitation completed.
18	AMLOHRI EXPN	OC	10.000	1896.9600	May-06	D-G	4.7000	5.0000	5.2800	5.5000	EMP cleared on 16-02-2006.
	NCL										Balance 65 PAPs to be shifted.
					Mar-14	RIHAND SUPER TPS					Tender for 24/88 mR Draglines to be finalized.
					Mar-14						Award of construction of CHP to be finalized.
19	BLOCK-B	OC	3.500	746.0400	Jul-06	C-F	2.1500	2.3000	3.4300	3.0000	Non Forest Land (137 ha) to be acquired.
	NCL										
					Mar-12	SURATGARH TPS					Difficulties in land acquisition due to demand of employment beyond the approved norms under R&R policy.
					Mar-12	& BASKET					

20	BINA EXTN.OC	OC	6.000	168.9700	Nov-06	E	4.8900	4.7000	5.4400	5.5000	
	NCL										Physical possession of forest land & EMP for higher capacity required.
					Mar-14	MISC.					
					Mar-14						
21	PENGANGA	OC	3.000	339.7706	Oct-08	F					Land acquisition difficult because of higher rates of compensation being paid by other agencies like NTPC.
	WCL										
					Mar-14	MISC.					Form-I for EMP submitted on 29.01.09.
					Mar-14						
22	BAROUD EXPN.	OC	3.000	135.5800	Jul-08	F	1.3770	1.4000	1.5564	2.5000	Balance Forest Land (236.53 Ha)& Non-Forest Land (511.29 Ha.)to be acquired.
	(RAY WEST)										
	SECL				Mar-12	POWER PLANT					Environmental clearance for 3.0 Mty required.
					Mar-12	& MISC.					

23	KUSMUNDA EXPN.-II	OC	15.000	1188.2100	Jun-08	F	8.7131	10.5000	10.5576	9.0000	Forest clearance (Regularization case) for 206 Ha of revenue forest land pending with MoEF, New Delhi.
	SECL										Non-Forest Land: Notification u/s.(4) of CBA Act for 862 Ha is under preparation.
					Mar-13	POWER PLANT					As per 15 Mty PR, 1895 land owners and 1065 families to be shifted. Getting physical possession of land may prove to be a constraint considering resistance by local villagers.
					Mar-13						Environment clearance for 15 MTY pending with MoEF.
24	BATURA OC	OC	2.000	203.8200	Sep-08	C					Req. of Land:Forest:79.31 Ha, Non-Forest: Govt.: 135.81Ha, & Tenancy : 727.75Ha. Proposal for notification for acquisition of 942.87 Ha. Land u/s 4(i) of CBA Act submitted on 3.11.08.
	SECL										
					Mar-14	MISC.					As per PR, 825 land oustees & 1870 PAFs are to be rehabilitated.
					Mar-14						Environment clearance required.

25	JAGANNATHPUR	OC	3.000	152.4300	Sep-08	E						Req. of Land:Forest:87.49 Ha, Non-Forest: Govt.: 46.32Ha, & Tenancy : 545.98Ha. Proposal for notification for acquisition of 679.79 Ha u/s 4(i) of CBA Act submitted in Jan-09.
	(MAHAN-III&IV), SECL				Mar-14	MISC.						As per PR, 1500 land oustees & 390 PAFs are to be rehabilitated.
					Mar-14							Environment clearance required.
26	CHURCHA RE-ORG	UG	1.350	462.3539	Jun-08	B/C(LF)	1.1166	1.1100	1.2147	1.2200		9.60 Ha Forest & 5.50 Ha Non-Forest Land required. Proposal for notification u/s(4) is to be submitted.
	SECL											
					Mar-15	POWER PLANT						Environment clearance for 1.35 Mty required.
					Mar-15							
27	PELMA	OC	10.000	447.8500	Jul-08	F	0.0000	0.0000				Req. of Land:Forest:322.86 Ha,Non-Forest:Govt.: 306.07Ha, & Tenancy :1444.84Ha. Proposal for notification for acquisition of 679.79 Ha u/s 4(i) of CBA Act submitted in Jan-09.
	SECL											
					Mar-12	POWER PLANT						As per PR, 915 land oustees & 1250 PAFs are to be rehabilitated.
					Mar-12							Environment clearance required.

28	KARTALI EAST	OC	2.500	139.7800	Jul-08	C/E	0.0000	0.0000			Req. of Land:Forest:394.32 Ha, Non-Forest:Govt.:32.10Ha, & Tenancy : 304.38Ha. Proposal for notification for acquisition of 679.79 Ha u/s 4(i) of CBA Act submitted in Jan-09.
	SECL				Mar-14	MISC					As per PR, 508 PAPs & 450 PAFs are to be rehabilitated.
					Mar-14						Environment clearance required.
29	DIPKA EXPN (2)	OC	20.000	1268.5331	Jul-05	F	19.4600	18.5000	22.8095	20.0000	Environment clearance for 25 MTY pending with MoEF.
	SECL				Mar-10	POWER PLANT					
					Mar-10						<u>Rehabilitation</u> : As per EPR, 800 land owners and 850 families to be shifted.
30	GEVRA EXPN (2)	OC	25.000	1667.5535	Jul-05	F	15.1086	25.0000	32.1036	25.0000	Additional 134.603 Ha Forest land & 275 Ha Non-Forest Land required.
	SECL				Mar-10	POWER PLANT					<u>R&amp;R</u> : 1920 PAFs & 6158 land owners to be shifted. Resistance by villagers is delaying assessment of compensation.
					Mar-10						Environment clearance for 35 MTY pending with MoEF.
					Mar-10						

31	BHUBANESWARI OCP	OC	20.000	490.1000	Dec-07	E/F	0.1970	1.5000	1.8460	4.0000	Action for getting physical possession of forest land in process.
	MCL										Implementation of action plan for dispatch of 20.00 Mty to be initiated.
					Mar-14	Basket					1012 PAFs of 3 villages to be rehabilitated.
					Mar-14						Environment clearance for 20 MTY required.
32	KANIHA OCP	OC	10.000	457.7700	Dec-07	E/F	0.0000	2.0000		1.0000	Forestry clearance for 155.18 ha required.
	MCL										1715 PAFs are to be rehabilitated
					Mar-12	STPS,Kaniha					There is an agitation for employment of about 41 PAFs coming under not priority category (group-C).
					Mar-12						Access trench will be started after clearing the above employment cases.
33	GOPALPRASAD	OC	15.000	395.8700	Feb-08	F/G	0.0000	0.0000		0.0000	Forestry clearance for 86.51 ha required.
	MCL										1018 PAFs are to be rehabilitated. Final assessment in process.
					Mar-13	Basket/Captive					Environment clearance for 15 MTY required.
					Mar-13						

34	BALARAM EXTN.	OC	8.000	172.0800	Dec-07	F	0.0000	0.0000	0.0000	6.0000	Action for acquisition of additional tenancy land required for the extension project in process.
	MCL					TNEB					As per PR, 2000 families are to be rehabilitated. List of eligible PAPs is under preparation
											Action for obtaining EMP clearance for extension part is in process.
35	LAKHANPUR EXPN.	OC	5.000	116.5400	Sep-08	F		2.0000		13.0000	Forestry clearance for 84.4 Ha forest land required.
	PH-II (15 MTY)										Environment clearance for 15 Mty required.
	MCL				Mar-11	POWER					
					Mar-11						As per PR, 1039 PAFs with 4825 PAPs are to be rehabilitated.
36	ANANTA EXTN. (15 MTY)	OC	3.000	207.2800	Aug-08	F	0.0000	0.0000		13.5000	Req. of Land: (for first 10 years)
	MCL										Forest : 114.46 Ha, Govt. : 40.81 Ha, & Tenancy : 344.89Ha .
					Mar-11						Environment clearance for 15 Mty required.
					Mar-11						As per PR, 630 PAFs with 2750 PAPs are to be rehabilitated.

37	HINGULA EXTN.(15 MTY)	OC	7.000	292.5400	Nov-08			3.0000		10.7000	Req. of Land: (for first 7 years):
	MCL										Forest : 86.59 Ha, Govt.: 77.68 Ha & Tenancy : 310.73Ha
					Mar-13						Environment clearance for 15 MTY required.
					Mar-13						As per PR, 214 PAFs with 1122 PAFs are to be rehabilitated.
38	TALABIRA	OC	20.000	447.7200	Mar-08		0.0000	0.0000			687.62 Ha Forest, 718.11 Tenancy, & 478.74 Govt. Land required.
	MCL										As per PR, 2046 families are to be rehabilitated
					Mar-16						Environment clearance required.
					Mar-16						
39	BHARATPUR PH-III (20MTY)	OC	9.000	131.3900	Feb-07		1.3280	1.0000	0.9450	13.0000	Forestry clearance for balance forest land required.
	MCL										
					Mar-10						Rehabilitation of 365 PAFs in process.
					Mar-10						
40	KULDA	OC	10.000	302.9600	Jan-05		0.1500	2.0000	2.4680	3.0000	Physical possession of 227.89 Ha forest land required.
	MCL										414 PAFs of 2 villages to be rehabilitated.
					Mar-10						Spur line in Kanika Railway-siding and also the construction of Gopalpur-Mohanpur Railway Line needed.
					Mar-10						

**ANNEXURE IV(A) contd.**

**DETAILS OF ON-GOING PROJECTS COSTING RS.100 CRORES & ABOVE IN SINGARENI COLLIERIES COMPANY LIMITED (SCCL)**

<b>Sl No</b>	<b>Name of the Project/ Company</b>	<b>Capacity (Mty)</b>	<b>Sanctioned Cost (Rs.Crs)</b>	<b>Date of sanction Schedule of completion Anticipated Completion</b>	<b>Grade of coal Linkage</b>	<b>Actual Prodn 2008- 09 (MT)</b>	<b>BE/RE 2008-09 (MT)</b>	<b>BE 2008-09 (Prod.) (MT)</b>	<b>Expd. till Mar. 2009 (Rs.Crs )</b>	<b>BE 2008-09 (Rs.Crs)</b>	<b>Status as on 31.3.2009</b>
1	Adriayala Shaft- UG Project, SCCL	2.144	212.340	29.09.06 2012-13 2012-13	E,D,C  Basket Linkage	-Nil-	-Nil-	0.41	14.476	74.16	The project is on schedule. Required 30.28 Ha of non-Forest Land is in possession of SCCL . Additional land of 47.30 Ha is to be acquired for diversion of Bokkalavagu and for construction of filter bed, sub- station etc. above the trunk road ways with the new concept of punch entries. Acquisition is under process. Sinking of return air shaft progress is 249.0 m.

2	Shanti-khani Longwall UG, Project, SCCL	1.167	249.03	09.10.06 2011-12 2011-12	F,D  Basket Linkage	0.003	-Nil-	0.128	24.646	31.03	The project is on schedule. Total Non-forest land required for this project is 7.04 Ha. Out of this 2.16Ha is already in possession of SCCL. For an extent of 4.88 Ha of forest land , MoEF issued formal approval and GoAP issued G.O. Sinking of intake air shaft work awarded. Drilling of drainage bore hole work completed, Sinking of air shaft progress is 5.5.m.
3	Jallaram Shaft Project, UG, SCCL	2.285	467.780	14.09.07 2012-13 2012-13	B,D,E.  Basket Linkage	-Nil-	-Nil-	-Nil-	10.351	35.34	For an extent of 35 Ha of forest land for surface rights and for an extent of 36.23 Ha. of forest land for UG rights required for this Project is a part of 412.4Ha. MoEF issued formal approval and GoAP issued orders.

4	Kakatiya Longwall Project, UG SCCL	2.747	453.63	15.12.08 2012-13 2012-13	B,E,F  Basket Linkage	0.149	-Nil-	0.160	29.431	14.57	Aquisition of Private Land and Government land is under various stages of progress. Mining lease is to be obtained after issue of prior approval which is pending with MOC.
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Abbreviations used : UG-Underground , LoI-Letter of intent

**DETAILS OF ON-GOING PROJECTS COSTING RS.100 CRORES & ABOVE IN NEYVELI LIGNITE CORPORATION (NLC).**

Rs. in Crores

SL NO	Name of the Project	Capacity	Sanctioned Cost (Rs.Crs.)	Month & year of sanction	Grade of coal linkage	BE 2008-09/ RE 2008-09	Expenditure up to March 2008**	Expenditure Apr-Mar. 2009	BE 2009-10	Status of the project as on 31.3.2009
1	Mine II Expansion	4.5 MTPA	2161.28	18.10.2004	<u>Lignite:</u> TPS II Expansion	<u>650.00</u> 380.00	1,189.78	320.76	320.00	Erection of conveyor components are in various stage. Project expected to be commissioned during Feb 2010. Supply of material for all major mining equipments has been completed. Erection of one 700 Ltrs, bucket wheel excavator is in progress. Overburden has been removed against the target 140.22 LM3 against the target of 120.00 LM3 for the period April'08 to March'09.
2	TPS II Expansion	2 x 250 MW	2030.78	18.10.2004	<u>Power:</u> Mine II Expansion	<u>750.00</u> 460.00	1,154.95	507.52	389.00	Erection of boilers, ESP and condenser are in progress. The erection work for 400 KV switch yard and Power transformer is in progress. Also the erection of turbine generator civil foundation works and TG hall structures of Unit-II are in progress. Boiler drum of Unit-I was lifted in May 2008. As the progress of main plant package contractor, M/s BHEL is behind the schedule and is not satisfactory to fulfill the commitment, there is likely delay of about 12 months in commissioning of the unit. Unit I is expected to be commissioned during May 2010 and Unit II in November 2010.

3	Mine at Rajasthan	2.1 MTPA	254.07	15.12.2004	<u>Lignite:</u> TPS II at Rajasthan	<u>78.00</u> <u>60.00</u>	140.67	53.21	50.00	All the works relating to the project are over and as per the approved time schedule. Orders for lignite excavation by outsourcing were issued in January 2009 and full production is expected from October 2009.
4	TPS at Rajasthan	2 x 125 MW	1114.18	15.12.2004	<u>Power:</u> Mine at Rajasthan	<u>645.00</u> <u>500.00</u>	728.66	428.31	216.85	Erection works are in progress in respect of Main Plant Package, Lignite Handling System, DM & Water Treatment Plant, 220 KV switch yard & transformer, RCC chimney and Cooling Tower- I & II. Supply of materials for boiler, structural and turbo generator and the erection work boiler, ESP are in progress. Hydro test for Unit I was completed in August 2008. Project execution is getting delayed due to delay in supply and resulting activities of main plant packages switchyard and power transformer by M/s BHEL. Unit I & II are expected to be commissioned during October 2009 and January 2010 respectively.
5	TPS at Tuticorin	2 x 500 MW	4909.54	12.5.2008	<u>Power:</u>	<u>500.00</u> <u>425.00</u>	8.27	222.42	730.00	Joint Venture Company viz. NTPL formed. Short listing of bidders for Coal Handling System, Switch Gear and Power Transformer package have been completed and tender specification has been issued to the short-listed bidders. LOI for turbo generator and steam generator were issued on 28th January 2009. Unit I & II are expected to be commissioned during March 2012 and Unit II in August 2012.

\*\* - Since inception

## CHAPTER – V

### FINANCIAL REVIEW

#### 5.1 Capital Outlay of Public Sector Undertakings (PSU)s

(Rs in crore)

Name of PSUs	Actual 2006-07	Actual 2007-08	RE 2008-09	Actual 2008-09	BE 2009-10
CIL	2059.69	2033.51	2755.00	2289.06	2900.00
NLC	1236.08	1766.71	1895.34	1559.15	1893.64
SCCL	448.63	573.97	665.30	499.34	580.57

#### 5.2 Ministry of Coal operates six Plan Schemes namely :

- (a) Research and Development
- (b) Regional Exploration
- (c) Detailed Drilling
- (d) Environmental Measures and Subsidence Control
- (e) Conservation and Safety in Coal Mines
- (f) Development of Transport Infrastructure in Coalfields Areas

Out of the above six Schemes, the first four schemes are being operated under the Plan Head for the last several Plan Periods. However, the remaining two schemes have been brought under Plan Head during the year 2005-06 onwards as directed by the Ministry of Finance. The status of the Budget provision and the expenditure for these six schemes are given below.

#### (i) RESEARCH & DEVELOPMENT PROJECTS

(Rs. in Crore)

Actual 2006- 07	Actual 2007- 08	RE 2008- 09	Actual 2008 – 09	BE 2009-10
6.00	12.86	10.0	10.00	20.0

(ii) **PROMOTIONAL (REGIONAL) EXPLORATION IN COAL & LIGNITE**

(Rs. in Crore)

<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
40.00	34.99	34.70	30.00	30.39

Note: Above figures are amount released / to be released by Ministry of Coal for ex-NE region. CMPDI has disbursed Rs.42.49 crore (unaudited) during 2008-09 utilising unspent balance of previous year also.

(iii) **DETAILED DRILLING IN NON-CIL/CAPTIVE MINING BLOCKS**

(Rs. In Crore)

<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
20.98	40.00	15.00	15.00	60.00

Note: Above figures are amount released / to be released by Ministry of Coal for ex-NE region. CMPDI has disbursed Rs.31.24 crore (unaudited) during 2008-09 utilising unspent balance of previous year also.

(iv) **ENVIRONMENTAL MEASURES AND SUBSIDENCE CONTROL**

(Rs. in Crore)

<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09 (Approved)</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
7.94	17.99	10.00	9.90	15

The actual disbursement since inception of the EMSC schemes till 31.03.2009 including four RCFS schemes sanctioned in 2001-02 is Rs. 129.67 crores.

(v) **CONSERVATION AND SAFETY IN COAL MINES**

(Figures in Crores)

<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
180.00	150.38	132.00	132.00	135.00

(vi) **DEVELOPMENT OF TRANSPORT INFRASTRUCTURE**

(Figures in Crores)

<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
13.81	23.58	0.01	0.0	22.00

**5.3 Development of North Eastern Region/Sikkim**

(Rs in crore)

<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
<b>0.00</b>	<b>0.00</b>	<b>7.80</b>	<b>0.00</b>	<b>14.30</b>

\* Since there are no schemes available for Development of North Eastern Region/Sikkim in the Ministry of Coal, the allocation under this head are normally transferred to the non lapsable pool of Central Government..

**5.4 Coal Mines Pension Scheme and Coal Mines Deposit Linked Insurance Scheme**

(Rs in crores)

<b>Object Head</b>	<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
<b>CMDLI Scheme (Contribution)</b>	1.50	1.50	1.50	1.50	1.50
<b>CMDLI Scheme (Adm. charges)</b>	0.26	0.32	0.32	0.32	0.32
<b>Coal Mines Pension Scheme (Contribution)</b>	20.50	21.00	18.50	18.50	18.50
<b>Coal Mines Pension Scheme (Adm. Charges)</b>	4.49	10.52	10.70	10.70	10.20
<b>Total</b>	<b>26.75</b>	<b>33.34</b>	<b>31.02</b>	<b>31.02</b>	<b>30.52</b>

**5.5 Secretariat Proper**

(Rs in crores)

	<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
<b>Plan</b>	0.17	0.03	0.23	0.00	3.00
<b>Non Plan</b>	7.01	6.32	10.43		12.73

## 5.6 Coal Controller Orgainsation

(Rs in crores)

	<b>Actual 2006-07</b>	<b>Actual 2007-08</b>	<b>RE 2008-09</b>	<b>Actual 2008-09</b>	<b>BE 2009-10</b>
<b>Plan</b>	0.56	0.19	0.26	0.21	0.31
<b>Non Plan</b>	2.24	2.95	4.55	4.35	5.75

## **CHAPTER - VI**

### **REVIEW OF PERFORMANCES OF STATUTORY AND AUTONOMOUS BODIES**

#### **Coal Mines Provident Fund Organisation**

There is an autonomous body namely the Coal Mines Provident Fund Organisation under the Ministry of Coal. This organization administers the following three Schemes:

- (a) Coal Mines Provident Fund Scheme, 1948
- (b) Coal Mines Pension Scheme, 1998
- (c) Coal Mines Deposit Linked Insurance Scheme 1976

The features and the broad profile of each of the above three schemes are as under:

#### **(a) COAL MINES PROVIDENT FUND SCHEME, 1948**

**6.1.** The Coal Mines Provident Fund Scheme-1948 framed under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 provides provident fund benefits to all the employees of Coal Mines in India. Neyveli Lignite Corporation is not covered under this Act. The workers contribute to the Coal Mines Provident Fund at the rate of 12% of their emoluments and the employers pay an equivalent amount. Interest at the rate of 8.5% per annum was allowed on the closing balance of PF of the financial year 2007-08. The entire accumulations in the fund are invested in accordance with guidelines laid down by the Ministry of Finance and Board of Trustees, CMPF. The fund vests in and is administered by a tripartite Board of Trustees consisting of representatives of employers, employees and Central/State Governments.

The table below indicates the broad profile of the Scheme:

<b>Particulars</b>	<b>2007-08 Actual</b>	<b>2008-09 (upto March,2009) un-audited</b>	<b>2009-10 Estimated</b>
Number of Coal Mines/plants covered( as at the end of the year)	971	971	971
Number of live membership during the year (lakhs)	4.03	5.13 approx.	5.787
Contribution during the year (Rs. In crores) including voluntary contribution.	1880.35	2600.00 Approx	2000.00
Rate of interest allowed to the members of the fund	8.5%	Rate of interest will depend upon availability of funds and shall be decided by Board of Trustees, CMPF	Rate of interest will depend upon availability of funds and shall be decided by Board of Trustees, CMPF
Advance during the year (Rs. In crores)	1130	2270 Approx	1140
Refund of Provident Fund during the year (Rs. In crores)	1877.43	2300.00 Approx	2000.00
(i) No. of cases settled (refund)	15793	24620	20,000
(ii) No. of cases received (refund)	15852	24800	22,000
Officers in position	44	51	39
Staff in position	981	966	978

**(b) COAL MINES PENSION SCHEME, 1998**

**6.2** One of the most important landmarks in the history of Coal Mines Provident Fund Organization is the introduction of Coal Mines Pension Scheme, 1998 effective from 31.3.98 which has been notified by the Central Government on 5<sup>th</sup> March, 1998, in exercise of the powers conferred by Section 3E of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948) and in supersession of the Coal Mines Family Pension Scheme, 1971.

**6.3** The Coal Mines Pension Scheme has come into force with effect from 31<sup>st</sup> day of March, 1998 and on that day its members were 7, 82,578 working in different coal mines within the country. The highlights of the Scheme are as follows:

**(i) Corpus of the Fund and its sustainability:**

The Pension Fund consists of the following:

- (a) Net assets of the Coal Mines Family Pension Scheme, 1971 as on the appointed day;
- (b) An amount equivalent to two and one-third percent of the salary of the employee, being the aggregate of equal shares of the employee and employer from their respective contribution to the fund, to be transferred from the appointed day from the fund of employee;
- (c) An amount equivalent to two percent of the salary of the employee from the first day of April, 1989 or the date of joining, whichever is later, upto the 31<sup>st</sup> day of March, 1996 and two percent of the notional salary of the employee from the 1<sup>st</sup> day of April, 1996 or the date of joining, whichever is later, to be transferred from his salary;
- (d) An amount equivalent to one increment to be calculated on the basis of the salary of the employees as on the first day of July, 1995 or the date of joining, whichever is later from the salary of the employee;
- (e) An amount equivalent to one and two-third percent of the salary of the employee to be contributed by the Central Government from the appointed day;
- (f) Amounts to be deposited by new optees in terms of the provisions of the Scheme. The Commissioner, CMPFO is responsible for getting the valuation of the Pension fund done every third year by an Actuary, to be appointed by the Board of Trustees.

**(ii) Coverage:-**

- (a) All employees who were members of the ceased Coal Mines Family Pension Scheme, 1971 and were on rolls on 31<sup>st</sup> March, 1998
- (b) All such employees who are appointed on or after 31<sup>st</sup> March, 1998
- (c) All such optee members retired from service during the period from 01.04.94 to 31.03.98 and who opted for membership of the Pension Fund in Form PS-1 and PS-2 as the case may be.

All such employees who died while in service during the period 01.04.1994 to 30.03.1998 are treated as deemed optee of the scheme vide G.S.R.No. 521 dated 18.08.2004

**(iii) Benefits:-**

- (a) Monthly Pension
- (b) Disablement Pension
- (c) Widow or Widower Pension
- (d) Children Pension
- (e) Orphan Pension
- (f) Ex-gratia Payment.

**6.4.** The Central Government contributed a sum of Rs. 21.00 crore during 2007-08 towards pension fund. Rs. 18.50 crore in 2008-09 and Rs. 18.50 crore in 2009-10 (BE) have been provided. In addition, the Central Government contributed Rs. 10.70 crore in 2008-09 and Rs. 10.20 crore in 2009-10 (BE) towards the administrative expenses for maintaining the Pension Scheme.

**6.5** The table below indicated the broad parameters of the Scheme

S.No.	Particulars	Actual 2007-08	Provisional 2008-09 (upto March,2009) un-audited	2009-10 (Estimated)
i)	Membership of Coal Mines Pension Scheme (lakhs)	4.90	4.80	4.72
ii)	Contribution to Pension Scheme during the year by employers' employees' Govt. and interest (Rs in crores)	1169.44	1262.55 (approximate)	1220.50
iii)	Disbursement of benefits (ceased Family Pension Scheme and Pension Scheme) (Rs. In crores)	475.50	601.00 (approximate)	525.00
iv)(a)	No. of family pension and Life Assurance benefits (now ceased cases settled)	1	2	51
(b)	Pension cases settled	19499	82080	36600 Approx

v)(a)	No. of pension and Life Assurance benefits cases received	1	3	5
(b)	No. of pension cases received	20200	36443	40600 Approx
vi)	No. of other benefits cases settled	NIL	NIL	NIL
vii)	No. of other benefits cases received	NIL	NIL	NIL

**(c) COAL MINES DEPOSIT LINKED INSURANCE SCHEME, 1976**

**6.6** The Coal Mines Deposit Linked Insurance Scheme was introduced with effect from 1<sup>st</sup> August, 1976. The scheme provides for payment to the dependents of a member, an amount equivalent to the average of the last three years balance at the credit of the member's provident fund if the member dies while in service, subject to a maximum of Rs. 10,000/-

**6.7.** In accordance with this scheme, the employers are required to contribute at the rate of 0.5% of the aggregate wages towards this scheme. The Central Government is also required to contribute an amount equal to 50% of the contribution made by the employers.

**6.8.** The Central Government contributed a sum of Ra. 1.50 crore each in 2007-08 and 2008-09 under this scheme. An amount of Rs. 1.50 crore has been provided in BE 2009-10 for this Scheme. In addition the Central Government have provided Rs. 0.32 crores in 2008-09 and Rs. 0.32 crore in 2009-10 towards the administrative expenses for maintaining this Scheme.

6.9 The table below indicates the broad parameters of the scheme.

**COAL MINES DEPOSIT LINKED INSURANCE SCHEME**

(Rs.in Crore)

S.No.	Particulars	Actual 2007-08	Provisional 2008-09(upto March,2009)	2009-10 (Estimated )
1	Total amount of contribution (employers' & Govt. contribution)	3.18	4.45	3.25
2	Total amount received in Central Admn Account	0.66	0.88	0.67
3	Investment made out of DLI fund and deposited in Public Account	12.32	12.20	15.40
4	Investment made out Insurance Fund (Central Admn. Account)	3.91	3.90	4.00
5	Total investment made from insurance fund(Central Administration Account)	39.00	40.00	41.00

The cost of administration of the Deposit Linked Insurance Scheme is borne by the employers who contribute 0.1% of the aggregate wages for the purpose. The Government is also required to contribute 50% of the employer's contribution for this purpose i.e. 0.5% of the aggregate wage. No separate staff is employed for the Scheme. Proportionate share of expenditure on common items is charged to the scheme.

