

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2623
ANSWERED ON:08.08.2000
PROJECT FOR IMPROVEMENT IN COAL INDUSTRY
SUKDEO PASWAN;ZORA SINGH MANN

Will the Minister of COAL be pleased to state:

- (a) whether any project has been formulated to bring improvement in the coal industry;
- (b) if so, the details and cost thereof;
- (c) whether purchase orders have been placed to procure mining machinery for this project;
- (d) if so, the details of the value of such machinery purchased, company-wise;
- (e) whether the production capacity is being reduced by limiting the size of this project; and
- (f) if so, the reasons therefor(?)

Answer

MINISTER OF STATE FOR COAL (SHRI N. T. SHANMUGAM)

(a) Yes, Sir. Coal Sector Rehabilitation Project was formulated for bringing improvement in the coal industry.

(b) The Coal Sector Rehabilitation Project (CSRP) was conceived to cater for investment towards increasing coal production for 9 new / expansion projects and maintenance of capacities in 15 replacement projects under 5 subsidiaries of Coal India Ltd. viz. Central Coalfields Ltd. (CCL), Mahanadi Coalfields Ltd. (MCL), Western Coalfields Ltd. (WCL), South Eastern Coalfields Ltd. (SECL) and Northern Coalfields Ltd. (NCL). The basic objective of CSRP was to make Coal India Ltd. commercially viable, self-sustaining and to bring improvement in the coal industry.

The total investment in the project was estimated at US\$ 1.695 billion, out of which US\$ 1.03 billion was to be financed by the World Bank (IBRD) and the Japan Bank for International Co-operation (JBIC) on 50:50 co-financing ratio. The balance amount was to be financed by the participating subsidiaries of Coal India Ltd. The project consists of investment component, technical assistance and training component. The investment component is to finance procurement of Heavy Earth Moving Machinery (HEMM) in 24 profitable mining sub-projects and also construction of Coal Handling Plants (CHPs) in four of them. The technical assistance component was envisaged to finance Coal India's Institutional Capacity Development in the project implementation, mining operations and management.

CSRP was approved by the World Bank in September, 1997 and the loan became effective in June, 1998. The disbursement for the project started in July, 1998.

(c)&(d) Heavy Earth Moving Machinery worth US\$ 477.89 million (equivalent to Rs. 1964.42 crores) has already been ordered for 5 subsidiary companies of Coal India Ltd. Details of orders are at Annexure.

(e)&(f) After examining in its entirety, CIL felt that balance of convenience lies in agreed cancellation of the balance uncommitted facility of World Bank / JBIC loan and further steps have been initiated in this direction. The works under the Project are now being completed from financing from CIL's own resources and on the basis of its balance sheet.

ANNEXURE

ANNEXURE REFERRED TO IN THE REPLY TO PART (c) & (d) OF THE LOK SABHA UNSTARRED QUESTION NO.2623 TO BE ANSWERED ON 8.8.2000

Status of contract for HEMM under CSRP against IBRD loan No. 4226-IN

Sl No.	Item	Qty.	Contract No. & date	Name of Supplier	CIP Value in Currencies Quoted	CIP Value in	CIP Value in
						US\$	Indian Rupees (Million)

on)

Contract

1. 30T wheel Mounted Crane 17.07.98	2	CIL/Cra ne 30T/A/0 18 dt.	TIL , India	Ltd. Rs.1,54,49,1 00.00	15.45	0.36
2. 70T wheel Mounted Crane 17.07.98	3	CIL/Cra ne 70T/A/0 19 dt.	TIL , India	Ltd. Rs.4,94,21,2 29.00	49.42	1.15
3. 2.8 cu.m /4.2cu. m. Hydraul ic Excavat or	14	CIL/Hy Exc 2.5/A/0 04 dt 17.08.9 8	BEML, India	US\$1,590,752 .22 plus Rs.12,48,65, 291.66	187.84	4.49
4. 4.3 cu.m /6.1 cu.m Hydraul ic Excavat or	8	CIL/HyE xc4/A/ 005 dt.17/0 8/98	BEML ,India	US\$2,705,293 .17 plus Rs.15,24,26, 141.08	259.53	6.25
5. 50T Rear Dumper dt.25/0 9/98	13 5	CIL/Dum p50/A/ 006 India	Hindustan Motors Ltd., 206.07	US\$35,991,00 0.00 plus Rs.43,51,94,	1867.2	46.11
6. 50T Rear Dumper dt. 19/1/99	81	CIL/Dum p50/A/B EML/006 632.14	BEML India	US\$14,320,04 8.83 plus Rs.78,97,82,	1359.5	32.68
7 10 Electri c Mining Rope Shovel	m3 22	CIL/Rsh ov 10/A/00 3 dt.12/1 0/98	Harnischf eger Corporati on, USA	Japani Yen 7,440,751,39 0 5.00	2297.7	53.43
8. 85T Rear Dumper 3/11/98	63	CIL/Dum p 85/A/ 007 dt. 351.44	BEML, India	US\$14,871,75 6.93 plus Rs.96,98,22,	1561.5	37.42
9. 24 Walking Draglin e 3/11/98	Cu.M 3	CIL/Dra gline/A /001 dt.	BEML, India	US\$33,199,22 9.48 plus Rs.74,56,70, 707.35	2067.3	50.54
10 120 . Dumper /008 dt. 5/12/98	T 16 0	CIL/Dum p/120/A USA	Unit Rig,	US\$156,827,5 73.96	6246.4	156.83
11 . Dozer 240 KW 09 dt. 24/12/98	48	CIL/Doz er 240/A/0 640.10	BEML, India	US\$2,376,793 .80 plus Rs.25,18,93,	347.08	8.23

12 Crawler . Dozer 300KW dt. 24.12.98	97	CIL/Doz er300/A /010	BEML, India plus Rs.70,12,98, 311.26	US\$6,951,648 .00	979.71	23.26
13 Crawler . Dozer 600KW dt. 21/12/98	5	CIL/Doz er600/A /011	Caterpill ar Asia .00	US\$3,933,797 .61 plus Rs.34,65,000	160.86	4.01
14 Wheeled Dozer 300KW /012 dt. 21/12/98	35	CIL/Whe el Dozer/A /012	Caterpill ar Asia Plus Rs.1,07,88,4 35.00	US\$13,789,48 0.35	562.37	14.03
15 Motor . Grader 17 dt. 21/1/99 .00	26	CIL/Gra der/A/0 plus Rs.87,95,020	Caterpill ar Asia plus Rs.87,95,020	US\$ 7,107,585.70	316.55	7.30
16 Drill . 250 mm /014 dt.4/2/99	34	CIL/Dri ll250/A /014	Rudgormar ch JSC 0.00	US\$10,142,20 0.00	434.29	10.14
17 Drill . 311 mm 311/A/ 015 dt. 21/1/99	5	CIL/Dri ll 311/A/ 015 dt. 21/1/99	Ingersol Rand (India) Ltd.	US\$10,834,99 9.10	463.95	10.83
18 Front . End Loader	3	CIL/F.E . Motor Loader Ltd.	Hindustan Motor Ltd.	US\$560,220.0 0 plus Rs.76,86,739	31.94	0.74
5.7 cu.m. 1/3/99	5.7./A/ 016 dt.			.00		
19 Drill . 160mm / 013/REC P dt. 13/9/99	19	CIL/Dri ll160/A / Ltd.	Revati CP Equipment Ltd.	US\$4,705,105 .47	203.82	4.70
20 Drill . 160mm /013/IR (India) dt. 13/9/99	12	CIL/Dri ll160/A /013/IR (India) dt. 13/9/99	Ingersol Rand Ltd.	US\$3,173,827 .96	137.49	3.17
21 Water Sprinkl er 021 dt. 26/11/99	13	CIL/spr inkler 28KL/A/ 021 dt. 26/11/99	Hindustan Motor Ltd. .00	US\$1,835,337 .46 plus Rs.21,87,198	80.24	1.89
22 Tyre . Handler Handler /A/20 dt. 1/12/99	2	CIL/Tyr e /A/20 dt. 1/12/99	Voltas Ltd.	Rs.13,813,82 0.00	13.81	0.32

Grand Total

Rs.19644.26 US\$477.89