

**GOVERNMENT OF INDIA
MINES AND MINERALS
LOK SABHA**

UNSTARRED QUESTION NO:2504
ANSWERED ON:10.03.2000
PERFORMANCE OF CIL
ANNA SAHEB M.K. PATIL

Will the Minister of MINES AND MINERALS be pleased to state:

- (a) whether the Government have reviewed the performance of Coal India Limited and its subsidiaries during the current year in terms of target set and achieved as per MoU;
- (b) if so, the subsidiary-wise details of performance during the last three years;
- (c) the major emerging trends in terms of achievements as well as shortfalls; and
- (d) the major problems identified and new strategies evolved to redress them along with the action plan formulated 2000-2001?

Answer

Minister of State for Mines & Minerals (Smt. Rita Verma).

(a) & (b): Yes, each year, the Department of Coal signs a MOU with Coal India Limited (CIL) only and not with each of CIL's subsidiaries. The performance of Coal India Limited and its subsidiaries are reviewed in terms of targets set in Annual Action Plan document prepared by the Department of Coal. The performance of CIL and its subsidiaries for the past three years is given below:-

Coal Production

(in million tonnes)

Company	1996-97		1997-98		1998-99	
	Target RE	Actual RE	Target RE	Actual RE	Target RE	Actual RE
Eastern Coalfields Ltd.	31.50	29.65	32.50	27.42	27.00	27.16
Bharat Coking Coal Ltd.	29.50	27.13	30.70	30.92	27.40	27.17
Central Coalfields Ltd.	32.80	32.18	33.50	33.08	33.10	32.18
Northern Coalfields Ltd.	37.00	37.01	37.00	37.12	37.00	36.52
Western Coalfields Ltd.	29.70	31.23	30.50	32.52	32.00	31.75
South Eastern Coalfields Ltd.	53.70	55.30	55.50	56.63	57.00	57.56
Mahanadi Coalfields Ltd.	37.00	37.37	39.50	42.17	42.50	43.51
North Eastern Coalfields	0.80	0.75	0.80	0.69	00.60	00.64
Coal India Limited	252.00	250.62	260.00	260.55	256.60	256.49

Plan Expenditure

(Rs in crores)

Company	1996-97		1997-98		1998-99	
	Target RE	Actual RE	Target RE	Actual RE	Target RE	Actual RE
Eastern Coalfields Ltd.	190.00	273.09	150.00	173.68	115.00	131.23
Bharat Coking Coal Ltd.	215.00	213.85	168.00	158.62	110.00	172.02
Central Coalfields Ltd.	130.83	234.74	235.00	305.86	180.00	181.46
Northern Coalfields Ltd	150.00	127.78	262.00	221.08	366.00	342.73
Western Coalfields Ltd.	170.00	228.91	300.00	291.77	280.00	359.82
South Eastern Coalfield Limited.	240.00	248.50	350.00	397.80	330.00	309.74
Mahanadi Coalfields Ltd	200.00	183.81	300.00	240.10	310.00	326.57
CMPDI and CIL	15.00	19.77	14.56	35.64	9.00	8.40
Total (CIL)	1310.83	1530.45	1779.55	1824.55	1700.00	1831.97

(c) & (d): CIL has achieved 99.45% (1996-97), 100.21% (1997-98) and 99.96% (1998-99) of its coal production targets. CIL achieved its targets of financial expenditure during 1996-97, 1997-98 and 1998-99.

The major problems being faced by CIL are as under:

- (i) Low offtake of coal mainly due to slower growth in coal based generation increase in import of coal/coke by industries mainly cement plants.
- (ii) Delays in land acquisition for new and on-going projects as well as acquisition of forest land.
- (iii) Recovery of coal sale dues is another area of concern. The total outstanding as on 31.3.1999 is Rs. 5799 crores, out of which power sector (SEB)'s share is Rs. 4806 crores.
- (iv) 3 subsidiary companies of CIL namely ECL, BCCL and CCL are continuously making losses.

However, to improve the performance of CIL further and to meet the future requirements in the country, the following thrust areas have been identified:

- (i) To open new mines and increase efficiency and productivity in the existing mines by modernisation, application of new technologies and to ensure timely availability of inputs and infra-structural facilities
- (ii) To take steps to remove the bottlenecks in land acquisition and forest land clearance for speedier implementation of coal projects.
- (iii) To take steps to securitise the outstanding coal sale dues of coal Public Sector Undertakings (PSUs) against defaulting SEBs.
- (iv) To take steps in co-ordination with the Railways to remove the transportation bottlenecks in coalfield areas having potential for enhanced production.
- (v) Apart from above Coal India Ltd. is making concerted efforts to reduce the production cost of coal by resorting to various measures viz. rationalisation of manpower, improvement in capacity utilisation, removal of bottlenecks in timely completion of coal projects, judicious planning, economy in expenditure, and maintaining good industrial relations.
- (vi) To take steps to improve the quality of coal through selective mining and beneficiation
- (vii) To supplement the resources required for investment in new projects and infuse modern technology and management systems and practices by entering into joint venture for development of green field project.
- (viii) To intergrate environmental & social mitigation measures with mine development plans.