

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

UNSTARRED QUESTION NO:365
ANSWERED ON:25.02.2000
INFRASTRUCTURE STATUS TO COAL INDUSTRY
ANANTRAO GUDHE

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

- (a) whether the Government have taken fresh initiatives in granting infrastructure status to coal industry to facilitate healthy and accelerated growth of the Coal sector;
- (b) if so, the details thereof;
- (c) the details of perspective plan of action under consideration for boosting up investment in coal sector;
- (d) the details of foreign funds/investment made available for coal sector during the Eighth Plan and actual utilisation alongwith funds likely to be available during the Ninth Plan; and
- (e) the details of updated performance review of the ongoing projects aided by foreign institutions, project-wise with the reasons for delay, if any?

Answer

MINISTER OF STATE FOR MINES & MINERALS

(SMT. RITA VERMA)

(a) & (b) On 13th October, 1998, a Note for the Cabinet Committee on Infrastructure was submitted to the Government by the erstwhile Ministry of Coal proposing grant of infrastructure status to the coal industry and extending the same concessions to the coal sector as already made available to the infrastructure industries in the ports, telecommunications, roads and power sectors. The proposal is under consideration of the Government. The Department of Coal has been directed to workout the economics of coal mining on a representative basis for underground and opencast mines of different sizes.

(c) to (e) The Coal India Limited (CIL) obtained a loan from the World Bank under the Coal Sector Rehabilitation Project (CSRP) envisaging an investment of US\$ 1697.6 million in order to increase productivity in 24 opencast mines of subsidiary companies of CIL. The 24 opencast mines of 5 subsidiaries of CIL (3 mines in Central Coalfields Limited, 6 mines in Mahanadi Coalfields Limited, 5 mines in Northern Coalfields Limited, 5 mines in South Eastern Coalfields Limited and 5 mines in Western Coalfields Limited) are covered under CSRP. As per the financing plan of this project, US\$ 530 million are being financed by International Bank for Reconstruction and Development loan and US\$ 2.0 million by International Development Association. EXIM Bank of Japan is also co-financing to the extent of US\$ 530 million. CIL's contribution would be of the order of US\$ 581.6 million and suppliers' credit would be to the extent of US\$ 54 million. Performance of the CSRP activities is being regularly monitored by Department of Coal under the existing mechanism of Performance Review of Coal Projects. CIL also monitors the activities. There has been no perceptible slippage in CSRP activities.