

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

UNSTARRED QUESTION NO:1414  
ANSWERED ON:03.03.2000  
EXPANSION OF SCCL  
UMMAREDDY VENKATESWARLU

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

- (a) the details of the plan of Government to expand the Singareni Collieries Company Limited;
- (b) whether any external finance has been sought for such an expansion;
- (c) if so, the details thereof;
- (d) whether any attempt to broad bore equity of Singareni Collieries is on the anvil; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF STATE FOR MINES & MINERALS (SMT. RITA VERMA)

(a) to (c): The Government of India have approved the capital restructuring plan of Singareni Collieries Company Limited (SCCL) on 21.3.99. The equity investment by Government of Andhra Pradesh and Government of India in SCCL as per the approved capital restructuring plan are as under:-

(i) Government of Andhra Pradesh would invest in the equity of the company an amount of Rs.268.00 crores during the IX Plan period. This amount of Rs. 268.00 crores includes Rs. 167.00 crores already provided by the Government of Andhra Pradesh towards equity of the company in 1997-98 and 1998-99 and additional equity investment of Rs. 101 crores to be provided by the State Government in the equity of the company during the remaining period of the IX Plan.

(ii) Government of India would invest in the equity of the company an amount of Rs.257.51 crores during the IX Plan period. This amount of Rs. 257.51 crores includes Rs. 160.47 crores already provided by the Government of India towards equity of the company in 1997-98 and 1998-99 and additional equity investment of Rs. 97.04 crores to be provided by the Government of India in the equity of the company during the remaining period of the IX Plan.

The details of pattern of financing for the proposed investment of Rs. 1665.32 crores, are given below:-

(Rs. Crores)

Government of Andhra Pradesh	268.00
Pradesh	Equity
Government of India	257.51
Government of India	Loan
Government of India	Bilateral Credit
Internal Resources	1000.69
Total	1665.32

With the above proposed investment, SCCL would achieve a production of 34.012 million tonnes by the terminal year of IX Plan from the production level of 28.734 million tonnes during 1996-97 (terminal year of VIII Plan). The break up of investment under existing/completed, ongoing and new projects during IX Plan period is given below:-

Investment during IX Plan (Rs. Crores)

Existing/completed projects	746.38
Ongoing projects	441.32
New projects	372.59
Non-mining projects	105.03
Total	1665.32

(d) & (e): The Government of Andhra Pradesh and Government of India propose to invest Rs. 268 crores and Rs. 257.51 crores towards equity during IX Plan period in SCCL. With the proposed equity investment, the equity base of SCCL would improve from Rs. 1207.69 crores as on 31st March, 1997 to Rs. 1733.20 crores by the end of IX Plan period.