

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2600
ANSWERED ON:22.07.2009
LOSS IN COAL INDIA LIMITED
Ponnam Shri Prabhakar

Will the Minister of COAL be pleased to state:

- (a) whether Coal India Limited (CIL) and its subsidiary companies particularly the Eastern Coalfield Limited (ECL) have been incurring losses during the last three years and the current year;
- (b) if so, the details thereof alongwith the profit/loss earned/incurred by various coal companies, company-wise, mine-wise and year-wise;
- (c) whether steps/measures have been taken/proposed to be taken by the Government to reduce and check the losses; and
- (d) if so, the details of the achievements made as a result of these measures?

Answer

THE MINISTER OF STATE (IC) IN THE MINISTRY OF COAL AND THE MINISTER OF STATE (IC) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIPRAKASH JAISWAL)

(a) & (b) : Coal India Limited (CIL) as a whole has not been incurring losses during the last three years. However, Eastern Coalfields Ltd. (ECL) has suffered losses during 2007-08 & 2008-09 and Bharat Coking Coal Ltd (BCCL) was in loss in 2008-09.

The details of profit (+) & loss (-) before tax of various Coal Companies, company-wise & year-wise are as under :-

(Rs. In Crore)

Company	2008-09	2007-08	2006-07
Eastern Coalfields Ltd. (ECL)	-2105.70	-1026.66	118.12
Bharat Coking Coal Ltd. (BCCL)	-1376.99	97.05	52.30
Central Coalfields Ltd. (CCL)	763.80	1035.25	1020.30
Northern Coalfields Ltd. (NCL)	3131.01	2763.75	2177.61
Western Coalfields Ltd. (WCL)	516.12	930.22	1054.44
South Eastern Coalfields Ltd. (SECL)	1817.93	2067.37	1777.83

Mahanadi Coalfields Ltd. (MCL)	2580.25	2504.79	2081.3
Central Mine Planning and Design Institute Ltd. (CMPDI)	6.74	5.00	4.47
North Eastern Coalfields (NEC)/Coal India Limited (CIL)	3657.68	2642.58	2864.84
Sub Total	8990.84	11019.35	11151.30
Less Dividend Received from subsidiaries	-3329.74	-2378.27	-2629.08
Total	5661.10	8641.08	8522.22
Adjustment for deferred revenue income	83.00	97.38	80.24
Overall profit as per consolidation of accounts	5744.10	8738.46	8602.46

(c) : In CIL, most of the underground mines are in losses. To reduce the losses action has been initiated for enhancing production and reducing losses per tonne of production for which various major steps being taken are as follows : -

Short Term Measures :

- # Phasing out of manual loading system by introduction of mechanized loading machines in a gradual manner to pave way for greater mechanization at the coal winning front in underground mines.
- # Rationalizing the underground transport system to handle the mechanized production.
- # Introduction of short wall mining with powered support in depillaring of already developed pillars.
- # Working of small OC patches by outsourcing.
- # Increasing productivity.
- # Increasing efficiency of the mines

Medium Term Measures :

- # Grouping of underground mines of CIL into different categories of mechanization with respect to geo-technical characteristics of the mines and planning appropriate technology mix for each category.
- # Power Support Longwall in more mines where geo-mining condition permits.
- # Introduction of mass production technology with continuous miner-shuttle car combination in as many mines as the geo-technical characteristics permits.

Long Term Measures :

- # Seven high capacity underground mines identified for Development and Operation through latest international technology.
- # Restart mining in 13 abandoned mines belonging to three subsidiaries of CIL, namely, ECL, BCCL and CCL with appropriate technology forming JV with reputed mining companies.
- # Introduction of High-wall Mining.

(d) : Over all production of Coal India Limited and its subsidiaries has increased from 379.46 Million Tonnes in 2007-08 to 403.73 Million Tonnes in 2008-09.