

37

**STANDING COMMITTEE ON
COAL AND STEEL
(2008-2009)**

FOURTEENTH LOK SABHA

MINISTRY OF MINES

**DEMANDS FOR GRANTS
(2008-09)**

*[Action Taken by the Government on the Recommendations/Observations
contained in the Thirty-second Report of the Standing Committee on
Coal and Steel (Fourteenth Lok Sabha) on Demands for Grants
(2008-2009) of the Ministry of Mines]*

THIRTY-SEVENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2008 / Agrahayana, 1930 (Saka)

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(2008-2009) of the Ministry of Mines]*

Presented to Lok Sabha on 12.12.2008

Laid in Rajya Sabha on 12.12.2008



LOK SABHA SECRETARIAT
NEW DELHI

December, 2008/Agrahayana, 1930 (Saka)

CC&S No. 37

Price : Rs. 35.00

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Published under Rule 382 of the Rules of Procedure and Conduct of
Business in Lok Sabha (Twelfth Edition) and Printed by Jainco Art India,
New Delhi-110005.

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER I Report	1
CHAPTER II Recommendations/Observations that have been accepted by the Government	12
CHAPTER III Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies	24
CHAPTER IV Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	25
CHAPTER V Recommendations/Observations in respect of which final replies of the Government are still awaited	28

ANNEXURES

I. Minutes of sitting of the Standing Committee on Coal and Steel (2008-09) held on 5.12.2008	29
II. Analysis of Action Taken by the Government on the Recommendations/Observations contained in the Thirty-second Report of the Standing Committee on Coal and Steel (Fourteenth Lok Sabha)	31

COMPOSITION OF THE STANDING COMMITTEE
ON COAL AND STEEL (2008-09)

Dr. Satyanrayan Jatiya—*Chairman*

MEMBERS

Lok Sabha

2. Shri Hansraj G. Ahir
3. Shri D.K. Audikesavulu
4. Shri Hiten Barman
5. Shri Bansagopal Choudhury
6. Shri Chandra Shekhar Dubey
7. Shri Chandrakant B. Khaire
8. Shri Faggan Singh Kulaste
9. Shri Vikrambhai Arjanbhai Maadam
10. Shri Dalpat Singh Paraste
11. Smt. Ranjeet Ranjan
12. Shri Tarachand Sahu
13. Shri Raghuraj Singh Shakya
14. Smt. Karuna Shukla
- *15. Shri Prabhunath Singh
16. Shri Rewati Raman Singh
17. Shri Sugrib Singh
18. Shri Bishm Shanker *alias* Kushal Tiwari
19. Shri M. Anjan Kumar Yadav
20. Shri Anirudh Prasad *alias* Sadhu Yadav
21. Shri Arun Yadav

* Resigned from the Membership of Lok Sabha on 11.11.2008.

Rajya Sabha

22. Shri Mohd. Ali Khan
23. Dr. T. Subbarami Reddy
24. Shri Jesudas Seelam
25. Shri Yashwant Sinha
26. Shri Jai Prakash Narayan Singh
27. Shri Ali Anwar Ansari
28. Shri T.K. Rangarajan
29. Shri B.J. Panda
30. Shri R.C. Singh *alias* Ram Chandra Singh
31. Shri Swapan Sadhan Bose

SECRETARIAT

1. Shri S.K. Sharma — *Secretary*
2. Shri A. Louis Martin — *Joint Secretary*
3. Shri A.S. Chera — *Director*
4. Shri Shiv Singh — *Deputy Secretary*
5. Shrimati Madhu Tandon — *Committee Assistant*

INTRODUCTION

I, the Chairman, Standing Committee on Coal and Steel having been authorised by the Committee to present the Report on their behalf, present this Thirty-seventh Report (Fourteenth Lok Sabha) on Action Taken by the Government on the recommendations/observations contained in the Thirty-second Report of the Standing Committee on Coal and Steel (Fourteenth Lok Sabha) on "Demands for Grants (2008-09)" of the Ministry of Mines.

2. The Thirty-second Report (Fourteenth Lok Sabha) of the Standing Committee on Coal and Steel was presented to Lok Sabha on 16th April, 2008. Replies of the Government to all the recommendations/observations contained in the Report were received on 1st October, 2008.

3. The Standing Committee on Coal and Steel considered and adopted the Report at their sitting held on 5th December, 2008.

4. An analysis on the Action Taken-by the Government on the recommendation/observations contained in the Thrity-second Report (Fourteenth Lok Sabha) of the Committee is given at Annexure II.

5. For facility of reference and convenience, the recommendations and observations of the Committee have been printed in bold letters in the body of the Report.

NEW DELHI;
5 December, 2008

14 Agrahayana, 1930 (Saka)

DR. SATYANARAYAN JATIYA,
Chairman,
Standing Committee on Coal and Steel.

CHAPTER I

REPORT

This Report of the Standing Committee deals with Action Taken by the Government on the recommendations/observations contained in the Thirty-Second Report (Fourteenth Lok Sabha) of the Standing Committee on Coal and Steel (2007-08) on Demands for Grants (2008-09) of the Ministry of Mines which was presented to Lok Sabha on 16th April, 2008.

1.2 The Action Taken Notes have been received from the Ministry of Mines in respect of all the 7 recommendations/observations contained in the Report. These have been categorised as follows:

- (i) Recommendations/Observations which have been accepted by the Government:

Sl. Nos. 1 (Para No. 2.2), 2 (Para No. 3.8), 3 (Para No. 3.9), 5 (Para No. 4.16) and 6 (Para No. 4.26), 7 (Para No. 4.28)

Total: 6 Chapter II

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government:

NIL Chapter III

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:

Sl. No. 4 (Para No. 3.15)

Total: 1 Chapter IV

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:

NIL Chapter V

1.3 The Committee desire that replies to the Comments in Chapter I of this Report should be furnished to the Committee at the earliest.

1.4 The Committee will now deal with the Action Taken by the Government on some of their recommendations/observations made in the Thirty-Second Report.

A. Allocation for 11th Five Year Plan

Recommendations (Sl. No. 2, Para No. 3.8)

1.5 The Committee found that as against the Budgetary Support (BS) of Rs. 1678.44 crore proposed by the Ministry of Mines for 11th Five Year Plan, the Planning Commission had approved only Rs. 1043.00 crore involving major reduction of funds of the Geological Survey of India (GSI) and the Indian Bureau of Mines (IBM). As a result GSI and IBM had suffered in the form of less allocation of funds in 2007-08 and 2008-09 also. The Committee were constrained to observe that there was hardly any justification for reduction of BS to the aforesaid organizations even at the time of implementation of new National Mineral Policy and necessity to carry out exploration and exploitation of the mineral resources. The Committee could only hope that allocation of sufficient BS would enable to achieve the envisaged objectives of the National Mineral Policy. The Committee, therefore, recommended that the Ministry should again approach the Planning Commission to restore the proposed BS to enable GSI and IBM to carry over their schemes/projects smoothly.

1.6 The Ministry in their Action Taken Reply have stated as follows:

Geological Survey of India (GSI)

GSI had projected a Plan outlay of Rs. 1442.00 crore for XI Five Year Plan activities considering the work targets envisaged for XI Five Year Plan. The break-up of the XI Five Year Plan Outlay proposed by GSI is as follows:

Proposed Revised Plan Outlay for GSI during XI Five Year Plan	Proposed Amount (Rs. in crore)
Operational Activities (Field and laboratory based scientific activities)	483.34
Modernisation Programme for acquisition of	200.16
(a) Low Cost Items—Laboratory, field and Drilling equipment	} 827.66
(b) High Cost Items—Blue Water Research Vessel, Heliborne Survey System, Geotechnical Vessel, Aircraft with Time Domain System, Coastal Launch	
Construction Programme	131.00
Total	1442.00

The final outlay for MOM for the XI Five Year Plan has been reduced to Rs. 1043 crore, against the proposed figure of Rs. 1678 crore. Hence, the allocation for GSI is also likely to be considerably reduced from that originally proposed for GSI.

There has also been reduction of budget allocations (BE) for GSI during the first two years of the XI Five Year Plan (FY 2007-08 and 2008-09). Whereas GSI proposed an outlay of Rs. 187 crore for FY 2007-08, the Planning Commission allocated a Plan Budget (BE) outlay of Rs. 123.00 crore for FY 2007-08, without any D&A component. Additional grants were subsequently granted at the 1st and 2nd Supplementary (RE) stage, after which the final budget allocation for the FY 2007-08 stood at Rs. 157.00 crore.

In the FY 2008-09 GSI has been allocated Rs. 160.00 crore under Plan Budget (BE), against the outlay of Rs. 285.35 crore proposed by GSI. This is approximately at par with the RE of 2007-08 (Rs. 157.00 crore).

Under these reduced budgetary allocations, only token provisions could be made for the procurement of high cost equipment under the modernization programme, including the new vessels, Heliborne Survey System and additional funds will have to be provided at a later stage. Planning Commission would be approached for further allocation of fund at appropriate stage of maturity of high cost equipment procurement.

GSI proposes to undertake large scale induction of Scientific and technical manpower during the XI Five Year Plan. There is likely to be increase in the establishment costs (Direction & Administration) for which requirement of additional funds had been projected.

In the light of New National Mineral Policy, there would be expansion of the role of GSI in the mineral sector, particularly in the field of mineral exploration, survey activities etc. and it is apprehended that these would be affected due to reduction of budget unless this is made good at later stage of the Plan period.

Indian Bureau of Mines (IBM):

IBM had initially proposed an outlay of Rs. 188.80 crore for the entire Eleventh Five Year Plan. Subsequently, this was revised downwards to Rs. 144.18 crore. The reason for the decrease in the proposed outlay was that the provision for project on Reclamation and Rehabilitation of abandoned mine sites was excluded from the

original outlay. The project was under Centrally Sponsored Scheme costing around Rs. 64 crore which was to be funded by Centre and States in the ratio of 3:1. Thus, there was a reduction of Rs. 48 crores from the original outlay. After making provision for two new small schemes, the revised outlay was pegged at Rs. 144.18 crore. However, the amount approved by Planning Commission was Rs. 20 crore (Rs. 17 crore originally allotted+Rs. 3 crore given under Supplementary Grant for Salary) against Rs. 23.70 crore proposed by IBM in 2007-08. The expenditure during the year was Rs. 16.14 crore thereby involving a surrender of Rs. 3.36 crore at the FE stage. This amount included Rs. 2 crore for project on Management of Solid Waste from Mining in India and Rs. 1 crore for project on Computerised Online Register of Mining Tenement System. These projects were conceptualized with an eye on assistance from BRGM. In view of the Government's changed policy for not accepting tied-aid from G8 countries, including France or any external aid with binding conditions, the projects got delayed resulting in recasting of the same for meeting the entire expenditure from domestic budget.

1.7 The Committee had recommended that the Ministry of Mines should approach the Planning Commission to restore the originally proposed budgetary support to Geological Survey of India (GSI). It appears that the Ministry have not taken any action in this regard. GSI has expressed an apprehension that unless there is augmentation in the budgetary support, its activities in the field of mineral exploration, survey etc. will be adversely affected. The Committee wonder why Planning Commission has not been approached for additional funds as recommended by the Committee. The Committee expect the Ministry of Mines to act promptly on such matters to enable GSI to function effectively. The Committee would await the action taken by the Ministry of Mines and the response from the Planning Commission in this regard.

B. Procurement of High Cost Items and Shortage of Manpower in GSI

Recommendation (Sl. No. 4, Para No. 3.15)

1.8 The Committee had been given to understand that modernisation of Geological Survey of India (GSI) which was the main thrust area of 10th Five Year Plan, had suffered as they have failed to procure Research Vessel and Heliborne Survey system so far due to complex administrative processing and intricate purchase procedures. The Committee were concerned to observe that while efforts were

being made to revamp GSI to meet the emerging challenges arising in the light of economic liberalization and increased private participation in the exploration and exploitation of mineral resources, GSI had utterly failed to overcome the constraints in purchase of Research Vessel and Heliborne Survey system even at the beginning of the second year of 11th Plan. The Committee, therefore, urged upon the Ministry to facilitate GSI for procurement of Research Vessel and Heliborne Survey system without any further delay. The Committee also desired the Ministry to take appropriate steps to fill up the requisite number of posts which were essentially required in different categories so that schemes/programmes of GSI were not hampered for lack of sufficient manpower.

1.9 The Ministry in their Action Taken Reply have stated that Procedural complexities for acquisition of modernisation equipment, particularly the high cost items has been the main constraint in the modernization programme of GSI. These factors have delayed the procurement process considerably and in turn have affected the utilization of allocated fund within the stipulated period of time. However, procurement processes have been streamlined considerably and it is anticipated that all the envisaged programmes for XI Five Year Plan would be completed in time. Sustained efforts are also being made to conclude the procurement of the High-cost equipment namely the Research Vessel, Geotechnical Vessel and Heliborne Survey System within XI Five Year Plan period, subject to availability of funds in the remaining part of the Plan period.

GSI has been facing acute manpower shortage in the last several years, particularly in Group A & B Scientific and Technical personnel, which has been highlighted in successive Plan documents and several fora. Based on the directives of MoM, GSI has submitted a Perspective Plan on Manpower Requirement in GSI to MoM in August, 2007. Under this plan, bulk recruitment of Group A personnel in the various streams has been proposed so as to reach the respective revised sanctioned strengths within a specified time frame. The problem is particularly acute in the Geology stream, where there is bulk shortage of manpower at present. MoM has already accorded in-principle approval and accordingly action has been initiated to induct manpower as per the Approved Perspective Plan for recruitment in GSI ranging from 175 to 300 per year.

Action taken on high cost items:

Procurement of Helicopter and Heliborne Survey System:

- (i) M/s PICO Envirotech Inc. in a communication dated 19.2.2008 had requested for a price escalation of ~20% on the original project cost of USD 3502,240/- and indicated a

revised project cost of USD 4000,000/- which was forwarded to the MoM for approval and sanction. MoM has clarified that the original sanction in terms of Rupees would not be applicable for the revised project cost (in US \$) and escalation would not be permitted if it was not included in the MoU. Hence, appropriate further action is being taken as per GFR and existing rules.

- (ii) Action Plan has been formulated for re-processing the procurement of Geophysical Sensors for the Heliborne Survey System. Action is being initiated.

Procurement of Marine Vessel (Ocean-going replacement vessel for R.V. Samudra Manthan):

Following approval by the Union Cabinet for the procurement of Marine Vessel (Ocean-going replacement vessel for R.V. Samudra Manthan), the following progress has been achieved.

- (i) The expression of interest (EOI) for engagement of foreign consultant was uploaded on the GSI Website. The tenders were opened on 12th May, 2008. Eight responses were received.
- (ii) The 1st meeting of the Sr. Technical Evaluation Committee (TEC) to evaluate the EOI for appointment of consultant for requisition of Geotechnical Replacement Vessel was held at Mangalore on 24th June, 2008. Documents submitted by eight firms including presentation made by four, were considered and evaluated. The recommendation and minutes of the Sr. TEC meeting are being finalized.
- (iii) Final agreement with SCI for acting as an Indian Consultant finalised after incorporating suggested modifications of MoM, in the format prescribed by Department of Expenditure (DoE), Ministry of Finance has been forwarded to SCI on 23.06.08 for their comments/suggestion. The same is awaited.

Procurement of Geotechnical Vessel with Shallow water drilling capacity:

- (i) Following the approval of the project by the EFC, in accordance with the suggestions of the EFC for co-ordination with user organisations, a presentation on the activities and potentiality of offshore Geotechnical aspect of Marine Wing,

GSI, was made before the members of the 37th CGPB Subcommittee on Marine Geology (Group V) on 17th June, 08 at Mangalore.

- (ii) Proposal for continuation of SCI as Indian Consultant and floating EOI for appointment of foreign consultants has been initiated. In this connection SCI has submitted their rates, etc., which is under examination by the Finance Wing of GSI. The draft EOI document is under preparation.

Status of Procurement of new Fixed Wing Aircraft for AMSE Wing, GSI:

DPR for the proposed New Fixed Wing Aircraft on replacement of the existing one is under preparation.

1.10 The Committee had *inter-alia*, urged the Ministry of Mines to facilitate the GSI for procurement of Research Vessel and Helliborne Survey System. There is nothing in the reply of the Ministry of Mines to indicate the specific steps taken by the Ministry in pursuance of the Committee's recommendation. The Committee would expect the Ministry to explain the position in this regard. The Committee would also like to be informed of the delivery schedule of the Research Vessel, Geo-technical Vessel and Helliborne Survey System.

C. Grant of Mining Lease and Environment & Forest Clearances to NALCO

Recommendation (Sl. No. 5, Para No. 4.16)

1.11 The Committee found that the total plan outlay for National Aluminum Company Ltd. (NALCO) for the year 2008-09 had been increased to Rs. 1888.00 crore from Rs. 1158.00 crore in BE 2007-08 on account of progress made in second phase expansion programme. According to the Ministry, apart from completion of second phase expansion of NALCO by December 2008, obtaining lease for Pottangi bauxite deposit in Orissa and setting up of smelter project in India and overseas were major thrust areas of NALCO for 11th Five Year Plan. The Committee were concerned to note that the second phase expansion had witnessed 22.27 percent escalation in cost to Rs. 5003.00 crore from Rs. 4091.00 crore. Further, grant of Pottangi mining lease was still pending with the Government and no major break-through had been made in setting up smelter project in India. Moreover, the production of coal from Utkal-E coal block was yet to be started even

after lapse of 4 years of allotment due to pending environment and forest clearances. The Committee were of the firm view that time-bound grant of mining lease and environment and forest clearances were of paramount importance for reaping the benefits of second phase expansion programme. The Committee would like to urge upon the Ministry to make all out efforts for early grant of mining lease and environment and forest clearances to NALCO. The Committee also desired NALCO to set up smelter projects in India and overseas at the earliest. The Ministry should take up the matter with the Ministry of Environment and Forests to cut down the number of days for clearances both at the Central and State level.

1.12 The Ministry in their Action Taken Reply have stated as follows:

- (a) All efforts are being made for early grant by the Orissa Government of mining lease for Pottangi Bauxite deposit. Matter is being pursued at highest levels including Chief Secretary and Chief Minister by the Company Management and Ministry of Mines.
- (b) Efforts are on for setting up Greenfield Smelter with or without Captive Power Plants at different locations in India and abroad. Notably,
 - (i) Pre-feasibility study has been completed for a Smelter cum CPP complex at Jharsuguda in Western Orissa, with total capacities of 0.5 million MT and 1250 MW, respectively. Formal application for land and water has been submitted to Government of Orissa which is being pursued by the Company.
 - (ii) Feasibility study on setting up a Smelter cum CPP complex of identical capacities as above with coal mining concession in South Sumatra province of Indonesia is under progress. Field studies, survey and data collection has been finished. The consultant's report is awaited.
 - (iii) MoU has been signed with a firm in Iran for setting up a 1.55 lakh TPA Smelter plant in Kerman Province, with identical expansion with a gas based power plant in the 2nd phase, in a JV mode. Process of appointing a consultant is under process in the Company.
 - (iv) Other opportunities are being explored in South Africa and Saudi Arabia for possible JV projects to take advantage of cheap power.

(c) Revised Cost Estimate (REC) of 2nd phase Expansion

The escalation in the 2nd phase expansion cost to Rs. 5003 crores was inevitable as detailed below:

Break up of revised cost estimate, based on various factors submitted to Ministry of Mines, is given below:

Break up for Cost Overrun

Original approved cost: Rs. 4091.51 crores (at July, 2003 price level)

Revised Cost Estimate (RCE): Rs. 5002.71 crores (at March, 2007 price level)

Total Cost overrun: Rs. 911.20 crores (22.27%)

(Amount Rs. in crore)

Sl.No.	Heads	For items Committed	For yet to be committed items	Total (Rs.)	% of total
(i)	Exchange rate variation	38.08	26.56	64.64	6%
(ii)	Changes in statutory levies	55.01	41.93	96.94	10%
(iii)	Price Escalation	397.61	367.42	765.03	76%
	Sub Total (i to iii)	490.70	435.91	926.61	92%
(iv)	Scope change	134.31	53.42	187.73	19%
(v)	Others	-106.92	-	-106.92	(-)11%
(vi)	Grand total	518.09	489.33	1007.42	100%

Cost overrun net of contingency adjustment is Rs. 911.20 crores (Rs. 1007.42 crores—96.22 crores).

The cost overrun is 22.27% over the approved project cost Rs. 4091.51 crores.

(d) Utkal-E Coal Project

Mining Lease

NALCO's application for Mining Lease was considered and recommended by Department of Steel & Mines, Govt. of Orissa on 12.06.06 to Ministry of Coal, Govt. of India.

The Mine Plan has been approved by Ministry of Coal in July 2006. As there is some change in the Mining Lease area in the approved Mining Plan, Department of Steel & Mines, Govt. of Orissa will have to reconfirm their recommendation based on the approved Mine Plan to Ministry of Coal. The same is pending with Govt of Orissa for prior approval of Ministry of Coal.

Environmental Clearance

As per MOEF notification dated 14.09.2006 a new project has to apply for getting a Terms of Reference (TOR) for Preparation of Environment Impact Assessment (EIA)/EMP Reports for the Project. NALCO has submitted the application for finalization of TOR on 03.11.2006 and has made a presentation on the project to the designated Committee of MOEF on 12.02.07. The TOR has been issued by MOEF on 13th April 2007. The TOR points have been complied and modified EIA/EMP report has been submitted to Orissa State Pollution Control Board (OSPCB) on 29.02.2008. Public hearing for environmental clearance has been conducted on 30.05.2008 at village Nandichod for Utkal-E Coal Mine Project, NALCO.

Land acquisition

Govt of Orissa has sanctioned 125.95 Acres of land for which all the documents required for registration has been deposited by IDCO to District Administration. The same is still pending in spite of NALCO's close follow-up with IDCO and District Administration.

NALCO has submitted the proposal for diversion of 234.745 hectares of forest land to the Cheif Conservator of Forest (Nodal officer) in the office of Principal Chief Conservator of Forest (PCCF), Orissa on 29.01.2007. The proposal has been forwarded to the DFO, Angul *vide* letter-dated 15.02.2007. DFO, Angul has raised some queries on enumeration of trees in Karora village and railway corridor, land schedule for railway corridor, identification of degraded forestland for compensatory forestation etc.

1.13 The Committee are extremely unhappy to note that the expansion of the National Aluminium Company Ltd. (NALCO) is affected not because of the inadequate funds but because of various procedural bottlenecks. The Committee regret to note that grant by the Orissa Government of mining lease for Pottangi Bauxite deposit is still awaited despite the matter having been taken up at the highest level. Reconfirmation of mining lease for Utkal-E Coal Project is also stated to be pending with Government of Orissa. There has

also been delay in environmental clearance and land acquisition. It is the responsibility of the Ministry of Mines to impress upon the State Government and other concerned authorities to ensure timely clearance of proposals for expeditious implementation of projects. The Committee would like to know the specific action taken by the Ministry of Mines in pursuance of the Committee's recommendation.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl.No. 1 Para No. 2.2)

The Committee hope that the Ministry of Mines will implement the Recommendations in a time bound manner which the Committee commented upon in their Action Taken Report. The Committee desire that the Ministry of Mines should furnish final reply to the Recommendation No. 15 which was categorized as of interim nature. The Committee would like to be apprised of the action taken in this regard.

Action Taken

Para 2.2 (Recommendation No. 15 of Para 8.7 of 24th Report)

The new National Mineral Policy, 2008 has been approved by the Government on 13.3.2008 and the same has been laid on the table of both Houses of Parliament.

Recommendation No. 16 of Para 8.8 of 24th Report

The Mines and Minerals (Development and Regulation) Act, 1957 provides for reservation of areas for Central as well as State PSUs. The matter was examined by the High Level Committee (Hoda Committee) constituted by the Planning Commission, which recommended to discontinue the provision of reservation for PSUs. Ministry of Mines in consultation with the State Governments examined the issue and it has been decided to continue with reservation of areas for PSUs.

[Ministry of Mines O.M. No. 5(I)/2008-IF dated 1.10.2008]

Recommendation (Sl.No. 2, Para No. 3.8)

The Committee find that as against the Budgetary Support (BS) of Rs. 1678.44 crore proposed by the Ministry of Mines for 11th Five Year Plan, the Planning Commission has approved only Rs. 1043.00 crore involving major reduction of funds of the Geological Survey of India (GSI) and the Indian Bureau of Mines (IBM). As a result GSI and IBM

have suffered in the form of less allocation of funds in 2007-08 and 2008-09 also. The Committee are constrained to observe that there is hardly any justification for reduction of BS to the aforesaid organizations even at the time of Implementation of new National Mineral Policy and necessity to carry out exploration and exploitation of the mineral resources. The Committee can only hope that allocation of sufficient BS would enable to achieve the envisaged objectives of the National Mineral Policy. The Committee, therefore, recommend that the Ministry should again approach the Planning Commission to restore the proposed BS to enable GSI and IBM to carry over their schemes/ projects smoothly.

Action Taken

Geological Survey of India (GSI)

GSI had projected a Plan outlay of Rs. 1442.00 crore for XI Five Year Plan activities considering the work targets envisaged for XI Five Year Plan the break-up of the XI Five Year Plan Outlay proposed by GSI is as follows:

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Modernisation Programme for acquisition of	200.16
(a) Low Cost Items—Laboratory, field & Drilling equipment	827.66
(b) High Cost Items—Blue Water Research Vessel, Heliborne Survey System, Geotechnical Vessel, Aircraft with Time Domain System, Coastal Launch	627.50
Construction Programme	131.00
Total	1442.00

The final outlay for MOM for the XI Five Year Plan has been reduced to Rs. 1043 crore, against the proposed figure of Rs. 1678 crore. Hence, the allocation for GSI is also likely to be considerably reduced from that originally proposed for GSI.

There has also been reduction of budget allocations (BE) for GSI during the first two years of the XI Five Year Plan (FY 2007-08 and

2008-09). Whereas GSI proposed an outlay of Rs. 187 crore for FY 2007-08, the Planning Commission allocated a Plan Budget (BE) outlay of Rs. 123.00 crore for FY 2007-08, without any D&A component. Additional grants were subsequently granted at the 1st and 2nd Supplementary (RE) stage, after which the final budget allocation for the FY 2007-08 stood at Rs. 157.00 crore.

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Under these reduced budgetary allocations, only token provisions could be made for the procurement of high cost equipment under the modernization programme, including the new vessels, Heliborne Survey System and additional funds will have to be provided at a later stage. Planning Commission would be approached for further allocation of fund at appropriate stage of maturity of high cost equipment procurement.

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Grant for Salary) against Rs. 23.70 crore proposed by IBM in 2007-08. The expenditure during the year was Rs. 16.14 crore thereby involving a surrender of Rs. 3.36 crore at the FE stage. This amount included Rs. 2 crore for project on Management of Solid Waste from Mining in India and Rs. 1 crore for project on Computerised Online Register of Mining Tenement System. These projects were conceptualized with an eye on assistance from BRGM. In view of the Government's changed policy for not accepting tied-aid from G-8 countries, including France or any external aid with binding conditions, the projects got delayed resulting in recasting of the same for meeting the entire expenditure from domestic budget.

[Ministry of Mines O.M. No. 5(I)/2008-IF dated 1.10.2008]

Comments of the Committee

(Please See Para no. 1.7 Chapter—1 of the Report)

Recommendation (Sl. No. 3 Para No. 3.9)

The Committee are constrained to note that on the one hand there has been reduction of funds in 11th Plan by the Planning Commission, on the other hand the Ministry has failed to prepare realistic estimates at BE stage in 2007-08 which has been increased from Rs. 1380.29 crore to Rs. 1644.29 crore at RE stage. The Committee are not convinced with the reasons given by the Ministry for increase of funds at RE stage as it has been done based on revised assessment of progress of second phase expansion of National Aluminium Company Ltd. (NALCO). The Ministry has not anticipated the expenditure to be incurred properly and prepared the estimates accordingly. The Committee have time and again emphasized the need for preparation of realistic estimates as far as possible. The Committee would like the Ministry to utilize the increased funds in BE 2008-09.

Action Taken

National Aluminium Company Ltd. (NALCO)

During finalization of Plan Outlay for 11th Five Year Plan, the plan outlay was reduced from Rs. 9453.66 crores to Rs. 6926 crores as there was no progress in identifying finalizing suitable sites for overseas green field smelter project.

The outlay in the BE-2007-08, prepared in the month of September 2006, was set at Rs. 1633 crores, but was reduced from Rs. 1633 crores at RE stage to Rs. 1358 crores in the Month of Dec-07.

Plan outlay in Annual plan 2007-08, prepared in the month of April-07, was targeted for Rs. 1158 crores. However, considering the actual progress of work of 2nd phase Expansion, the approved Annual plan outlay for 2007-08 was increased from Rs. 1158 crores to Rs. 1358 crores.

NALCO has stated that they are always preparing a realistic estimate and this has resulted in achieving the target set under RE 2007-08 and the company has spent Rs. 1368 crores for the year 2007-08, as against RE figure of Rs. 1358 crores. However, optimum efforts will be made to prepare more realistic estimate in future. This Ministry will also closely monitor the progress of expenditure as per Plan outlay.

Geological Survey of India (GSI)

During the FY 2007-08 GSI was sanctioned Rs. 123.00 crore as BE under Plan head against its original projected demand for Rs. 187.00 crore. There was a total curtailment of D&A fund to the tune of Rs. 35.05 crore and no matching grant was provided under these sub-heads in Non-Plan Head, which caused serious difficulties for GSI to run its plan programmes/schemes. Later on, Rs. 12 crore was given in the First Supplementary Grant under Plan Salary and Rs. 8 crore was re-appropriated to D&A heads (DTE, FTE, etc) from other Plan revenue Heads through forced savings to tide over the difficulties resulting from shortage of funds under these heads. Subsequently, additional funds to the tune of Rs. 22.00 crore were granted as the 2nd Supplementary/RE, whereby the total allotment to GSI for FY 2007-08 reached Rs. 157.0 crore at RE Stage in the month of January 2008.

This was one of the reasons for the increase in fund allocation from BE to RE stage.

This late allocation of funds adversely affected attainment of physical and financial targets and the actuals of FY 2007-08 under Plan Head stood at Rs. 121.26 crore at the end of FY 2007-08.

Stringent monitoring of expenditure is being undertaken through intra-departmental periodic reviews to ensure attainment of fiscal targets during FY 2008-09.

Indian Bureau of Mines (IBM)

IBM had proposed a provision of Rs. 28.85 crore for the Annual Plan 2008-09. However, the amount allotted is Rs. 19 crore (Rs. 17 crore

for ongoing schemes + Rs. 2 crore for New Schemes *i.e.* Management of Solid Waste from Mining in India and for project on Computerised Online Register of Mining Tenement System). A proposal is under consideration for piloting the project at a district in mineral rich State before enlarging the same at National level based on its functioning and effectiveness of the system. It is hoped that the Plan allocation for 2008-09 would be fully utilized.

[Ministry of Mines O.M. No. 5(I)/2008-IF dated 1.10.2008]

Recommendation (Sl.No. 5 Para No. 4.16)

The Committee find that the total plan outlay for National Aluminium Company Ltd. (NALCO) for the year 2008-09 has been increased to Rs. 1888.00 crore from Rs. 1158.00 crore in BE 2007-08 on account of progress made in second phase expansion programme. According to the Ministry, apart from completion of second phase expansion of NALCO by December 2008, obtaining lease for Pottangi bauxite deposit in Orissa and setting up of smelter project in India and overseas are major thrust areas of NALCO for 11th Five Year Plan. The Committee are concerned to note that the second phase expansion has witnessed 22.27 percent escalation in cost to Rs. 5003.00 crore from Rs. 4091.00 crore. Further, grant of Pottangi mining lease is still pending with the Government and no major break-through has been made in setting up smelter project in India. Moreover, the production of coal from Utkal-E coal block is yet to be started even after lapse of 4 years of allotment due to pending environment and forest clearances. The Committee are of the firm view that time-bound grant of mining lease and environment and forest clearances are of paramount importance for reaping the benefits of second phase expansion programme. The Committee would like to urge upon the Ministry to make all out efforts for early grant of mining lease and environment and forest clearances to NALCO. The Committee also desire NALCO to set up smelter projects in India and overseas at the earliest. The Ministry should take up the matter with the Ministry of Environment and Forests to cut down the number of days for clearances both at the Central and State level.

Action Taken

- (a) All efforts are being made for early grant by the Orissa Government of mining lease for pottangi Bauxite deposit. Matter is being pursued at highest levels including Chief Secretary and Chief Minister by the Company Management and Ministry of Mines.

- (b) Efforts are on for setting up Greenfield Smelter with or without Captive Power Plants at different locations in India and abroad. Notably,
- (i) Pre-feasibility study has been completed for a Smelter cum CPP complex at Jharsuguda in Western Orissa, with total capacities of 0.5 million MT and 1250 MW, respectively. Formal application for land and water has been submitted to Government of Orissa which is being pursued by the Company.
 - (ii) Feasibility study on setting up a Smelter cum CPP complex of identical capacities as above with coal mining concession in South Sumatra province of Indonesia is under progress. Field studies, survey and data collection has been finished. The consultant's report is awaited.
 - (iii) MoU has been signed with a firm in Iran for setting up a 1.55 lakh TPA Smelter Plant in Kerman Province, with identical expansion with a gas based power plant in the 2nd phase, in a JV mode. Process of appointing a consultant is under process in the company.
 - (iv) Other opportunities are being explored in South Africa and Saudi Arabia for possible JV projects to take advantage of cheap power.

(c) Revised Cost Estimate (RCE) of 2nd phase Expansion

The escalation in the 2nd phase expansion cost to Rs. 5003 crores was inevitable as detailed below:

Break up of revised cost estimate, based on various factors submitted to Ministry of Mines, is given below:

Break up for Cost Overrun

Original approved cost	:	Rs. 4091.51 crores (at July, 2003 price level)
Revised Cost Estimate (RCE)	:	Rs. 5002.71 crores (at March, 2007 price level)
Total Cost overrun	:	Rs. 911.20 crores (22.27%)

(Amount Rs. in crore)

Sl.No.	Heads	For items Committed	For yet to be committed items	Total (Rs.)	% of total
(i)	Exchange rate variation	38.08	26.56	64.64	6%
(ii)	Changes in statutory levies	55.01	41.93	96.94	10%
(iii)	Price Escalation	397.61	367.42	765.03	76%
	Sub Total (i to iii)	490.70	435.91	926.61	92%
(iv)	Scope change	134.31	53.42	187.73	19%
(v)	Others	-106.92	-	-106.92	(-)11%
(vi)	Grand total	518.09	489.33	1007.42	100%

Cost overrun net of contingency adjustment is Rs. 911.20 crores (Rs. 1007.42 crores-96.22 crores).

The cost overrun is 22.27% over the approved project cost Rs. 4091.51 crores.

(d) Utkal-E Coal Project

Mining Lease

NALCO's application for Mining Lease was considered and recommended by Department of Steel & Mines, Govt. of Orissa on 12.06.2006 to Ministry of Coal, Govt. of India.

The Mine Plan has been approved by Ministry of Coal in July 2006. As there is some change in the Mining Lease area in the approved Mining Plan, Department of Steel & Mines, Govt. of Orissa will have to reconfirm their recommendation based on the approved Mine Plan to Ministry of Coal. The same is pending with Govt of Orissa for prior approval of Ministry of Coal.

Environmental Clearance

As per MOEF notification dated 14.09.2006 a new project has to apply for getting a Terms of Reference (ToR) for Preparation of Environment Impact Assessment (EIA)/EMP Reports for the Project. NALCO has submitted the application for finalization of ToR on

03.11.2006 and has made a presentation on the project to the designated Committee of MOEF on 12.02.2007. The ToR has been issued by MOEF on 13th April 2007. The ToR points have been complied and modified EIA/EMP report has been submitted to Orissa State Pollution Control Board (OSPCB) on 29.02.2008. Public hearing for environmental clearance has been conducted on 30.05.2008 at village Nandichod for Utkal Coal Mine Project, NALCO.

Land Acquisition

Govt of Orissa has sanctioned 125.95 acres of land for which all the documents required for registration has been deposited by IDCO to District Administration. The same is still pending in spite of NALCO's close follow-up with IDCO and District Administration.

NALCO has submitted the proposal for diversion of 234.745 hectares of forest land to the Chief Conservator of Forest (Nodal officer) in the office of Principal Chief Conservator of Forest (PCCF), Orissa on 29.01.2007. The proposal has been forwarded to the DFO, Angul *vide* letter, dated 15.02.2007. DFO, Angul has raised some queries on enumeration of trees in Karora village & railway corridor, land schedule for railway corridor, identification of degraded forest land for compensatory forestation etc.

[Ministry of Mines O.M. No. 5(I)/2008-IF dated 1.10.2008]

Comments of the Committee

(Please *see* Para No. 1.13 of the Chapter-1 of the Report)

Recommendation (I. No. 6 Para No. 4.26)

The Committee find that Hindustan Copper Limited (HCL) has planned to expand its mining capacity so as to double the production of Metal-in-Concentrate from current level of 30000 tonnes per annum by 2011-12 through re-opening of closed mines and development of new mines and optimizing the production from existing mines. The Committee also note that HCL is at present, meeting the major portion of raw materials for production of copper concentrate from its own mines and import around 30 percent. Considering the production target set in 11th plan, self-reliance in raw materials is important for HCL to cut down the cost of production and for proposed modernization/expansion programme. The Committee are, however, constrained to note that no funds have been earmarked for acquisition and development of mines in 2008-09. Even HCL has made restricted

provision of Rs. 60.00 crore in BE 2008-09 due to pending finalisation of funds required for Replacement and Renewal (R&D) of its plants and equipments. The Committee regret to point out this lethargic attitude on the part of HCL which would adversely affect its performance. The Committee, therefore, recommend that HCL should take appropriate steps to acquire and develop mines and also seek additional funds at RE stage for R&R.

Action Taken

HCL has noted the recommendations of the Honourable Committee members regarding initiating appropriate steps to acquire and develop mines and seeking additional funds at RE stage for R. & R.

Self-reliance in raw material requirement of metal-in concentrate, which would be produced from its own mines, is the goal of HCL to reduce its cost of production. HCL has initiated various measures to increase its mine production (both from the existing mines and from new mines which are being planned) so that self-sufficiency is achieved for feeding its smelters, which are enumerated below:

- HCL has applied for prospecting lease (PL) across the country for Greenfield exploration.
- A reputed overseas mining consultant has been appointed for advising ways to increase production from the existing mines as well for opening of new mines. Short term recommendations of the consultant for increasing mine production are at different stage of implementation. Mine production has picked up due to various initiatives undertaken.
- The mine at Surda in Jharkhand which was lying closed since 2003 has been re-opened in association with an Australian Mining Company. The mine has started production from December, 2007. In the full year of production during 2008-09, the mine is expected to produce 4000 MT MIC.
- HCL has applied for fresh leases for the remaining closed mines. Further actions on re-opening will be initiated on receipt of leases for which company is following up with State Government.
- Opening of new mines.

Banwas Mine at Ketri, Rajasthan

HCL has planned development of Banwas Copper deposit (in Rajasthan) as a separate mine.

- Opening of new mines at Jharkhand:
Lease for Chapri-Siddheswar: HCL has applied for mining lease for opening the Chapri-Siddheswar mine at Jharkhand.
- For finalizing other actions like expansion of Malanjhand, HCL is waiting for the final recommendation from the mining consultant when the company would be able to close the investment decision.

Due to the past losses, HCL did not have a healthy balance sheet. Govt. of India had approved the financial restructuring scheme during July, 2007, approving reduction of capital along with writing off the accumulated losses.

Ministry of Corporate Affairs has approved capital reduction on 06.05.2008. HCL can now approach financial institutions/market for the funds required for mine/plant expansion etc. with a healthy balance sheet. The revised higher requirements of R&R funds have been worked out and HCL would approach Ministry for allocating the same in the RE stage. HCL has to provide all fund requirements from its own source.

[Ministry of Mines O.M. No. 5(I)/2008-IF dated 1.10.2008]

Recommendation (Sl. No. 7 Para No. 4.28)

The Committee note that the Rehabilitation and Resettlement is a grey area of concern in implementation of various schemes. A number of cases are stated to be pending with the Government in this regard. Needless to say that affected persons are to be given adequate compensation and other suitable benefits so that they do not feel aggrieved and humiliated. The Committee desire that the grievances of Projected Affected Persons (PAP) regarding compensation claims, employment etc. should be settled/resolved within a fixed timeframe.

Action Taken

Ministry of Rural Development has formulated National Rehabilitation and Resettlement Policy, 2007 which has been published in Gazette of India on 31.10.2007. Rehabilitation & Resettlement issues are handled by the concerned State Governments. However, the Ministry of Mines has enunciated in the National Mineral Policy, 2008 that all the provisions of the National Rehabilitation and Resettlement

policy or any revised policy or Statue that may come into operation, will be followed for the purpose of relief and rehabilitation of displaced and affected persons.

NALCO

In absence of a specific Rehabilitation and Resettlement Policy of the State, the Company had developed a Re-settlement and Rehabilitation Policy in connection with land acquisition for establishing its projects at Angula and Damanjodi. All the land losers had been given adequate compensation so finalized in consultation with State Revenue Department.

In Damanjodi all the 600 displaced families have been resettled in two colonies constructed by NALCO. The said colonies consist of pucca houses, black topped road, drinking water, electricity facilities with school, recreation centre, drainage and sanitation etc. Out of the 600 Land Displaced Families at Damanjodi, one nominee each from 595 families have already been employed directly by the Company.

An Angul Sector, out of total 1529 identified land affected families, nominees of 1115 families have been provided with employment in the Company. Out of the balance families whose nominees have passed HSC Examination or above are either given ITI training at the cost of NALCO or skill up-gradation practical training with the assurance for employment in the Company. Accordingly, 200 families have been identified for such benefit. Besides, for the rest of the families a scheme for one time cash assistance in lieu of employment has already been implemented against which 52 families have already received the benefits and 26 cases are under examination. Hence, the nominees of the balance 136 families presently have the option either to acquire HSC qualification to avail future employment benefit or to opt for one time cash assistance.

Besides, the issue relating to rehabilitation of balance such project affected people both at Angul and Damanjodi Sectors are being deliberated in the Rehabilitation and Peripheral Development Advisory Committee (RPDAC) constituted by the State Government under the Chairmanship of respective Revenue Divisional Commissioners and actions are being taken in accordance with the policy.

HCL

Presently HCL is not experiencing any problem related to Rehabilitation and Resettlement as the operations are within existing project areas. However HCL would adhere to the guidelines of the standing committee for required actions in future, whenever applicable.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE
DO NOT DESIRE TO PURSUE IN VIEW OF THE
GOVERNMENT'S REPLIES

-NIL-

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE NOT BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl.No. 4, Para No. 3.15)

The Committee have been given to understand that modernisation of Geological Survey of India (GSI), which was the main thrust area of 10th Five Year Plan, has suffered as they have failed to procure Research Vessel and Heliborne Survey system so far due to complex administrative processing and intricate purchase procedures. The Committee are concerned to observe that while efforts are being made to revamp GSI to meet the emerging challenges arising in the light of economic liberalization and increased private participation in the exploration and exploitation of mineral resources, GSI has utterly failed to overcome the constraints in purchase of Research Vessel and Heliborne Survey system even at the beginning of the second year of 11th Plan. The Committee, therefore, urge upon the Ministry to facilitate GSI for procurement of Research Vessel and Heliborne Survey system without any further delay. The Committee also desire the Ministry to take appropriate steps to fill up the requisite number of posts which are essentially required in different categories so that schemes/ programmes of GSI are not hampered for lack of sufficient manpower.

Action Taken

Procedural complexities for acquisition of modernisation equipment, particularly the high cost items has been the main constraint in the modernization programme of GSI. These factors have delayed the procurement process considerably and in turn have affected the utilization of allocated fund within the stipulated period of time. However, procurement processes have been streamlined considerably and it is anticipated that all the envisaged programmes for XI Five Year Plan would be completed in time. Sustained efforts are also being made to conclude the procurement of the high-cost equipment, namely the Research Vessel, Geotechnical Vessel and Heliborne Survey System within XI Five Year Plan period, subject to availability of funds in the remaining part of the Plan period.

GSI has been facing acute manpower shortage in the last several years, particularly in Group A&B Scientific and Technical personnel,

which has been highlighted in successive Plan documents and several fora. Based on the directives of MOM, GSI has submitted a Perspective Plan on Manpower Requirement in GSI to MOM in August, 2007. Under this plan, bulk recruitment of Group A personnel in the various streams has been proposed so as to reach the respective revised sanctioned strengths within a specified time frame. The problem is particularly acute in the Geology stream, where there is bulk shortage of manpower at present. MOM has already accorded in-principle approval and accordingly action has been initiated to induct manpower as per the Approved Perspective Plan for recruitment in GSI ranging from 175 to 300 per year.

Action taken on high cost items:

Procurement of Helicopter and Heliborne Survey System:

- (i) M/s PICO Envirotech Inc. in a communication dated 19.2.2008 had requested for a price escalation of ~ 20% on the original project cost of USD 3502,240/- and indicated a revised project cost of USD 4000,000/- which was forwarded to the MOM for approval and sanction. MOM has clarified that the original sanction in terms of Rupees would not be applicable for the revised project cost (in US\$) and escalation would not be permitted if it was not included in the MoU. Hence, appropriate further action is being taken as per GFR and existing rules.
- (ii) Action Plan has been formulated for re-processing the procurement of Geophysical Sensors for the Heliborne Survey System. Action is being initiated.

Procurement of Marine Vessel (Ocean-going replacement vessel for R.V. Samudra Manthan):

Following approval by the Union Cabinet for the procurement of Marine Vessel (Ocean-going replacement vessel for R.V. Samudra Manthan), the following progress has been achieved.

- (i) The Expression Of Interest (EOI) for engagement of foreign consultant was uploaded on the GSI Web site. The tenders were opened on 12th May 2008. Eight responses were received.
- (ii) The 1st meeting of the Sr. Technical Evaluation Committee (TEC) to evaluate the EOI for appointment of consultant for requisition of Geotechnical Replacement Vessel was held

at Mangalore on 24th June, 2008. Documents submitted by eight firms including presentation made by four, were considered and evaluated. The recommendation and minutes of the Sr. TEC meeting are being finalized.

- (iii) Final agreement with SCI for acting as an Indian Consultant finalised after incorporating suggested modifications of MOM, in the format prescribed by Department of Expenditure (DOE), Ministry of Finance, has been forwarded to SCI on 23.06.08 for their comments/suggestion. The same is awaited.

Procurement of Geotechnical Vessel with Shallow water drilling capacity:

- (i) Following the approval of the project by the EFC, in accordance with the suggestions of the EFC for co-ordination with user organisations, a presentation on the activities and potentiality of offshore Geotechnical aspect of Marine Wing, GSI, was made before the members of the 37th CGPB Subcommittee on Marine Geology (Group V) on 17th June, 08 at Mangalore.
- (ii) Proposal for continuation of SCI as Indian Consultant and floating EOI for appointment of foreign consultants has been initiated. In this connection SCI has submitted their rates, etc., which is under examination by the Finance Wing of GSI. The draft EOI document is under preparation.

Status of Procurement of New Fixed Wing Aircraft for AMSE Wing, GSI:

DPR for the Proposed New Fixed Wing Aircraft on replacement of the existing one is under preparation.

[Ministry of Mines O.M. No. 5(1)/2008-IF dated 1.10.2008]

Comments of the Committee

(Please see Para no. 1.10 of Chapter-I of the Report.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH
FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

-NIL-

NEW DELHI;
5 December, 2008
14 Agrahayana, 1930 (Saka)

DR. SATYANARAYAN JATIYA,
Chairman,
Standing Committee on Coal and Steel.

ANNEXURE I

MINUTES OF THE SITTING OF THE STANDING COMMITTEE
ON COAL AND STEEL (2008-09) HELD ON 5.12.2008
IN COMMITTEE ROOM 'C', PARLIAMENT
HOUSE ANNEXE, NEW DELHI

The Committee met from 1530 hrs. to 1720 hrs.

PRESENT

Dr. Satyanarayan Jatiya — *Chairman*

MEMBERS

2. Shri Hansraj G. Ahir
3. Shri Chandrakant B. Khaire
4. Shri Faggan Singh Kulaste
5. Shri Dalpat Singh Paraste
6. Shri Raghuraj Singh Shakya
7. Smt. Karuna Shukla
8. Shri Anirudh Prasad *alias* Sadhu Yadav
9. Shri Mohd. Ali Khan
10. Dr. T. Subbarami Reddy
11. Shri Jesudas Seelam
12. Shri Ali Anwar Ansari

SECRETARIAT

1. Shri Ashok Sarin — *Joint Secretary*
2. Shri Shiv Singh — *Deputy Secretary*

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2. At the outset, Chairman welcomed the Members to the sitting of the Committee. The Committee then took up first agenda regarding consideration and adoption of the following draft Action Taken Reports:

(i) **

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(ii) Action Taken by the Government on the recommendations/ observations contained in the Thirty-second Report (Fourteenth Lok Sabha) of the Standing Committee on Coal and Steel (2007-08) on "Demands for Grants (2008-09)" of the Ministry of Mines.

(iii) ** ** **

3. The Committee adopted the aforesaid Draft Reports. The Committee authorised the Chairman to finalise these Reports and presented the same to both the Houses of Parliament.

4. ** ** **

5. ** ** **

The Committee then adjourned.

**Does not pertain to this Report.

ANNEXURE II
(Vide Para IV of Introduction)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT
ON THE RECOMMENDATIONS CONTAINED IN THE
THIRTY-SECOND REPORT OF THE STANDING
COMMITTEE ON COAL AND STEEL

I. Total No. of Recommendations made	7
II. Recommendations that have been accepted by the Government	
(Vide Recommendation at Sl. Nos. 1, 2, 3, 5, 6 and 7)	06
Percentage of total	85.71
III. Recommendations which the Committee do not desire to pursue in view of the Government's replies	Nil
Percentage of total	Nil
IV. Recommendations in respect of which replies of the Government have not been accepted by the Committee	01
(Vide Recommendation at Sl. No. 4)	1
Percentage of total	14.28
V. Recommendations in respect of which final replies of the Government are still awaited	Nil
Percentage of total	Nil

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