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STANDING COMMITTEE ON
COAL AND STEEL (2017-2018)
SIXTEENTH LOK SABHA

MINISTRY OF COAL

"DEMANDS FOR GRANTS (2017-18)"

**[Action Taken by the Government on the Observations/
Recommendations contained in the Twenty-Seventh Report of the
Standing Committee on Coal and Steel (Sixteenth Lok Sabha)]**



THIRTY-FIFTH REPORT

**LOK SABHA SECRETARIAT
NEW DELHI
December, 2017/ Pausa, 1939(Saka)**

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Presented to Lok Sabha on 22.12.2017

Laid in Rajya Sabha on 22.12.2017



**LOK SABHA SECRETARIAT
NEW DELHI
December, 2017/Pausa 1939(Saka)**

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COMPOSITION OF THE STANDING COMMITTEE ON COAL AND STEEL(2017-18)

Chairperson - Shri Rakesh Singh

Lok Sabha

2. Shri Idris Ali
3. Shri A. Arunmozhithevan
4. Shri Chandulal Sahu
5. Smt. Jyoti Dhurve
6. Shri Shailesh Kumar
7. Dr. Banshilal Mahato
8. Shri Kamalbhan Singh Marabi
9. Shri Godam Nagesh
10. Shri Ajay Nishad
11. Smt. Riti Pathak
12. Smt. Ranjeet Ranjan
13. Shri Ravindra Kumar Ray
14. Shri Tamradhwaj Sahu
15. Shri Tathagata Satpathy
16. Shri Janardan Singh 'Sigrival'
17. Shri Pashupati Nath Singh
18. Shri Rama Kishore Singh
19. Shri Sunil Kumar Singh
20. Shri Sushil Kumar Singh
21. Shri Krupal Balaji Tumane

Rajya Sabha

22. Dr. Pradeep Kumar Balmuchu
23. Shri Ranjib Biswal
24. Shri Md. Nadimul Haque
25. Shri Ranvijay Singh Judev
26. Shri Ram Vichar Netam
27. Shri Dilip Kumar Tirkey
28. Shri Alok Tiwari
29. Vacant
30. Vacant
31. Vacant

(ii)

SECRETARIAT

1. Shri U.B.S. Negi - Joint Secretary
2. Shri Ajay Kumar Garg - Director
3. Shri Arvind Sharma - Additional Director
4. Shri Girdhari Lal - Under Secretary

(iii)

INTRODUCTION

I, the Chairperson, Standing Committee on Coal and Steel having been authorised by the Committee to present the Report on their behalf, present this Thirty-Fifth Report (Sixteenth Lok Sabha) on Action Taken by the Government on the observations/recommendations contained in the Twenty-Seventh Report of the Standing Committee on Coal and Steel (Sixteenth Lok Sabha) on "Demands for Grants (2017-18)" relating to the Ministry of Coal.

2. The Twenty-Seventh Report (Sixteenth Lok Sabha) of the Standing Committee on Coal and Steel was presented to Lok Sabha on 10.03.2017. Replies of the Government to all the observations/recommendations contained in the Report were received on 25.07.2017.

3. The Standing Committee on Coal and Steel considered and adopted this Report at their sitting held on 06.11.2017.

4. An analysis on the Action Taken by the Government on the observations/recommendation contained in the Twenty-Seventh (Sixteenth Lok Sabha) of the Committee is given at **Annexure-II**.

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

**NEW DELHI;
06 November, 2017
15 Kartika, 1939(Saka)**

**RAKESH SINGH
Chairperson
Standing Committee on Coal and Steel**

(iv)

REPORT

CHAPTER – I

This Report of the Standing Committee on Coal and Steel deals with Action Taken by the Government on the Observations/Recommendations contained in the Twenty-Seventh Report (Sixteenth Lok Sabha) of the Standing Committee on Coal and Steel on "Demands for Grants (2017-18)" of the Ministry of Coal which was presented to Lok Sabha/laid in Rajya Sabha on 10.03.2017.

2. The Report contained 22 Observations/Recommendations. Action Taken Replies have been received from the Ministry of Coal in respect of all the 22 Observations/Recommendations contained in the Report on 25th July, 2017. These have been categorized as follows:

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| (i) Observations/Recommendations that have been accepted by the Government:
Sl. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 20, 21 and 22 | Total – 19
(Chapter II) |
| (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government:
Sl. No. 11 | Total – 01
(Chapter III) |
| (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee:
Sl. Nos. 10 and 19 | Total – 02
(Chapter IV) |
| (iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Sl. No. Nil | Total – 00
(Chapter V) |

3. The Committee trust that utmost importance would be given to implementation of the Observations/Recommendations accepted by the Government. In case, where it is not possible for the Ministry to implement the recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee desire that further Action Taken notes on the Observations/Recommendations contained in Chapter-I of this Report be furnished to them within three months.

4. The Committee will now deal with the Action Taken by the Ministry on some of their observations/recommendations made in their Twenty-Seventh Report.

Recommendation Serial No. 1

5. The Committee recognized the pivotal role of Coal, as the most dominant energy fuel meeting around 50% of the country's primary commercial energy needs as compared to that of 30% contribution to the world's requirement. Undoubtedly, its no surprise that 72% of the entire power generated in the Country is coal based and coal remains the answer to the nation's escalating energy demands. The Committee observed that the paramount importance and significance of coal was expected to continue for many years to come due to the abundance of coal reserves, easy availability and affordability. The core objective of the Ministry of Coal was to secure the availability of coal to meet the demand of different sectors of the economy in an eco-friendly and sustainable manner and the overall mission of augmenting production through Government Companies as well as the captive mining route by adopting state-of-art-clean coal technologies; enhancing exploration efforts with thrust on increasing proven resources and developing the necessary infrastructure for evacuation of coal.

In this backdrop, the Committee appreciated that during the period April to December, 2016, the actual coal production was 453.10 MT compared to 445.42 MT during the corresponding period of 2015-16, showing a growth of 1.7%. The Committee took pride that the Coal India Ltd. (CIL) a 'Maharatna' Company under the Ministry of Coal and the single largest coal producing company in the world had achieved the coal production and off-take exceeding Half- a-Billion Tonne mark, i.e.538.75 MT during the financial year 2015-16 the highest ever incremental increase in a single financial year since the inception of the company in 1975. The Committee, therefore, believed that the CIL was on the right track in its pursuit of one billion tonne production by the year 2019-20. The Committee also noted that CIL for the first time had surpassed Rs. 1.0 lakh crore in Gross Sales (Rs. 1,08,150.03 crore) during 2015-16. Similarly in SCCL, the coal production in 2015-16 was 60.38 MT as compared to that of 52.54 MT in 2014-15 registering a growth of 14.92%. The financial performance of the company in the year 2015-16 also indicated net profit after tax at Rs. 1066.13 crore compared to Rs. 490.44 crore in 2015-15. While acknowledging the strategic importance of the Ministry of Coal as well as CIL, the Committee put on record their appreciation for the laudable achievements made by them. The Committee also hoped that the Ministry of Coal/Coal PSUs earnestly carried forward the good work done in a sustainable manner to further accelerate the achievement targets of various multifaceted development Schemes of the Government in a time bound manner.

6. The Ministry of Coal in its action taken reply has stated as under:-

"CIL and SCCL produced 554.10 MT and 61.34 MT of coal during the year 2016-17 against the target of 598.61 MT and 58 MT respectively. In line with the 1 BT coal production projections, steps are being taken

to augment the coal production by starting new projects and adding capacity in the existing Mines."

7. Taking note of the promising performance of CIL during the last two years, the Committee had observed that the Company is on the right track in its pursuit of one billion tonne production by the year 2019-20 and hoped that the Ministry of Coal/Coal PSUs would earnestly carry forward the good work done in a sustainable manner to further accelerate the achievement targets of various multifaceted development Schemes of the Government in a time bound manner. However, the Ministry of Coal in their action taken reply have stated that CIL and SCCL produced 554.10 MT and 61.34 MT of coal during the year 2016-17 against the target of 598.61 MT and 58 MT respectively. They have added that in line with the 1 BT coal production projections, steps are being taken to augment the coal production by starting new projects and adding capacity in the existing Mines. While appreciating the efforts being taken by the Ministry to augment the coal production as they have envisaged starting new projects and adding capacity in the existing mines, the Committee would like to be apprised of the reasons attributed to the under achievement of the target already set by CIL during 2016-17. The Committee, therefore, recommend that in addition to the capacity expansion plan, the reasons which led to under achievement of the target during the year 2016-2017 be addressed

to by the coal companies and corrective action be taken to improve performance during 2017-18. The Committee would like to be apprised of the action taken in this regard.

PLAN OUTLAYS OF MINISTRY OF COAL

Recommendation Serial No. 2

8. The Committee noted that the total Budgetary Support to the Ministry of Coal for the year 2017-18 (BE) is Rs. 745.10 crore (Scheme - Rs. 685.00 crore and Non-Scheme- Rs. 60.10 crore) against a provision of Rs. 361.00 crore (Plan - Rs. 300.00 crore and Non-Plan - Rs. 61 crore) in the year 2016-17 (BE) indicating more than 100% increase in the total outlay. The Committee also noted that a provision of Rs. 700.00 crore had been made for acquisition of Coal Bearing Areas for which the amount had to be deposited by CIL in advance to the Government. The Committee further noted that in addition to the gross budgetary support reflected in the Demands for Grants, all these PSUs of Ministry of Coal implemented their Capital Investment Plans amounting to Rs. 18503.67 crore from their Internal and Extra Budgetary Resources (IEBRs) without budgetary support from the Government of India. The Committee also noted that as recommended by them in their 18th Report on DFG (2016-17) for enhancement of BE of 300 crore at the RE stage, the same was enhanced to Rs. 500.00 crore at the RE stage. The Committee, however, observed that as on 21.2.1017, the total utilization of funds allocated for the year 2016-17 stands lower at 88.45% of BE and only 53% of RE. (BE/RE 2016-17 - Rs. 300.00/ Rs.500.00 crore; Actual utilization as on 21.02.2017 - Rs. 265.34 crore) as compared to the previous year 2015-16 BE/RE Rs. 551.00 crore; Expenditure- against which the utilization of funds stood at almost 100% in all the Plan Schemes i.e. Rs. 520.40 crore except for the NER component.

The Committee were been assured that the increased budget provisions at the Revised Estimates (RE) stage for the year 2016-17 would be fully utilized. The Committee believed that a robust mechanism for ensuring better utilization of funds allocated for various Central Schemes was very important so that such scarce funds are fully utilized. The Committee, therefore, desired that constant and sustained monitoring mechanism be put in place for time bound achievement of both financial and physical targets set for all schemes implemented under the Budgetary support. The Committee might be apprised of the action taken in the matter so that increased budgetary support of Rs. 745.10 crore during 2017-18 was fully utilized.

9. The Ministry of Coal in its action taken reply has stated as under: -

"CMPDI has been implementing following three Central Sector Schemes of MoC for which budget allocations were made:

- a) Promotional (Regional) Exploration in Coal & Lignite
- b) Detailed Drilling in Non-CIL blocks
- c) Research & Development.

Promotional (Regional) Exploration in Coal & Lignite:

The fund provided in 2016- 17 BE/RE i.e. Rs.45.00 crore (ex-NE region) have been released by MoC to CMPDI. The provision of Rs.60.00 crore (including NE) in BE 2017-18 is much less than required (Rs.169.93 crore) to achieve target drilling of 1.75 lakh meter, etc.

Detailed Drilling in Non-CIL blocks:

The fund provided in 2016-17 BE/RE i.e. Rs.80.55 crore (ex-NE region) have been released by MoC to CMPDI. The provision of Rs.115.00 crore (including NE) in BE 2017-18 is much less than required (Rs.334.30 crore) to achieve target drilling of 5.0 lakh meter, etc.

Research & Development

During 2016-17, Rs.10.38 crore (unaudited) of S&T Grants was the expenditure under R&D scheme against BE provision of Rs.10.00 crore, which is more than 100% of BE provision.

Rs.10.0 crore BE provision allocated for the S&T projects may not be adequate to meet the expenditure to be incurred during 2017-18 with 12 on-going projects and for new S&T projects expected to be approved during 2017-18. As desired by the Standing Committee, the budget provision would be enhanced at the time of RE stage on the basis of physical progress made in the projects.

To obviate the delay in executing the projects and also for full utilization of funds, the progress of S&T projects are being monitored by CMPDI and are being reviewed by Technical Sub-Committee of Standing Scientific Research Committee (SSRC) and SSRC under the Chairmanship of Secretary (Coal)."

10. While observing the slow pace of utilization of funds allocated for various Central Schemes for the year 2016-17 as compared to previous year, the Committee had stressed for developing a robust mechanism ensuring better utilization of funds during the year 2017-18 as an increased budgetary provision has been made to the CIL for the year at BE stage. The Committee had also recommended that constant and sustained monitoring mechanism be put in place for time bound achievement of financial and physical targets set for all schemes implemented through Budgetary support. The Ministry in its action taken reply has stated that CMPDI has been implementing three Central Sector Schemes of Ministry of Coal for which budget allocations were made namely (i) Promotional (Regional) Exploration in Coal & Lignite (ii) Detailed Drilling in Non-CIL blocks and (iii) Research & Development. The Ministry has also stated that funds provided for schemes in 2016-17 BE/RE (ex-NE region) have been released by Ministry of Coal to CMPDI. However, the provision (including NE) in BE 2017-18 is much less than required to achieve the targets. The Ministry has assured that as desired by the Standing Committee, the budget provision would be enhanced at the time of RE stage on the basis of physical progress

made in the projects to obviate the delay in executing the projects and also for full utilization of funds. The Committee are happy to note that the progress of S&T projects are being monitored by CMPDI and these are being reviewed by Technical Sub-Committee of Standing Scientific Research Committee (SSRC) and SSRC under the Chairmanship of Secretary (Coal).

However, the Committee are concerned to note that budgetary provision is not adequate enough to run these Central Sector Scheme effectively and efficiently to achieve the financial and physical targets set under the Schemes. The Committee, therefore, reiterate their earlier recommendation for enhancing the budget at RE stage. The Committee would like to be apprised of the physical targets achieved under these three Central Sector Schemes during the first two quarters of Financial Year 2017-18 and about the enhanced Revised Estimates proposed/approved by Ministry of Coal for the said schemes.

RESUMPTION OF EXPLORATION IN COAL BLOCKS

Recommendation Serial No. 8

11. As regards the Law and Order issue, the Ministry has itself admitted that though State Authorities were being approached for intervention, the desired progress has not been achieved. The Committee acknowledge that the constraints confronted were serious issues which would require high level intervention as well as consultations and deliberations amongst various Central Ministries, State Government, Other Agencies as well as stake holders involved. The Committee appreciated the initiatives taken up by CMPDIL as well as the Ministry of Coal to bring about needed intervention and breakthrough to overcome the environment and forest and law and order issues by regular monitoring and meetings with the concerned State

Chief Ministers and at the highest level in the Union Government. The Committee hoped that by these earnest efforts made by all Government as well as Non-Government Agencies involved, constraints cited in achieving the drilling targets would be reached/addressed solution be brought without compromising the interest of environment in view of the interest of those stakeholders involved. The Committee might be apprised of the action taken in the matter.

12. The Ministry of Coal in its action taken reply has stated as under: -

"Efforts are being made to negotiate with local people/State Administration for peaceful resumption of exploration work in blocks held up due to Law & Order problem. From CMPDI/CIL side, Secretary (Coal), MoC & CMD, CMPDI had several meetings & written letters to Chief Secretary, Government of Jharkhand apprising them the problem being faced by agencies in carrying out exploration in different blocks in the past.

A meeting was held between Secretary Coal & Chief Secretary, Govt. of Jharkhand on Forest and Law & Order issues. CMPDI efforts at local level are continuing."

13. While lauding the initiatives taken up by CMPDIL as well as the Ministry of Coal to bring about needed intervention and breakthrough to overcome the environment and forest and law & order issues by regular monitoring and meetings with the concerned State Chief Ministers and at the highest level in the Union Government, the Committee had expected that constraints cited in achieving the drilling targets would be reached/addressed without compromising the interest of environment. In its Action Taken Reply, the Ministry of Coal has informed the Committee that efforts are being made to ensure peaceful resumption of exploration work in blocks held up due to forest, law and order issue. In this regard, the Committee would like to be apprised of the progress made in

exploration/drilling operations in these blocks and the logical outcome of such negotiations without compromising the environmental issues in these areas.

CONSERVATION, SAFETY IN COAL MINES AND DEVELOPMENT OF TRANSPORT INFRASTRUCTURE UNDER CCDA

Recommendation Serial No. 10

14. The Committee noted that the expenditure incurred by coal companies under the schemes 'Conservation, Safety in Coal Mines' and Development of Transport Infrastructure was partially reimbursed to them by way of excise duty collected under the Coal Mines (Conservation and Development) Act, 1974. Accordingly, budget provisions for the schemes are made taking into account the existing commitment/liability of the preceding financial year. While observing that the Ministry of Coal achieved 100% utilization of funds on both of these Central Sector Schemes i.e. Rs. 80 crore and Rs. 70 crore respectively which represents the RE amounts for 2016- 17, the Committee were happy to find that the BE for 2017-18 has enhanced outlay for the schemes compared to that of previous year with allocation of Rs. 200 crore in respect of the scheme 'Conservation and Safety in Coal Mines' and Rs. 299.50 crore in respect of the scheme 'Development of Transport Infrastructure'.

The Committee observed that the Central Sector Scheme 'Development of Transport Infrastructure' in coalfields areas will help in the evacuation of coal from collieries by creation of road/rail infrastructure. The Committee observed that these two schemes are very crucial for development of coal mine infrastructure in the Country. The enhanced budgetary allocation for these two schemes in 2017-18 is, therefore, most welcome and is in the right direction as there was 100% utilization of funds

earmarked for these schemes during the past 2 years. Keeping in view the importance of conservation of Coal particularly when the Coal reserves are finite, the Committee observed that the aspect of conservation need to be taken into account right from the planning stage and to ensure strict adherence throughout the implementation stage. To this end, the Committee desired that the Ministry as well as Coal PSUs should strive for total Mechanized Opencast (OC) Mining; use of latest state-of-the-art Clean Coal Technologies; and increased use of sand stowing as effective means of coal conservation. The Committee also noted that three major Railway Infrastructure Projects for Development of Transport Infrastructure are being undertaken by CIL viz. Tori-Shivpur new BG Line (44.37 Km); Shivpur-Kathotia Sectors (49.085 Km); and Jharsuguda- Barapalli-Sardega Railway Infrastructure Project (52.412 Km). Notably, two Rail Corridor have also been identified for construction to cater to evacuation of Mand- Raigarh and Korba-Gevra Coalfields of SECL. The Committee desired that the Ministry make earnest efforts to complete these important projects being undertaken so that the intended benefits from these important Schemes are achieved.

15. The Ministry of Coal in its action taken reply has stated as under:-

"The three major Railway Infrastructure Projects are:

I. Tori- Shivpur-Kathotia New BG Line:

- a. Total length -93.45 Km
- b. Revised Project cost: Rs3571.69 Cr,
- c. Payment made to EC Railway: Rs 1764 Cr

To be implemented in two phases:

Tori- Shivpur: Catering to North Karanpura Area of CCL

- Estimated cost- Rs 1588.65 Cr
- Total length- 44.37 Km
- Implemented by EC Railways
- Planned to evacuate about **32 MTY** of coal

- Out of 1160.54 Acres, 1060.40 Acres of land is under physical possession.
- construction of line upto Balumath from Tori shall tentatively be completed by Oct'2017 and upto Bukru by Dec'17.
- Anticipated date of completion of the entire length- June 2018

Shivpur- Kathotia: Total length – 49.085 Km

- Implemented by JCRL, a JV of CCL, IRCON and Govt of Jharkhand.
- Estimated cost- 1983.04 Cr
- Out of 1368.23 Acres, 157.55 Acres of land is under physical possession.
- **30 MTY** is envisaged to be evacuated through this Rail line.
- Completion date as per IRCON timeline is March 2020.

II. Jharsuguda- Barpali- Sardega Rail Link: Total length- 52.412 Km

- Revised Project cost- Rs 1044 Cr (with signaling)
- Implemented by SE Railways
- Rail line shall evacuate **70 MTY** of coal
- Engine trial run from Jharsuguda to Laikera station was made. Linking work from Laikera to Barpali is in progress.
- Tentative schedule for completion of 1st phase (Single line) is June 2017 upto Barpali and Sept'2017 upto Sardega.

III. Railway Line in Chhattisgarh- MandRaigarh Coalfields of SECL in Chhattisgarh

The evacuation of coal of Mand- Raigarh and Korba – Gevra Coalfields of SECL, shall be through **A. East Rail Corridor** and **B. East- West Rail Corridor**. In all, about **180 MTY** of coal shall be evacuated through these two corridors.

A. East Rail Corridor: Is being executed by Chhattisgarh East Rail Ltd, (CERL), a JV Company formed by SECL, IRCON and Govt of Chhattisgarh in two phases.

Phase 1: Kharsia- Dharamjaygarh with Spur to Gare- Palma and three Feeder Lines of about 132 Km.

- Estimated cost of the project- Rs 3055 Cr

- Total Land involved is 1277.4Acres
- Construction work for major/ minor bridges and Road bed are under progress (from 0 to 74 Km), and likely to be completed by March 2018.
- Likely date of completion: a) Main Corridor: March 2018
b) Spur upto Gare- Palma: Sept 2018
c) Feeder Lines: March 2019

Phase 2: Dharamjaygarh – Korba, length of about 67 Km

- Estimated cost is Rs 1349 Cr
- Approved as Special Railway Project by Ministry of Railways.
- DPR is under finalization.

B. East- West Rail Corridor (Gevra Road to Pendra) via Dipika, Katghora, Sendurgarh and Pasan has a length of 135 Km, Urga-Kusmunda has a length of about 16Km and Feeder Lines of about 35 Km is being executed by Chhattisgarh East West Rail Ltd.(CEWRL), a JV Company formed by SECL, IRCON and Govt. of Chhattisgarh.

- Estimated cost: Rs 4919 Cr
- Total land involved: 2327.76 Acres.
- Revised DPR (envisages approval of 50% inflated mileage for 5 yrs.)
- Has been approved by CEWRL and SECL Board.
- Financial Closure shall be taken up after approval of DPR and inflated mileage and is likely to take four months thereafter.

Tentative date of completion is March 2019."

16. Keeping in view the importance of conservation of Coal particularly when the Coal reserves are finite, the Committee had observed that the aspect of conservation need to be taken into account right from the planning stage and to ensure strict adherence throughout the implementation stage. They had, therefore, *inter-alia* desired that the Ministry as well as Coal PSUs should strive for total Mechanized Opencast (OC) Mining; use of latest state-of-the-

art Clean Coal Technologies; and increased use of sand stowing as effective means of coal conservation.

In this regard, the Committee observe that the Action Taken Reply of the Ministry of Coal is silent on this aspect. While reiterating their earlier recommendation that the coal companies should strive for total Mechanized Opencast (OC) Mining; use of latest state-of-the-art Clean Coal Technologies; and increased use of sand stowing as effective means of coal conservation which will not only help in conservation of scarce coal reserve but also prove eco-friendly, the Committee urge upon Ministry of Coal to take appropriate action in the matter.

CREATION OF LAND BANK FOR COAL MINING PROJECTS

Recommendation Serial No. 18

17. The Committee noted that one of the major constraints for delay in accelerated implementation of various coal exploration projects by coal companies related to problems being faced in land acquisition. The Committee were apprised by the Coal Secretary during evidence that the Ministry was considering a new concept of creation of Land Bank. According to him, advance plantation would be carried out by these coal companies on degraded land and the afforestation thus achieved therein could be accounted for the deforestation on land to be acquisitioned for new coal mining projects. While appreciating the concept of Land Bank, the Committee hoped that creation of Land Bank would ease prolonged process of land acquisition and facilitate setting of coal mining projects without any land hurdles. The Committee desired that the Government might consider offering its degraded forest land free of any encumbrances to the Coal Companies of Coal Sector for creation of land bank where they could do

advance afforestation against its future coal mining projects. The Committee would like to be apprised of the progress made in this regard.

18. The Ministry of Coal in its action taken reply has stated as under: -

"MoC has taken up with MoEF &CC regarding creation of degraded forest land bank for carrying out compensatory afforestation (CA) for coal mining and allied projects requiring diversion of forest land for non-forestry use. It is also mentioned that fund for CA will be provided in advance by respective coal companies and on submission of proposal for diversion of forest land for non-forestry purpose by coal company, degraded forest land from the above mentioned land bank can be adjusted against such purposes."

19. While appreciating the concept of Land Bank whereby the degraded land will be used for plantation by coal companies and the afforestation thus achieved therein can be accounted for the deforestation on land to be acquisitioned for new coal mining project, the Committee had desired that the Government might consider offering its degraded forest land free of any encumbrances to the Coal Companies for creation of land bank where they could do advance afforestation against its future coal mining projects. The Committee, however, find that though Ministry of Coal has reportedly taken up with MoEF&CC regarding creation of degraded forest land bank for carrying out compensatory afforestation (CA) for coal mining and allied projects requiring diversion of forest land for non-forestry use, the reply is silent on the outcome of the said proposal. The Committee, therefore, desire that the matter be further pursued by the Ministry of Coal with MoEF&CC and a detailed reply of the Ministry in the matter be furnished to the Committee.

COAL BED METHANE

Recommendation Serial No. 19

20. Considering the multibenefits of clean coal technology projects of coal sector like Coal Bed Methane(CBM)/Coal Mine Methane (CMM) extraction and its use, the Committee recommended that the Government should extend its all possible support to the coal producing companies through concessions/relaxations in statutory, legal and environmental stipulations for development of such projects which the Committee feel would be beneficial for overall use of the Country including enhancing the safety of underground mines.

21. The Ministry of Coal in its action taken reply has stated as under :

"Ministry of Coal has permitted Coal India Limited in July 2015 to explore and exploit CBM within its coal mining leasehold areas. MoP&NG issued a notification in November 2015 which is under modification to consider applicability of Mining Lease Grant granted under CBA Act deemed to be also mining lease under P&NG Rules for the exploration and extraction of CBM now to be granted by MoC and issues like penalty clause, allowing third party engagement as suitable developer etc. need to be resolved on priority to execute activities for its development.

A systematic study for estimation of CMM resources and generation of reservoir characteristics within mining leasehold areas held by CIL have been undertaken by CMPDI. However, experience gained during the course of CBM studies indicate that good gas content and producibility of CBM/CMM is mainly in Damodar Valley Coalfields and to some extent in Sohagpur Coalfield. Accordingly, at first instance, potential areas have been delineated in Raniganj coalfield and Jharia coalfield which holds better potential for CMM/CBM.

A capacity building International Workshop on "Best Practices in Methane Drainage and Use in Coal Mines" was jointly organized in March 2017, by US EPA, UNECE and CIL-CMPDI under aegis of GoI-MoC under Global Methane Initiative (GMI). Group of Experts opined that, in view of GoI proposal to allow freedom for marketing and

pricing to sell the gas at Arm's Length Price in domestic market, CBM/CMM is also commercially viable in CIL command area. "

22. Considering the multi benefits of clean coal technology projects of coal sector like Coal Bed Methane(CBM)/Coal Mine Methane (CMM) extraction and its use, the Committee had recommended that the Government should extend its all possible support to the coal producing companies through concessions/relaxations in statutory, legal and environmental stipulations for development of such projects. In its Action Taken Reply, the Ministry of Coal has informed the Committee that Coal India Ltd. was permitted in July, 2015 to explore and exploit Coal Bed Methane (CBM) within its coal mining leasehold areas. The Ministry of Petroleum and Natural Gas (MoPNG) had also issued a notification in November, 2015 to consider applicability of Mining Lease Grant granted under Coal Bed Areas (CBA). Further it has been stated by the Ministry of Coal that a capacity building International workshop on 'Best Practices in Methane Drainage and Use in Coal Mines' was jointly organized in March 2017, by US EPA, UNECE and CIL-CMPDI. A Group of Experts have also opined that, in view of Government of India proposal to allow freedom for marketing and pricing to sell the gas at Arm's Length Price in domestic market, CBM/CMM is also commercially viable in CIL command area. However, the Committee note that the Government reply is conspicuously silent on concessions/relaxation in statutory, legal and environmental stipulation for developing these clean coal technology project. The Committee, therefore, strongly recommend that a concrete action plan be prepared by the Ministry of Coal in coordination with Ministry of Petroleum and Natural Gas to ensure that CBM/CMM projects are developed on fast

track basis and they be apprised of the initiatives undertaken by the Ministry in the matter.

MINE WATER UTILIZATION

Recommendation Serial No. 20

23. The Committee noted that there was an ample scope for utilization of vastly available mine water discharge from different areas of the Coal Companies. The Committee desired that the Government might bring out suitable policy initiatives for treatment of such water reserves in mines for the use of the people settled around coal mines as well as for irrigation purposes. The Committee further desired that the required budget provisions for these activities should be made available by the respective coal companies. The Committee would like to be apprised of the action taken in the matter.

24. The Ministry of Coal in its action taken reply has stated as under: -

"Based on the feedbacks obtained from the PSUs working under the Ministry and the prospective policies being pursued by it, the ATR on the above observation of the Committee is as under:

A. Coal India Ltd.

At present, the total average mine water discharge from the mines of Coal India Limited is 5443 Lakh Cum/Yr and 70 % of this volume is being utilized for own and community use.

Total Mine Water	Own Use by Mines	Present Community water supply				
		Domestic	Agriculture	Total	Beneficiaries	Irrigated land
L Cum/Yr	L Cum/Yr	L Cum/Yr	L Cum/Yr	L Cum/Yr	Nos.	Ha
5443.46	2768.07	533.45	543.46	1076.91	881437	1794

It has been envisaged to utilize the balance mine water (1598 L Cum/Yr.) for community & other related use in FY 2017-18 itself. In this regard, schemes with provisioning of required Capital and action

plans are being drawn by the Subsidiaries of CIL for each source of surplus mine water. Details of the proposed mine water utilization schemes, as on date, are as under:

Eastern Coalfields Limited

Till date, 12 No. of mine water utilization schemes based on conventional treatment have been identified estimated cost of Rs.9.3907 Crores. It is estimated that 98641 no. of population will be benefitted. Additional mine water utilization Schemes are also envisaged.

Bharat Coking Coal Limited

Till date, mine water utilization schemes covering 8 mine water sources with a total estimated capital of Rs. 52.77 Crore have been prepared. It is estimated that 5.33 lakh population will be benefitted. Additional mine water utilization Schemes are also envisaged.

Central Coalfields Limited

CCL is preparing mine water utilization schemes covering 10 projects/sources of mine water with estimated capital of about Rs. 3 Crore. It is estimated that 59505 no. of population will be benefitted.

Western Coalfields Limited

Till date, 17 mine water schemes with estimated Capital of Rs. 30 crore have been identified for agricultural use in about 17 peripheral villages. It is estimated that 169468 no. of population will be benefitted and about 250 Ha of land will be irrigated. In future, some additional schemes shall also be taken up.

South Eastern Coalfields Limited

Till date, 12 mine water utilization schemes have been identified for drinking purpose, which are likely to benefit 113617 no. of population. Rs.2651 Lakhs has been kept for these schemes. Additional schemes of mine water utilization have also been envisaged.

Mahanadi Coalfields Limited

Schemes for treatment of mine water at 6 Nos. of source points through CSRCIMFR, Dhanbad at estimated cost of Rs.78 Crores have already been finalized. The treated water shall be supplied to the nearby villages.

Northern Coalfields Limited

NCL has proposed to take up the treatment facility for supplying drinking water to the villages in one project viz. Block-B project based on the technology of CIMFR, Dhanbad.

B. Singareni Collieries Company Limited (SCCL)

At present, the total average mine water discharge from the mines of SCCL is 719 Lakh Cum/Year and the entire volume of mine water discharge is being utilized for own and community use. About 50000 population residing in the vicinity of mines are being benefitted.

C. NLCI India Limited (NLCIL)

At present, the total average mine water discharge from the mines of NLCIL is 1301 Lakh Cum/Year and the entire volume of mine water discharge is being utilized for own and community use. About 2 lakh population residing in the vicinity of mines are being benefitted."

25. Taking note of the fact that there is an ample scope for utilization of vastly available mine water discharge from different areas of the Coal Companies, the Committee had desired that the Government may bring out suitable policy initiatives for treatment of such water reserves in mines for the use of the people settled around coal mines as well as for irrigation purposes and the required budget provisions for these activities should be made available by the respective coal companies. In its Action Taken Reply, the Ministry of Coal has informed the Committee that at present, the total average mine water discharge from the mines of Coal India Limited is 5443 Lakh Cum/Yr and 70 % of this volume is being utilized for own and community use and it has been envisaged to utilize the balance mine water (1598 L Cum/Yr.) for community & other related use in FY 2017-18 itself. The Committee have also been informed that in this regard, schemes provisioning required Capital and action plans are being drawn by the Subsidiaries of CIL for each source of surplus mine water. The Committee observe that while the Ministry has furnished the details of the proposed mine water utilization schemes and the cost estimated to be incurred in these schemes, the reply is silent on the recommendation of the Committee to make available the required budget provisions for

these activities by the respective coal companies. The Committee while reiterating their earlier recommendation would like to be apprised of the efforts made by the Ministry/Coal Companies to make provision of required capital for mine water utilization schemes.

ISSUES RELATED TO EVACUATION OF COAL

Recommendation Serial No. 21

26. While taking note of the mismatch capacity for evacuation of coal by rail and MOEF & CC's guidelines restricting movement of 34% ash coal beyond 500 Km distance, high freight of coal being transported to far off locations, the Committee felt that development of power projects at Coal Pit Heads may be one of the options for addressing these issues as energy transmission is cheaper than that. The Committee felt coal based chemicals/ gasification plants at the Pit Heads may not only address the issue of energy requirement of the country but also meet the requirement of coal based chemicals like methanol, etc. The Committee, therefore, recommended that the Government should explore the feasibility of implementing such a model in the Country in consultation with all the stakeholders including State Governments. The Committee might be apprised of the action taken in the matter.

27 The Ministry of Coal in its action taken reply has stated as under: -

"A Technical Committee on Surface Coal Gasification has been constituted vide Office Memorandum no. M-12026/8/2016-coal dated 29.08.2016 by (S&T) NITI AAYOG to suggest road map and suitable development of Surface Coal Gasification (SCG) in Indian condition.

NITI AAYOG has constituted a sub-committee consisting of members from CMPDI, EIL, CIMFR, BHEL & Aadani regarding development of Surface Coal Gasification (SCG). Executive Director, EIL has been

directed by NITI AAYOG to take the lead role and provide necessary Secretarial support to the Sub-Committee.

In view of the above, first meeting of the Sub-Committee members on Surface Coal Gasification was held at EIL R&D Center, Gurgaon on 03.04.17, wherein base line to carryout technology development and gap areas were identified after detail discussion & deliberation, wherein it was agreed that coal characterization and analysis will be the starting point and towards this it was identified that coal characterization data base will be helpful to evaluate any technical aspects of SCG.

Potential Coalfields/Coal Blocks identification for Surface Coal Gasification (SCG) and generation of databank for Indian coal (upto 35% ash) for its suitability to SCG for poly-generation has been taken up by CMPDI & EIL jointly.

As part of the organizational initiatives undertaken by CIL for implementing Clean Coal Technology (CCT) with a thrust towards utilization of coal near the Pit Heads, CIL is exploring the possibilities to set up of a Coal to Methanol (C2M) plant at the premises of its Dankuni Coal Complex (DCC). The high-CV coal from Raniganj coalfields of ECL has been identified as raw coal source for the proposed C2M plant. The coal shall be gasified to produce syn-gas which shall be fed to the Methanol plant. As on date, the technology for coal gasification of Indian high ash, high ash fusion temperatures, is not proven. However, based on experience gained in the coal to urea project in process for Talcher Fertilizer Plant and keeping the urgency to delve into the area of coal to chemicals in view, it was felt prudent to short list the coal gasification technologies first.

EOI to shortlist the licensors of coal gasification technology for the proposed Coal based Methanol plant at Dankuni Coal Complex has already been floated on 28.02.2017. The last date of submission of offers and Opening of the bids was on 18.04.2017. The responses received against the EOI is under technical evaluation."

28. The Committee had observed a mismatch in capacity for evacuation of coal by rail and Ministry of Environment and Forest and Climate Change's (MOEF&CC) guidelines restricting movement of

34% ash coal beyond 500 Km distance, high freight of coal being transported to far off locations. The Committee had felt that development of power projects at Coal Pit Heads may be one of the options for addressing these issues as energy transmission is cheaper. The Committee, therefore, had recommended that the Government should explore the feasibility of implementing such a model in the Country in consultation with all the stake holders including State Governments. In this regard, the Ministry in its reply has *inter-alia* stated that as part of the organizational initiatives undertaken by CIL for implementing Clean Coal Technology (CCT) with a thrust towards utilization of coal near the Pit Heads, CIL is exploring the possibilities to set up of a Coal to Methanol (C2M) plant at the premises of its Dankuni Coal Complex (DCC) and Expression of Interests (EOI) to shortlist the licensors of coal gasification technology for the proposed Coal based Methanol plant at Dankuni Coal Complex has already been floated on 28.02.2017. It has also been informed to the Committee that the last date of submission of offers and Opening of the bids was on 18.04.2017 and the responses received against the EOI is under technical evaluation.

While appreciating the initiatives taken by the Ministry of Coal in this regard, the Committee would like to be apprised of the progress made and outcome in the matter.

RATIONALIZATION OF COAL LINKAGES

Recommendation No. 22

29. The Committee noted that process of allotment of coal linkages through the LoA-FSA route had since been stopped since a long time back. The Committee also noted that some coal based Thermal Power Plants (TPPs) were having Power Purchase Agreement (PPAs) but do not have

linkage sources and these TPPs were compelled to source coal through e-auction or imports. The Committee therefore, recommended that the Ministry of Coal should consider rationalization of coal linkages and desired an innovative mechanism to provide coal linkages that might check rise in power tariffs and dependence of the country on coal import. In order to encourage new investments and to address concerns of investors over coal linkages, the Committee desired that the Ministry of Coal should also consider bringing out a policy in public domain spelling out the objective and transparent modalities of coal linkages for future Greenfield as well as Brownfield Thermal Power Projects.

30. The Ministry of Coal in its action taken reply has stated as under: -

"Inter-Ministerial Task Force was constituted in June, 2014 for review of existing coal sources as also feasibility for rationalization of these sources with a view to optimize transportation cost. Coal Linkage rationalization in Power sector has resulted in decrease in transportation cost of coal from the mines to the power plants leading to more efficient coal based generation of Power. Total coal movement rationalization of 54.76 MT has taken place with annual potential savings of Rs. 3354 crores.

Further, in terms of the methodology circulated by CEA and communicated subsequently by MOC to CIL, a consensus Supplementary Agreement model was evolved for implementation of the policy of flexible utilization of domestic coal for State and Central GenCos, as approved by CCEA in May, 2016. Supplementary Agreement for aggregation of Annual Contracted Quantity (ACQ) has been signed by CIL and its Subsidiaries with State/Central Gencos for about 99% of the total ACQ. Following techno-economic benefits are envisaged from the implementation of flexibility in coal utilization:

- GenCos would be in a position to prioritize coal supply in accordance with efficiency of the plant without incurring additional cost for such supply
- Optimum utilization of efficient plants would lead to higher generation with lesser emission of pollutants leading to positive impact on environment

- Improved planning for overhaul and maintenance of plants
- Rationalization of coal movement thereby reducing logistics cost

A policy (Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI)) on coal linkages allocation for Power Sector has been issued on 22.05.2017 with the approval of Cabinet Committee on Economic Affairs. Methodology for auction of coal linkages to IPPs having PPA based on domestic coal has been issued on 12.06.2017 and is under consideration for IPPs having PPA based on imported coal.

In addition to e-auction (spot) which provides coal on short term basis, CIL implemented Special Forward Auction of coal to cater coal on medium and long term to the thermal power plants which are commissioned and having PPA but do not have linkage source can procure coal from CIL with reduced Floor Price and flexible tenure of lifting to facilitate import substitution by them."

31. Taking note of the fact that some coal based Thermal Power Plants (TPPs) were having Power Purchase Agreement (PPAs) but do not have linkage sources and these TPPs were compelled to source coal through e-auction or imports, the Committee had inter-alia recommended that the Ministry of Coal should consider rationalization of coal linkages and desired an innovative mechanism to provide coal linkages that might check rise in power tariffs and dependence of the country on coal import. The Ministry in its Action Taken Reply has stated that a policy (Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI)) on coal linkages allocation for Power Sector has been issued on 22.05.2017 with the approval of Cabinet Committee on Economic Affairs. Further, Methodology for auction of coal linkages to TPPs having PPA based on domestic coal has been issued on 12.06.2017 and is under consideration for IPPs having PPA based on imported coal.

The Committee are happy to note that in line with the Committee's recommendation, the policy initiatives are being undertaken by the Ministry. The Committee also desire that Methodology for auction of coal linkages to TPPs having PPA based on domestic coal issued on 12.06.2017 be finalized at the earliest and they be apprised of the headway being made under these policy initiatives.

CHAPTER – II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No. 1

The Committee recognize the pivotal role of Coal, as the most dominant energy fuel meeting around 50% of the country's primary commercial energy needs as compared to that of 30% contribution to the world's requirement. Undoubtedly, its no surprise that 72% of the entire power generated in the Country is coal based and coal remains the answer to the nation's escalating energy demands. The Committee observe that the paramount importance and significance of coal is expected to continue for many years to come due to the abundance of coal reserves, easy availability and affordability. The core objective of the Ministry of Coal is to secure the availability of coal to meet the demand of different sectors of the economy in an eco-friendly and sustainable manner and the overall mission of augmenting production through Government Companies as well as the captive mining route by adopting state-of-art-clean coal technologies; enhancing exploration efforts with thrust on increasing proven resources and developing the necessary infrastructure for evacuation of coal.

In this backdrop, the Committee appreciate that during the period April to December, 2016, the actual coal production was 453.10 MT compared to 445.42 MT during the corresponding period of 2015-16, showing a growth of 1.7%. The Committee take pride that the Coal India Ltd. (CIL) a 'Maharatna' Company under the Ministry of Coal and the single largest coal producing company in the world has achieved the coal production and off-take exceeding Half- a-Billion Tonne mark, i.e. 538.75 MT during the financial year 2015-16 the highest ever incremental increase in a single financial year since the inception of the company in 1975. The Committee, therefore, believe that the CIL is on the right track in its pursuit of one billion tonne production by the year 2019-20. The Committee also note that CIL for the first time had surpassed Rs. 1.0 lakh crore in Gross Sales (Rs. 1,08,150.03 crore) during 2015-16. Similarly in SCCL, the coal production in 2015-16 was 60.38 MT as compared to that of 52.54 MT in 2014-15 registering a growth of 14.92%. The financial performance of the company in the year 2015-16 also indicates net profit after tax at Rs. 1066.13 crore compared to Rs. 490.44 crore in 2015-15. While acknowledging the strategic importance of the Ministry of Coal as well as CIL, the Committee put on record their appreciation for the laudable achievements made by them. The Committee also hope that the Ministry of Coal/Coal PSUs earnestly carry forward the

good work done in a sustainable manner to further accelerate the achievement targets of various multifaceted development Schemes of the Government in a time bound manner.

Action Taken

CIL and SCCL produced 554.10 MT and 61.34 MT of coal during the year 2016-17 against the target of 598.61 MT and 58 MT respectively. In line with the 1 BT coal production projections, steps are being taken to augment the coal production by starting new projects and adding capacity in the existing Mines.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

Comments of the Committee (Please see para 7 of Chapter I of the Report)

PLAN OUTLAYS OF MINISTRY OF COAL

Recommendation No. 2

The Committee note that the total Budgetary Support to the Ministry of Coal for the year 2017-18 (BE) is Rs. 745.10 crore (Scheme - Rs. 685.00 crore and Non-Scheme- Rs. 60.10 crore) against a provision of Rs. 361.00 crore (Plan - Rs. 300.00 crore and Non-Plan - Rs. 61 crore) in the year 2016-17 (BE) indicating more than 100% increase in the total outlay. The Committee also note that a provision of Rs. 700.00 crore has been made for acquisition of Coal Bearing Areas for which the amount has to be deposited by CIL in advance to the Government. The Committee further note that in addition to the gross budgetary support reflected in the Demands for Grants, all these PSUs of Ministry of Coal implement their Capital Investment Plans amounting to Rs. 18503.67 crore from their Internal and Extra Budgetary Resources (IEBRs) without budgetary support from the Government of India. The Committee also note that as recommended by them in their 18th Report on DFG (2016-17) for enhancement of BE of 300 crore at the RE stage, the same was enhanced to Rs. 500.00 crore at the RE stage. The Committee, however, observe that as on 21.2.1017, the total utilization of funds allocated for the year 2016-17 stands lower at 88.45% of BE and only 53% of RE. (BE/RE 2016-17 - Rs. 300.00/ Rs.500.00 crore; Actual utilization as on 21.02.2017 - Rs. 265.34 crore) as compared to the previous year 2015-16 BE/RE Rs. 551.00 crore; Expenditure- against which the utilization of funds stood at almost 100% in all the Plan Schemes i.e. Rs. 520.40 crore except for the NER component. The Committee were been assured that the increased budget provisions at the Revised Estimates (RE) stage for the year

2016-17 would be fully utilized. The Committee believe that a robust mechanism for ensuring better utilization of funds allocated for various Central Schemes is very important so that such scarce funds are fully utilized. The Committee, therefore, desire that constant and sustained monitoring mechanism be put in place for time bound achievement of both financial and physical targets set for all schemes implemented under the Budgetary support. The Committee may be apprised of the action taken in the matter so that increased budgetary support of Rs. 745.10 crore during 2017-18 is fully utilized.

Action Taken

CMPDI has been implementing following three Central Sector Schemes of MoC for which budget allocations were made:

- a) Promotional (Regional) Exploration in Coal & Lignite
- b) Detailed Drilling in Non-CIL blocks
- c) Research & Development.

Promotional (Regional) Exploration in Coal & Lignite:

The fund provided in 2016- 17 BE/RE i.e. Rs.45.00 crore (ex-NE region) have been released by MoC to CMPDI. The provision of Rs.60.00 crore (including NE) in BE 2017-18 is much less than required (Rs.169.93 crore) to achieve target drilling of 1.75 lakh meter, etc.

Detailed Drilling in Non-CIL blocks:

The fund provided in 2016-17 BE/RE i.e. Rs.80.55 crore (ex-NE region) have been released by MoC to CMPDI. The provision of Rs.115.00 crore (including NE) in BE 2017-18 is much less than required (Rs.334.30 crore) to achieve target drilling of 5.0 lakh meter, etc.

Research & Development

During 2016-17, Rs.10.38 crore (unaudited) of S&T Grants was the expenditure under R&D scheme against BE provision of Rs.10.00 crore, which is more than 100% of BE provision.

Rs.10.0 crore BE provision allocated for the S&T projects may not be adequate to meet the expenditure to be incurred during 2017-18 with 12 on-going projects and for new S&T projects expected to be approved during 2017-18. As desired by the Standing Committee, the budget provision would be enhanced at the time of RE stage on the basis of physical progress made in the projects.

To obviate the delay in executing the projects and also for full utilization of funds, the progress of S&T projects are being monitored by CMPDI and are

being reviewed by Technical Sub-Committee of Standing Scientific Research Committee (SSRC) and SSRC under the Chairmanship of Secretary (Coal).

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

**Comments of the Committee
(Please see para 10 of Chapter I of the Report)**

RESEARCH AND DEVELOPMENT (R&D)

Recommendation No. 3

The Committee note that Research and Development (R&D) Projects are covered under four thematic areas viz. improvement in production; productivity and safety in coal mines; coal beneficiation and utilization; and protection of environment and ecology. Further, Standing Scientific Research Committee under the Chairmanship of Secretary (Coal) is the Apex Body to administer coal related research activities from budgetary Support and Central Mine Planning and Design Institute (CMPDIL) is the nodal agency for coordination of Research Activities in the Coal Sector, which involves identification of 'Thrust Areas' for Research Activities; identification of agencies for research work; processing of proposals for Govt. approval preparation of Budget Estimates; Disbursement of funds; Monitoring of Project Implementation etc. The Committee are happy to note that out of a total of 390 S&T Projects taken up by the Ministry, as on 31.12.2016, 320 S&T Projects have been completed. The Committee are happy to note that in the year 2016-17, as on 31.12.2016, six S&T Projects were completed which included important projects viz. Development of Tele robotics and remote operation technology for underground coal mines; Development of Indigenous catalyst through pilot scale studies of Coal-to-liquid (CTL) conversion technology; Enhancing life of de-watering pipes in coal/lignite mines by prevention of erosion- corrosion with nano-crystalline surface Engineering Treatments; Blast design and fragmentation control- key to productivity; Design and Development of truck mounted mobile coal sampler for instant coal ash & moisture analyser at site from railway wagon/truck; and Optimization of various parameters of lab scale Coal Winnowing System (Phase-II). The Committee further note that as on 31.12.2016, out of a total of 78 R&D Projects taken up by CIL since its inception, 61 projects were completed. The Committee further note that while 13 R&D Projects were ongoing as on 31.12.2016, 5 new R&D projects were sanctioned in the year 2016-17. The Committee are happy to note that the two R&D Projects competed in the year 2015-16 pertains to two important Projects viz. to find a methodology of safe liquidation in thick seams of Raniganj Coalfields: Design & development and show-casing demonstrative trails at Khottadih

Colliery, ECL; and Development of guidelines to predict distance between toe of the shovel-dumper dump and that of dragline dump with consideration of safety and economical design of both shovel-dumper dump and dragline dump. Admittedly, most of the research projects have yielded considerable benefits resulting in operational improvement, safer working conditions, better resource recovery and protection of the environment and ecology. The Committee desire that research projects which directly or indirectly enhance the production as well as safety in Coal Mines should be given priority in their implementation.

Action Taken

In the 52nd meeting of the Standing Scientific Research Committee (SSRC) held on 15.03.2017, one (01) new S&T Project titled "Indigenous development of early warning radar system for predicting failures/slope instabilities in open cast mines" has been approved with an objective of monitoring any movement of an area around 2 km x 2 km prior to slope failure for 24x7 in an opencast mine. The outcome of the project will enhance safety in opencast coal mines and will eliminate dependence on technology provider for supply of Slope monitoring RADAR.

A few other projects which directly or indirectly enhances the production as well as safety in coal mines are at planning stage.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

Recommendation No. 4

As regards the allocation of funds for R&D projects, the Committee find that the BE (2017-18) allocated for the entire projects remained stagnant at only Rs. 10.00 crore. In this regard, the Committee observe that while the RE(2015-16) for this scheme was Rs. 20.25 crore, the BE/RE 2016-17 was reduced to Rs. 10.00 crore indicating downward revision of more than half the amount. Even at that time i.e. during the examination of DFG (2016-17) the Committee were apprised that the allocated funds would not be sufficient for implementing S&T projects of the Ministry of Coal and it was recommended by the Committee for allocation of more funds at the RE stage so that the implementation of S&T Projects under the R&D Schemes be not affected for want of funds. Now again, the Ministry has brought it to the notice of the Committee that the funds allocated for 2017-18 (Rs. 10.00 crore at BE stage) would be grossly insufficient for implementing the projects and, therefore, enhancement of funds would be sought at RE stage. Taking note of the candid submission of Secretary, Coal, during evidence

before the Committee on 23.02.2017 that there is no dearth of funds for R&D works which are meant for future growth of Coal industry, the Committee strongly recommend for sufficient augmentation of needed funds at the RE stage through budgetary support or funded by Coal companies so that implementation of important S&T as well as R&D Projects do not suffer on account of lack of funds. The Committee would like to be apprised of the action taken in the matter.

Action Taken

The Committee's recommendation for sufficient augmentation of needed funds at the RE stage through budgetary support or through funding by Coal companies so that implementation of important S&T as well as R&D Projects do not suffer on account of lack of funds has been noted and the matter will be taken up at RE stage.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

PROMOTIONAL (REGIONAL) EXPLORATION IN COAL AND LIGNITE

Recommendation No. 5

The Committee note that a Plan Scheme of Ministry of Coal on Promotional Exploration for Coal and Lignite is being implemented by various agencies viz (CMPDIL, GSI, MECL and State Governments concerned), with the aim to undertake preliminary drilling to assess availability of Coal in various areas. The Committee observe that against the actual expenditure of Rs.105.05 crores during 2015-16, the BE/RE for 2016-17 was kept at a reduced amount of Rs. 50 crore against a drilling target of 1.75 lakh meters. Then again in 2017-18, the BE has only been kept for Rs. 60 crore which will not be sufficient for achieving the drilling target which has been fixed at 1.75 lakh meter. In this background, the Committee find it appreciable that a drilling target of 1.75 lakh meter in BE 2017-18 had been kept in the Annual Plan in anticipation of availability of funds at the RE stage. The Committee are of the opinion that in the long run, reduced drilling would imply lesser number of regionally explored blocks leading to availability of lesser blocks for detailed exploration. The Committee, therefore, desire that the Ministry may pursue the matter for allocation of adequate funds for achieving the drilling targets set and they be apprised. The action taken in the matter.

Action Taken

In Promotional/NMET exploration in Coal & Lignite, GSI, MECL and State Govt. has achieved 1.05 lakh metre of drilling during Apr'16-Mar'17 against the BE target of 1.75 lakh metre of 2016-17. The shortfall in achievement is mainly due to the withdrawal of resources in coal by GSI & less deployment

of resources by GSI & MECL in lignite and no drilling by CMPDI due to priority detailed drilling in CIL & Non-CIL blocks.

The Committee's recommendation for allocation of adequate funds has been noted and the matter will be taken up at RE stage.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

DETAILED EXPLORATION IN NON-CIL BLOCKS

Recommendation No. 6

The Committee note that the scheme of detailed exploration aimed at bringing coal resources falling in indicated and inferred category into the proven category is taken up under the Ministry of Coal's Plan Scheme of Detailed drilling in the Non-CIL Blocks. The Scheme is carried out through departmental and contractual modes. The Committee note that while the RE for 2016-17 stands at Rs. 89.50 crore, the actual expenditure upto 21.02.2017 was Rs. 63.34 crore and the allocation for the plan at BE stage for 2017-18 stands at Rs.115 crore reflecting an enhanced outlay about 28% of the RE (2016-17) which was also Rs. 89.50 crore. The Committee observe that there was shortfall in the achievements of physical targets set for Detailed Drilling in Non-CIL Blocks in the last three years viz. (2014-15: Target- 2.87 lakh meter; Achievement 2.82 lakh meter; 2015-16: Target 3.20 lakh meter; Achievement 2.87 lakh meter; 2016-17: Target 2.81 lakh meter; Achievement as on Jan. 2017- 2.19 lakh meter). The Committee were apprised that the allocation of Rs. 115.00 crore of BE (2017-18) would be sufficient for a drilling target of 2.00 lakh meter only as against the total target set for detailed drilling of 4.32 lakh meter during the year 2017-18 and balance requirement would be covered either under the National Mineral Exploration Trust (NMET) fund or additional demand at RE stage. The Committee were apprised that the Non-achievement of drilling targets was due to non-availability of forest clearance and adverse Law and Order condition at many places, particularly in 2015-16. Keeping in view the importance of the scheme vis-a-vis the overall target of enhancing coal production, the Committee desire that the earnest efforts be made by the Ministry to achieve the targets set for detailed drilling in Non-CIL Blocks. To this end, the Committee recommend that additional demand for funds may be made at the RE Stage. The Committee may be apprised of the progress made in the matter.

Action Taken

In Non-CIL blocks, CMPDI & its agencies have achieved 3.08 lakh metre of drilling during April'16 -March'17 against the BE target of 3.48 lakh metre of

2016-17. The shortfall in achievement is mainly due to pending forest permission and adverse law & order conditions in some area of operation. The Committee's recommendation for demand for additional funds at the RE Stage has been noted and the matter will be taken up at RE stage.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

DRILLING CONSTRAINTS FACED BY CENTRAL MINE PLANNING AND DESIGN INSTITUTE LIMITED (CMPDIL)

Recommendation No. 7

The Committee note that CMPDIL carries out Detailed Exploration in CIL and Non-CIL Blocks as per strict time lines to bring resources falling in 'indicated' and 'inferred' category into the measured (Proven) category. The Committee find that a cumulative total of 308.802 Billion Tonnes of geological reserves of coal have so far been estimated in the Country as on 1.4.2016. The Committee further find that in the year 2016-17, 14 Geological Reports are likely to be prepared indicating about 4.5 Billion Tonnes of additional coal resources under Measured (Proven) category. The Committee observe that CMPDIL has achieved drilling of 8.28 lakh meter in 2014-15, 9.94 lakh meter in 2015-16 and about 10.63 lakh meter of drilling is likely to be achieved in 2016-17 indicating a 7% growth through both Departmental resources as well as outsourced resources. Admittedly, in the year 2016-17, CMPDIL is likely to achieve its departmental and overall drilling targets by 103% and 97% respectively. While appreciating the measures being taken up by CMPDIL for improving the drilling capacity during the last three years, the Committee note that the drill deployment has increased from 53 in 2012-13 to 64 in 2016-17 and 24 new drills have been procured during April, 2013 to January, 2017 including 15 Hi-tech Drills. The Committee are also happy to note that the quantum of drilling through outsourcing had increased from 3.71 lakh meter in 2013-14 to 5.86 lakh meter during 2015-16. Moreover, the CMPDIL has also entered a Memorandum of Understanding (MoU) with MECL for 3-4 lakh meter of drilling per year. The Committee are, however, concerned to observe that one of the generic reason cited for non-achievement of targets for drilling over the last few years was non availability of forest clearance and adverse Law and Order condition prevailing in some areas. In this context, the Committee note that Ministry of Environment and Forest (MoEF) is considering simplification of procedures for according forest clearance for exploration blocks up to 10% lower density at District Forest Officer level and 10-40% at MoEF Climate Change level which is awaiting notification. The Committee therefore recommend that the Ministry of Coal should impress upon the Ministry of Environment and Forest and Climate Change (MOEF & CC) to urgently notify the proposed relaxed guidelines for enabling drilling in forest areas by

Governments Companies so that the targets of the detailed coal exploration are achieved within the stipulated time frames. In order to overcome the problems faced in land acquisition and related issues, the Committee desire the Ministry should impress upon the state governments for regular updation of land records and carrying out pre-CSR activities like Skill Development, Health, Education, etc. in the surrounding areas of the upcoming mining projects. The Committee may be apprised of the outcome in the matter.

Action Taken

In 2016-17, 16 Geological Reports were prepared on the basis of detailed exploration conducted in previous years. The prepared Geological Reports have brought about 4.6 billion tonnes of additional coal resources under the Measured (Proved) category.

CMPDI has achieved drilling of 11.26 lakh meter in 2016-17 (all type of blocks) indicating a 13% growth through departmental as well as outsourced resources. CMPDI had achieved its departmental and overall drilling targets by 110% and 102% respectively.

CMPDI, through MoC, has been requesting MoEF& CC to notify the proposed relaxed guidelines for enabling drilling in forest areas by Government Companies so that the targets of drilling are achieved within the stipulated time frames.

CMPDI is also carrying out Pre-CSR and CSR activities to overcome the difficulties faced in drilling due to resistance by local people.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

Recommendation No. 8

As regards the Law and Order issue, the Ministry have themselves admitted that though State Authorities were being approached for intervention, the desired progress has not been achieved. The Committee acknowledge that the constraints confronted are serious issues which would require high level intervention as well as consultations and deliberations amongst various Central Ministries, State Government, Other Agencies as well as stake holders involved. The Committee appreciate the initiatives taken up by CMPDIL as well as the Ministry of Coal to bring about needed intervention and breakthrough to overcome the environment and forest and law and order issues by regular monitoring and meetings with the concerned State Chief Ministers and at the highest level in the Union Government. The Committee hope that by these earnest efforts made by all Government as well as Non-Government Agencies involved, constraints cited in achieving the drilling targets would be reached/addressed solution be brought without

compromising the interest of environment in view of the interest of those stakeholders involved. The Committee may be apprised of the action taken in the matter.

Action Taken

Efforts are being made to negotiate with local people/State Administration for peaceful resumption of exploration work in blocks held up due to Law & Order problem. From CMPDI/CIL side, Secretary (Coal), MoC & CMD, CMPDI had several meetings & written letters to Chief Secretary, Government of Jharkhand apprising them the problem being faced by agencies in carrying out exploration in different blocks in the past.

A meeting was held between Secretary Coal & Chief Secretary, Govt. of Jharkhand on Forest and Law & Order issues. CMPDI efforts at local level are continuing.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

Comments of the Committee (Please see para 13 of Chapter I of the Report)

ENVIRONMENTAL MEASURES AND SUBSIDENCE CONTROL SCHEME

Recommendation No. 9

The Committee note that the objective of the Environmental Measures and Subsidence Control (EMSC) Scheme is to improve the environmental conditions in the old mined out areas of Jharia and Raniganj coalfields by addressing fire and subsidence problems. The Committee further note that the Major thrust areas in EMSC during XIIth Plan period were control of subsidence in the old, abandoned, waterlogged workings in Raniganj coalfields, control of mine fires and subsidence in Jharia coalfields besides rehabilitation of persons residing in these areas. All EMSC Schemes have subsequently been merged in a Master Plan dealing with Fire, Subsidence, Rehabilitation and Diversion of surface infrastructure within the leasehold areas of BCCL and ECL sanctioned by the Government in August 2009 at an investment of Rs. 9657.61 crore with an annual outlay of Rs. 977 crore spread over a period of 10 years. As per the tenets of the Master Plan, the CIL needs to first spend from its own resources upto Rs. 350 crore per year and the additional funds required, if any, are to be made available from the Budget. In this regard, the Committee note that CIL has not been able to spend its share of Rs. 350 crore and therefore, the expenditure incurred for the implementation of the Master Plan remained within the contribution of CIL and as such, 'NIL' or near 'NIL' expenditure has been reflected in the Ministry's Budget. In this backdrop, the Committee feel that the budget allocation for 2017-18 of 0.50 crore would be adequate as there was NIL

expenditure in 2016-17. As regards the status of implementation of the Jharia Master Plan, the Committee have been apprised that 10 active fire areas have been liquidated resulting in reduction from 17.32 Sq. KM fire area (1986) to only 9 Sq. Km in 2006 which was further reduced to 2.18 Sq. Km. in BCCL lease hold area in 2014. The Committee desire that sincere efforts should be made to wipe out the fire areas completely. As regards rehabilitation work which would include BCCL and non-BCCL families, the Committee note that out of the requirement of 15852 houses in BCCL areas, 6414 houses have been completed and 3044 families already shifted. As regards, non-BCCL families, out of 121323 families required to be rehabilitated, 29444 are Legal Title holders and 91879 are Non-Legal Title holders. Statedly, during the review meeting of HPCC held on 13.02.2017, State Government of Jharkhand had been requested to review the number of non-legal title holders. As regards the status of Raniganj Master Plan implementation, the Committee note that all seven identified surface fires have been doused blanketing with thick layers of earth. The Committee further note that all three location in ECL quarters have been vacated and in non-ECL areas, out of total 141 declared unstable locations, demographic survey work has been completed at 126 locations. The Committee are concerned to note that constraints cited include inter-alia public agitation; and non availability of bidders for e-Tenders floated for construction of houses under Rehabilitation Scheme. The Committee desire that ground level problems may be sorted out with the help of local/community leaders and beneficiaries so that hindrances faced in achievement of the target set for this scheme may be eliminated. The Committee also desire that CIL should make earnest efforts to spend its requisite funds towards implementation of the EMSC Scheme in an effective and time bound manner producing some tangible results. The Committee would like to be apprised of the Action Plan of the Government in the matter.

Action Taken

The Implementation of Jharia & Raniganj Master Plan was reviewed in the 14th meeting of High Powered Central Committee held on 13.2.2017. During the meeting it was noted that:

- The extent of fire area is now reduced to about 2.18 sq. kms. from 8.9 sq.km in 2006 as per the study of NRSC and the fire containing area of 2.18 sq.km is spread over different places and is not confined to a single place.
- BCCL was directed to prepare an action plan for dousing off the fire from these areas in a year's time. BCCL has identified 42 sites where digging will be done for dousing the fire.

- In order to expedite the implementation of Master Plan, BCCL had already given NOC to JRDA for construction of houses earlier acquired by BCCL. Till date 3360 Houses have been constructed and 2103 families have been shifted;
- JRDA is at present in possession of land sufficient to construct about 37000 quarters out of which about 10000 quarters are in different stages of construction.
- JRDA was directed to complete 2000 houses by Oct'2017, 4000 houses by Feb' 2018; and to take up construction of additional 27000 quarters immediately for which land is available;
- In Raniganj Master Plan, ADDA was directed to commence construction of houses immediately for non-ECL families in the land handed over by ECL (about 500 Acres);
- In First phase under Raniganj Master Plan, Housing Board of WB is constructing 8608 flats;
- For shifting of Dhanbad Chandrapura railway line which is in danger due to fire beneath it a committee under the Chairmanship of DGMS with representatives from railways, CIMFR, IIT (ISM), BCCL and JRDA has recommended for closure of railway track for the safety of human life.
- Till date an amount of about Rs. 661 Crore (Rs 500 Crore for Jharia and Rs. 161 Crore to Raniganj) has been released by CIL through their internal resources.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

NORTH EASTERN REGION (NER)

Recommendation No. 12

The Committee have time and again observed with concern that the North-Eastern Region remains a totally neglected area with the lowest implementation record as exuded by the fact that the budget provisions pertaining to development of NER/Sikkim remain almost totally unutilized year after year. The RE (2015-16) for NER amounting to Rs. 30.60 crore were drastically reduced to Rs. 15.00 crore in BE 2016-17. On non-utilization of funds, the Committee had observed the generic reply of the Ministry of Coal include inter-alia difficult geological characteristics, large forest covers, adverse law and order conditions and land issues, causing hindrances in exploration work. The Committee note that in the BE 2017-18, total outlay amounting to Rs. 18.55 crore for North Eastern Areas saw a meager increase as compared to the 2016-17 BE of Rs. 15 crore. The break-up of the provisions for various schemes for BE 2017-18 were Research and Development (Rs. 1 crore); Regional Exploration (Rs. 6 crore); Detailed Drilling (Rs. 11.50 crore) and EMSC (Rs. 0.05 crore). The Committee note

that as was in the preceding years, this year to a meager amount of Rs. 0.762 crore amounting to about 5% of allocated funds have been utilized under the Detailed Drilling in Non-CIL Blocks. Admittedly, procurement for sanctioned Drill Rig in Assam was under process while DGM, Nagaland has purchased the rig. The Committee are happy to note that despite the difficult terrain. DGM-Nagaland had completed drilling in one Coal Block while taking up the second one, which could not be completed due to adverse Law and Order conditions in the areas. The Committee appreciate the Ministry of Coal decision approving outsourcing of drilling-surveying and Geophysical activities in NER to ensure full utilization of funds. The Committee are, however, concerned to note that no proposal have been received from any State Government and even MECL had not deployed any rig for coal exploration in NE Region. The Committee, therefore, desire that Ministry of Coal should pursue with the State Government for new proposal for coal drilling in the area and also take appropriate steps in coordination and consideration with the concerned agencies to address the problem of Law and Order in the NER which is hampering implementation of various Central Sector Schemes in the Area.

Action Taken

Exploration activities:

The issue of exploration in North Eastern Region is coordinated by the CGPB Committee-VIII comprising members from GSI, MECL, Ministry of Mines, CMPDI and DGMs of North Eastern States. GSI, NER has informed that they have taken up Regional Coal Exploration in Eastern Part of Namphuk Coalfield, Arunachal Pradesh. DGMs/DMR were also advised to forward maximum participants to Regional Training Institute, GSI, Shillong and obtain full benefits in the field of skill up-gradation. In the meeting of Core Group of CGPB VIII, thrust was given on expediting coal exploration activities utilising promotional fund and assessing the requirement of State DGMs.

CMPDI has requested GSI for identification of new potential areas for coal exploration in North Eastern Regions. A CMPDI team has visited during 02.03.2017 to 08.03.2017 to Phatapara Coal block, Singrimari Coalfield and East of Tipong Area, Makum Coalfield, Assam and Namchik-Namphuk coal block in Arunachal Pradesh. CMPDI will take up regional exploration in Phatapara block and detailed exploration in Namchik-Namphuk E & W coal blocks in 2017-18. Apart from it, CMPDI has also given job of Promotional(Regional) exploration in Sarpoterang area(Laldera Nepali Basti) to DGM, Assam.

Research and Development (R&D)

In spite of continuous efforts being made by Coal India Limited (CIL) and CMPDI as Nodal Agency, very few number of research proposals are being

submitted by institutes/organizations/agencies located in North Eastern Region (NER). Several letters for inviting research proposals were widely circulated to various institutes/ organizations/ agencies located in NER indicating the thrust areas of coal sector.

As suggested by Standing Committee on Coal & Steel, an interaction was made with premier national institutes of India to carry out research activities in NER. As a result, two S&T project proposal was submitted by Rain-Forest Research Institute in association with North Eastern Coalfields (NEC) titled "Reclamation of coal mined land of North Eastern Coalfields, Assam by soil amendment and revegetation using integrated biotechnological approach and through community participation" and "Study on orchid diversity of Makum Coalfield areas under Digboi Forest Division and capacity building for their conservation" which is under consideration.

Request letters have been further sent to various academic institutes/ research organizations/ agencies from NER for their wider participation in research activities beneficial to coal sector.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

FINANCIAL AND PHYSICAL PERFORMANCE OF COAL PSUs

Recommendation No. 13

The Committee observe that CIL undoubtedly occupies a strategic relevance in so far as it produces around 84% of the Country's overall coal production and commands nearly 74% of the Indian coal market feeding 98 out of 101 coal based Thermal Power Plants in India. The Committee are happy to note the milestones achieved by CIL in the year 2015-16 viz. crossing the threshold of half-a-billion tonne mark in Coal Production and off take for the first time; 39 MT coal stock in the coal inventory as on 31.03.2016 for the first time accounting for 28 days stock; not a single utility was in critical/supercritical emulation for want of coal; Decreasing Coal Import resulting in substantial forex savings; Third Party, Joint Sampling since January, 2016; CIL's Gross Sales exceeded Rs. 100000.00 crore for the first time; etc. The Committee put on record their appreciation for the laudable milestones achieved by CIL trust that CIL continue its endeavour towards high growth in the ensuing years. The Committee find that while the total Plan outlays (BE) 2016-17 of all Coal PSUs stood at Rs.16,343.92 crore the actual expenditure upto December, 2016 was only Rs. 8171.41 crore. The Committee further note that the percentage utilization of outlays upto January, 2017 for all the Coal PSUs viz. CIL, SCCL and NLC vis- a-vis BE 2016-17 stands at 63.16% in respect of CIL (BE Rs. 7765.00 crore; Actual Expenditure - Rs.4900.88 crore) 44.96% in respect of SCCL (BE Rs. 2300.00 crore; Actual Expenditure Rs.1435.41 crore) and 44.96% in respect of NLCIL (BE 6278.92 crore; Actual Expenditure Rs.2822.97) respectively. The Committee also note that

in terms of company-wise physical targets set for the Coal PSUs, as against the target set at BE 2016-17 [CIL- 598.61 MT; SCCL-58 MT and NLCIL 268.00 LT(Lignite) and 21567.76 MU (Power,) the actual achievement of targets upto December, 2016 for CIL, SCCL and NLCIL stood at 377.77 MT, 42.43 MT and 180.04 LT (Lakh Tonne)& 15333.75 MU (Million Unit) indicating percentage achievement of 63.13%, 73.16% and 67.18% & 71.10% respectively. Reasons cited for non achievement of physical targets set include inter-alia adverse geo-mining conditions; Law and Order problem; Evacuation Problems; Delays in getting EC/FC and handing over of forest land; R&R Problem, delay in supply of main equipment; poor performance of outsourced OB removal agencies; non commissioning of new mine areas due to land acquisition and R&R problem etc. Taking note of the reasons cited for non-achievement of targets by Coal/Lignite PSUs the Committee hope that the Ministry of Coal/PSUs would step up efforts towards better performance, so that the Plan outlays are optimally utilized during the year 2017-18 and both the financial and physical targets are achieved.

Action Taken

Ministry and its PSU have taken note of the recommendation of the Committee. Steps are being taken by way of periodical monitoring, review and meetings of senior officers with the CMDs and functional Directors of coal PSUs through video conferencing to achieve the physical and financial target.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

OUTSTANDING DUES OF COAL PSUs

Recommendation No. 14

The Committee note that outstanding dues for CIL, NLCIL and SCCL stood at Rs. 14,443.12 crore (as on 31.01.2017) Rs. 1866.72 crore (as on 31.03.2016) and Rs. 5368.70 crore (as on 31.01.2017) respectively. The Committee apprised that several initiatives are being taken up by Coal PSUs to recover these outstanding dues in a time bound manner viz. through letters and reminders from Secretary (Coal) to Chief Secretary of State Governments concerned; Raising the issue during the Power Ministers Conference ; Resolution through Alternate Dispute Resolution Mechanism; Communication from CMDs of subsidiary companies to Chairman/MDs of defaulting power houses; Formulation of 'Graded Rebate Scheme' in NLCIL; entering into Power Sales Agreement with State utilities incorporating Payment priority Mechanism, Provision for one time waiver surcharge settlement; etc. The Committee while appreciating the initiatives taken up by Coal PSUs to recover huge outstanding dues, however, desire that

sustained and concerted efforts should be sustainably made by all Coal PSUs to recover outstanding dues in a time bound manner. The Committee would like to be apprised of the initiatives under taken by the Ministry in this regard.

Action Taken

Following steps are being taken by CIL, NLCIL, SCCL and the Ministry of Coal, in respect of outstanding dues of PSUs:

CIL -

Outstanding dues of CIL as on 31.03.17 stands at Rs. 13912.52 Cr. As communicated earlier, Coal India Limited and its subsidiaries continuously monitors outstanding dues and interacts with consumers for earlier recovery of dues. Following steps are taken to bring down outstanding dues.

- The party-wise outstanding dues are being reviewed by the subsidiary companies on regular basis. The GM(S&M)s of concerned subsidiaries follow-up regularly with concerned parties to realize the outstanding dues.
- RSOs under S&M Division, CIL also pursue towards realization of outstanding dues.
- CMDs of the subsidiary companies also communicate with Chairman/ MDs of the defaulting powerhouses/ parties.
- At CIL level, GM(S&M) also communicates with the major defaulting powerhouses to clear the outstanding dues.
- Chairman, CIL and Director (Marketing), CIL take up the matter with Chief Secretary of State and Secretary (Energy)of respective defaulting parties.
- Disputes which could not be settled bilaterally are being taken up in ADRM forum for resolution.

NLCIL

- The Power sale dues of NLCIL as on 31st March 2017 is Rs. 4197.77 crores
- Continuous follow up with EB's for realisation of outstanding bills through telephonic conversation.
- Follow-up by CMD and senior executives of NLCIL with MD, JMD, Director/Finance, GM of SEBs/DISCOMS for prompt payment of dues.

- Frequent visits by officials of NLCIL to EB's, meeting with higher officials like MDs, JMDs, Director/Finance, GM, CFA/CFO with regard to realisation of dues.
- In addition, the CERC Rebate/NLC Graded Rebate scheme is being followed to promote timely payment of Power Bills by Beneficiaries.
- Further, the payment security clause in the amended PPA is enforced strictly in order to bring in discipline in payment of power bills.

SCCL -

With the continuous follow-up by C&MD of SCCL and regular liaison with Customers and State Govt. authorities, outstanding dues of SCCL has been reduced from Rs. 4419.11 crores (as on 01.04.2016) to Rs.2699.60 (as on 01.04.2017).

Ministry of Coal:

Besides this, there is a mechanism of ADRM, a forum under the Ministry of Coal to resolve the disputes between CIL & its subsidiaries, CPSEs and State Gencos. The State Governments of Rajasthan, Haryana, Punjab, Madhya Pradesh, UP, Chhattisgarh, Maharashtra and CPSEs NTPC and DVC have participated in the forum. The ADRM Committee has held 15 rounds of meetings and resolved around 60 numbers of disputes.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

SAFETY IN COAL MINES

Recommendation No. 15

The Committee in their 14th Report (16th Lok Sabha) on "Safety, Health and Education facilities for Inhabitants/Workers in Coal/Lignite Mining Areas" presented to the Parliament on 12.8.2015, had underlined the importance of safety in Coal Mines taking into consideration that in India, coal mining still remains a highly labour intensive field and coal miners/workers are generally from the poor and illiterate strata of the population. The Committee had observed that despite the best safety precautions and wide utilization of heavy machinery for coal excavation risks are associated with all forms of coal mining. The Committee had desired that the larger goals of higher productivity in coal mining industry is harmonized with the overall sustainable goals of protection and improvement of lives of people working in coal mining areas. The Committee had recommended that the Government should go for a sustainable mining policy with commitment to safety of these miners and desired that the target for achievement of a Zero Harm Potential to be achieved in a time bound manner. The Committee note

that the safety standard in Mines of CIL as measured by the accident statistics had significantly improved. For the years 2010-14 and 2014-16, the comparative average fatality rate and serious injuries rate per 3 lakh man shifts showed an improvement standing at 0.23 & 0.19 and 0.80 & 0.53 respectively. The corresponding figures for SCCL stands at 0.26 and 4.65 respectively for the year 2016. Similarly, the fatality rate per million tonne of coal production reduced by 22.2% and that of serious injury rate by 28.9% in 2015 as compared to its previous year. However, the accident statistics of NLCIL, on the contrary, states that in the year 2015-16, the number of fatal accidents was 3 while that of serious injuries was 1 whereas corresponding figures for the year 2014-15 was 1 and 1 respectively indicating increasing accidents. The Committee have also been apprised of various measures taken for improvement of safety in 2016 viz. continuous review by the Internal Safety Organization (ISO); Drawing up Directions/Guidelines on corrective measures after analysis of fatal accidents for prevention of re-occurrence; Training for preparation and implementation of Risk Assessment based Safety Management Plans (SMPs); Standard Operating Procedure (SOP); Adoption of State-of-the-art Technology suitable to geo-mining locales; Strata Management, Monitoring of Mine Environment; Mine Ventilation; Water Danger Management; Safety Training, Mine Safety Inspection; Special Drive for accident prevention in OCPs; Review of Emergency Response System; etc. The Committee also take note of the Rajmahal OCP Mine Collapse on 29.12.2016 in ECL area in the State of Jharkhand and deeply express their concern at the loss of lives. Taking a serious note of the mine collapse, the Committee feel that heightened efforts are needed to bring down the fatality rate to zero. In the opinion of the Committee, the issue of safety needs to be dealt with as a major thrust area. The Committee, therefore, recommend that not only the production but also the safety related issues be given serious attention by the top management of the coal producing PSUs. The Committee also recommend for mandatory Skill up-gradation of the workforce training for Frontline supervisors. The Ministry should also carry out a comprehensive study as to how the technology can be best used for preventing the accidents and ultimately raising the safety standards to International Benchmark. The Committee would like to be apprised of the action taken in the matter.

Action Taken

Actionable Points recommended by the Committee

The above observations/recommendations of the Committee primarily highlights the following action points relating to safety in coal mines:

- A. Efforts are needed to bring the fatality rate to Zero

- B. The safety related issues be given serious attention by the top management of the coal producing PSUs
- C. Mandatory Skill up-gradation of the workforce training for Frontline supervisors
- D. Ministry should carry out a comprehensive study as to how the technology can be best used for preventing the accidents and ultimately raising the safety standards to International Benchmark:

Actions being taken by the Ministry and the related PSUs

Based on the feedbacks obtained from the PSUs working under the Ministry and the prospective policies being pursued by it, the ATR on the above mentioned points are as under:

A. Efforts are needed to bring down the fatality rate to zero

Several steps covering various operational areas relating to coal mining are being taken with an aim to establish Zero accident potential in mines. Some of the noticeable efforts are enumerated below:

1. In the area of Mining Operation:

In order to ensure a safe and healthy working environment, emphasis has been placed on adoption of the state-of-the art technology:

- **Adoption of Mass Production Technology in more number of UG mines.**

Now a days, UG projects are being planned with the state-of-the-art- technology depending on the geotechnical conditions. The old Manual methods of mining are being replaced with mass production technology such as deployment of PSLW packages and Continuous Miner (CM) sets with an aim to reduce human exposure in the green roof zone.

At present, two numbers of PSLW packages (i.e. Moonidih Project, BCCL and Jhanjra Project, ECL) have already been commissioned in CIL with annual production capacity of 0.7 MT & 1.7 MT respectively. In the near future additional five numbers of PSLW packages will be introduced with cumulative annual capacity of 8.90 MTY.

Further, 12 numbers of Continuous Miner sets are presently in operation in ten underground mines of CIL with a cumulative production of 5.19 MTY. In the near future, additional 23 number of CM packages have been planned to be introduced in 17 underground mines with additional capacity of 11.56 MTY.

SCCL has also emphasized on deployment of more nos. of CM Sets and Long wall packages.

- **Mechanization of UG drilling.**

In the mines where intermediate mechanization with deployment of SDL/LHD have been adopted due to existing geo-mining conditions, conventional drilling machines have been replaced with Universal Drilling Machine (UDM)/ Hydraulic Bolting Machine thereby eliminating the arduous and unsafe manual drilling.

Till date, 293 numbers of districts in the UG mines of CIL have been equipped with mechanised drilling and several more districts are to be provided with mechanized drilling facilities in near future.

- **Phasing out manual loading in UG mines.**

Manual loading mines are being converted into mechanized loading mines or opencast mines. It has been envisaged to phase out the system of manual loading completely in the near future.

Out of 12 numbers of remaining manual loading mines in CIL (5 no. in ECL, 6 no. in CCL, 1 no. in WCL&NEC), 8 nos. will be converted into mechanized loading or opencast mines in 2017-18. Balance 4 nos. of these mines shall be taken up subsequently.

- **Deployment of Surface Miners to eliminate blasting operation in OCPs.**

In OC projects, more numbers of Surface Miners are being deployed, which eliminates drilling & blasting and associated hazards therewith. In the mines of NLCIL, Bucket Wheel Excavators are being used, which is also a relatively safe means of excavation.

At present 140 Nos. of Surface Miners have been deployed in the mines of CIL and it has been envisaged to deploy 10 nos. of addition Surface miners in the current fiscal.

- **Deployment of higher capacity HEMM in more number of OCPs.**

Relatively High Capacity HEMMs are being introduced in large OCP's to decongest the working area in order to enhance the safety. In larger OCPs such as Dipika and Gevra, 42 Cu.M shovels along with 240 Tonne Dumpers have been introduced. In relatively smaller OCPs 10 Cum Shovel with 100 Tonne Dumpers are being deployed. Mechanized coal evacuation system with Ground Bunker, Silo and Rapid Loading with MGR system has already been adopted in all mega OCPs, eliminating road dispatch.

2. Strata Management

Roof & Side fall continues to be the principal contributor in UG mining accidents. Thrust has been laid on prevention of roof & side fall accidents by adopting myriad of safe practices, such as:

- Green roof support by Roof bolting has been adopted in all UG mines and has become an integral part of support system in UG mines.
- Switching over to resin capsules based roof support in place of cement capsules in phased manner has been adopted for better roof management. Till date, in 75 numbers of UG mines of CIL (02 in ECL. 07 in BCCL. 03 in CCL, 38 in SECL, 19 in WCL & 06 in MCL) the said system has already been adopted. The same will be introduced in rest of the UG mines in phased manner.
- Strata control cells have been established for Monitoring of strata by installing suitable strata monitoring devices at appropriate places in UG mines. This has enabled the mine management to precisely assess the incipient roof movement and accordingly adopt appropriate roof control measures to avert accidents due to roof fall.

3. Prevention of Spontaneous heating

In order to prevent the occurrence of spontaneous heating and also for its early detection, several measures have been taken in the mines:

- Panel system of working is strictly ensured by timely construction of sectionalization stoppings keeping the incubation period in view.
- Pressure Quantity (PQ) Survey is being done on regular basis for checking efficacy of ventilation system.
- For quick and accurate mine air sampling, Gas Chromatographs (GC) are being procured and put in use. At present, 13 numbers of Gas Chromatographs (GC) are already in use. Further 15 numbers of GCs are going to be procured shortly with the strategy of provision of at least one GC in each Area having UG mines.
- Use of Local Methane Detector (LMD) for early and accurate detection of methane. At present 119 Nos. of LMDs are being used in the mines of CIL and it has been envisaged to install 23 nos. of addition LMDs in the current fiscal.
- For real time monitoring of UG environment in degree III & fiery UG mines, Environmental Tele-Monitoring System (ETMS) are being procured and installed. At present 13 Nos. of ETMS are being used in the mines of CIL and it has been envisaged to install 19 nos. of addition ETMS in the near future.

4. Other safety measures

Besides above, several other safety measures have been adopted in varying mine conditions to ensure a safe working environment in and around the mines:

- Installation of Slope monitoring devices in OCPs for prediction of bench/dump failure. At present 4 Nos. of Slope Stability Radars are being used in the mines of CIL and it has been envisaged to install 25 nos. of addition Slope Stability Radars in current fiscal.
- Pit slope & Dump Slope studies have been conducted by engaging expert scientific agencies e.g. CMPDI, CIMFR, IIT, ISM etc.
- Dust suppression by deployment of conventional water tankers, fixed/mobile sprinklers and Mist type Spraying System at suitable places are being adopted in phased manner. At present 22 Nos. of Mist Spraying Systems are already in use in the mines of CIL and 51 Nos. of additional Mist Spray Systems are going to be commissioned in near future.
- Continuous ambient air quality measurement system (CAAQMS) has been provided in large OC mines for monitoring of particulate matters (2.5 micron & 10-micron size). At present 9 numbers of continuous ambient air quality measurement system (CAAQMS) have already been provided in large OC mines of CIL and 19 numbers of additional CAAQMS are going to be installed shortly in some of the other mines.
- The existing conventional cap lamps are being replaced in phased manner by LED cap lamps in UG mines. At present, 50,000 numbers of LED cap lamps are already provided to miners in UG mines. Additional 70,000 LED cap lamps are going to be provided shortly.
- For minimizing the fatigue of workmen due to long and arduous travel in UG workings, Man Riding Systems (MRS) are being provided in UG mines. At present 29 Nos. of Man Riding Systems (MRS) are already functional in the UG mines of CIL and it has been envisaged to install 53 nos. of addition MRS in near future.
- Standard operating procedures have been established for all activities of the mines and are strictly implemented.
- All accidents and near miss incidents are thoroughly analyzed and investigated for corrective measures.
- Risk assessment based Safety Management Plans have been prepared for all the divisions and are under implementation.
- All mines have been equipped with sufficient number of first aid rooms and stations to ensure timely rendering of First Aid Services to the injured.

B. The safety related issues be given serious attention by the top management of the coal producing PSUs:

Safety is one of three thrust areas identified by the Ministry and all PSUs have been directed to review the safety status of mines in all Board meetings.

Accordingly, status of safety in mines is thoroughly discussed in all high-level meetings and prompt corrective actions are taken to address any lacking safety aspects brought out during the discussions.

All PSUs provide effective and adequate Safety Budget to meet the requirements of Safety Materials and Equipment for effective implementation of Safety standards and provisions.

Sufficient statutory manpower is being deployed for complete and thorough inspection of mine workings and constant supervision of mining operations.

Services of Scientific Institutions like CIMFR, NIRM, etc., are being taken for scientific investigation, studies and advice on safety related issues.

C. Mandatory Skill up-gradation of the workforce training for Frontline supervisors

In all the PSUs, front line supervisors are being imparted special training for improving their knowledge, skill and safety awareness. In CIL, 3020 front line supervisors were imparted training during 2016-17. SCCL & NLC are also imparting special training to front line supervisors for upgradation of their skills.

In addition, several other trainings of special as well as regular nature are being imparted to the various categories of employees:

Risk Management Training

CIL has trained 40 numbers of executives (20 each in OC & UG) by SIMTARS, Australia on proactive Risk Management system (ISO: 31001). These accredited trainers are imparting training on regular basis to PSC members and grass root level employees. So far 1432 and 1397 Nos. of executives have been imparted basis risk management training relating to UG and OC respectively. Further, 6361 Nos. of employees have been covered under review/sensitization training by CIL SIMTRAS accredited executives. Thus, CIL is moving towards proactive safety management system in place of the prescriptive legislative framework adopted earlier. In SCCL also training on Risk Assessment based Safety Management Plan by M/s. SIMTARS, Australia is being undertaken.

Training of Dumper Operators on Simulators

Training on simulators is being imparted to dumper operators. So far 2727 Nos. of Dumper Operators have been imparted training on

simulators. It has been envisaged to cover all dumper operators under simulator training to improve their reflex action during actual dumper operation to prevent accidents.

Training to contractual workers

Contractual workers are not allowed to work in the mines unless they have undergone a comprehensive training program to inculcate safety consciousness in them and also to make them acquainted about various aspects relating to safety in the mine.

First Aid training is being imparted to all competent persons deployed in mines.

D. Carry out a comprehensive study as to how the technology can be best used for preventing the accidents and ultimately raising the safety standards to International Benchmark

Following technology can be best used for preventing the accidents and ultimately raising the safety standards to International Benchmark.

- Preparation of Online Centralized Safety Information System (CSIS) for development of database on mine safety.
- Adoption of Mass Production Technology in form of Powered Support Long wall and Continuous Miner System in suitable geo-mining locales with view to reducing exposure of mine workers in green roof / active mining zone.
- Gas Chromatograph for more accuracy and quick mine air sampling analysis.
- Environmental Tele Monitoring System (ETMS) for real time monitoring of UG atmosphere.
- Complete Phasing out of manual loading from UG mines.
- Installation of Man riding system in UG mines having arduous travel.
- Improvement in Strata Management System in UG mines by adaptation of mechanized roof drilling system, switching over to resin capsule based roof bolting and use of advanced safety monitoring instruments / gadgets to predict incipient strata movement in active mining zone of UG mines.
- Establishment of Geo-Technical cells to serve a group of mines.
- Compulsory Simulator based Training for dumper/truck/HEMM operators.
- Use of advance Slope Stability Radars for assessing of real time conditions of movement of OB dumps and strata movement of benches.
- Application of GPS based system such as Operator Independent Truck Dispatch System (OITDS) for optimal scheduling of dumpers and Excavators to avoiding queuing and improve safety.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

INITIATIVES ON NEW TECHNOLOGIES AND INFORMATION TECHNOLOGY

Recommendation No. 16

The Committee note that one of the thrust area of coal is the deployment of more and more application of new technologies including Information Technology. The Committee find that the Ministry have already adopted application of Space Technologies for monitoring reclamation of mined out areas and satellite based thermal infrared survey for monitoring coal mine fires. The Committee also note that other new technologies to be taken up in the Ministry as other R&D Projects inter-alia include satellite based monitoring of regional air quality; Differential Interferometry Synthetic Aperture Radar (DInSAR) for Subsidence Monitoring; Carbon Capture and Storage with inter-sectoral participation; etc. In respect of Information Technologies initiatives taken up by the Ministry of Coal, the Committee observe that with active Information Communication Technology (ICT) support from NIC, a rich IT working environment has been crafted. The major initiatives which have been put in place include inter-alia Online Coal Projects Monitoring Portal ; 100% implementation of E-file w.e.f. 16.10.2016 with absolutely no physical file or physical movement in the Ministry; Coal E-office modules- e Leave, e Tour, etc. made operational; Online Coal Clearance Portal to provide a single window access to investors for all permissions/clearances/approvals granted by the Ministry of Coal which has also been integrated with e-Nivesh Portal of the Cabinet Secretariat; Comprehensive MIS to monitor coal blocks and coal Linkages; Coal Allocation Monitoring System (CAS) with workflow based feedback redressal and provision of raising online demand of coal; SPARROW, E-visitors, Coal Assurance Monitoring System, Comprehensive DDO for Payroll; E-Governance Application; IP based Video Conferencing Facility; etc. The Committee appreciate the laudable initiatives that have been put into place by the Ministry pertaining to adoption of new technologies especially ICT which has become a major force behind the changing face of the Nation. The Committee desire that the Ministry should heighten its efforts towards effective time bound implementation of all the ongoing initiatives. The Committee would like to be apprised of the action plan of the Ministry in the matter.

Action Taken

Coal India Limited has initiated Information Technology (IT) based interventions in the coal sector for prevention of coal theft and pilferage. The E-surveillance programme through use of Information Technology is being implemented in Coal India Limited (CIL) through its seven production subsidiary companies, viz. Eastern Coalfields Ltd.(ECL), Bharat Coking Coal

Ltd.(BCCL), Central Coalfields Ltd.(CCL), Western Coalfields Ltd.(WCL), South Eastern Coalfields Ltd.(SECL), Northern Coalfields Ltd.(NCL) and Mahanadi Coalfields Ltd.(MCL). The initiatives consist of Global Positioning System(GPS)/General Packet Radio Service(GPRS) based vehicle tracking system, installation of Closed Circuit Television(CCTV), Radio Frequency Identification Devices (RFID) based boom barriers & readers, installation of electronic weigh bridges and their connectivity by setting up a Wide Area Network(WAN).

Achievement of IT Initiatives:

2. There is substantial progress in implementation of IT initiatives in Coal India Ltd & its subsidiaries. The status of different IT initiatives as on **25.06.2017** is as under:

Sl. No	IT Initiatives	Original Target	Revised requirement	Present Status as on 25.6.2017	Balance
1.	GPS/GPRS based Vehicle Tracking System	9540	8683	8683	completed
2.	Electronic surveillance by CCTV	2509	2509	3059	completed
3.	RFID based boom barriers & readers	2857	2857	2857	completed
4.	Weigh Bridge installation	898	878	883	completed

3. It can be seen from the table that the various IT initiatives undertaken for containing the pilferage of coal is complete. The detailed position of different components of the E-surveillance and IT initiatives is as follows:

i) GPS/GPRS based Vehicle Tracking System

Though the original estimated requirement of coal carrying vehicles was 9540, the GPS/GPRS based vehicle tracking system at present covers the entire present fleet strength of 8683. There is minor variation of fleet strength from time to time because of changes in production level of different mines, opening/closure of mines, change of number, due to change of carrying capacity of vehicles, etc.

ii) Electronic Surveillance by CCTVs

The requisite no. of CCTVs has already been installed in all subsidiary companies. CCTV was initially planned to be installed at weigh bridges so that proper weighment is ensured. Subsequently, because of good experience from the CCTV installation, additional points like entry/exit points, railway sidings, material stores, coal stocks etc were added.

Additional CCTVs have been installed in MCL CCL & ECL at different vulnerable points.

iii) RFID based Boom Barriers & Readers

The work of installation of RFID tags on coal carrying vehicles is complete.

iv) Weigh Bridge Installation

The weigh bridges as per the present requirement have already been installed.

Programmes under implementation are as follows:

- Actions initiated for video photography drones.
- Development of mining surveillance system to curb illegal mining through use of space technology is being implemented by the Ministry of Coal in collaboration with BISAG and CMPDIL.

The following objectives/scope of the application has been finalized:-

- Land Reclamation Monitoring.
- Illegal Mining Monitoring
 - ✓ Illegal mining within the areas of CIL and subsidiary companies.
 - ✓ Peripheral monitoring within certain zone of the periphery (say 50 metres on both sides of the CIL mine boundary), which are contiguous to coal blocks allocated to entities other than CIL.
 - ✓ Periphery monitoring of coal blocks allocated by the Ministry to ensure that allottees do not go beyond their allocated areas.
- Monitoring of the number of coal dumps and their sizes to ensure FIFO (First In First Out)
- To explore new locations of coal dump and overburden dump for identifying new location.
- OB dumps slope's measurement/approximation to check for their safe/unsafe status.
- Monitoring of EC & FC compliance
- Monitoring of Water bodies.
- Monitoring of major accidents in the mining areas like collapse of mines/ OB dumps, fires, etc.
- Monitoring of the Jharia Fires.

CMPDIL has been directed to develop publicly available App. for the purpose.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

NEW POLICY THRUST FOR COAL PRODUCTION

Recommendation No. 17

14. The Committee are happy to find that with a renewed policy thrust to increase coal production, the Ministry of Coal/Coal PSUs are preparing a

Vision Document and a Roadmap for achieving a production level of 1 BT of coal by the year 2019-20. The Committee find that to this end, the CIL have so far identified coal mines/projects to produce about 908.10 MT in 2019-20 and identification of projects for balance capacity to reach 1 BT is underway with CIL having identified 64 future projects. The Committee are further happy to note that in the year 2015-16, the targeted coal production as per Annual Plan Document of Ministry of Coal was 550 MT with 98% achievement. The Committee note that in respect of CIL, major increase in production was envisaged from mainly from subsidiaries viz. SECL, MECL, CCL and NCL. Admittedly, steps taken by CIL to increase production of coal include inter-alia planning of High Capacity Mines with state-of-the-art mechanization and modernization of mines for increasing productivity both in underground & opencast mines depending upon geo-mining conditions; Improving capacity utilization through efficiency improvement and modernization; Ensuring implementation of on-going projects in time bound manner to achieve targeted production as per schedule; Capacity augmentation of running projects through special dispensation under the Environment Protection (EP) Act 2006; Effective monitoring & follow up of issues related to projects with related Ministry & State Governments; etc. The Committee also find that there had been a continuous increase in overall consumption of coal over the years with consumption/actual supply (including import) increasing from 713.39 MT in 2012-13 to 832.39 MT in 2015-16. Further, the demand of coal from 2016-17 was estimated to be 884/87 MT whereas the domestic availability was estimated at 724.71 MT and the gap of 160.16 MT is projected to be met through imports. The Committee also find that the actual domestic supply of coal is 466.68 MT during April-December, 2016 out of which supply of coal from CIL, SCCL and Others including Captive Blocks was 391.47 MT, 42.67 MT and 32.54 MT respectively. The Committee, however, observe with concern that there are 40 delayed projects (CIL-29, NLCIL-4 and SCCL-7) costing Rs. 100 crore and above with average delay in case of projects of CIL, NLCIL and SCCL standing at 4.5 years, 2.18 years and 4.28 years respectively. The Committee find that the shortfall in target achievement were due to many factors viz. Law and Order Problem in many Coal Block Areas; Non-availability of Forest Clearances; Shortage of skilled manpower inadequate capacities in the private sector; delay in implementation of R&R delay in procurement of equipment, contractual delays etc. The Committee find that to offset this, strengthening of CMPDI in the coming years together with a policy prescription for attracting global majors in exploration was being planned and the Procedure of Forest Clearance is also being streamlined by MoEF to fast track approvals for exploration proposals. The Committee further find that the targeted production of 573 MT coal by CIL during 2016-17 could not be achieved due to the fact that the demand did not grow at the pace at which the production is envisaged to grow setting in

accumulation of stock at the pitheads. The Committee observe that though the renewed policy thrust of the Ministry for achieving the target act for production of 1 BT by 2019-20 is note worthy, however, top priority should be given to resolve the constraints cited in the implementation of various inter-related schemes/projects. On the issue of addressing the Law and Order Problem, the Committee are apprised that even through State Authorities were approached seeking their intervention by both CMPDIL and the Ministry of Coal at different points of time, desire progress had not been made. The Committee desire that the issue of Law and Order need to be addressed holistically involving all stakeholders so that a feasible solution in brought about is the near future. The Committee further find that enabling provision has been made in the Coal Mines (Special Provision) Act, 2016 for allocation of coal mines by way of auction and allotment for sale of coal. The Committee are apprised that while the methodology for allotment of coal mines to Central/State PSUs for sale of coal have already been approved by the Government, the modalities for allocation of coal mines by auction to private companies for Commercial Mining are under deliberation. The Committee hope that the new policy changes that are being brought about would be initiated and implemented within a broad time frame so that the laudable target for achievement of coal production to 1 BT by 2019-20 is not only achieved but commensurate demand of coal is also created so as to obviate scope for accumulation of coal stock. The Committee may be apprised of the action taken in the matter.

Action Taken

Renewed policy thrust to increase coal production through –

- Increased coal resource base;
- Measures for import substitution,
- Infusion of State-of-the-art-technology both in OC & UG mines,
- Coal quality & need for beneficiation;
- Enhanced safety measures & Environmental Issues;
- Development of railway infrastructure.
- Major initiated policy decisions in Sales & Marketing functions of CIL
 - Auction of Linkages for Non-Power sector consumers was introduced through policy guidelines dated 15.02.2016 issued by Ministry of Coal. The auction has been envisaged as a transparent system of linkage allocation which is based on competitive bidding.
 - The ceiling for E-auction has been revised from present level of around 10% of the production up-to 20 % of production.
 - The criteria for annual requirement for supply of coal through State Nominated Agencies(SNA) has been revised from the level of 4200 TPA to 10,000 TPA and the consumers eligible for obtaining supply through this window has been enlarged with

- introduction of the other consumers apart from the existing small and medium sector consumers.
- Third Party Sampling facility for power sector through CIMFR was introduced as per MoC directive dated 26.11.2015. The process started from January 2016.
- Cabinet committee approved the proposal for Ministry of Power for introducing Flexibility in Utilization of domestic coal by the power producers for reducing the cost of generation. Under the arrangement State/PSU GENCOS will aggregate their coal supplying subsidiary wise Annual contracted quantity (ACQ) and accordingly arrange for delivery of coal based on the efficiency parameters of the power plants.
- Ease of doing business:
 - Higher grade coal price rationalisation.
 - Performance incentive for supply beyond 90% of ACQ is dispensed with for higher grade coal -G5 and above.
 - EMD rationalisation in E-auction scheme.
 - Special forward e-auction for power producers and exclusive e-auction for non-power consumers and given with flexible lifting period.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

CREATION OF LAND BANK FOR COAL MINING PROJECTS

Recommendation No. 18

The Committee note that one of the major constraints for delay in accelerated implementation of various coal exploration projects by coal companies relates to problems being faced in land acquisition. The Committee were apprised by the Coal Secretary during evidence that the Ministry is considering a new concept of creation of Land Bank. According to him, advance plantation would be carried out by these coal companies on degraded land and the afforestation thus achieved therein can be accounted for the deforestation on land to be acquisitioned for new coal mining projects. While appreciating the concept of Land Bank, the Committee hope that creation of Land Bank will ease prolonged process of land acquisition and facilitate setting of coal mining projects without any land hurdles. The Committee desire that the Government may consider offering its degraded

forest land free of any encumbrances to the Coal Companies of Coal Sector for creation of land bank where they can do advance afforestation against its future coal mining projects. The Committee would like to be apprised of the progress made in this regard.

Action Taken

MoC has taken up with MoEF &CC regarding creation of degraded forest land bank for carrying out compensatory afforestation (CA) for coal mining and allied projects requiring diversion of forest land for non-forestry use. It is also mentioned that fund for CA will be provided in advance by respective coal companies and on submission of proposal for diversion of forest land for non-forestry purpose by coal company, degraded forest land from the above mentioned land bank can be adjusted against such purposes.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

Comments of the Committee (Please see para 19 of Chapter I of the Report)

MINE WATER UTILIZATION

Recommendation No. 20

The Committee note that there is an ample scope for utilization of vastly available mine water discharge from different areas of the Coal Companies. The Committee desire that the Government may bring out suitable policy initiatives for treatment of such water reserves in mines for the use of the people settled around coal mines as well as for irrigation purposes. The Committee further desire that the required budget provisions for these activities should be made available by the respective coal companies. The Committee would like to be apprised of the action taken in the matter.

Action Taken

Based on the feedbacks obtained from the PSUs working under the Ministry and the prospective policies being pursued by it, the ATR on the above observation of the Committee is as under:

D. Coal India Ltd.

At present, the total average mine water discharge from the mines of Coal India Limited is 5443 Lakh Cum/Yr and 70 % of this volume is being utilized for own and community use.

Total Mine Water	Own Use by Mines	Present Community water supply				
		Domestic	Agriculture	Total	Beneficiaries	Irrigated land
L Cum/Yr	L Cum/Yr	L Cum/Yr	L Cum/Yr	L Cum/Yr	Nos.	Ha
5443.46	2768.07	533.45	543.46	1076.91	881437	1794

It has been envisaged to utilize the balance mine water (1598 L Cum/Yr.) for community & other related use in FY 2017-18 itself. In this regard, schemes with provisioning of required Capital and action plans are being drawn by the Subsidiaries of CIL for each source of surplus mine water. Details of the proposed mine water utilization schemes, as on date, are as under:

Eastern Coalfields Limited

Till date, 12 No. of mine water utilization schemes based on conventional treatment have been identified estimated cost of Rs.9.3907 Crores. It is estimated that 98641 no. of population will be benefitted. Additional mine water utilization Schemes are also envisaged.

Bharat Coking Coal Limited

Till date, mine water utilization schemes covering 8 mine water sources with a total estimated capital of Rs. 52.77 Crore have been prepared. It is estimated that 5.33 lakh population will be benefitted. Additional mine water utilization Schemes are also envisaged.

Central Coalfields Limited

CCL is preparing mine water utilization schemes covering 10 projects/sources of mine water with estimated capital of about Rs. 3 Crore. It is estimated that 59505 no. of population will be benefitted.

Western Coalfields Limited

Till date, 17 mine water schemes with estimated Capital of Rs. 30 crore have been identified for agricultural use in about 17 peripheral villages. It is estimated that 169468 no. of population will be benefitted and about 250 Ha of land will be irrigated. In future, some additional schemes shall also be taken up.

South Eastern Coalfields Limited

Till date, 12 mine water utilization schemes have been identified for drinking purpose, which are likely to benefit 113617 no. of population. Rs.2651 Lakhs has been kept for these schemes. Additional schemes of mine water utilization have also been envisaged.

Mahanadi Coalfields Limited

Schemes for treatment of mine water at 6 Nos. of source points through CSRCIMFR, Dhanbad at estimated cost of Rs.78 Crores have already been finalized. The treated water shall be supplied to the nearby villages.

Northern Coalfields Limited

NCL has proposed to take up the treatment facility for supplying drinking water to the villages in one project viz. Block-B project based on the technology of CIMFR, Dhanbad.

E. Singareni Collieries Company Limited (SCCL)

At present, the total average mine water discharge from the mines of SCCL is 719 Lakh Cum/Year and the entire volume of mine water discharge is being utilized for own and community use. About 50000 population residing in the vicinity of mines are being benefitted.

F. NLC India Limited (NLCIL)

At present, the total average mine water discharge from the mines of NLCIL is 1301 Lakh Cum/Year and the entire volume of mine water discharge is being utilized for own and community use. About 2 lakh population residing in the vicinity of mines are being benefitted.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

Comments of the Committee (Please see para 25 of Chapter I of the Report)

ISSUES RELATED TO EVACUATION OF COAL

Recommendation No. 21

While taking note of the mismatch capacity for evacuation of coal by rail and MOEF & CC's guidelines restricting movement of 34% ash coal beyond 500 Km distance, high freight of coal being transported to far off locations, the Committee feel that development of power projects at Coal Pit Heads may be one of the options for addressing these issues as energy transmission is cheaper. The Committee feel coal based chemicals/ gasification plants at the Pit Heads may not only address the issue of energy requirement of the country but also meet the requirement of coal based chemicals like methanol, etc. The Committee, therefore, recommend that the Government should explore the feasibility of implementing such a model in the Country in consultation with all the stakeholders including State Governments. The Committee may be apprised of the action taken in the matter.

Action Taken

A Technical Committee on Surface Coal Gasification has been constituted vide Office Memorandum no. M-12026/8/2016-coal dated 29.08.2016 by (S&T) NITI AAYOG to suggest road map and suitable development of Surface Coal Gasification (SCG) in Indian condition.

NITI AAYOG has constituted a sub-committee consisting of members from CMPDI, EIL, CIMFR, BHEL & Aadani regarding development of Surface Coal Gasification (SCG). Executive Director, EIL has been directed by NITI AAYOG to take the lead role and provide necessary Secretarial support to the Sub-Committee.

In view of the above, first meeting of the Sub-Committee members on Surface Coal Gasification was held at EIL R&D Center, Gurgaon on 03.04.17, wherein base line to carryout technology development and gap areas were identified after detail discussion & deliberation, wherein it was agreed that coal characterization and analysis will be the starting point and towards this

it was identified that coal characterization data base will be helpful to evaluate any technical aspects of SCG.

Potential Coalfields/Coal Blocks identification for Surface Coal Gasification (SCG) and generation of databank for Indian coal (upto 35% ash) for its suitability to SCG for poly-generation has been taken up by CMPDI & EIL jointly.

As part of the organizational initiatives undertaken by CIL for implementing Clean Coal Technology (CCT) with a thrust towards utilization of coal near the Pit Heads, CIL is exploring the possibilities to set up of a Coal to Methanol (C2M) plant at the premises of its Dankuni Coal Complex (DCC). The high-CV coal from Raniganj coalfields of ECL has been identified as raw coal source for the proposed C2M plant. The coal shall be gasified to produce syn-gas which shall be fed to the Methanol plant. As on date, the technology for coal gasification of Indian high ash, high ash fusion temperatures, is not proven. However, based on experience gained in the coal to urea project in process for Talcher Fertilizer Plant and keeping the urgency to delve into the area of coal to chemicals in view, it was felt prudent to short list the coal gasification technologies first.

EOI to shortlist the licensors of coal gasification technology for the proposed Coal based Methanol plant at Dankuni Coal Complex has already been floated on 28.02.2017. The last date of submission of offers and Opening of the bids was on 18.04.2017. The responses received against the EOI is under technical evaluation.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

**Comments of the Committee
(Please see para 28 of Chapter I of the Report)**

RATIONALIZATION OF COAL LINKAGES

Recommendation No. 22

The Committee note that process of allotment of coal linkages through the LoA-FSA route has since been stopped since a long time back. The Committee also note that some coal based Thermal Power Plants (TPPs) are having Power Purchase Agreement (PPAs) but do not have linkage sources and these TPPs are compelled to source coal through e-auction or imports. The Committee therefore, recommend that the Ministry of Coal should consider rationalization of coal linkages and desire an innovative mechanism to provide coal linkages that may check rise in power tariffs and dependence of the country on coal import. In order to encourage new investments and to address concerns of investors over coal linkages, the Committee desire that the Ministry of Coal should also consider bringing out a policy in public domain spelling out the objective and transparent

modalities of coal linkages for future Greenfield as well as Brownfield Thermal Power Projects.

Action Taken

Inter-Ministerial Task Force was constituted in June, 2014 for review of existing coal sources as also feasibility for rationalization of these sources with a view to optimize transportation cost. Coal Linkage rationalization in Power sector has resulted in decrease in transportation cost of coal from the mines to the power plants leading to more efficient coal based generation of Power. Total coal movement rationalization of 54.76 MT has taken place with annual potential savings of Rs. 3354 crores.

Further, in terms of the methodology circulated by CEA and communicated subsequently by MOC to CIL, a consensus Supplementary Agreement model was evolved for implementation of the policy of flexible utilization of domestic coal for State and Central GenCos, as approved by CCEA in May, 2016. Supplementary Agreement for aggregation of Annual Contracted Quantity (ACQ) has been signed by CIL and its Subsidiaries with State/Central Gencos for about 99% of the total ACQ. Following techno-economic benefits are envisaged from the implementation of flexibility in coal utilization:

- GenCos would be in a position to prioritize coal supply in accordance with efficiency of the plant without incurring additional cost for such supply
- Optimum utilization of efficient plants would lead to higher generation with lesser emission of pollutants leading to positive impact on environment
- Improved planning for overhaul and maintenance of plants
- Rationalization of coal movement thereby reducing logistics cost

A policy (Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI)) on coal linkages allocation for Power Sector has been issued on 22.05.2017 with the approval of Cabinet Committee on Economic Affairs. Methodology for auction of coal linkages to IPPs having PPA based on domestic coal has been issued on 12.06.2017 and is under consideration for IPPs having PPA based on imported coal.

In addition to e-auction (spot) which provides coal on short term basis, CIL implemented Special Forward Auction of coal to cater coal on medium and long term to the thermal power plants which are commissioned and having PPA but do not have linkage source can procure coal from CIL with reduced Floor Price and flexible tenure of lifting to facilitate import substitution by them.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

**Comments of the Committee
(Please see para 31 of Chapter I of the Report)**

CHAPTER III

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

Recommendation No. 11

Keeping in view that commensurate enhancement in the logistics like coal evacuation facilities is a must for ensuring systematic mining and growth in coal production on sustainable and long term basis, the Committee desire that for ensuring growth in coal sector, enhancement of logistic infrastructure by railways is of paramount importance and related projects require to be expedited so that production shall be in sync with evacuation logistic to avoid wastage. The Committee was assured by the Coal Secretary that Ministry of Coal will also examine Ambikapur (Chirmiri)- Barwadih rail line which will not only reduce distance between the Eastern and Western part of the Country but will also ease out evacuation of coal from the WCL, ECL, BCCL and CCL. The Committee would like to be apprised of the action taken in the matter by the Ministry of Coal.

Action Taken

The details of Ambikapur to Barwadih Rail Section are as follows:

- Length of the Rail Route is 182 km approx.
- Included in the Rail Budget 2013-14.
- Presently survey work has been completed by Railway.
- Approximate cost of the project will be to a tune of Rs 2000 Cr.

This route passes through only Tatapani Ramkola proved coal block under which no coal mines are under operation and SECL, a subsidiary coal company of CIL, has not planned to develop any mines in this coal block in the near future. Tatapani Ramkola coal block is about 50 km distance from the proposed Ambikapur- Barwadih route. As such, CIL/SECL will not be benefitted from the subject rail route in the coming years.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

CONSERVATION, SAFETY IN COAL MINES AND DEVELOPMENT OF TRANSPORT INFRASTRUCTURE UNDER CCDA

Recommendation No. 10

The Committee note that the expenditure incurred by coal companies under the schemes 'Conservation, Safety in Coal Mines' and Development of Transport Infrastructure is partially reimbursed to them by way of excise duty collected under the Coal Mines (Conservation and Development) Act, 1974. Accordingly, budget provisions for the schemes are made taking into account the existing commitment/liability of the preceding financial year. While observing that the Ministry of Coal achieved 100% utilization of funds on both of these Central Sector Schemes i.e. Rs. 80 crore and Rs. 70 crore respectively which represents the RE amounts for 2016- 17, the Committee are happy to find that the BE for 2017-18 has enhanced outlay for the schemes compared to that of previous year with allocation of Rs. 200 crore in respect of the scheme 'Conservation and Safety in Coal Mines' and Rs. 299.50 crore in respect of the scheme 'Development of Transport Infrastructure'.

The Committee observe that the Central Sector Scheme 'Development of Transport Infrastructure' in coalfields areas will help in the evacuation of coal from collieries by creation of road/rail infrastructure. The Committee observe that these two schemes are very crucial for development of coal mine infrastructure in the Country. The enhanced budgetary allocation for these two schemes in 2017-18 is, therefore, most welcome and is in the right direction as there was 100% utilization of funds earmarked for these schemes during the past 2 years. Keeping in view the importance of conservation of Coal particularly when the Coal reserves are finite, the Committee observe that the aspect of conservation need to be taken into account right from the planning stage and to ensure strict adherence throughout the implementation stage. To this end, the Committee would desire that the Ministry as well as Coal PSUs should strive for total Mechanized Opencast (OC) Mining; use of latest state-of-the-art Clean Coal Technologies; and increased use of sand storing as effective means of coal conservation. The Committee also note that three major Railway Infrastructure Projects for Development of Transport Infrastructure are being

undertaken by CIL viz. Tori-Shivpur new BG Line (44.37 Km); Shivpur-Kathotia Sectors (49.085 Km); and Jharsuguda- Barapalli-Sardega Railway Infrastructure Project (52.412 Km). Notably, two Rail Corridor have also been identified for construction to cater to evacuation of Mand- Raigarh and Korba-Gevra Coalfields of SECL. The Committee desire that the Ministry make earnest efforts to complete these important projects being undertaken so that the intended benefits from these important Schemes are achieved.

Action Taken

The three major Railway Infrastructure Projects are:

I. Tori- Shivpur-Kathotia New BG Line:

- Total length -93.45 Km
 - Revised Project cost: Rs3571.69 Cr,
 - Payment made to EC Railway: Rs 1764 Cr
- To be implemented in two phases:

Tori- Shivpur: Catering to North Karanpura Area of CCL

- Estimated cost- Rs 1588.65 Cr
- Total length- 44.37 Km
- Implemented by EC Railways
- Planned to evacuate about **32 MTY** of coal
- Out of 1160.54 Acres, 1060.40 Acres of land is under physical possession.
- construction of line uptoBalumath from Tori shall tentatively be completed by Oct'2017 and uptoBukru by Dec'17.
- Anticipated date of completion of the entire length- June 2018

Shivpur- Kathotia: Total length – 49.085 Km

- Implemented by JCRL, a JV of CCL, IRCON and Govt of Jharkhand.
- Estimated cost- 1983.04 Cr
- Out of 1368.23 Acres, 157.55 Acres of land is under physical possession.
- **30 MTY** is envisaged to be evacuated through this Rail line.
- Completion date as per IRCON timeline is March 2020.

II. Jharsuguda- Barpali- Sardega Rail Link: Total length- 52.412 Km

- Revised Project cost- Rs 1044 Cr (with signaling)
- Implemented by SE Railways
- Rail line shall evacuate **70 MTY** of coal
- Engine trial run from Jharsuguda to Laikera station was made. Linking work from Laikera to Barpali is in progress.
- Tentative schedule for completion of 1st phase (Single line) is June 2017 uptoBarpali and Sept'2017 uptoSardega.

III. Railway Line in Chhattisgarh- MandRaigarh Coalfields of SECL in Chhattisgarh

The evacuation of coal of Mand- Raigarh and Korba – Gevra Coalfields of SECL, shall be through **A. East Rail Corridor** and **B. East- West Rail Corridor**. In all, about **180 MTY** of coal shall be evacuated through these two corridors.

C. **East Rail Corridor:** Is being executed by Chhattisgarh East Rail Ltd, (CERL), a JV Company formed by SECL, IRCON and Govt of Chhattisgarh in two phases.

Phase 1:Kharsia- Dharamjaygarh with Spur to Gare- Palma and three Feeder Lines of about 132 Km.

- Estimated cost of the project- Rs 3055 Cr
- Total Land involved is 1277.4Acres
- Construction work for major/ minor bridges and Road bed are under progress (from 0 to 74 Km), and likely to be completed by March 2018.
- Likely date of completion: a) Main Corridor: March 2018
b) Spur uptoGare- Palma: Sept 2018
c) Feeder Lines: March 2019

Phase 2: Dharamjaygarh – Korba, length of about 67 Km

- Estimated cost is Rs 1349 Cr
- Approved as Special Railway Project by Ministry of Railways.
- DPR is under finalization.

D. **East- West Rail Corridor** (Gevra Road to Pendra) via Dipika, Katghora, Sendurgarh and Pasan has a length of 135 Km, Urga-Kusmunda has a length of about 16Km and Feeder Lines of about 35 Km is being executed by Chhattisgarh East West Rail Ltd.(CEWRL), a JV Company formed by SECL, IRCON and Govt of Chhattisgarh.

- Estimated cost: Rs 4919 Cr
- Total land involved: 2327.76 Acres.
- Revised DPR (envisages approval of 50% inflated mileage for 5 yrs.)
- Has been approved by CEWRL and SECL Board.
- Financial Closure shall be taken up after approval of DPR and inflated mileage and is likely to take four months thereafter.

Tentative date of completion is March 2019.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

**Comments of the Committee
(Please see para 16 of Chapter I of the Report)**

COAL BED METHANE

Recommendation No. 19

Considering the multibenefits of clean coal technology projects of coal sector like Coal Bed Methane(CBM)/Coal Mine Methane (CMM) extraction and its use, the Committee recommend that the Government should extend its all possible support to the coal producing companies through concessions/relaxations in statutory, legal and environmental stipulations for development of such projects which the Committee feel will be beneficial for overall use of the Country including enhancing the safety of underground mines.

Action Taken

Ministry of Coal has permitted Coal India Limited in July 2015 to explore and exploit CBM within its coal mining leasehold areas. MoP&NG issued a notification in November 2015 which is under modification to consider applicability of Mining Lease Grant granted under CBA Act deemed to be also mining lease under P&NG Rules for the exploration and extraction of CBM now to be granted by MoC and issues like penalty clause, allowing third party engagement as suitable developer etc. need to be resolved on priority to execute activities for its development.

A systematic study for estimation of CMM resources and generation of reservoir characteristics within mining leasehold areas held by CIL have been undertaken by CMPDI. However, experience gained during the course of CBM studies indicate that good gas content and producibility of CBM/CMM is mainly in Damodar Valley Coalfields and to some extent in Sohagpur Coalfield. Accordingly, at first instance, potential areas have been delineated in Raniganj coalfield and Jharia coalfield which holds better potential for CMM/CBM.

A capacity building International Workshop on "Best Practices in Methane Drainage and Use in Coal Mines" was jointly organized in March 2017, by US EPA, UNECE and CIL-CMPDI under aegis of GoI-MoC under Global Methane Initiative (GMI). Group of Experts opined that, in view of GoI proposal to allow freedom for marketing and pricing to sell the gas at Arm's Length Price in domestic market, CBM/CMM is also commercially viable in CIL command area.

[O.M. No. 20011/10/2017-IFD, Dated: 25.07.2017 of Ministry of Coal]

**Comments of the Committee
(Please see para 22 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;
06 November, 2017
15 Kartika 1939(Saka)**

**RAKESH SINGH
Chairperson
Standing Committee on Coal and Steel**

ANNEXURE-I

MINUTES OF THE SITTING OF THE STANDING COMMITTEE ON COAL AND STEEL HELD ON 6 NOVEMBER 2017 IN COMMITTEE ROOM NO. '3', A-BLOCK, PARLIAMENT HOUSE ANNEXE EXT. BUILDING, NEW DELHI

The Committee sat from 1130 hrs. to 1230 hrs.

PRESENT

Shri Rakesh Singh - Chairperson

Lok Sabha

2. Shri A. Arunmozhithevan
3. Smt. Jyoti Dhurve
4. Shri Shailesh Kumar
5. Dr. Banshilal Mahato
6. Shri Kamalbhan Singh Marabi
7. Shri Godam Nagesh
8. Shri Ajay Nishad
9. Shri. Ravindra Kumar Ray
10. Shri Tamradhwaj Sahu
11. Shri Janardan Singh 'Sigriwal'
12. Shri Pashupati Nath Singh
13. Shri Sunil Kumar Singh
14. Shri Krupal Balaji Tumane

Rajya Sabha

15. Dr. Pradeep Kumar Balmuchu
16. Shri Ranjib Biswal
17. Shri Md. Nadimul Haque
18. Shri Ram Vichar Netam

SECRETARIAT

1. Shri U.B.S. Negi - Joint Secretary
2. Shri Ajay Kumar Garg - Director
3. Shri Arvind Sharma - Additional Director

2. At the outset, Chairperson welcomed the Members to the sitting of the Committee.

3. The Committee thereafter took up for consideration the Draft Report on Action Taken by the Government on the Observations/Recommendations contained in the Twenty Seventh Report of the Standing Committee on Coal and Steel (Sixteenth Lok Sabha) on "Demands for Grants (2017-18)" pertaining to Ministry of Coal.

4. The Committee adopted the Report without any changes/modifications. The Committee then authorized the Chairperson to finalise the Report and present the same to both the Houses of Parliament.

The Committee then adjourned.

ANNEXURE-II

(Vide Para IV of Introduction)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE TWENTY-SEVENTH REPORT OF THE STANDING COMMITTEE ON COAL AND STEEL

I.	Total No. of Recommendations made	22
II.	Recommendations that have been accepted by the Government (<i>vide</i> recommendation at Sl. Nos. 1,2,3, 4, 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 20, 21 and 22)	19
	Percentage of total	86.36%
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies (<i>vide</i> Recommendation at Sl. No. 11)	01
	Percentage of total	09.09 %
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee (<i>vide</i> recommendation at Sl. Nos. 10 and 19)	02
	Percentage of total	4.55%
V.	Recommendations in respect of which final replies of the Government are still awaited (<i>vide</i> recommendation at Sl. No. Nil)	00
	Percentage of total	0 %