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**STANDING COMMITTEE ON
COAL AND STEEL
(2020-2021)
SEVENTEENTH LOK SABHA**

MINISTRY OF COAL

**DEMANDS FOR GRANTS
(2021-22)**

SIXTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
MARCH, 2021 /PHALGUNA, 1942 (SAKA)**

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MINISTRY OF COAL
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(2021-22)**

Presented to Lok Sabha on 16.03.2021

Laid in Rajya Sabha on 16.03.2021



LOK SABHA SECRETARIAT

NEW DELHI

MARCH, 2021/PHALGUNA, 1942 (SAKA)

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COMPOSITION OF THE STANDING COMMITTEE ON COAL AND STEEL (2020-2021)

Chairperson- Shri Rakesh Singh

Lok Sabha

2. Shri Balubhau Dhanorkar *alias* Suresh Narayan
3. Shri Vijay Kumar Hansdak
4. Shri Kunar Hembram
5. Shri Chandra Prakash Joshi
6. Shri Saumitra Khan
7. Shri C. Lalrosanga
8. Shri S. Muniswamy
9. Shri Ajay Nishad
10. Shri Basanta Kumar Panda
11. Smt. Riti Pathak
12. Dr. Lorho S. Pfoze
13. Shri S.R. Parthiban
14. Shri Komati Reddy Venkat Reddy
15. Shri Chunni Lal Sahu
16. Shri Arun Sao
17. Shri Pashupati Nath Singh
18. Shri Sunil Kumar Singh
19. Shri Sushil Kumar Singh
20. Dr. Beesetti Venkata Satyavathi
21. Dr. Thirumaavalavan Thol

Rajya Sabha

22. Shri Anil Desai
23. Dr. Vikas Mahatme
24. Shri Venkataramana Rao Mopidevi
25. Shri Prashanta Nanda
26. Shri Ram Vichar Netam
27. Shri Samir Oraon
28. Shri Dhiraj Prasad Sahu
29. Shri Shibu Soren
30. Shri Prabhakar Reddy Vemireddy
31. Shri B. Lingaiah Yadav

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Shri Arvind Sharma - Director
3. Shri Uttam Chand Bhardwaj - Additional Director
4. Smt. Savita Bhatia - Deputy Secretary
5. Shri Yash Pal Sharma - Executive Officer

INTRODUCTION

I, the Chairperson, Standing Committee on Coal and Steel having been authorized by the Committee to present the Report on their behalf, present this Sixteenth Report (Seventeenth Lok Sabha) on Demands for Grants (2021-22) relating to the Ministry of Coal.

2. The Demands for Grants of the Ministry of Coal were laid on the Table of the House on 10.02.2021. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Coal and Steel are required to consider the Demands for Grants of Ministries under their jurisdiction and make Report on the same to both the Houses of Parliament.

3. The Committee took evidence of the representatives of the Ministry of Coal on 26.02.2021.

4. The Report was considered and adopted by the Committee at their sitting held on 15.03.2021.

5. The Committee wish to express their thanks to the officials of the Ministry of Coal for the cooperation extended by them in furnishing written replies and for placing their considered views and perceptions before the Committee.

6. The Committee place on record their profound appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;
15 March, 2021
24 Phalgun, 1942(Saka)

RAKESH SINGH
Chairperson
Standing Committee on Coal and Steel

REPORT
PART-I
CHAPTER -I
INTRODUCTORY

Coal is the most important and abundant fossil fuel in India. It accounts for 55% of the country's energy need. The country's industrial heritage was build upon indigenous coal.

1.2 The Ministry of Coal has the overall responsibility of determining policies and strategies in respect of exploration and development of coal and lignite reserves, sanctioning of important projects of high value and for deciding all related matters. These key functions are exercised through its public sector undertakings, namely Coal India Limited (CIL), NLC India Limited (NLCIL) and Singareni Collieries Company Limited (SCCL), a joint sector undertaking of Government of Telangana and Government of India with equity capital in the ratio of 51:49.

1.3 The core objective of the Ministry of Coal are to augment coal production by adopting state-of-art clean-coal technologies; enhancing exploration efforts with thrust on increasing proven coal resources and developing necessary infrastructure for prompt evacuation of coal for securing its availability to meet the demand of different sectors of the economy in an eco-friendly and sustainable manner. As per the Annual Report (2020-21), the following are the core objectives of Ministry of Coal to accomplish its vision of Modern, sustainable and competitive coal sector enabling accelerated coal production for energy security and economic growth:

- "Ensuring achievement of Annual Action Plan targets for coal production and off-take, Over Burden Removal (OBR), lignite production and lignite based power generation.
- Infrastructure development to augment coal and washed coal production.
- Leveraging technology to minimize environmental externalities.
- Cutting edge research and development initiative.
- Enhancing exploration to augment resource base.
- Quality and reliability in customer services.
- Expeditious and joint solutions to inter-ministerial issues.
- Improving efficiency of Coal India.
- Attracting private investments.
- Allocating coal blocks in a transparent manner."

1.4 The Ministry of Coal is concerned with exploration, development and exploitation of coal and lignite reserves in India. The subjects allocated to the Ministry of Coal (includes Subordinate or other organizations including PSUs

concerned with their subjects) under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time as follows:

- Exploration and development of coking and non-coking coal and lignite deposits in India.
- All matters relating to production, supply, distribution and prices of coal.
- Development and operation of coal washeries other than those for which the Department of Steel is responsible.
- Low temperature carbonization of coal and production of synthetic oil from coal.
- All work related to coal gasification.
- Administration of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974).
- The Coal Mines Provident Fund Organization.
- Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 (46 of 1948).
- Rules under the Mines Act, 1952 (32 of 1952) for the levy and collection of duty of excise on coke and coal produced and dispatched from mines and administration of rescue fund.
- Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957(20 of 1957).
- Administration of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and other Union Laws in so far the said Act and Laws relate to coal and lignite and sand for stowing, business incidental to such administration including questions concerning various States.
- Administration of Coal Mines Nationalization Act, 1973 (26 of 1973).
- Administration of Coal Mines (Special Provisions) Act, 2015.

1.5 Indian coal sector has played a significant role in the energy mix. Considering the limited reserve potentiality of petroleum a natural gas eco-conservation restriction on hydel project and geo-political perception of nuclear power, coal will continue to occupy centre-state of India's energy scenario.

1.6 Indian coal offers a unique eco-friendly fuel source to domestic energy market for the next century and beyond. Hard coal deposit spread of 27 major coalfields, are mainly confined to Eastern and South Central parts of the country. The lignite reserves stand at a level around 36 billion tones, of which 90% occur in the Southern State of Tamil Nadu.

1.7 In last ten years coal demand has increased from 593.00 MT in 2010-11 to 955.26 MT in 2019-20 at a Compound Annual Growth Rate (CAGR) of 5.44%. Domestic coal availability has also increased from 524.09 MT to 706.72 MT at a CAGR of 3.38%.

1.8 All India coal production increased from 609.18 MT in 2014-15 to 729.10 MT in 2019-20. Absolute increase in all India coal production during this period was

119.92 MT. In the current year 2020-21 (April-September) total coal production has been 282.01 MT at a growth rate of -5.8%.

1.9 CIL envisaged an ambitious plan to produce 1 BT of coal by Financial Year 2024. The 1 BT coal production programme was conceived on Best-Effort-Basis by the subsidiaries maximizing their production projections indicating the associated enabling conditions e.g. green clearances, land, R&R and other required development activities

1.10 State-wise Break-up of Indian Coal Resources and Resources of different types of Indian coal are given at **Annexure I & II** respectively.

COVID-19 PANDEMIC

1.11 The Committee were informed that the outbreak of pandemic COVID-19 and imposition of subsequent lockdown resulted in subdued demand by power and non-power sector which adversely affected coal despatch from CIL. Due to COVID-19, the actual coal production and coal off-take in the country was below the target.

1.12 On being asked about the overall impact of coal economy on the entire economy of the country particularly with reference to likely impact of COVID-19 pandemic on coal and allied sectors, the Ministry of Coal in their written replies stated that the coal production is marginally less i.e. -1.9% during April to January, 2020-21. The all India coal production was 555.91 MT up to January, 2020 while this year all India coal production was 545.46 MT up to January, 2021. However, there was no shortage from supply side of the coal. Coal was available to consumers as per contractual requirements.

PUBLIC SECTOR/JOINT SECTOR COMPANIES

Coal India Limited (CIL)

1.13 Coal India Limited (CIL) is a 'Maharatna' company under the Ministry of Coal with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and one of the largest corporate employers with manpower of 2,63,105 (as on 31st December, 2020). CIL operates through its subsidiaries, 84 mining areas spread over 8 provincial states of India. It has 352 mines, of which, 158 are underground, 174 opencast and 20 mixed mines. CIL further operates 12 coal washeries, (10 coking coal and 2 non-coking coal) and manages other establishments like workshops, hospitals, and so on. It has 26 training Institutes. Indian Institute of Coal Management (IICM) is an excellent training centre under CIL and imparts

multidisciplinary management development programmes to the executives. Coal India's major consumers are Power and Steel sectors. Others include cement, fertilizer, brick, kilns, and a host of other industries.

1.14 CIL has eight fully owned subsidiary companies, viz. Eastern Coalfields Limited (ECL); Bharat Coking Coal Limited (BCCL); Central Coalfields Limited (CCL); Western Coalfields Limited (WCL); South Eastern Coalfields Limited (SECL); Northern Coalfields Limited (NCL); Mahanadi Coalfields Limited (MCL); and Central Mine Planning & Design Institute Limited (CMPDIL). In addition, CIL has a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL).

NLC India Limited (NLCIL)

1.15 NLC India Limited, a "Navratna" company with its registered office at Chennai and corporate office at Neyveli in Tamil Nadu is a pioneer among the Central Public Sector Enterprises in the energy sector. NLCIL has lined up a number of projects and spreading its wings in Tamil Nadu, Rajasthan, Uttar Pradesh, Odisha, Jharkhand, Andaman States including expansion/ augmentation of its existing mines and power plants, setting up of green-field mines & power plants, setting up of wind and solar power plants across the country with Pan-India Foot Prints. NLCIL is an Energy Major, utilising Lignite & Coal and harnessing Thermal Power and Green Energy.

The Singareni Collieries Company Limited (SCCL)

1.16 The Singareni Collieries Company Limited (SCCL) is a Joint Venture of Govt. of Telangana and the Govt. of India with equity participation in the ratio of 51:49 respectively. SCCL is having 10622 Million Tonnes of Proved reserves in the Pranhita – Godavari Valley Coalfield. SCCL is producing around 9% of the total all India Production. It is having the registered office in Kothagudem, Bhadrachri District of Telangana. SCCL is presently operating 20 Opencast Mines and 25 Underground Mines in the six districts of Telangana State with manpower of 44092 (as on 28.02.2021).

SUBORDINATE OFFICE AND AUTONOMOUS ORGANISATION

1.17 The office of the Coal Controller's Organization (CCO) – a subordinate office and Coal Mines Provident Fund Organization (CMPFO) – an autonomous body are under the administrative control of Ministry of Coal .

(i) Coal Controller's Organisation

1.18 The Coal Controller's Organization is a subordinate Office of Ministry of Coal, having its headquarter at Kolkata and field Offices at Dhanbad, Ranchi, Bilaspur, Nagpur, Sambalpur, Kothagudem and Asansol.

1.19 The Coal Controller's Organization discharges various statutory functions derived from the following statutes:

- (i) The Colliery Control Rules, 2004.
- (ii) The Coal Mines (Conservation & Development) Act, 1974 and The Coal Mines (Conservation & Development) Rules, 1975 (amended in 2011)
- (iii) The Collection of Statistics Act, 2008 and the Collection of Statistics (Central) Rules, 2011.
- (iv) The Coal Bearing Areas (Acquisition & Development) Act, 1957(20 of 1957).

1.20 The Coal Controller's Organisation also discharges the following functions:-

- a. Job of monitoring of coal production of the captive coal blocks (Vested & Allotted)
- b. Job of monitoring of washeries
- c. Follow up of submission of Mine Closure Plan and act as the representative of Govt of India for signing up Escrow agreement with different coal/ lignite companies.
- d. Matters related to Commissioner of Payment (CoP);

(ii) Coal Mines Provident Fund Organization (CMPFO)

1.21 The Coal Mines Provident Fund Organisation is an Autonomous body established under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, and is responsible for administering the Coal Mines Provident Fund Scheme, 1948, Coal Mines Deposit Linked Insurance Scheme, 1976, and Coal Mines Pension Scheme, 1998. These three schemes are administered by a tripartite Board of Trustees, consisting of Central and State Government's representatives, employers' representatives and employees' representatives. The Organization renders services to 3,90,777 Provident Fund subscribers and about 5,50,422 pensioners approximately as on 31st July, 2020. The Headquarters of CMPFO is at Dhanbad and its 20 Regional Offices are spread across Coal producing states in the country.

1.22 The detailed Demands for Grants (2021-22) of the Ministry of Coal were presented to Lok Sabha on 10.02.2021. While analyzing the detailed Demands for Grants of the Ministry of Coal, the committee in the present Report have examined various schemes/programmes of the Ministry and other PSUs under its administrative control. The detailed analysis along with observations/recommendations of the Committee on various issues have been given in the succeeding chapters of the Report.

CHAPTER – II

ANALYSIS OF DEMANDS FOR GRANTS (2021-22)

A. SUMMARY OF DEMANDS FOR GRANTS 2021-22

The Demands for Grants (2021-22) of the Ministry of Coal reflect a provision of Rs. 534.88 crore for Central Sector Schemes, Establishment and other Central Sector expenditure as Gross Budgetary Support. Out of the same, a provision of Rs.419.98 crore has been made for Central Sector Schemes, Rs. 114.90 crore meet the demands of the Secretariat, Coal Controller's Organization, Nominated Authority and Coal Mines Pension Scheme.

2.2 The three Public Sector Companies under the Ministry of Coal implement their Capital Investment Plans amounting to Rs. 19246 crore from their Internal and Extra Budgetary Resources (IEBRs) without Budgetary Support from Government of India.

2.3 The details with regard to the allocations earmarked for Central Sector Schemes, Establishment, other Central Sector expenditure and allocations earmarked by PSUs for the year 2021-22 are as under:-

(Rs. in crore)

	Revenue	Allocation	
A.	Central Sector Scheme		
1	Research & Development Programme	18.00	
2	Conservation Safety and Infrastructure Development in Coal Mines	Conservation and Safety in Coal Mines	6.00
		Development of Transportation Infrastructure in coalfields areas	65.48
		Environmental Measures and Subsidence Control	0.50
3	Exploration of Coal and Lignite	Regional Exploration	130.00
		Detailed Drilling	200.00
Total Central Sector Schemes		419.98	

B. ESTABLISHMENT AND OTHER CENTRAL SECTOR EXPENDITURE

4	Contribution to Coal Mines Pension Scheme	53.20
5	Secretariat	35.74
6	Coal Controller's Organization	10.28
7	Nominated Authority	15.68
Total		114.90
Grand Total (Revenue)		534.88

2.4 The Committee have observed that the Central Sector Scheme component of Rs.419.98 crore includes mandatory provision of Rs. 42.00 crore towards North Eastern Region under the schemes of Research & Development, Regional Exploration, Detailed Drilling & Environmental Measures and Subsidence Control.

Analysis of Demands for Grants (Plan) for the Last Three Years

2.5 The allocations for Schemes, Projects/Programmes of the Ministry of Coal for the year 2021-22 have been analyzed with reference to allocations in previous years as follows:

Central Sector Schemes/Programmes being implemented with Gross Budgetary Support.

(Rs. in crore)

Schemes	BE(RE) 2018-19	BE(RE) 2019-20	BE 2020-21	RE 2020-21	BE 2021- 22
(i) Research & Development Programme	10(25)	25(22)	25	12	18
Percentage increase over Actual/BE of last year	-	150(-12)	-	-52	50
(ii) Regional Exploration	150(150)	120(90)	70	100	130
Percentage increase over Actual/BE of last year	-	-20	-41.66	42.85	85.71
(iii) Detailed Drilling in Non-CIL Blocks	350(350)	817(665.05)	630	385	200
% increase over Actual/BE of previous year	-	133.43	-22.88	-38.89	-68.25%
(iv) Environmental Measures and Subsidence Control (EMSC)	0.50 (0.50)	0.50 (0.50)	0.50	0.50	0.50
% increase over Actual/BE of previous year	-	-	-	-	-
(v) Conservation and Safety in coal mines	59.50(59.50)	4(4)	10	6	6
Percentage increase over Actual/BE of last year	-	-93.28	150	-40	-
(vi) Development of Transport infrastructure	140(140)	130.50(90.00)	84.48	50.23	65.48
Percentage increase over Actual/BE of last year	-	-6.78	-35.26	-40.54	30.36

Note :

1. There has been more thrust on exploration and R&D activities, so the demand for grant under the respective heads has been increased.
2. On account of subsuming of coal cess in to GST, reimbursement for sand stowing in UG mines has been stopped as a result fund provision under the head conservation and safety has decreased.

Plan Outlay for 2021-22

2.6 Details of funds requirement during 2021-22 and funds allocated for 2021-22

(Rs. in crore)

Name of Scheme	Name of Sub - Schemes	Balance funds required to clear dues of 2020-21	Expected Expenditure during 2021-22	Total Funds needed during 2021-22	Demand raised for 2021-22	Funds allocated for 2021-22
Research & Development		0.00	35.00	35.00	35.00	18.00
Exploration of Coal and Lignite	Promotional Exploration	40.00	400.00	440.00	420.00	130.00
	Detail Drilling in Non CIL Blocks	260.00	300.00	560.00	550.00	200.00
Conservation,	Environment	0.00	0.50	0.50	0.50	0.50

Safety and Infrastructural Development in Coal Mines (including Tribal Sub Plan)	Measures and Subsidence Control (EMSC)					
	Conservation and Safety in Coal Mines	5.00	60.00	65.00	65.00	6.00
	Development of Transportation Infrastructure in Coalfields (DTIC)	112.00	84.00	196.00	196.00	65.48
	Total	417.00	879.50	1296.50	1266.50	419.98

2.7 The Committee have been informed that from the funds allocated under BE-2021-22, only dues of 2020-21 i.e. of Rs. 417 crore can be cleared and thus, less allocation of funds will hamper in achieving the targets fixed for the year 2021-22. Lower allocation of fund at BE stage will result in reduced exploration under both the categories i.e. promotional exploration and detailed exploration. An Expenditure Finance Committee (EFC) note for enhanced allocation has been submitted to Ministry of Finance and it is expected that allocation on exploration will be increased at RE stage.

2.8 As regard the actual expenditure incurred out of funds earmarked at BE and RE stage during 2020-21 for different programmes/schemes of Ministry of Coal, the details are given as under:

(Rs. in crore)

Scheme	Year	BE	RE	Utilization (Apr 2020.-Jan 2021)
Detailed Exploration	2020-21	630.00	385.00	339.43
Promotional Exploration	2020-21	70.00	100.00	56.72
Research and Development/S&T	2020-21	25.00	12.00	8.88
EMSC	2020-21	0.50	0.50	0.06
Conservation and Safety in Coal Mines	2020-21	10.00	6.00	4.44
Development of Transport Infrastructure in coalfield areas	2020-21	84.48	50.23	34.34
Total		819.98	553.73	443.87

2.9 Asked about the physical targets and financial requirements in respect of their Central Sector Schemes, the Ministry of Coal has informed the Committee as under:

(Rs. in crore)

Scheme	Physical Targets and explanation of Financial requirement	BE 2021-22	
		Projected	BE
Detailed Exploration	Annual Plan (BE) for drilling in 2021-22 is 6.00 lakh meter with 2D seismic survey for which the projected outlay is needed.	550	200
Promotional drilling	Annual Plan for Promotional drilling in 2021-22 is 4.00 lakh metre (including associated supplementary studies/CBM Projects) for which the projected outlay is needed.	420	130
Environmental Measures and	Government of Jharkhand is preparing a revised cabinet note for rehabilitation of affected population. Further, it is	0.50	0.5

Subsidence Control.	planned to construct rehabilitation site on smart city concept. The fund will be required after approval of revised cabinet note.		
Conservation and safety in coal mines	To reimburse partially (stowing/protective works/scientific development work) to ensure enhanced coal production and subsidence control, under the provision of Coal Mines Conservation & Development Act.	65	6
Development of Transportation Infrastructure in Coalfield Areas	As per evacuation infrastructure program, projects of worth about Rs.41932 crore are under implementation. Apart from that CMPDIL has identified 4 rail projects which will be critical for evacuation of coal from upcoming coal blocks. These projects may require about 50,000 crore for implementation. To promote coal evacuation infrastructure in coalfield areas, as incentive or as viable gap funding, funds will be required. Therefore, it has been decided to include 10% of total funds required, i.e. Rs. 5000 crores (Rs.1000 Crore per year for next five years) for development of transport infrastructure for coal evacuation to ensure evacuation projects are implemented as per time schedule.	196	65.48
Research and Development/ S&T.	Ministry of Coal has identified new thrust areas to promote clean coal technologies and coal gasification. Further, sustainable development cell has also been created to ensure environment friendly practices.	35	18

IMPLEMENTATION OF CENTRAL SECTOR SCHEMES

2.10 The Committee have been apprised of the allocation vis-à-vis utilization of funds allocated for various schemes of the Ministry of Coal during 2018-19, 2019-20 and 2020-21 along with reasons for shortfall, if any, as follows:

(Rs. in crore)

Scheme	Year	BE	RE	Utilization	Remark
Detailed Exploration	2018-19	350	350	346.91	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies. Drilling in areas other than NE In 2019-20, amount of Rs.2.10 crore utilized for detailed drilling. In 2020-21, amount of Rs. 2 crore utilized for detailed drilling.
	2019-20	817	665.05	586.88	
	2020-21	630	385	290.57 (Apr-Dec 20)	
Promotional Exploration	2018-19	150.00	150.00	100.74	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies. Drilling in areas other than NE In 2019-20, amount of Rs. 2.30 crore utilized from opening spillover balance.
	2019-20	120.00	90.00	72.59	
	2020-21	70	100	56.72 (Apr.-Dec.20)	

					In 2020-21, amount of Rs. 2 crore utilized from opening spillover balance.
Research and Development/ S&T	2018-19	10	25	24.27	The allocated R&D fund could not be fully utilized in 2019-20 due to poor response of Institutes/Organizations located in NE and reluctance of institutions located elsewhere to take up R&D projects for NE region. In 2020-21, amount of Rs. 1.20 crore for NE Region has been fully utilized. Target for the project sanctioned was not achieved during 2019-20, as in the 55 th meeting of SSRC held on 12.03.2020, Secretary (Coal) desired that only after identification of new thrust areas for future research any new proposal will be considered for acceptance and approval. Accordingly, all the 5 new proposals were deferred to the next meeting of SSRC. Also, target for project completion during 2019-20 was not achieved as the project proponent sought time extension for not completing the scheduled activities of the project due to impact of COVID-19 RE & Expenditure decreased during 2020-21, as work in most of the institutes carrying out the project are standstill and field visit restricted due to sudden outbreak of COVID-19.
	2019-20	25	22	18.78	
	2020-21	25	12	8.88 (Apr.- Dec.20)	
Conservation and Safety in Coal Mines	2018-19	59.50	59.50	42.40	
	2019-20	4	4	3.60	
	2020-21	10	6	4.45 (Apr.- Dec.20)	
Development of Transport Infrastructure in coalfield areas	2018-19	140	140	140	
	2019-20	130.50	90	80.99	
	2020-21	84.48	50.23	34.34 (Apr.- Dec.20)	
Environmental Measures and Subsidence Control.	All the EMSC schemes have been merged in the Master Plan dealing with Fire, Subsidence, Rehabilitation and Diversion of surface infrastructure in Jharia and Raniganj coalfields within the leasehold of BCCL and ECL sanctioned by the Govt. in Aug, 2009 at an investment of Rs. 9773.84 crore spread over a period of 10 years. This is being funded partly by the internal resources of CIL and partly from the amount collected by the levying of stowing Excise Duty under the CM(C&D) Act, 1974.Coal India Limited has to first spend Rs. 350 crore from its internal resources and the same amount will be funded from Gross Budgetary Support. Total expenditure during the period is less than Rs 350 crore/year, hence there is no expenditure from CSS fund.				

2.11 It may be seen that as against budgetary allocation of Rs. 819.48 crore at BE (2020-21) for various Central Sector Schemes, total utilization of fund during April-December, 2020 has been Rs. 394.96 crore (Detailed Exploration: Rs. 290.57 crore + Promotion Exploration: Rs. 56.72 crore + Research and Development/S&T: Rs. 8.88 crore + Conservation and Safety in Coal Mines: Rs. 4.45 crore + Development of Transport Infrastructure in coalfield areas: Rs. 34.34 crore + Environmental Measures and Subsidence Control: Rs. 00.00 crore) which is 48.20% of Budget Estimate (BE).

REVIEW OF SCHEMES

1. Detailed Drilling in Non-CIL Blocks

2.12 The Demand for Grant for Detailed Drilling in Non-CIL/Captive mining block is met through Gross Budgetary Support from Government of India. This plan-to-plan scheme assists prospective investors in taking investment decisions regarding coal mining and reduces time in preparation of Mine Plan/Project Report. This step has promoted private investment in coal mining industry. Existing resources of Indicated/Inferred category are upgraded to 'Proved' category through detailed drilling undertaken by CMPDI, MECL and contractual agencies. The scheme is implemented by CMPDI.

2.13 CMPDI carries out Detailed Exploration in CIL and Non-CIL blocks as per strict timelines to bring resources falling in indicated and inferred category into the measured (proven) category. The exploratory drilling in non-CIL/captive Mining blocks is taken up under the Ministry of Coal's Plan scheme of "Detailed Drilling in Non-CIL Blocks".

2.14 The details of actual drilling in Non-CIL/Captive Mining Blocks during the period 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 (Apr' 20 – Dec' 20) and projected achievement for 2020-21 (Jan' 21 – Mar' 21) are given below:

(Drilling in Metre)

Command Area	2018-19 Actual	2019-20 Actual	Jan' 20 – Dec' 20	2020-21 (Apr'20 – Dec' 20) Provisional	2020-21 Jan'21 – Mar' 21 (Projected)
CMPDI (Departmental)	140683	231352	224269	121051	140000
Outsourcing by CMPDI	342926	464806	458417	307620	160000
Total	783609	696158	682686	428671	300000
Growth %	0%	44%			

2.15 Physical Target vis-a-vis Achievement

(Fig. in Lakh Meter)

Detailed Exploration	Proposed BE	Proposed RE	Achieved	Remark
2017-18	5.00	3.92	4.86	
2018-19	5.93	5.64	4.84	The targets of drilling could not be achieved due to less fund allocation, pending forest permission & adverse law & order condition.
2019-20	8.16	6.50	6.73	The target of drilling in RE stage reduced due to less fund allocation in RE stage, pending forest permission & adverse law & order.

Detailed Exploration	Proposed BE	Proposed RE	Achieved	Remark
2020-21	6.00	6.50	4.90 (Apr'20-Jan'21)	The target is likely to be achieved, work is greatly affected due to COVID-19 lockdown & restrictions imposed due to check the pandemic.

2.16 The fund proposed, allocated at BE & RE stage and utilized during the last 3 years (Scheme-wise) is provided in below table:

(Rs. in crore)

Scheme	Year	BE	RE	Utilization	Remark
Detailed Exploration	2018-19	350	350	346.91	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies. Drilling in areas other than NE In 2019-20, amount of Rs.2.10 crore utilized for detailed drilling. In 2020-21, amount of Rs. 2 crore utilized for detailed drilling.
	2019-20	817	665.05	586.88	
	2020-21	630	385	290.57 (Apr-Dec 20)	

2.17 The Physical Targets and financial requirements for the year 2021-22

(Rs. in crore)

Scheme	Physical Targets	BE 2021-22	
		Projected	BE
Detailed Exploration	Annual Plan (BE) for drilling in 2021-22 is 6.00 lakh meter with 2D seismic survey for which the projected outlay is needed.	550	200

2.18 The Committee were informed that BE and RE 2020-21 for Detailed Drilling were Rs. 630 crore and Rs. 385 crore respectively and the actual utilization was Rs. 290.57 crore (April-Dec.20). However, BE allocated for 2021-22 is Rs. 200 crore against Rs. 550 crore projected.

2.19 When asked about the reasons for drastically reducing the funds allocated for Detailed Drilling from Rs. 630 crore (BE 2020-21) to Rs. 200 crore (BE 2021-22) and whether their outlay would be sufficient for achieving the drilling target set at 6 lakh meters for 2021-22, the Ministry in their written reply has stated that initially there was a cap of using only 5% of the allocated fund per month. This resulted in only 30% utilization in first 6 months. Due to fiscal constraints in Covid time, Ministry of Finance reduced the fund availability for detailed drilling. Further, the Ministry stated

that the proposed target of 2021-22 cannot be achieved due to less allocation of fund. To achieve the proposed target of 6.0 lakh meter drilling in detailed exploration (for completing G-1 level of exploration in ongoing existing blocks), the fund of Rs. 600 crore will be required. The current outlay is sufficient for about 3.00 lakh metre of drilling under the scheme of detailed drilling.

2.20 On being asked to provide details regarding action plan on detailed drilling to be undertaken during 2021-22 and beyond, the Ministry has stated that with PL cum ML policy in place, Government expenditure in detailed drilling will be reduced and private sector will be encouraged for exploration. However, detailed drilling in blocks where detailed exploration are in progress in 2020-21, will be continued and concluded by 2023-24.

Drilling Performance in 2020-21

2.21 According to Annual Report (2020-21) of the Ministry of Coal, CMPDI deployed its departmental resources for detailed exploration of CIL/Non-CIL blocks, whereas, State Government of Odisha deployed resources in CIL blocks only. In addition, six other contractual agencies have also deployed resources for detailed drilling/exploration in CIL/Non-CIL blocks. A total of 130 to 150 drills were deployed in 2020-21, out of which, 71 were departmental drills.

2.22 Apart from the above, CMPDI continued the technical supervision of Promotional (Regional) Exploration work undertaken by MECL in coal sector in 8 blocks, DGM (Nagaland) in 1 block & Outsources Agencies in 3 blocks. CMPDI has also taken up promotional drilling in 2 blocks. Promotional Exploration work was undertaken by MECL in Lignite Sector in 9 blocks. A total of about 0.64 lakh metre of Promotional (Regional) drilling was carried out in Coal (0.50 lakh metre) & Lignite (0.14 lakh metre) during 2020-21 (April '20 to December' 20).

2.23 In 2020-21, CMPDI and its contractual agencies took up exploratory drilling in 132 blocks/Mines of 19 coalfields situated in 14 States. Out of 132 blocks/mines, Departmental drills of CMPDI took up exploratory drilling in 61 blocks/mines, whereas, contractual agencies took up exploratory drilling in 71 blocks.

2.24 While appearing before the Committee, the Secretary submitted about the exploration of coal as under:-

“If we relate coal security with energy security, there will be no adverse impact on the country from the coal security point of view. We have indicated to the Ministry of Finance that we used to be allocated major funding for exploration of coal. We and Coal India have done a lot of exploration in non-Coal India properties. Last year 735 million tonne coal production was done in the country. We have at least 1.5 billion tonne coal blocks for annual coal production. Coal India itself has a capacity of 1 billion tonne. We intend to slow down the exploration. We have unofficially conveyed to the Ministry of Finance that the funds for exploration purpose be given for strengthening our system for which we do not have Directorate which is attached with every Ministry. We are having consultation with them in this regard.”

2. Regional (Promotional) Exploration

2.25 The Demand for Grants for the scheme of Promotional Exploration in Coal & Lignite is met through Gross Budgetary Support from Government of India. This plan-to-plan scheme assists in enhancing the pace of coal-lignite regional exploration undertaken by Geological Survey of India on regular basis. The aim of the scheme is to undertake preliminary drilling to assess the availability of coal and lignite in various areas. New coal and lignite resources are added to the national inventory through these efforts. The scheme is implemented by CMPDI.

2.26 Mineral Exploration Corporation Limited (MECL), State Governments and CMPDI are conducting Promotional Exploration under the Ministry of Coal’s Plan scheme of “Promotional Exploration for Coal & Lignite”. The summary of Promotional Drilling carried out in coal & Lignite during the period 2016-17, 2017-18 and 2018-19 and 2019-20, Jan’ 20 – Dec’ 20 (provisional) and Jan’ 21 – Mar’ 21 (Projected) is given below:

(Drilling in Metre)

Command Area	2018-19 Actual	2019-20 Actual	Jan’ 20 – Dec’ 20 (Provisional)	2020-21 (Apr’20 – Dec’ 20) Provisional	2020-21 Jan’21 – Mar’ 21 (Projected)
Drilling in CIL Command area	91238	70973	65526	49560	35000
Drilling in SCCL Command	4747	11210	1352	291	2000

area					
Drilling in Lignite Areas	43023	33497	24328	14363	13000
Total	139008	115680	91206	64214	50000
Growth %	3%	-17%			

2.27 The fund proposed, allocated at BE & RE stage and utilized during the last 3 years (Scheme-wise) is provided in below table:

(Rs. in crore)

Promotional Exploration	2018-19	150.00	150.00	100.74	NE component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies. Drilling in areas other than NE In 2019-20, amount of Rs. 2.30 Crore utilized from opening spillover balance. In 2020-21, amount of Rs. 2 Crore utilized from opening spillover balance.
	2019-20	120.00	90.00	72.59	
	2020-21	70	100	56.72 (Apr.-Dec.20)	

2.28 Physical Targets Vis-à-vis Achievements for the last 3 years

Scheme		Proposed BE	Proposed RE	Achieved	Remark
Promotional Exploration (in Lakh Meter)	2018-19	2.00	1.50	1.39	The targets could not be achieved due to less fund allocation, priority drilling in detailed exploration.
	2019-20	1.53	1.10	1.16	
	2020-21	1.00	1.15	0.65 (Apr-Dec'20)	

2.29 Physical targets and Financial requirement for the year 2021-22

Scheme	Physical Targets	BE 2021-22	
		Projected	BE
Promotional drilling	Annual Plan for Promotional drilling in 2021-22 is 4.00 lakh metre (including associated supplementary studies/CBM Projects) for which the projected outlay is needed.	420	130

2.30 The Committee observed that under the Scheme, BE 2020-21 was Rs. 70 crore which was increased to Rs. 100 crore at RE 2020-21. However, the actual utilization of this allocation was Rs. 56.72 crore only upto April-Dec. 2020. The fund of Rs.130 crore is allocated in BE 2021-22, which is Rs.30.00 crore more than the RE 2020-21. The Ministry stated that as per policy, new blocks will be taken for regional exploration in G-2/G-3 category with 2D/3D seismic survey, so more area may be covered in less time. The 2D/3D seismic survey is under progress in 8 blocks and is likely to start in 4 more blocks during the year.

2.31 The Ministry has informed that to meet the proposed target of 4.0 lakh meter of drilling & 1500-line km seismic survey in promotional exploration, fund of Rs. 600 crore will be required in RE 2021-22. However, financial requirement for BE (2021-22) has been projected Rs. 420 crore.

3. RESEARCH AND DEVELOPMENT

2.32 Research and Development is a key business component for accomplishing the business objectives. Changing geo-mining conditions, evolution of newer technologies & tools, changing socio-economic & socio-political perspectives etc. further necessitates need based and site-based research for resolving complex operational issues.

2.33 The Budget Estimates, Revised Estimates and Actual Expenditure incurred against the target in last three years and during 2020-21 under the R&D Scheme is given as under:

(Rs. in crore)

Scheme	Year	BE	RE	Utilization	Remarks
Research and Development/ S&T	2018-19	10	25	24.27	The allocated R&D fund could not be fully utilized in 2019-20 due to poor response of Institutes/Organizations located in NE and reluctance of institutions located elsewhere to take up R&D projects for NE region. In 2020-21, amount of Rs. 1.20 crore for NE Region has been fully utilized. Target for the project sanctioned was not achieved during 2019-20, as in the 55 th meeting of SSRC held on 12.03.2020, Secretary (Coal) desired that only after identification of new thrust areas for future research any new proposal will be considered for acceptance and approval. Accordingly, all the 5 new proposals were deferred to the next meeting of SSRC. Also, target for project completion during 2019-20 was not achieved as the project proponent sought time extension for not completing the scheduled activities of the project due to impact of COVID-19 RE & Expenditure decreased during 2020-21, as work in most of the institutes carrying out the project are standstill and field visit restricted due to sudden outbreak of COVID-19.
	2019-20	25	22	18.78	
	2020-21	25	12	8.88 (Apr.-Jan 2021)	

2.34 It may be seen from the above that the allocation for Research and Development for 2021-22 is Rs. 18 crore as compared to Rs. 25 crore in 2020-21, which has been reduced at RE stage to Rs. 12 crore. The actual utilization has been Rs. 8.88 crore (April-Dec.20) under the scheme.

2.35 When asked about the reasons for reduction of the allocated fund at RE stage during 2020-21 and whether RE of Rs. 12 crore will be fully utilized during 2020-21, it is mentioned that funds under General Component & NER Component (Rs. 9.9 Crore) will be fully utilized. However, funds under SC & ST component, may not be utilized. RE amount of Rs. 12.0 crore has been divided into 4 categories viz. General, NER, SC & TSP but there is no guideline for disbursement in SC & TSP under R&D scheme.

2.36 The Committee asked about the reasons for reducing BE 2021-22 under R&D to Rs. 18 crore as compared to BE of Rs. 25 crore last year. The Ministry in written reply has informed that due to less allocation of funds under BE-2021-22 by the Ministry of Finance, only Rs. 18.00 Crore could be allocated for R&D Scheme which is sufficient and expected to be fully utilised for implementing the R&D schemes by Ministry of Coal.

S&T Activities for Technological Upgradation

2.37 Government of India initiated Coal S&T Grant in 1975 to intensify research work for indigenous development of technologies suitable for the Indian coal industry to meet the rising energy demand of the country in sustainable manner.

2.38 The Research & Development (R&D) activity in Ministry of Coal (MoC) is administered through an Apex Body namely, Standing Scientific Research Committee (SSRC) with Secretary (Coal) as its Chairman with other members from different Ministries & coal/lignite producing companies. The main functions of SSRC are to plan, program, budget the new & ongoing research projects and oversee the implementations of research projects. The SSRC is assisted by a Technical sub-committee headed by HoD(Mining), IIT-BHU, IIT-Kharagpur & IIT-ISM on annual rotational basis.

2.39 CMPDI is the Nodal Agency for coordination and monitoring of the R&D activities funded by the Ministry of Coal (MoC) which involves identification of 'Thrust Areas' for research activities, identification of agencies which can take up the research work in the identified fields, processing the proposals for Government approval, preparation of budget estimates, disbursement of funds, monitoring the progress of implementation of the projects, etc. CMPDI has designed and developed a website on S&T activities in coal & lignite sector to promote R&D activities of Ministry of Coal and to attract research institutes/organisations for R&D endeavors in coal sector and implements a number of research projects.

2.40 Broad Areas covered under the funding of Ministry of Coal are Advanced technology/methodology for improvement of production & productivity from underground mining and open cast Mining, Improvement of safety, health and environment, Waste to Wealth, Alternative use of coal and clean coal technologies, Coal beneficiation and utilization, Exploration and Innovation and indigenization (Under Make-in-India Concept)

2.41 During 2020, IIT-ISM has recommended continuation of S&T scheme from Financial Year 2021-22 to 2025-26 with a budgetary outlay of Rs. 225.00 crore. The same was agreed in the meeting of Standing Finance Committee held on 18.01.2021.

2.42 It has been informed that a total of 398 S&T projects have been taken up till 28.12.2020 and 328 S&T projects have been completed till 28.12.2020.

2.43 Status of current/ongoing projects under Research & Development

	Year	Project completed		Project sanction	
		Target	Achievement	Target	Achievement
Research and Development/S&T	2018-19	4	5	1	1
	2019-20	4	2	2	1
	2020-21(till 15 th Jan 2021)	3	3	2	2

2.44 It has also been informed that during 2020-21, there are 11 spill over projects in respect of S&T Scheme (under Research & Development). Out of 11 projects, 3 projects have been completed. During this year, till 15.02.2021, 2 new projects were approved. At present, there are 10 ongoing S&T projects and all are progressing as per schedule. Another 3 new projects have been approved by SSRC for which sanction letter from Ministry of Coal is awaited.

2.45 As regards the new projects which are proposed to be undertaken during 2020-21 for R&D, the Ministry in their written reply has stated that five new S&T projects have been recommended by the Technical sub-committee of SSRC which are to be submitted for approval of SSRC. If approved, these will be taken up in 2020-21. In addition, a few new proposals are under scrutiny by CMPDI which may be put up for consideration before concerned committees of Ministry of Coal.

2.46 When asked about the steps taken or proposed to be taken by CMPDIL to ensure timely completion of various ongoing and new R&D projects, the Ministry in their written reply has stated the following steps being taken for timely completion of their on-going and new projects:

- (a) Progress of Coal S&T projects is monitored by CMPDI in review meetings at CMPDI and followed up at regular interval. Progress is also reviewed by the Technical Sub-committee of Standing Scientific Research Committee (SSRC) as well as the SSRC headed by the Secretary (Coal). Implementing agencies submit quarterly progress reports of the projects to CMPDI which, after examination, are placed before Technical Sub-committee and SSRC.
- (b) Periodic visits to the implementing institutes are undertaken by CMPDI officials to monitor the progress of these projects and necessary assistance is extended to them.

2.47 The Ministry also submitted that in 'Transforming Waste to Wealth' under R&D Scheme a project titled "Assessment of Rare Earth Elements (REE) and other economic resources in Coal & Non-Coal Strata" is under implementation with 2 year project duration and approved project outlay of Rs.3.61 crore which has significantly improved the utilisation of funds in NER.

R&D by Coal/Lignite Companies

2.48 On being asked about Company/organization-wise funds allocated and utilized for R&D activities during the last three years and 2020-21 and likely utilization of funds during 2021-22 and whether such activities have resulted in tangible returns by way of enhanced production and turnover or profit of the company/subsidiary and safety of the work force, the Ministry in their written reply has stated that S&T funds are being disbursed to different implementing agencies for execution of research projects. These research projects are being implemented in the mines of Coal India Limited (CIL), Singareni Collieries Company Limited (SCCL) and NLC India Limited (NLCIL). Details of the funds allocated and utilized for the last three years and 2020-21 & likely utilisation during 2021-22 are given below:

(in Rs. Crore)

	2017-18	2018-19	2019-20	2020-21		2021-22
				Fund Utilized	Funds to be utilized	
CIL	11.00	21.32	18.67	7.58	2.39	16.48
NLCIL	0.50	1.20	-	-	-	-
SCCL	-	1.70	-	-	-	1.52
Total	11.50	24.22	18.67	7.58	2.39	18.00

2.49 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. Also, some of the research projects will directly / indirectly enhance the production, productivity and safety in coal mines.

2.50 Asked about initiatives/measures taken for technological upgradation works regarding coal mining during the last three years, the Ministry has informed that continuous effort is being made for technological up-gradation in mines of CIL to achieve high production/productivity in Underground Mining, Opencast Mining and Coal Evacuation System.

4. CONSERVATION SAFETY AND INFRASTRUCTURE DEVELOPMENT IN COAL MINES

2.51 A. Conservation and Safety in Coal Mines

- i) As per the Coal Mines (Conservation and Development) Amendment Rules, 2011, financial assistance is given by the Central Government for carrying out the following works under the above scheme:
 - (1) Conservation and safety:
 - a) Stowing operations
 - b) Protective Works, including blanketing with incombustible materials and filling up of subsidence;
 - c) Surface protection measures including vacation of buildings and structures over areas of subsidence and rehabilitation of affected persons.
 - d) Installation of stowing plants, blending plants and plants for the beneficiation of coal.
 - e) Schemes for recovery and transportation of sand.
 - (2) Scientific Development of Coal Mines:
 - a) Development of new coal mining methods, development and utilization of explosives.
 - b) Techno-economic studies of various underground and surface transport systems in mines.
 - c) Investigation into problems of rock burst in deep mines.
 - d) Investigation into roof bolting under different mining conditions.
 - e) Introduction of man riding system.
 - f) IT and other electronic aids for application in mining.
 - (3) Research and Development:
 - a) Transportation of stowing material.
 - b) Investigations into suitability of waste materials for stowing in mines.
 - c) Investigation into problems of mines fires and efficacy of different methods of dealing with them.
 - d) Assessment of ventilation and other environmental condition of mines.
 - e) Problems relating to Methane emission and drainage from highly gassy coal seams.

- f) Research on surface pollution and environmental control in mining areas.
- g) Any other activity for furtherance of conservation as directed by the Central Government.

2.52 The fund proposed allocated at BE, RE Stage and utilization during the last 3 years.

(Rs. in crore)

Scheme	Year	BE	RE	Utilization
Conservation and Safety in Coal Mines	2018-19	59.50	59.50	42.40
	2019-20	4	4	3.60
	2020-21	10	6	4.45 (Apr.- Dec.20)

2.53 As regards allocation of Rs. 10 crore for conservation and safety of coal mines for the year 2020-21, actual spending stands at Rs. 4.45 crore (April-December). The BE for year 2021-22 however, stand reduced at Rs. 6 crore against a projected amount of Rs. 65 crore to reimburse partially (stowing/protective works/scientific development work) to ensure enhanced coal production and subsidence control, under the provision of Coal Mines Conservation & Development Act.

2.54 When asked about the activities undertaken under this scheme during 2020-21 and the reason for low utilization during the year, the Ministry has furnished the following details of activities undertaken during 2020-21:

(a) Protective works taken up in mines	No. of mines where protective works taken up	7
(b) Installation of Man-riding system in UG mines	No. of Man-riding systems installed	4
(c) Installation of telemonitoring system	No of telemonitoring system installed	2
(d) Installation of other modern systems	No. of Other modern systems installed	10

Proposed activities to be taken during 2021-22:

(a) Protective works taken in mines	No. of mines where protective works taken up	1
(b) Installation of Tele-monitoring system in UG mines	No. of degree 3 mines where Tele-monitoring systems installed	1
(c) Installation of Electrical winders in UG mines	No. of mines where electrical winders are installed	Nil
(d) Installation of Man-riding system	No. of mines where Man-riding systems installed	2

2.55 When asked whether the outlay for Financial Year 2021-22 would be sufficient for achieving the set targets, the Ministry in their written reply stated that from the funds allocated for this scheme, this Ministry will even not be able to clear dues /spill

over funds (more than Rs. 100 crore). However, additional fund will be sought at RE stage to take up new projects.

5. Development of Transport Infrastructure in Coalfield areas

2.56 The Coal Mines (Conservation and Development) Amendment Rules, 2011 were made as per Sec.18 of CM(C&D) Act, 1974. Rule 12 of the Coal Mines (Conservation and Development) Amendment Rules, 2011, enumerates the purposes for which funds may be disbursed. As per G.S.R. 101, dated 14.02.1987 & G.S.R. 199(E), dated 23.04.1998, development of Roads and Creation of Rail Infrastructure has been included for reimbursement under this scheme.

2.57 The coal companies submit their claims for reimbursement from CCDA scheme which are scrutinized at Coal Controller Organization (CCO) and are placed to CCDA Sub-Committee for recommendation to CCDA Committee. The CCDA Committee meets twice in a year for approving the claims of coal companies and accordingly funds are disbursed from CCDA Scheme.

2.58 The funds under this scheme is given to coal companies as financial assistance for development of infrastructure in coalfields area. Coal companies have taken various road and rail projects under these schemes thus building necessary evacuation infrastructure.

2.59 In order to achieve the planned growth in production and evacuation in future, CIL has undertaken the construction of major railway infrastructure projects. These railway infra projects are being implemented by either Indian Railways (on deposit basis) or through JV companies with IRCON representing Railways, Subsidiary Company (representing CIL) and concerned State Government.

2.60 There are three (03) major rail infrastructure projects being implemented on deposit basis and four rail infra projects being implemented by JV companies.

2.61 Asked about the other steps which have been taken to improve transport infrastructure in coal field areas, it is informed that Ministry of Coal has engaged consultants and is preparing coal evacuation plan for the Country considering the future requirement.

2.62 The expenditure and reimbursements made under this scheme during the last three years are as under:-

Year	Budget Head	(Rs. in crore)						
		BE	RE	Actual Approved by CCDAC	Spill Over from previous year	Total Requirement	Fund released by MoC	Spill over to next year
2017-18	Development of Transport Infrastructure	299.50	299.50	201.33	306.61	507.94	299.50	208.44
2018-19		140.00	140.00	0.00	208.50	208.50	140.00	68.50
2019-20		130.50	90.00	159.38	68.50	227.88	80.99	146.89
2020-21 (Up to Jan, 2021)		84.48	50.23	0.00	146.89	146.89	34.34	

2.63 The Physical Targets and financial requirements and the approved BE (2021-22) are as under:-

Scheme	Physical Targets and Financial requirement	(Rs. in crore)	
		BE 2021-22	
		Projected	BE
Development of Transportation Infrastructure in Coalfield Areas	As per evacuation infrastructure program, projects of worth about Rs.41932 Crore are under implementation. Apart from that CMPDIL has identified 4 rail projects which will be critical for evacuation of coal from upcoming coal blocks. These projects may require about 50,000 crore for implementation. To promote coal evacuation infrastructure in coalfield areas, as incentive or as viable gap funding, funds will be required. Therefore, it has been decided to include 10% of total funds required, i.e. Rs. 5000 crores (Rs.1000 Crore per year for next five years) for development of transport infrastructure for coal evacuation to ensure evacuation projects are implemented as per time schedule.	196	65.48

2.64 The BE amount allocated for "Development of Transport Infrastructure in coalfield areas" for Financial Year 2020-21 was Rs. 84.48 crore, which was reduced to Rs. 50.23 crore at RE stage and the actual utilization is Rs. 34.34 crore (April-December, 2020).

2.65 The BE projected for 2021-22 for Development of Transportation Infrastructure in Coalfield areas as per the physical targets set is Rs. 196 crore whereas only Rs. 65.48 crore have been allocated.

2.66 When asked why the funds allocated have been continuously being reduced from Rs. 140.00 crore in 2018-19 to Rs. 50.23 crore in 2020-21, the Ministry in their written replies has informed that Ministry of Finance has been reducing the total funds under the Central Sector Schemes continuously and accordingly, in that ratio, funds for this schemes has also been reduced and from the funds allocated for this scheme i.e. Rs. 65.48 crore, this Ministry will even not be able to clear dues /spill over funds which are more than Rs. 100 crore. However, additional fund will be sought at RE stage to take up new projects.

2.67 The Ministry in their Background Note has stated that as per evacuation infrastructure program, projects of worth about Rs.41932 Crore are under implementation. Apart from that CMPDIL has identified 4 rail projects which will be critical for evacuation of coal from upcoming coal blocks. These projects may require about 50,000 crore for implementation.

2.68 On being asked regarding action plans or steps taken or proposed to be taken for timely and effective implementation of ongoing projects and how the requisite funds would be mobilized for the purpose, the Ministry in their written replies has informed that as desired by CIL, CMPDI has prepared the coal evacuation master plan (CEMP) for CIL mines 2029-30 based on inputs provided by CIL and subsidiaries, and has submitted it to CIL on 22.01.2021. As per this CEMP submitted to CIL, the summary of evacuation infrastructure projects is as follows:

Category	CHP/SILO/RLS/BELT/PIPE CONVEYOR						Rly Sdg/MGR/Rly Line/ Wharf Wall						Road/ Bridges		Grand Total	
	FMC Projects		Other Projects		TOTAL		FMC Projects		Other Projects		TOTAL		Nos	Cap (Cr)	Nos	Cap (Cr)
	Nos	Cap (Cr)	Nos	Cap (Cr)	Nos	Cap (Cr)	Nos	Cap (Cr)	Nos	Cap (Cr)	Nos	Cap (Cr)				
Under Construction	14	4437			14	4437	1	71	40	17110	41	17181	32	946	87	22564
Approved-to be Constructed	21	6171	3	484	24	6656	1	130	21	6618	22	6748	18	720	64	14124
To be Formulated or Approved	7	1970	18	4154	25	6124	3	324	41	7587	44	7911	1	100	70	14135
Total	42	12578	21	4639	63	17217	5	525	102	31315	107	31840	51	1766	221	50823

2.69 The Ministry has furnished the following Action Plan for executing the identified evacuation infrastructure projects:

✓ First Mile Connectivity Projects

Out of the 35 Projects identified for implementation, 3 Projects have been commissioned, 7 Projects are under construction, LOA/WO have been issued for 19 Projects and Tenders of the remaining 6 Projects are under evaluation.

✓ Railway line Projects

Out of the 12 Rail lines identified for implementation, LOI and LOA have been issued for 11 Rail Projects. Out of these 11 Projects, 7 Projects are under construction/ Project execution Phase and in 4 Projects work for preparation of FSR&DPR has been awarded.

✓ Railway Siding Projects

Out of the 21 Projects identified for implementation, LOA for 19 Projects have been issued. Out of these 19 Projects, Work for preparation of FSR&DPR has

been for 11 Projects and the remaining 8 Projects are under execution stage. The remaining 2 Projects are under Approval.

✓ Road Projects

Out of the 33 Projects identified for implementation, LOA/ Work order has been issued in 26 Projects and Tenders are under evaluation for 2 Projects. The remaining 5 Projects are under Approval.

Requisite funds for Evacuation Projects

2.70 Apart from CIL's equity share in the 4 Rail Evacuation Projects being executed through SPVs in the form of Rail JVs, all requisite funds for the rest of the Projects would be from CIL's own resources.

Project	Equity of CIL	Loan of CIL	JV Source	JVs Loan/Others	(Rs. in crore)
					Total Investment till 2023-24
Coal Evacuation	24424	Nil	2032	7587	34044

6. Budgetary Provision to North-Eastern Areas under the Scheme

2.71 The Committee have been informed that Ministry of Coal specifically allocated 10% of Budget Estimate/Revised Estimate for NE Region. Central Sector Scheme component of Rs.419.98 crore includes mandatory provision of Rs. 42.00 crore towards North Eastern Region under the schemes of Research & Development, Regional Exploration, Detailed Drilling & Environmental Measures and Subsidence Control.

2.72 The Committee have been informed that under R&D scheme allocated budget of Rs. 1.20 crore for NE Region during 2020-21 has been fully utilized and budget provision of Rs. 1.80 crore under R&D scheme for NE Region during 2021-22 would also be fully utilized.

2.73 Under the Scheme Regional Exploration & Detailed Drilling in coal a mandatory provision of Rs.70.00 was allocated in BE 2020-21, which was reduced to Rs.48.50 crore in RE 2020-21. Due to reduction in total fund provision in Regional & Detailed Exploration, Rs.33.00 crore has been allocated in BE 2021-22.

2.74 The Committee have observed that despite continuous efforts North East component of budget could not be utilized because exploration could not be taken up at large scale due to medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies and these are the common reasons liable for under utilization of funds in North East Region for the last few years. When asked about the difficulties being

faced in the NE Region in pursuing projects of coal production and utilization of funds and alternative approach to overcome these difficulties, the Ministry in their written replies informed that forest cover in coal bearing areas and hilly terrain are the main reasons for taking up coal projects and quality proposals are generally not received related to R&D in NE Region. However, through continuous effort, two projects received during 2020-21 related to NE region and 1 is under implementation & other project has been placed before Technical Sub-committee of SSRC & the committee sought some clarification on the project proposal.

2.75 Further, Ministry submitted that considering that some of these difficulties will reduce by direct intervention of State Government, achievement of the target in the NE Region may be done with active involvement of concerned State Government with support of CMPDI.

2.76 The Committee were also informed that the allocated funds under Research and Development could not be fully utilized due to poor response of Institutes/Organizations located in North-East and reluctance of institutions located elsewhere to take up R&D projects for North-Eastern region.

CHAPTER III

PHYSICAL AND FINANCIAL PERFORMANCE OF COAL PSUs

Total demand (actual)/supply of coal (thermal and non-coking coal) during the years 2017-18, 2018-19, 2019-20 and 2020-21 is given below:

Year	2017-18	2018-19	2019-20	2020-21
Actual Demand (MT) (including coking and non coking both)	898.28	968.10	955.26	1085.00#
Domestic Supply (MT) (CIL, SCCL and Others)	690.28	732.98	706.72	555.55*
Import (including Coking and Non-Coking both)	208.27	235.24	248.54	134.35@
*Actual upto January, 2021, MT – Million Tonne @ Actual upto November, 2020 # Estimated at the initial stage which is likely to reduce significantly on account of effect of COVID-19.				

Physical Performance

3.2 On being asked to furnish details of physical targets set for coal products for the year 2020-21 along with reasons for variation/shortfall in achieving the set targets, the Ministry have furnished the following as under:

Target and actual of Coal production 2020-21 (MT)		
Company	2020-21 Target	2020-21# Upto Jan-2021
CIL@	660.00	453.32
SCCL	67.50	38.61
Captive	91.00	48.40
Others	10.00	5.13
Total	828.50	545.46
@ The target of CIL has been finalized at 660.00 MT for MoU purpose Source: CCO, As per Preliminary Report		
# Provisional		

3.3 The major reasons for the likely shortfall from the targets, as informed by the coal companies, are as under:

- Land acquisition problem
- Delay in physical possession of land
- R & R issues
- Encroachment issues
- Delay in Forestry and Environmental Clearances
- Local Law & Order problem at a few places
- Covid-19 Pandemic

3.4 The Committee have observed that during 2020-21, physical targets set for production of coal by CIL and SCCL were 660 MT and 67.50 MT while the

achievement were 453.23 MT and 38.61(as on January, 2021). During 2021-22, physical targets set for production of coal by CIL and SCCL are 740MT and 68 MT.

3.5 Regarding fulfilling the target for production of coal during the year 2020-21 the Chairman, CIL while appearing before the Committee summed up the matter that 660 MT production will not be possible, there is a reason because CIL can only produce the quality of coal, which can be consumed. Upto March last year CIL had 75 MT of coal, if CIL would produce 610 MT coal then the stock will increase to 110 MT, then CIL should have a place to keep it safe, because during the self carbonization process, coal catches fire. Due to fire entire coal would be destroyed. Suppose if it does not catch fire, even then its quality deteriorates gradually. Then it becomes difficult for CIL to sell it. Whenever this type of coal is sent, CIL's image deteriorates. Therefore, production of coal more than a limit is not possible. But CIL has made preparation for the next year and fixed a target of 740 MT.

3.6 The Committee have been informed that for combating Covid 19 Pandemic, the following steps have been taken by CIL which is as under:

- Being a manpower-intensive industry, CIL is battling on multiple fronts to prevent the spread of corona virus at mining areas and scaling up protective and relief measures for its employees and the local populace.
- Highest mobilization of covid care isolation beds by a PSU in the country, Coal India Limited has set up 1513 such beds.
- With 98 ICU beds already made available, further 50 are being added soon.
- 80,000 litres of sanitizer & 17.4 lakh Mask has been distributed.
- CIL has contributed a total of Rs.332.83 crore for Covid-19 relief, which also includes Rs. 160 crore to PM Cares Fund, making it one of the largest contributors among the Indian CPSUs.
- Besides, the employees of CIL have also contributed Rs. 61.03 crore to PM Cares Fund, from their salary.
- CIL has also declared ex-gratia payment of Rs.15 lakh to the next of kin of employees including contractual workers, in case of death due to Covid.

3.7 The Physical targets vis-à-vis achievements by NLC India Ltd. during 2020-21 and targets during 2021-22 are as follows:

Particulars	Million Tonne		
	Target 2020-21(BE)	Actual 2020-21 (upto Jan 21)	Target 2021-22(BE)
Lignite Production in MT	25.22	14.18	24.65
Coal Production in MT	0.94	0.62	3.5

3.8 When asked what steps are being taken or proposed by Ministry of Coal to achieve ambitious target of \$ 5 trillion as reported in Business Standard dated 12.01.2021, the Ministry have submitted that coal plays an important role in the energy security of the country. Coal will continue to be critical fuel in the energy matrix in the medium term future of the country. The Government of India has taken a number of measures to expend economy including the following:

- (a) Auction of Coal Blocks
- (b) Various steps to operationalise coal blocks
- (c) Expeditious drilling of coal bearing areas
- (d) An ambitious plan for coal india to produce one billion by 2023-24
- (e) An evacuation plan to transport coal at comparative tariffs to the consumers quickly.
- (f) The Ministry is trying to leverage financial strength of CIL to expend into new business areas- Investments in solar and thermal power projects, manufacturing of solar wafers and aluminium smelting business

Financial Performance

3.9 During oral evidence of the Ministry of Coal, through a Power Point presentation, the Committee was informed about the Capex of Coal PSUs as under:

(Rs. in crore)

Sl. No.	Name of PSU	2019-20				2020-21				2021-22
		BE	RE	Actual	% of Actual w.r.t RE	BE	RE	Actual (upto Jan. 2021)	% of Actual w.r.t RE	BE
1	CIL	10000	10000	6269.65	62.69	10000	10000	8626.12	86.26	14685
2	NLCIL	8271	8271	6469.62	78.22	6667	6667	2264.17	33.96	2750
3	SCCL	1850	1850	2257.6	122	2300	2300	955.06	41.52	2550
Total		20121	20121	14996.87	74.53	18967	18967	11845.35	62.45	19985

3.10 It may be seen from above that during 2020-21 against plan outlay of Rs.10000 crore of CIL, actual utilization (upto January, 2021) is Rs. 8626.12 crore (86.26%).

3.11 The Committee have observed that during 2020-21 against plan outlay of Rs.6667/- crore and 2300/- by NLCIL and SCCL respectively, the actual utilization is Rs.2264.17 crore (33.96%) and Rs.955.06 crore (41.52%) (upto January, 2021).

3.12 On being asked to state the reasons for less expenditure, the Ministry in a post evidence reply have stated NLCIL's CAPEX for 2020-21 is likely to fall short to achieve due to the reasons mentioned below:-

"NLCIL's CAPEX target of Rs.6667 crore comprised of three projects aggregating to an amount of Rs.3673 crore which were essentially in

formulation stage but nevertheless included in target subject to the review of feasibility in terms of economic and off-take arrangement.

One of the project viz. TPS II 2nd Expansion (2 x 660 MW) with estimated outlay of Rs 9858 crore couldn't establish feasibility from the tariff point of view and did not have renewed off-take confirmation from the beneficiaries and consequently it will not be possible to take up the project unless the essential pre-requisites gets satisfied. Capex estimated for 2020-21 from this project was Rs.620 crore.

Another Project viz. Talabira TPS (3 X 800 MW) with project cost Rs 19,422 crore again is unlikely to see any expenditure during the current year as it will take another 5 to 6 months for finalization of the contract and award of work. Nevertheless, the estimated Capex for 2020-21 of Rs.1575 crore can be achieved in the subsequent year, once the reconfirmation from the beneficiary States is received, followed by investment approval.

An expenditure of Rs. 1,478 crore expected on best effort estimate earlier through renewable projects is also not likely to fructify during current Financial Year, as although NLCIL is participating in RE bids. As on date no solar power project is under execution. However, NLCIL is trying to participate in the competitive bids which may likely to materialize in the next Financial Year. As regards the ongoing projects, the major amount was expected from NUPPL, Ghatampur (3 X660 MW). An amount of Rs.2000 crore was initially envisaged based on the critical review of the project. However, all out efforts are being made to enhance the expenditure up to Rs. 2,270 crore by ramping up requisite resources and close monitoring.

An amount of Rs. 500 crore originally envisaged under NNTPP project (2x 500 MW) may get reduced to Rs. 200 crore on account of slowdown in the pace of the work due to COVID situation and permission for start-up power not getting extended due to dispensation at CERC which was not functional due to supreme court order. Also, NTA-4 FGD package contract awarded to China Datang Technologies and Engineering Co. Ltd. (CDTE) was terminated on 07.09.2020 due to poor progress of engineering, the inability of the contractor so far to establish site office and start site-enabling works etc.

An amount of Rs.364 Crore originally envisaged under Talabira Mines will stand reduced to Rs.100 Crore on account of issues faced in the land acquisition where by the actual pay out may spill over to the next year. However, this has not in any way affected the pace of the projects in terms of

Coal exploration and extraction.

Considering the above an amount of Rs. 2700 Crore can be reasonably expected from NLCIL during the financial year 2020-21 as against the CAPEX of Rs. 6,667 crore originally envisaged.”

SCCL: The Capital outlay of SCCL for 2020-21 is Rs. 2300 crore and likely utilization is Rs. 1750 crore by the end of 2020-21.

Reasons for shortfall in CAPEX during 2020-21: Due to COVID pandemic, supply of ordered plant & machinery, land acquisition in Indaram Khani Opencast, Kakatiya Khani Opencast-II and Kistaram Opencast, grounding of new projects like Godavari Khani-5 Opencast and Infrastructure development activities delayed.

Import of Coal

3.13 When the Committee pointed out about import of 247 MT coal during last year, the Chairman, CIL during oral evidence informed the the Committee that it is absolutely correct that 247 MT coal import was done last year. If it is not in demand then why it is imported 247 MT coal, because it contains 50-60 MT high quality coking coal which is used in the production of steel. This type of coal is not available in the country.

3.14 On being asked about the action plan to reduce import of coal, the Committee have been informed that with an objective and mandate to meet the demand supply gap of coal by year 2023-24, CIL plans for achieving 1 Billion tonne (Bt) of coal production. In order to plan-ahead for achieving the target, subsidiary companies have chalked out detailed action plans. The overall resources required are mainly land, rehabilitation & resettlement, statutory clearances of environment and forest, coal evacuation infrastructure.

3.15 CIL's envisaged 1 Bt coal production plan by the year 2023-24 is primarily aiming at reducing demand-supply gap of coal in India by substituting the non-essential import of thermal coal primarily. Commensurate with the production plan, CIL has planned to construct railway links of about 430 kilometre length having capacity of about 275 million tonne per year either through deposit basis or through formation of JVs, in the growing coalfields of the states of Odisha, Madhya Pradesh and Chhattisgarh with an estimated investment of about Rs. 27000 Crore (Rail line about Rs. 22000 Crore + Rail siding about Rs.5000 crore) which is likely to be invested till 2023-24 and beyond.

3.16 Apart from the above, CIL has planned for 49 First Mile Connectivity (FMC) projects which are being implemented on a 'Mission Mode' in two phases. By 2025-26 CIL would have 655 million tonne per year of Rapid Loading Capacity. There would be a major shift from Road Transportation to transportation through Rail mode.

Quality Improvement of Coal

3.17 On the issue of steps taken for quality improvement of coal, the Committee have been informed that around 95% of the coal production has been envisaged to come from opencast mines & remaining 5% from underground mines which are mostly of high grade. In opencast mine through selective mining quality of raw coal produced would be enhanced. CIL has planned to deploy surface miners in various open cast mines for selective mining, wherever geological conditions permit. At present, production from surface miners contribute around 45% of the total production of CIL and more contribution is envisaged in future. CIL has also ensured to supply 100 % crushed & sized coal to its power consumers. Further, Coal beneficiation is also a process by which the quality of raw coal is improved by either reducing the extraneous matter that gets extracted along with the mined coal or reducing the associated ash or both. At present CIL has a total coal washing capacity of 34.63 million tonne per year through 12 existing washeries, of which 10 are coking coal and 2 are non-coking. CIL has planned to set up further 9 washeries in 1st Phase & 3 in 2nd Phase with an aggregate through put capacity of 60 million tonne per year.

Single Window Clearance Portal

3.18 The Committee have been informed that the Union Government launched Single Window Clearance portal for the coal sector to speed up the operationalisation of coal mines. It is an unified platform that facilitates grant of clearances and approvals required for starting a coal mine in India. Presently, about 19 major approval or clearances are required to be obtained before starting a coal mine in the country. Some of them include approval of Mining Plan and Mine Closure Plan, Grant of Mining Lease, Environment and Forest Clearances, Wild Life Clearance, Clearances related to Safety, Environment, Rehabilitation of project affected families, Welfare of workers etc. These approvals or clearances are granted either by Central or State Governments. Project proponents were required to approach different administrative ministries and Government departments separately

to apply for the requisite clearances leading to delay in operationalization of coal mines. Now, the complete process shall be facilitated through Single Window Clearance Portal, which will map not only the relevant application formats, but also process flow for grant of approval or clearances. The Mining Plan module of the portal was launched on 11.01.2021 and the modules related to other clearances will be added in phases.

Imposing GST compensation cess for domestic coal on ad-valorem basis

3.19 During evidence Secretary Ministry of Coal informed the Committee about the imposing of the GST compensation cess for domestic coal on ad-valorem basis, to this, the Committee sought a brief note on the cess. The Ministry in a post evidence reply have informed the Committee that the domestic coal supplied by CIL to its consumer's vis-à-vis the equivalent grade of imported coal requires an evaluation in respect of GST compensation cess. The GST compensation cess charged for both domestic coal and imported coal is Rs. 400/- per tonne, which in percentage terms is much higher for domestic coal than imported coal.

3.20 The Committee have been informed that for Indonesian Coal Index (ICI4) whose GCV is 4200 Kcal/Kg on GAR basis, FoB price is \$ 47.05 and equivalent CIF (Cost, Insurance and Freight) is Rs. 4201/- per tonne, the GST compensation cess charged at Rs. 400/- per tonne comes to around 9.5% of the CIF. However, for equivalent grade of domestic coal (i.e.G10 with a mid-point GCV of 4450 Kcal/Kg) the ex-colliery price excluding taxes is Rs. 1241/- per tonne, the GST compensation cess charged at Rs. 400/- per tonne comes to around 32%.

	Imported Coal	Domestic Coal
Grade	ICI 4 on GAR Basis 4200 Kcal/Kg	G10 Mid-Point GCV 4450 Kcal/Kg
CIF in Rs./tonne excluding taxes	4201	1241
GST Compensation Cess (in Rs.)	400	400
GST Compensation Cess as % of CIF	9.5%	32%

Similarly, for lowest grade of coal of G17, basic price of which is Rs. 457/- per tonne and CIF is around Rs. 664/- per tonne including surface transportation, sizing and evacuation charges. GST compensation cess being charged at Rs. 400/- per tonne comes to around 60% of the CIF.

Coal Theft and Pilferage

3.21 When the Committee pointed out about the illegal coal mining and theft, the Ministry in a post evidence reply have stated that theft / pilferage of coal are carried out stealthily and clandestinely. CIL has a robust system of guarding its installation by employing CISF and other security personnel. However, Law & Order is a State subject, hence primarily, it is the responsibility of the State/District administration to take necessary deterrent action to stop/curb theft / pilferage of coal.

3.22 Coal India Limited endeavour to obtain all statutory clearances/licenses before commencement of coal production. During the course of coal production all statutory provisions under various Acts, Rules and Regulations are observed for conducting various activities. As such, there is no illegal mining in the lease-hold areas of Coal India Limited.

3.23 Illegal mining of coal is reported to be carried out mainly from abandoned mines, shallow coal seams situated at remote/isolated places from the mines and are scattered over a large area. It is a Law & Order problem which is a State subject, hence primarily; falls under the domain of the State/District administration to take necessary deterrent action to stop/curb illegal mining of coal. The Management of subsidiary companies lodges FIR with local Thana to take necessary action.

Following steps have been taken to check such incidents--

Theft / pilferage of coal:

- RFID based Boom Barriers and CCTV camera at weighbridges, GPRS based vehicle tracking system with geofencing, CCTV camera at strategic locations of all mines have been installed.
- Regular FIRs are lodged by the Colliery Management and CISF with local Thana. A close watch on the activities of criminals is being kept by CISF.
- Interaction and liaison with District officials at regular intervals and holding meeting with Officials of the State Administration.
- Challans for coal transportation by trucks outside the district are being issued after fixing hologram and putting signatures of authorized officials of CISF to check pilferage.
- Armed Guards have been deployed at Railway sidings.
- Escorting of coal rakes in coordination with RPF upto weighbridge, is arranged in pilferage prone areas.
- Surprise re-weighment of coal loaded trucks is done at weighbridges.
- Surprise checks / raids are conducted by flying squads of CISF/security department.
- Regular patrolling is conducted in and around the mine including OB dumps.

- Joint patrolling with local police is also being carried out in pilferage prone areas.
- Check posts have been established at entry / exit points where all coal laden vehicles are physically checked.
- Security at coal dumps has been strengthened by fencing, proper illumination and round the clock guarding.

Illegal mining of coal:

- Concrete walls have been erected on the mouth of the abandoned mines to prevent access and illegal activities in these areas.
- Surprise raids/checks being conducted jointly by security personnel and law and order authorities of the concerned State Government.
- Dumping of the overburden is being done on the outcrop zones.
- Installation of check-posts at vulnerable points.
- Training of existing security/CISF personnel, refresher training and basic training of new recruits in security discipline for strengthening the security setup;
- Maintaining close liaison with the State authorities.
- Committee/task force has been constituted at different level (block level, sub-divisional level, district level, state level) in some subsidiaries of CIL to monitor different aspects of illegal mining.

3.24 The Government of India has launched one mobile app namely “Khanan Prahari” and one web app Coal Mine Surveillance and Management System (CMSMS) for reporting unauthorized coal mining activities so that monitoring and taking suitable action on it can be done by Law & Order authority.

Outstanding Dues

3.25 The Committee enquired about the State-wise and utility-wise outstanding dues of Coal India Limited, SCCL and NLC India Ltd. as on 31 March, 2018, 2019 and 2020. In this regard the Ministry in a written reply have furnished the following information:

Year-wise outstanding dues of Coal India Ltd. (CIL) from Power Sector are as follows:

- a) As on 31.03.2017: Rs. 12,084.40 crore
- b) As on 31.03.2018: Rs. 8,533.20 crore
- c) As on 31.03.2019: Rs. 8,435.19 crore
- d) As on 31.03.2020: Rs. 16,151.06 crore
- e) As on 31.01.2021: Rs. 24,728.62 crore

3.26 The following is the statement showing the State-wise dues of SCCL as on 31.03.2018, 31.03.2019, 31.03.2020 and 31.01.2021:

(Rs. in crore)

State	Customer	Outstanding Dues as on -			
		31.03.2018	31.03.2019	31.03.2020	31.01.2021
Andhra Pradesh	APGENCO	530.97	688.48	860.13	761.82
Telangana	TSGENCO	1214.08	1831.77	2960.95	3178.29
	NTPC	224.60	342.35	390.95	242.96
Maharashtra	MSEB	96.35	65.52	286.53	281.51
Karnataka	KPCL	137.56	310.52	480.35	524.65
Total		2203.56	3238.64	4978.91	4989.23

NLCIL: The outstanding dues of NLC India Ltd. as on 31.01.2021 is Rs. 9,072.50 crore.

3.27 The committee enquired about the steps taken to recover all their dues in a time bound manner, the Ministry in a written reply have stated that Coal Sales dues are continuously monitored by CIL & its subsidiaries and regular follow-up is done with consumers for early recovery. From time to time, coal sales dues of SEBs/State Gencos and CPSUs are realized following settlement of accounts.

3.28 Further, the outstanding dues as on 31.03.2020 was Rs. 16,151.06 Crore which has increased to Rs. 24,728.62 Crore (provisional) as on 31.01.2021. Due to liquidity crunch faced by the SEBs during outbreak of Covid 19 pandemic, many of the State Governments had requested CIL for continuous supply of coal without insisting on immediate payment. Thus, keeping in consideration the national interest for maintaining uninterrupted power generation, CIL continued uninterrupted coal supply during the pandemic, resulting in increase of outstanding dues. Now, keeping in mind that the liquidity scenario has improved, CIL is tentatively planning to regulate coal supplies for realization of outstanding dues. The issue of recovery of dues has also been taken up by Ministry of Coal with Ministry of Power.

Part-II

Observations/Recommendations of the Committee

IMPACT OF COVID-19 PANDEMIC ON COAL PRODUCTION

1. The Committee note that unprecedented outbreak of pandemic COVID-19 and imposition of subsequent lockdown from March, 2020 resulted in subdued demand by Power and Non-power sectors. This adversity affected coal despatch from CIL to a large extent. Due to COVID-19, the actual coal production and coal off-take in the country was below the target due to comparatively lower demand. The overall impact of coal economy on the entire economy of the country due to COVID-19 pandemic has been assessed marginally less i.e. -1.9% during April to January, 2020-21 as the all India coal production which from 555.91 Million Tonne up to January, 2020 during 2019-20 reduced to 545.46 Million Tonne up to January, 2021 during 2020-21.

The Committee are happy to note that there was no shortage from the supply-side and coal was available to consumers as per contractual/obligatory requirements. They are of the considered opinion that despite adverse health risk due to Covid-19 virus, coal production was kept continued paving way for uninterrupted supply to needy industry and retail sector. The coal producing units kept their promise and fulfilled the call of the Government declaring 'Coal' as essential sector of the economy. The Committee also observe that CIL has mobilized 1513 Covid care isolation beds with 98 ICU Beds. Further, the Company has contributed Rs. 332.83 crore towards Covid-19 relief including Rs. 160 crore to PM Care Fund and distributed 80,000 litres of sanitizer. This Committee would like to place on record appreciation for these exemplary efforts of the Coal Sector. The Committee also expect that the future planning for coal production, outlays

and targets of coal production be drawn in such resilient way that it may accommodate the scope and possible effects of unexpected global/national epidemic/endemic. Although, Coal companies are self-reliant and responsible to achieve production targets while looking after the welfare of their workforce, the Committee recommend that Government should support these Companies who proved to be lifeline of the country in such unprecedented, unexpected and uncontrollable circumstances.

PLAN OUTLAY

2 The Committee note that the Ministry of Coal had projected an outlay of Rs. 1266.50 crore under Central Sector Schemes for Financial year 2021-22. However, the actual allocation during the year is Rs. 419.98 crore. The Committee also note that the funds allocated under BE (2021-22), will enable the Ministry to clear their pending dues of 2020-21 i.e. Rs. 417 crore. The Committee apprehend that it would lead to substantial shortfall in completion of the projects/schemes/activities of the Ministry during the year 2021-22 unless more funds as proposed by Ministry of Coal are provided at revised estimates stage. The Committee, therefore, recommend that the total plan allocation be reviewed afresh and enhanced allocations be sought at the RE stage.

3 The Committee also observe that during the financial year 2020-21, out of the budgeted amount of Rs. 819.98 crore allocated for different programmes/ schemes of the Ministry of Coal, Rs. 553.73 crore was ensured at RE stage and finally an amount of Rs. 443.87 crore which is 80.16% of the revised allocation has been utilized upto January, 2021. The reason for under utilization is stated to be less utilization of the North East component of Budget as exploration could not be taken up due to

extraneous reasons. The Committee, therefore, recommend that the Ministry of Coal should take necessary steps to timely execute the projects and prepare targets for quarterly utilization of funds lest it should lead to shortfall in physical and financial targets at the end of Financial Year 2021-22.

RESEARCH AND DEVELOPMENT (R&D) SCHEME

4. The Committee note that the allocation for Research and Development for the Financial Year 2021-22 is Rs. 18 crore as compared to Rs. 25 crore at BE stage of Financial Year 2020-21, which was reduced at RE stage to Rs. 12 crore. The actual utilization has been Rs. 8.88 crore (April-Dec.20) under the scheme. The Committee further note that due to impact of COVID-19, expenditure on R&D decreased during 2020-21, and as result work in most of the institutes carrying out the research project are standstill because field visits were restricted due to sudden outbreak of COVID-19. The Committee are of the firm view that R&D and S&T initiatives under the Central Sector Schemes have proved beneficial in the past and the significant contributions of this scheme cannot be ruled out for business expansion. Therefore, the Committee would like to be apprised of the revised/extended timelines of these projects. They further recommend that the upcoming R&D projects proposed for the year 2021-22 shall be monitored closely by accommodating the requirement of funds for the next financial year 2021-22. The Committee expect that Revised estimates of Rs. 12 Crore would be fully utilised by March, 2021 and would like to be apprised of the action plan for 2021-22 for full utilisation of Rs. 18 Crore during 2021-22.

5. The Committee note that a total of 398 S&T projects have been taken up till 28.12.2020 and 328 S&T projects have been completed till 28.12.2020. The Committee also note that during 2020-21, there are 11 spill over projects in respect of S&T Scheme (under Research & Development). Out of these 11 projects, 3 projects have been completed. During 2020-21 , till 15.02.2021, 2 new projects were approved and at present there are 10 ongoing S&T projects progressing as per schedule. Another 3 new projects have been approved by SSRC for which sanction letter from Ministry of Coal is awaited. In view of the fair pace of implementation of the R&D projects by the Ministry of Coal, the Committee would like to be apprised of the status of spill over and newly taken up R&D projects along with the expenditure incurred on them during 2020-21.

6. The Committee also note that initiatives/measures are being taken for technological upgradation works regarding coal mining since the last three years and continuous efforts are being made for technological up-gradation in mines of CIL to achieve high production/productivity in Underground and Opencast Mining and Coal Evacuation System. The Committee recommend that an extensive awareness programme may be carried out by all Coal companies as well as proposed technological upgradation in the mining sector and the same shall be promoted across entire mining sector to yield maximum benefits. The Committee also recommends that these initiatives/measures shall also be reviewed at regular interval.

DETAILED DRILLING

7. The Committee note that CMPDI carries out Detailed Exploration in CIL and Non-CIL Blocks. The exploratory drilling in non-CIL/captive Mining blocks is taken up under the Ministry of Coal's Plan scheme of Detailed Drilling in Non-CIL Blocks. The Committee have further note that Grant for

Detailed Drilling in Non-CIL/Captive mining block is met through Gross Budgetary Support from Government of India. This plan-to-plan scheme assists prospective investors in taking investment decisions regarding coal mining and ultimately reduces time in preparation of Mine Plan/Project Report. The Committee have come to know that BE and RE 2020-21 for Detailed Drilling were Rs. 630 crore and Rs. 385 crore respectively. However the actual utilization has been Rs. 290.57 crore (April-Dec.20). Allocation for Financial Year 2021-22 proposed for Detailed Drilling at BE stage is Rs. 200 crore against Rs. 550 crore projected. The Committee have been informed that the current outlay is sufficient for about 3.00 lakh metre of drilling against the proposed target of 6.00 lakh metre drilling in detailed drilling. To achieve the projected 6.00 lakh metre detailed drilling targets , the Committee recommend that the Ministry of Coal must look into the matter and seek augmented budgetary support at RE stage.

8. The Committee have been apprised that Government expenditure in detailed drilling will be reduced and private sector will be encouraged for exploration. However, detailed drilling in blocks where detailed exploration are in progress during 2020-21, will be continued and concluded by 2023-24. The Committee do hope that appropriate steps shall be taken to promote private investment in coal mining industry in general and in drilling sector in particular. The Committee would like to be apprised of the steps taken in this direction.

PROMOTIONAL EXPLORATION

9. The Committee note that the Grant for the scheme of Promotional Exploration in Coal & Lignite is met through Gross Budgetary Support from Government of India. This plan-to-plan scheme assists in enhancing the pace of coal-lignite regional exploration undertaken by Geological Survey of

India on regular basis. The aim of the scheme is to undertake preliminary drilling to assess the availability of coal and lignite in various areas. The Committee find that under this Scheme, BE for the Financial Year 2020-21 was Rs. 70 crore which was increased to Rs. 100 crore at RE stage. However, the actual utilization of this allocation was Rs. 56.72 crore only upto April-Dec. 2020, out of which the North-East Component of budget could not be utilized. The Committee have been informed that as per policy, new blocks will be taken for Regional Exploration in G2/G3 category with 2D/3D seismic survey, so more area may be covered in less time. The fund of Rs. 130 crore is allocated for the same in BE 2021-22 which is Rs. 30 crore more than the RE 2020-21. The Committee impress upon the Ministry of Coal that it is equally important to exploit untapped potential in NER also and therefore, the Ministry should take utmost care to ensure that the physical and financial targets of the Scheme of Promotional Exploration for coal and lignite in North Eastern Region are achieved during 2021-22. The Committee expect the Ministry to optimally and efficiently utilize this enhanced allocation and display exemplary focus on the implementation of the Scheme for optimal achievement of the physical and financial targets during the year.

CONSERVATION AND SAFETY

10. The Committee note that budgetary allocation for conservation and safety in coal mines for the year 2020-21 was Rs. 10 crore at BE stage and Rs. 6 crore at RE stage, whereas the actual spending of Rs. 4.45 crore was noticed upto December, 2020. The BE for year 2021-22, stands reduced at Rs. 6 crore against a projected amount of Rs. 65 crore. The present allocation of Rs. 6 crore would not be sufficient to even clear dues of previous years. The Committee also note that the budgetary allocation for the scheme is continuously on the decline. The Committee are of the

opinion that conservation and safety is a vital and sacrosanct element of coal mining and feel that funds should not be a constraint in addressing concerns of higher coal productivity as well as protection and safety of workers. The Committee, therefore, recommend that the Government should consider review of budgetary allocation and these be stepped up at RE stage (2021-22).

DEVELOPMENT OF TRANSPORT INFRASTRUCTURE IN COALFIELD AREAS

11. The Committee note that the BE amount allocated for Development of Transport Infrastructure in coalfield areas for Financial Year 2020-21 was Rs. 84.48 crore at BE stage, which was reduced to Rs. 50.23 crore at RE stage, out of which only Rs. 34.34 crore (upto April-Dec. 2020) was utilized. The Committee also note that against the projected requirement of Rs. 196 crore for Development of Transportation Infrastructure in Coalfield, only Rs. 65.48 crore have been allocated for the Financial Year 2021-22. The Committee have been given to understand that Ministry of Finance has been reducing the total funds under the Central Sector Schemes continuously and accordingly, in that ratio, funds for this schemes has also been reduced. The Committee also observe that with the present allocation of funds for the scheme, the Ministry may not be able to clear dues/spill over expenditure/funds which are more than Rs. 100 crore. The Committee, therefore, recommend the Ministry to make enhanced demand for budgetary support under the Scheme for the year 2021-22 at RE stage as per requirement.

BUDGETARY PROVISION TO NORTH-EASTERN AREAS UNDER THE SCHEME

12 The Committee have been informed that Ministry of Coal specifically allocates 10% of Budget Estimate/Revised Estimate for NE Region to implement Central Sector Scheme. Out of total budgetary allocation of Rs.419.98 crore for the Financial year 2021-22 , mandatory provision of Rs. 42.00 crore has been allocated for North Eastern Region under the schemes of Research & Development, Regional Exploration, Detailed Drilling & Environmental Measures and Subsidence Control. The Committee have been informed that under R&D scheme , allocated budget of Rs. 1.20 crore for NE Region during 2020-21 has been fully utilized and budget provision of Rs. 1.80 crore under R&D scheme for NE Region during 2021-22 would also be fully utilized. Under the Scheme Regional Exploration & Detailed Drilling in coal a mandatory provision of Rs. 70.00 crore was allocated in 2020-21, which was reduced to Rs.48.50 crore at revised stage. Due to reduction in total fund , provision in Regional & Detailed Exploration, Rs.33.00 crore has been allocated for the Financial Year 2021-22. The Committee have observed that despite continuous efforts, North East component of budget is not being utilized fully due to common reasons of medium to dense forest cover, rugged topography, adverse Law & Order conditions, special land tenancy Act & limited availability of exploration agencies for the last few years. However, through continuous efforts, two projects received during 2020-21 related to NE region. First is under implementation & other project has been placed before Technical Sub-committee of SSRC. The Committee hope that the efforts made to promote R&D Projects in North-Eastern Region will be continued with enhanced thrust and the Regional Detailed Exploration in the Region may be promoted through full cooperation of NE Region administration. The Committee do hope that the State Governments

of NE Region with support of CMPDI shall have active involvement in achievement of the set targets in the North-Eastern Region for various projects/activities directly related with coal exploration, promotion and production. The Committee, therefore, recommend that the Ministry of Coal should taken necessary steps to timely execute the projects and prepare targets for quarterly utilization of funds lest it should lead to shortfall in physical and financial targets at the fag end of the year. The Committee hope that the NE component of budget is monitored and reviewed by the Government on continuous basis and alternative approaches/strategies may be pursued.

PHYSICAL PERFORMANCE OF COAL/LIGNITE PSUs

13. The Committee note that the total coal reserves in the country as on 01-04-2020 have been assessed as 344 billion tonne consisting of 163.5 billion tonne as proved, 150.4 billion tonne as indicated and 30.1 billion tonne as inferred. The Committee also note that the physical targets set for coal/lignite production during 2021-22 by CIL, SCCL and NLCIL are 740 MT, 68 MT and 28.15 MT respectively. The Committee find that during 2020-21 against the physical target of 660 MT of coal production by CIL, the actual production upto January, 2021 has been 453.23 MT. Similarly , in the case of SCCL against the coal production target of 67.50 MT during 2020-21, the actual production upto January, 2021 has been 38.61 MT. The Committee also find that in the case of NLCIL against the Lignite and coal production target of 26.16 MT, the actual achievement upto January, 2021 has been 14.80 MT. Reasons for lower production have been attributed by the Ministry to Covid-19 Pandemic, Land acquisition problem, delay in physical possession of land, R&R issues, Encroachment issues, delay in Forestry and Environmental clearances, Local law & order problem at a few places,

etc. The Committee do realize and appreciate the efforts put-in by the Ministry and coal producing companies for their unabated production of coal and its supply to the different sectors/utilities even after unprecedented situation arisen due to Covid-19 world over. They do hope that the performance in the fields which fell short of the targets fixed will be improved by taking necessary steps. They also trust that the Ministry/ Coal PSUs would make earnest efforts in fructifying the above issues into tangible needs so that production targets fixed for 2021-22 are fully achieved with infusion of requisite funds.

14. In the light of growing energy requirements of the country, the Committee have been informed that Coal India Limited will produce 750 million tonnes of coal by the Financial Year 2020-21 and would further produce one billion tonne of coal in the financial year 2023-24. Further, during 2020-21 an estimated 247 million tonnes of coal import were made including 57 million tonnes of coking coal by steel sector. While observing that country is investing heavily in renewable energy particularly Solar Energy, lower coal consumption due to improved technologies in thermal power stations and auction of commercial coal mines, the Committee feel that the Government should consider reviewing the total coal demand by thermal power sector as well as one billion tonne coal production targets fixed for Coal India Limited by the year 2023-24. The Committee would also like to be apprised of the Action Plan of the Ministry of Coal/Coal Producing Companies to reduce coal imports.

FINANCIAL PERFORMANCE OF COAL/LIGNITE PSUs

15. The Committee note that all the three Public Sector Companies under the administrative control of the Ministry of Coal, implement their Capital Investment Plans from their Internal and Extra Budgetary Resources (IEBRs)

without Budgetary Support from the Government of India. The Committee note that an amount of Rs. 19985 crore (CIL-Rs 14685 crore + NLCIL- Rs 2750 crore +SCCL- Rs. 2550 crore) has been proposed for the year 2021-22 by these PSUs for production of coal and development of infrastructure needed for this purpose. As regards the extent of implementation of the Capital Investment Plans against the allocations during the year 2020-21, the Committee find that against the revised estimates of Rs. 18967 crore for all the three PSUs (CIL – Rs. 10000 crore, NLCIL – Rs. 6667 crore and SCCL – Rs. 2300 crore), the actual expenditure upto January, 2021 has been Rs.11845.35 crore (62.45%). The utilization of funds was Rs. 8626.12 crore (86.26%), Rs. 2264.17 crore (33.96%) and Rs.955.06 crore (41.52%.) respectively. Reasons cited for non-achievement of financial targets include *inter-alia* formulation stage of projects, Covid-19 Pandemic, supply of ordered plant & machinery, land acquisition in Indaram Khani Opencast, Kakatiya Khani Opencast-II and Kistaram Opencast, grounding of new projects like Godavari Khani-5 Opencast and infrastructure development activities delayed etc. The Committee, having taken note of constraints, do hope that the Ministry of Coal / PSUs would intensify their efforts to resolve all issues and would pursue the current measures more diligently and optimally to achieve the targeted CAPEX during 2021-22 and they be apprised of the advance action taken for full utilisation of Plan Outlays by three PSUs.

SINGLE WINDOW CLEARANCE PORTAL

16. The Committee are happy to note that the Union Government has launched a Single Window Clearance Portal for the coal sector to speed up the operationalisation of coal mines which is an unified platform that facilitates grant of clearances and approvals required for starting a coal

mine in India. The Committee have also been informed that now the complete process for starting a coal mine shall be facilitated through Single Window Clearance Portal, which will map not only the relevant application formats, but also process flow for grant of approval or clearances. While appreciating the efforts for launching a Single Window Clearance Portal for starting a coal mine, the Committee are of the view that the Ministry should continue with their efforts to facilitate approvals expeditiously. They further opine that this would ensure availability of coal block for e-auction and enable the prospective investor to take quick decision of investment to establish their industrial units which may require coal as one of the important inputs. The Committee would like to appreciate the innovative and much needed practical requirement of the day to facilitate the setting up of new industries in the country.

IMPOSING GST COMPENSATION CESS FOR DOMESTIC COAL ON AD-VALOREM BASIS

17. The Committee note that the GST compensation cess charged for both domestic coal and imported coal is Rs. 400/- per tonne, which in percentage terms is much higher for domestic coal than imported coal. In this connection, Ministry of Coal has given example of Indonesian Coal Index (ICI4) whose GCV is 4200 Kcal/Kg on GAR basis, FoB price is \$ 47.05 and equivalent CIF (Cost, Insurance and Freight) is Rs. 4201/- per tonne, the GST compensation cess charged at Rs. 400/- per tonne comes to around 9.5% of the CIF. However, for equivalent grade of domestic coal (i.e. G10 with a mid-point GCV of 4450 Kcal/Kg) the ex-colliery price excluding taxes is Rs. 1241/tonne, the GST compensation cess charged at Rs. 400/- per tonne comes to around 32%. Similarly, for lowest grade of coal of G17, basic price of which is Rs. 457/- per tonne and CIF is around Rs. 664/- per tonne

including surface transportation, sizing and evacuation charges GST compensation cess being charged at Rs. 400/- per tonne comes to around 60% of the CIF.

The Committee have been given to understand that this uniform imposition of GST compensation cess @ Rs. 400 per tonne for domestic as well as imported coal creates discriminating tilt towards imported coal as it is applicable on quantum and not on the quality and price of the coal. Ultimately, this leads to less demand of domestic coal *vis-à-vis* imported coal. While endorsing the views of Ministry of Coal that this way of charging GST compensation does not provide level-playing field to the indigenous coal producing units *vis-à-vis* coal importing companies, the Committee recommend that the Ministry of Coal may take up the matter at appropriate level in the Government to re-consider imposing the GST compensation cess for domestic coal on *ad-valorem* basis so as to make the domestic coal and lignite competitive. The Committee feel that this will also result in increased demand of low grade domestic coal.

COAL THEFT AND PILFERAGE

18. The Committee note with concern that illegal mining of coal is reported to be carried out mainly from abandoned mines, shallow coal seams situated at remote/isolated places and from the mines that are scattered over a large area. The Ministry has maintained that it is a Law & Order problem which is a State subject, hence primarily, falls under the domain of the State/District administration to take necessary deterrent action to stop/curb illegal mining of coal. Despite this the Ministry has taken several measures like robust system of guarding its installation by employing CISF, RFID based Boom Barriers and CCTV camera at weighbridges, GPRS based vehicle tracking system with geofencing,

lodging FIR with local Thana by Colliery Management, Interaction and liaison with District officials at regular intervals, Concrete walls on the mouth of the abandoned mines etc. The Committee have also been informed that the Government has launched one mobile app namely “Khanan Prahari” and one web app Coal Mine Surveillance and Management System (CMSMS) for reporting unauthorized coal mining activities so that monitoring and taking suitable action on it can be done by Law & Order Enforcement Authority. While appreciating the IT initiatives taken by the Ministry to check theft and pilferage of coal, the Committee would like to be apprised of the present status of entire mining areas being covered. The Committee also desire that the Ministry of Coal and Coal PSUs in coordination with respective State Governments should prepare an action plan for addressing theft and pilferage of coal.

OUTSTANDING DUES OF COAL/LIGNITE PSUs

19. The Committee note that huge amount of dues are outstanding from the States and other utilities for years and as a result, outstanding dues of CIL, SCCL and NLCIL as on 31st January, 2021 have soared to Rs.24,728.62 crore, Rs.4989.23 crore and Rs.9072.50 crore, respectively. The Ministry have stated that Coal Sales dues are continuously monitored by CIL & its subsidiaries and regular follow-up is done with consumers for early recovery. Further, from time to time, coal sales dues of SEBs/State Gencos and CPSUs are realized following settlement of accounts. However, due to liquidity crunch faced by the SEBs during outbreak of Covid-19 pandemic, many of the State Governments had requested CIL for continuous supply of coal without insisting on immediate payment. Thus, keeping in consideration the national interest for maintaining uninterrupted power generation, CIL continued uninterrupted coal supply during the pandemic,

resulting in increase of outstanding dues. While appreciating the initiatives taken by CIL during Covid-19 Pandemic for continuous supply of coal without insisting on immediate payment, the Committee desire that more vigorous efforts should be made by Coal/ Lignite PSUs to recover huge outstanding amounts especially from industries like power generating units, cement manufacturing, fertilizers producing etc. And they be apprised of the recoveries made.

Finally, the Ministry of Coal and its PSUs have taken up some important reformative steps in technological upgradation in Open Cast and Under Ground Mines, Coal beneficiation, coal evacuation facilities and overall performance in recent years. The Committee express their satisfaction over the steps taken and expect that the Ministry and its PSUs will continue to strive to ensure that the country becomes self reliant in its energy needs.

NEW DELHI;
15 March, 2021
24 Phalgun, 1942(Saka)

RAKESH SINGH
Chairperson
Standing Committee on Coal and Steel

STATE-WISE BREAK-UP OF INDIAN COAL RESOURCE

(Resource in million tonne)

State	Measured (331)	Indicated (332)	Inferred (333)	Total
JHARKHAND	49468.59	30283.80	5849.71	85602.10
ODISHA	40871.77	36067.17	7713.12	84652.06
CHHATTISGARH	24984.86	42367.83	2079.14	69431.83
WEST BENGAL	15199.49	13121.95	4615.85	32937.29
MADHYA PRADESH	12597.25	12888.39	3799.31	29284.95
TELANGANA	10840.88	8521.40	2862.84	22225.12
MAHARASHTRA	7623.74	3257.37	1846.59	12727.70
BIHAR	309.53	2430.58	11.30	2751.41
ANDHRA PRADESH	97.12	1078.44	431.65	1607.21
UTTAR PRADESH	884.04	177.76	0.00	1061.80
MEGHALAYA	89.04	16.51	470.93	576.48
ASSAM	464.78	57.21	3.02	525.01
NAGALAND	8.76	21.83	415.83	446.42
SIKKIM	0.00	58.25	42.98	101.23
ARUNACHAL PRADESH	31.23	40.11	18.89	90.23
Total	163471.08	150388.60	30161.16	344020.84

RESOURCE OF DIFFERENT TYPES OF INDIAN COAL

(As on 01-04-2020)

Table-IVA

(Resource in million tonne)

Depth Range (m)	Measured (331)	Indicated (332)	Inferred (333)		Total
			Exploration	Mapping	
GONDWANA COAL					
Coking					
0-300	8015.83	4282.29	54.73		12352.85
0-600	8398.96	5.58	0.00		8404.54
300-600	1338.23	5113.86	795.59		7247.68
600-1200	2319.96	3480.22	1198.87		6999.05
0-1200	20072.98	12881.95	2049.19		35004.12
Non-coking					
0-300	109658.15	61316.23	8158.38		179132.76
0-600	5657.14	444.86	0.00		6102.00
300-600	25358.11	61470.34	14213.76		101042.21
600-1200	2130.89	14154.05	4831.16		21116.10
0-1200	142804.29	137385.48	27203.30		307393.07
TERTIARY COAL					
High Sulphur					
0-300	407.96	105.02	158.75	749.92	1421.65
300-600	185.85	16.15	0.00	0.00	202.00
0-600	593.81	121.17	158.75	749.92	1623.65

MINUTES OF THE SEVENTH SITTING OF THE STANDING COMMITTEE ON COAL AND STEEL (2020-2021) HELD ON FRIDAY THE 26TH FEBRUARY, 2021 IN COMMITTEE ROOM No. '2', BLOCK-A, FIRST FLOOR, PARLIAMENT HOUSE ANNEXE EXTENSION, NEW DELHI.

The Committee sat from 1130 hrs. to 1430 hrs.

PRESENT

Shri Rakesh Singh- Chairperson

Lok Sabha

2. Shri Vijay Kumar Hansdak
3. Shri Kunar Hembram
4. Shri Ajay Nishad
5. Dr. Lorho S. Pfoze
6. Shri Komati Reddy Venkat Reddy
7. Shri Chunni Lal Sahu
8. Shri Arun Sao
9. Shri Pashupati Nath Singh
10. Shri Sunil Kumar Singh
11. Shri Sushil Kumar Singh
12. Dr. Beesetti Venkata Satyavathi

Rajya Sabha

13. Dr. Vikas Mahatme
14. Shri Prashanta Nanda
15. Shri Ram Vichar Netam
16. Shri B. Lingaiah Yadav

SECRETARIAT

1. Shri Arvind Sharma - Director
2. Shri Uttam Chand Bhardwaj - Additional Director

WITNESSES

MINISTRY OF COAL

Dr. Anil Kumar Jain	Secretary
Shri Vinod Kumar Tiwari	Additional Secretary
Shri Maddirala Nagaraju	Additional Secretary
Smt. Yatinder Prasad	Joint Secretary & Financial Advisor
Shri Shyam Bhagat Negi	Joint Secretary
Smt. Vismita Tej	Joint Secretary
Shri Bhabani Prasad Pati	Joint Secretary
Shri Animesh Bharati	Economic Adviser/Commissioner, CMPFO
Ms. Santosh	Deputy Director General/Coal Controller

COAL PSUs

Shri Pramod Agrawal	Chairman, Coal India Ltd.
Shri Rakesh Kumar	CMD, NLC India Ltd.
Shri N. Sridhar	Chairman, Singareni Collieries Company Ltd.
Shri A.P Panda	CMD, South-Eastern Coalfields Ltd.
Shri P.S Mishra	CMD, Eastern Coalfields Ltd.
Shri Shekhar Saran	CMD, CMPDIL
Shri P.M. Prasad	CMD, BCCL & CCL
Shri Manoj Kumar	CMD, Western Coalfield Ltd.
Shri K.R. Vasudevan	Director (Finance), Mahanadi Coalfields Ltd.
Dr. Anindya Sinha	Director (Technical/ Operations), Northern Coalfields Ltd.

2. At the outset, the Chairperson welcomed the Secretary and other representatives of the Ministry of Coal and its Public Sector Undertakings (PSUs) to the sitting of the Committee convened to examine the Demands for Grants (2021-22). The Chairperson then drew their attention to Direction 55 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings.

3. Thereafter, the Secretary, Ministry of Coal briefed the Committee about the Plan Outlays *vis-a-vis* actual utilization by the Ministry and the PSUs under its administrative control. In a visual presentation, the Committee were apprised about the financial and physical targets set and achieved by the Ministry of Coal and its

PSUs during 2020-21 and the major thrust areas envisaged for the development of Coal Sector during 2021-22.

4. The Committee then sought clarifications on the issues like reduction of Budgetary Allocation for Central Sector Schemes for the year 2021-22; need to substitute import of coal with domestic coal; steps to achieve targets of import substitution and indigenous coal production; reasons for underutilization of funds in general and in North East Areas in particular; effects of Covid-19 on coal production and fund utilization; theft/pilferage of coal; ensuring timely completion of rail projects; status of ongoing mining projects; and physical and financial performance of coal/lignite PSUs.

5. The representatives of the Ministry of Coal replied to queries of the Members. The Chairperson directed the representatives of the Ministry of Coal to furnish written replies to the queries raised by the Members which remained unanswered during the sitting of the Committee.

A copy of verbatim record of the sitting has been kept.

The Committee then adjourned.

**MINUTES OF THE NINTH SITTING OF THE STANDING COMMITTEE
ON COAL AND STEEL (2020-2021) HELD ON MONDAY, THE 15TH MARCH,
2021 FROM 1500 HRS. TO 1600 HRS. IN HON'BLE CHAIRPERSON'S
CHAMBER, ROOM NO. '210', B-BLOCK, PHA EXTENSION BUILDING, NEW
DELHI.**

PRESENT

Shri Rakesh Singh - Chairperson

Lok Sabha

2. Shri Vijay Kumar Hansdak
3. Shri Chandra Prakash Joshi
4. Smt. Riti Pathak
5. Dr. Lorho S. Pfoze
6. Shri Chunni Lal Sahu
7. Shri Arun Sao
8. Shri Pashupati Nath Singh
9. Shri Sunil Kumar Singh
10. Shri Sushil Kumar Singh
11. Dr. Beesetti Venkata Satyavathi

Rajya Sabha

12. Shri Anil Desai
13. Dr. Vikas Mahatme
14. Shri Prashanta Nanda
15. Shri Samir Oraon
16. Shri B. Lingaiah Yadav

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Shri Arvind Sharma - Director
3. Shri Uttam Chand Bhardwaj - Additional Director
4. Smt. Geeta Parmar - Additional Director

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee thereafter considered and adopted the following Reports without any amendments:-

- (i) Draft Report on Demands for Grants (2021-22) relating to the Ministry of Coal;
- (ii) ** ** ** **
- (iii) ** ** ** **
- (iv) ** ** ** **
- (v) ** ** ** **

3. The Committee then authorized the Chairperson to finalise the Reports in the light of the factual verification received from the concerned Ministries and present/lay the same in both the Houses of Parliament.

The Committee, then, adjourned.