

Executive Summary

The Ministry of Coal is entrusted with the overall responsibility for determination of policies and strategies for exploration and development of Coal and Lignite reserves to ensure energy security in the country as also laying down general guidelines for production, supply and distribution of coal and lignite. Implementation of various projects is carried out by three PSUs under the administrative control of the Ministry of Coal viz. Coal India Limited, Neyveli Lignite Corporation Ltd. And Sisham Collieries Company Limited under the overall supervision of the Ministry .

The performance of the Coal Public Sector Undertakings (PSUs) in terms of Coal and Lignite production has been good during the year. Keeping in view the robust growth in the Indian economy, Coal India Limited and its subsidiary companies are striving to increase coal production despite difficult conditions existing in several coal fields and constraints due to the need to strike an appropriate balance between the energy needs of the country and the environmental concerns associated with coal mining.

The Outcome Budget of Ministry of Coal for the year 2012-13 begins with an introduction of the mandate, the functions and the activities, and organizational structure of the Ministry covering including the subordinate offices and statutory bodies.

Thereafter, the Outcome Budget while detailing the Budget Estimates and the Plan Outlay of the Ministry of Coal and Coal PSUs, also brings out the quantifiable deliverables and physical targets along with the timelines for both the Plan and Non Plan schemes operated in the Ministry of Coal. It also outlines new initiatives and policy measures with regard to various issues related to New Coal Distribution Policy, Fire and Subsidence Control in Jharia and Raniganj Coalfields, the e-auction scheme, revision of the Coal Royalty Rates, introduction of GCV based pricing, the formation of International Coal Ventures Limited (a Special Purpose Vehicle of Central Public Sector Undertakings including Coal India Limited) ; acquisition of two coal blocks in Mozambique have also been brought out in the Outcome Budget 2012-13 . In addition, the Outcome Budget also addresses the issues relating to policy measures to increase coal production through the Emergency Coal Production Plan and the scheme for Captive Coal Block allocation.

The document also presents a review of the past performance of Coal PSUs in terms of physical output and expenditure against Capital Outlay including the schemes being operated under the Ministry of Coal, in addition to a review of the schemes administered by the Coal Mines Provident Fund Organisation – an autonomous body of the Ministry of Coal. The Outcome Budget also gives inputs in detail about the six Plan schemes being operated by the Ministry of Coal through budgetary support.

In order to encourage transparency and facilitate easy accessibility to the public and the coal consumers at large, the following measures have been put in place:

- (i) All the important circulars and policies are made available on the website of the Ministry of Coal. This includes the status of all long term coal linkages approved for various coal consumers in the power, cement and steel sectors and details of coal blocks allotted /to be allotted to the approved end users for captive consumption.
- (ii) The Budget Estimates and the Detailed Demands for Grants of the Ministry of Coal are also available on the official website of the Ministry.
- (iii) A Facilitation Center is operating in the Ministry to assist and help information seekers on the activities of the Ministry.
- (iv) In addition, the Coal PSUs also have their own websites to facilitate information dissemination.
- (v) Under the Right to Information Act, Central Public Information Officers have been appointed along with apex Appellate Authority to facilitate easy access to the public in general seeking information about the activities of the Ministry of Coal.

The major coal projects in respect of Coal India Limited (CIL), Singareni Collieries Company Limited (SCCL) and Neyveli Lignite Corporation Limited (NLC) are monitored through the quarterly progress review meetings held under the Chairmanship of Secretary (Coal) and wherever there is slow pace of implementation, the reasons are analyzed and remedial measures taken to speed up their implementation as per targeted schedules. In addition Minister of Coal reviews the activities of the PSUs and the Ministry of Coal to ensure that the policies are being implemented in right earnest and bottlenecks, if any encountered, are effectively sorted out so that the activities progress towards achieving the overall policy objectives.