CHAPTER 3

POLICY INITIATIVES AND REFORM MEASURES

POLICY INITIATIVES AND REFORM MEASURES

Measures related to augmenting Production and Efficiency in Coal Sector:

Enhanced exploration efforts

CMPDI is the nodal agency for implementing the Plan scheme of Detailed Drilling in Non-CIL blocks. CMPDI executes the job through MECL and through outsourcing. The actual drilling vis-à-vis targets in non-CIL/Captive mining blocks during last five financial years and the target for the financial year 2019-20 are as follows:

(Drilling in Lakh Meter)

Year	Target	Actual	Growth % w.r.t. Previous year
2014-15	4.16	2.82	18.48
2015-16	4.82	2.87	1.77
2016-17	3.48	3.08	7.32
2017-18	4.99	4.86	57.79
2018-19	5.93	4.84	-0.41
2019-20	7.30 (Proposed)		

The shortfalls in target achievement are due to many factors, including serious law & order problems in many coal block areas, non-availability of Forest clearance, etc.

CMPDI increased the departmental capacity from 4.51 lakh meter in 2017-18 to 5.00 lakh meter in 2018-19 with a growth of 11% to cater to the increased requirement of detailed drilling in CIL & Non-CIL/Captive blocks.

The actual drilling in CIL blocks during the last five financial years and the proposed target for the financial year 2019-20 is as follows:

(Drilling in Lakh Metre)

Year	Target	Actual	Growth % w.r.t. Previous year
2014-15	7.81	5.45	18.74
2015-16	10.15	7.06	29.54
2016-17	7.20	7.97	12.89
2017-18	7.04	8.48	6.40
2018-19	7.13	8.34	-1.65
2019-20	6.30		

Renewed policy thrust to increase coal production:

Coal India Limited (CIL)

Based on the demand projection in 'Vision 2030' for coal sector in the country and subsequent demand projection on CIL, a Perspective Plan has been prepared to project production plan in medium and long term basis up to 2030 wherein CIL has envisaged to grow at the rate of 8.2% till FY 2024-25 to meet the coal demand of the country. To achieve projected growth in production, CIL has identified major projects and assessed their related issues.

In 2018-19, coal production achievement of CIL was 606.89 MT (Prov.) against the target of 610 MT with 99% achievement. In 2019-20, as per the proposed Annual Plan, CIL has planned to produce 655 MT coal. The group-wise productions during 2017-18, 2018-19 and 2019-20 (Planned) are as follows:

(Figs. in MT.)

CIL	2017-18		2018-19	2018-19	2019-20
	BE	Actual	Actual Program Target	Actual (Prov.)	Planned
Existing & Completed	307.21	298.37	298.98	285.30	297.31
Ongoing Projects	288.79	262.97	311.48	316.64	353.74
Future Projects	0.25	1.48	1.00	-	0.00
Gare Palma block	3.75	4.55	5.54	4.95	3.95
Total	600.00	567.37	610.00	606.89	655

A major growth in production is envisaged from North Karanpura in CCL, Korba of SECL and IB & Talcher coalfields in MCL.

Completion of Projects and Expansion of Existing Projects

Coal India Limited (CIL)

During 2018-19, 18 mining projects have been sanctioned and 04 mining projects have been completed in CIL.

As on date there are 117 on-going coal projects, costing ₹ 20 Crores and above, that are under different stages of implementation.

Implementation and completion of these projects depend upon critical extraneous factors such as possession of land, green clearances, evacuation infrastructure etc.

In order to ensure timely completion of projects various steps have been taken by CIL which are as below:

a) Persistent persuasion with State governments to expedite land authentication in States of Jharkhand, Odisha, Chhattisgarh, MP and Maharashtra. Further, land owners are being constantly persuaded to accept compensation and handover land acquired by the company.

b) Constant coordination and liaising with State governments for expediting the process of grant of FC.

c) State Governments have been constantly persuaded by the coal companies at all levels to initiate necessary action for curbing the frequent law & order issues.

d) The implementation of the delayed projects are reviewed regularly at the subsidiary and CIL level. MoC reviews projects costing more than ₹ 500 Crores and of capacities 3 MT and above on quarterly basis.

e) The projects monitoring group takes-up critical issues with State Govt. at highest level at regular interval. The MoC on its part follows up issues affecting implementation of projects with other Ministries & with State Govt. specially for facilitating Forestry Clearances and physical possession of land.

f) To address issues related with evacuation problem associated with affected projects, CIL is now investing around ₹ 33000 Crores in Railways and associated infrastructure projects including roadway infrastructure.

For effective monitoring & facilitating quick & informed decision making, CIL has launched the MDMS Portal with an aim to assimilate every detail of projects/mines, analyse the performance and generate relevant reports. Further, MoC has already established the e-CPMP (online Coal Project Monitoring Portal) for resolving issues pending at State level & with the Central Ministries.

In order to meet the growing coal demand CIL has already taken up new projects & OC patches. Further, capacity expansion of existing mines/projects is being taken up through EC expansion or through EPRs wherever feasible.

In order to infuse new technology & efficiency of Private sector, initiatives have been taken for development of new blocks through MDO route.

Measures being taken to increase coal production

In 2018-19, the contribution from On-going projects of CIL was 316.64 MT (Prov.). During 2019-20, CIL envisages to produce 353.74 MT from the same group with an increase of 37.1 MT.

In respect of CIL, major increase in production is envisaged from 117 nos. of on-going projects and mainly from three subsidiaries viz. SECL, MCL & CCL. In 2018-19, these on-going projects have contributed an additional production of 53.67 MT over 262.97 MT during 2017-18.

CIL has taken the following steps to increase production of coal:

- High capacity mines are being planned, approved & executed with State-of-the Art mechanization wherever feasible.
- Mines are being modernized for increasing man productivity both in underground & opencast mines depending upon geo-mining conditions.
- Improving capacity utilization through efficiency improvement.
- Ensuring implementation of on-going projects in time bound manner to achieve targeted production as per schedule.
- Capacity augmentation of running projects through special dispensation under the EP act 2006
- Effective monitoring & persuasion of issues related to projects with related Ministries & State Government.
- In order to maintain the planned growth in production and evacuation in future, CIL has undertaken three major Railway Infrastructure Projects to be executed by Indian Railways in coalfields of SECL, MCL & CCL having potential of growth.
- Effective & persistent support from the Ministry of Coal etc.
- Allocation of additional coal blocks to some of the subsidiaries of CIL to become 100 MT+ company.

Technology development and Modernization of Mines in CIL

A consortium of IIT-ISM (Dhanbad), SCCL and PWC has been engaged for "Study of Underground Coal Mining-problems, potential, technology, modernization, production and safety" which conducted study of 90 underground mines of CIL. The recommendations of the study highlighted the use of mass production technology like PSLW and Continuous miners for enhancement of Underground Coal Production. The production from these underground mines has been proposed to be enhanced from 7.8 MT (present level) to 62.18 MT by 2026-27.

To implement the recommendations of the report, a committee has been constituted for identification of potential mines for amalgamation of small mines, revival of closed ones, co-operation with global technology providers, Indigenous manufacture of underground mining machineries and further research and development for improvement of production and productivity in underground mines of CIL.

Allocation of coal mines cancelled/de-allocated by Hon'ble Supreme Court of India

(i) The allocation of 204 coal mines de-allocated by Hon›ble Supreme Court is now made under the provisions of the Coal Mines (Special Provisions) Act, 2015. Under the provisions of the said Act, 85 coal mines have been successfully allocated (originally 92 coal mines were allocated, later on Coal Mine Development and Production Agreement / Allotment Agreement were terminated in respect of 7 coal mines). Of these 85 coal mines, 25 have been allocated through e-auction (24 to private companies and 1 to a Government company) and 60 have been allotted to Government Companies.

Sector-wise allocation of these 85 coal mines are: 48 coal mines to the regulated sector i.e. power, 21 coal mines to the non-regulated sector i.e. iron & steel, cement and captive power as well as 16 coal mines for sale of coal.

Details of 85 allocated coal mines is attached as per Annexure - A

(ii) Out of 85 allocated coal mines, the revenue proceeds from 81 coal mines allocated so far have been estimated at more than ₹ 3.94 lakh crores over the life of the mine/ lease period, which shall be devolving entirely to the coal bearing States. Estimated Revenue from remaining 8 coal mines is not included in the above figure of ₹ 3.94 lakh crores due to lack of extractable reserves.

(iii) Under the provisions of the Coal Mines (Special Provisions) Act, 2015, 3 coal mines have been allotted to CIL during 2018-19 for sale of coal.

(iv) (a) The methodology for auction for coal mines/blocks for sale of coal under the provisions of the Coal Mines (Special Provisions) Act, 2015 and the Mines and Minerals (Development and Regulation) Act, 1957 has been approved by the Government and Order in this regard has been issued on 27.02.2018.

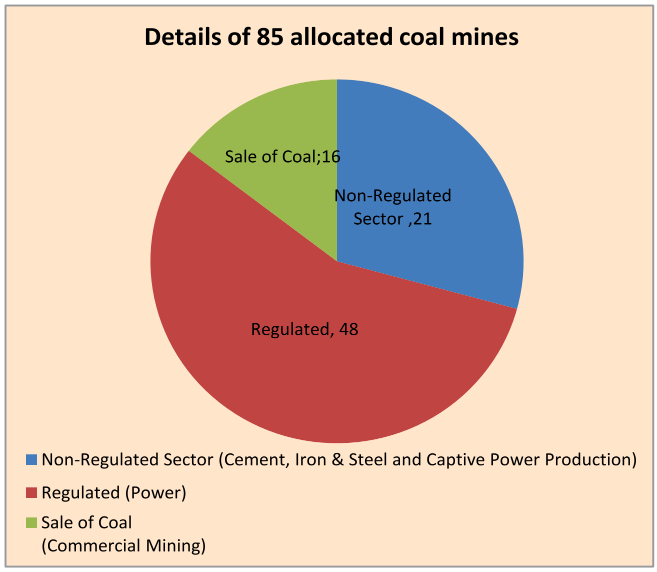
(iv) (b) The methodology would ensure distribution of natural resources in a fair and transparent manner within the ambit of existing law and shall also provide fair play and develop a rational approach in the auction of coal mines. Auction of coal mines for sale of coal is expected to bring efficiency into the coal sector due to increased competition and deployment of best possible technology into the sector including in Coal India Limited (CIL) and its subsidiaries.

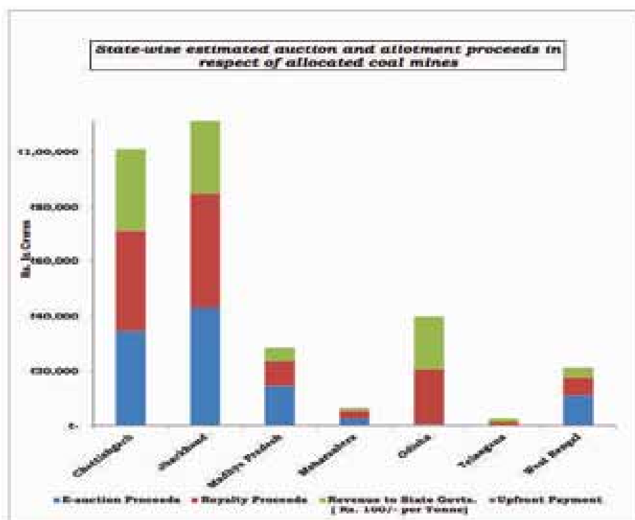
(v) High Power Expert Committee (HPEC) constituted under the Chairmanship of Shri Pratyush Sinha, former CVC to examine the efficacy and challenges of the current bidding system, submitted its report on 12.07.2018. After detailed deliberation on the report in the Ministry and in the Committee of Secretaries, directions to Nominated Authority under Section 6 (7) of CM (SP) Act, 2015 read with Rule 8 (2) (c) & (d) of the CM (SP) Rules, 2014 have been issued on 12.10.2018 to take necessary action accordingly. Further, the CCEA in its meeting held on 19.02.2019 has approved the proposal with regard to allowing allocatees of coal mines for specified end use or own consumption to sell 25% of actual production in open market (ROM basis) with payment of additional premium on such sale and an order in this regard has been issued on 07.03.2019.

(vi) Under the provisions of the Mines and Minerals (Development and Regulation) Act, 1957, previous approval of the Central Government for grant of mining lease/relaxation in area limits has been accorded in respect of 4 coal mines.

(vii) Hon'ble High Court of Delhi vide common judgment dated 09.03.2017 in WPC 973/2015 and15 other tagged cases related to unfair compensation directed the manner in which the provisions related to compensation should be interpreted and worked out. The Judgment of the High Court was referred to the Valuation Committee since the valuation of the mine infrastructure was carried out in accordance with the principles decided by the Committee. The Committee submitted its report on 14.08.2018 and with the approval of the Competent Authority, the report of the Committee was sent to Nominated Authority vide OM dated 16.11.2018 for further necessary action.

Annexure-A





Auctioned coal mines- Out of the 15 Schedule II coal mines (coal mines which were operational at the time of cancellation auctioned under the provisions of the Coal Mines (Special Provisions) Act, 2015 mining operations have commenced/ mine opening permission granted in 13 coal mines. The remaining Schedule II coal mines are awaiting various clearances for operationalization. Further, out of the 10 Schedule III coal mines, 1 coal mine has been granted Mining Opening Permission. Remaining Schedule III coal mine which were scheduled to be operational from June 2018 are yet to be operational.

Allotted coal mines – Out of the 18 Schedule II coal mines (coal mines which were operational at the time of cancellation) allotted to Public Sector Undertakings (PSUs)/ Gencos, 5 coal mines are operational/ started mine operations as on date. The remaining Schedule II coal mines are awaiting various clearances/ judgement for operationalization. Out of the 42 (24 Schedule III + 18 Schedule I) coal mines 8 coal mines have received mine opening permissions. The scheduled III &I coal mines are scheduled to be operational from 2018 onwards as they were not operational at the time of the allocation.

The total revenue generated till March, 2019 is ₹ 6795.60 Crores (excluding Royalty, taxes, cess etc.).

Total coal produced from the time of allocation of mine under CMSP Act, 2015 till March 2019 is 68.14 Million Tonne, out of which coal produced during 2018-19 24.82 Million Tonne.

Allotment of Coal/Lignite Blocks under MMDR Act

Under the provisions of MMDR Act, 1957 and rules made thereunder, 13 Coal Blocks have been allocated to Government Companies (Central/ State). Out of above l3 coal blocks, 11 coal blocks are allocated for end use power and 2 coal blocks are allocated for commercial mining/sale of coal. CBDPA (coal block development & production agreement) has been signed with respect to 10 coal blocks. Further, 6 coal blocks have been decided to allocate to CIL/its subsidiaries for making them more than 100 MT companies. Also, 3 lignite blocks have been allocated under the provisions of MMDR Act, 1957 and rules made thereunder to the State PSU of Gujarat [1 for end use power and 2 for commercial mining/sale of lignite]. LBDPA (lignite block development & production agreement) has been signed with respect to 2 lignite blocks.

Recently, 137 additional non-CIL blocks have been identified by the committee constituted under chairmanship of Additional Secretary (Coal) under Rule-3(2) of the Coal Blocks Allocation Rules, 2017, out of which a total of 89 coal blocks (including 8 coal blocks identified for CIL) are presently available for allocation and this Ministry is considering allocation of these 89 coal blocks under MMDR Act, 1957.

Quality and Third Party Sampling - Recent Decisions

To address the concerns of consumers (Power Utilities) regarding coal quality, third party sampling procedure (SOP) was put in place. Tripartite Memorandum of Understanding (MoU) were signed between Supplier (coal companies), Purchaser (Power Utilities) & CIMFR for sampling and testing of coal at the loading end. The sampling and coal testing charges are borne by the buyer and the seller equally.

For extending sampling facility for Non-Power consumers taking coal through linkage auction and supply to Power Utilities under Special Forward auction for Power, QCI and IIT-ISM have been engaged. Both QCI and ISM have started third party sampling after signing tripartite agreement with different Subsidiary Companies of CIL and the consumers.

Consequent to approval, commensurate direction for coverage of Third Party Sampling to following remaining categories has also been issued to coal companies.

I. Non-Power FSAs.

II. Coal Supplied to SNAs

III. Spot e-auction

IV. Special Spot Auction

V. Exclusive e-auction

Now, third party quality validation is available to consumers for supply of coal under all E-Auction schemes and FSAs. It has been directed that Power Utility and coal company should do grade reconciliation, by 5^{th} of every month (or subsequent day in case of holiday) for all settled results against coal supplies during the month preceding the previous month.

Direction for ensuring the quality of coal, controlling grade slippage and regarding 15-day time frame for declaring the results of referee samples by nominated Referee laboratories have also been issued.

Ministry of Coal has further directed for providing enabling conditions viz. crushers/ pulverisers, space for sample preparation and CCTV in referee storage room etc. on top priority.

Presently the work is assigned to CIMFR, IIT–ISM & QCI and they are carrying out sampling of 529 MT, 1.75 MT and 52.00 MT respectively. The progress of Third Party Sampling is being monitored regularly by a Committee jointly chaired by Joint Secretary, Ministry of Coal and Joint Secretary, Ministry of Power. The last meeting of this Committee was held on 28.02.2019.

Rationalization of Coal Linkages:

- Source rationalization of coal for TPPs has been the priority area for MOC/CIL. With a view to optimize the transportation cost and materialization under the given constraints.
- CIL/MoC has rationalization of existing sources on case to case basis for 19 TPPs, as recommended by IMTF, constituted by MOC.
- The rationalization process has been implemented in two stages.
- Source Rationalization by IMTF: 24.2 MT - ₹ 1013 Crores.
- IMTF Stage II Swapping: 1 MT - ₹ 460 Crores.
- In addition to the above, Coal India has also reshuffled/ rationalized sources (coal company-wise) based on the request of consumers with a view to optimize the transportation cost and materialization taking into account coal availability and logistics. Following are the outcome of source rationalization done by CIL:
    - Rationalization by CIL after IMTF: 13.3 MT - ₹ 653 Crores.
    - Rationalization of NTPC sources: 9.3 MT - ₹ 873 Crores.
    - In a nut-shell, till 2016-17, the estimated savings of transportation works due to sources rationalization out to the tune of ₹ 3000 Crores per annum.
    - Rationalization in 2017-18: 7.86 MT; ₹ 359 Crores (Provisional)
    - Rationalization in 2018-19: 5.42 MT; ₹ 292 Crores (Provisional) (approx., as estimated by the power plants) which is under the process of implementation.

So far overall movement rationalization of 61.08 MT has taken place with annual potential savings of ₹ 3651 Crores.

Recently, Ministry of Coal issued the Policy for Linkage Rationalization for Independent Power Producers (IPPs) vide their letter dated 15.05.2018, rationalization of linkage of 2 IPPs have been done which is under implementation at CIL. If fully implemented, the approximate saving (in electricity cost by the end consumer, as estimated by CEA) would be about ₹ 118 Crores.

Automatic transfer of coal linkage/LoA granted to the old plants while scrapping and replacing them with new plants:

The issue of Policy on transfer of linkage in case of scrapping of old units by replacing them with new plants was deliberated in the SLC (LT) Meeting held on 27.06.2014, wherein the Committee recommended that based on the recommendation of MoP, the new plants will come up in a staggered way by the end of the 13th Five year Plan and even may also spill over to the 14th plan. The Committee decisions in regard to scrapping of old plants are as under:

(i) LoA/linkage granted to the old plant shall be automatically transferred to the new plant of the nearest super critical capacity.

(ii) If the capacity of the new super critical plant is higher than the old plant, additional coal may be accorded priority subject to the availability of coal on the best effort basis from CIL.

(iii) At least 50% capacity of the new super critical plant has to be retired. Old plants may be clubbed together to achieve this minimum benchmark of 50% of proposed super critical capacity.

(iv) This policy shall be applicable to pre-NCDP plants in public sector, which have already been granted long term linkages/LoAs

(v) Automatic transfer of LoA as explained above shall be permissible only when the new plant is set within the State in which the old plant is located and the old plant is actually scrapped. The old plant shall continue to operate till the CoD of new plant.

However, later on, point No. (v) was amended to the effect that for thermal power plants belong to central sector, automatic transfer of linkages/LoA from the scrapped to a new unit would be permitted outside the state in which the old unit is located.

Transparent auction of coal linkages

(A) Auction of coal linkages for non-regulated sector

On 15.02.2016, Ministry of Coal issued policy guidelines for auction of coal linkages to non-regulated sector. According to the policy guidelines, all allocations of linkages/LoAs for non-regulated sector viz. Cement, Steel/Sponge Iron, Aluminium, and Others [excluding Fertilizer (Urea) sector], including their Captive Power Plants (CPPs), shall henceforth be auction based.

CIL has accordingly been conducting linkage auctions for Sponge Iron, Cement, CPP, 'Others (non-coking)', Steel (coking) and 'Others (coking)' sub-sectors under Non-Regulated Sector. The auction has been envisaged as a transparent system of linkage allocation based on competitive bidding by creating a level playing field. It ensures that all market participants have a fair chance to secure the coal linkage, irrespective of their size.

Various consumer friendly measures such as 3rd party sampling, exit option, no performance incentive, delivery from specified mine/siding, back-up mine in the event of Force Majeure, etc. have also been introduced. The tenure of the FSA is 5 years which can be further extended by another 5 years on mutual agreement. Three tranches of auction have already been concluded whereby 45.18 MT of annual coal linkages have been booked at an average premium of 9.64% over non-power notified price. The 4th Tranche is under way, where auctions of Sponge Iron, Cement, CPP, Others &Steel(coking) sub sectors have already been completed with a booking of coal linkage to the tune of 33.18 MTPA with 32.7% gain over non power notified price. From 4th Tranche onwards, the FSA tenure of Steel (coking) has been changed to 10 years (mutually extendable by 5 years).

(B) Coal linkages to power sector under SHAKTI

On 22.05.2017, Ministry of Coal came out with a new policy for allocation of future coal linkages in a transparent manner for such power sector consumers. This policy is known as 'Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India' (SHAKTI). With the approval of CCEA, SHAKTI Policy, 2017 has been amended and the same has been issued by Ministry of Coal on 25.03.2019. The policy is expected to positively contribute in resolution of a number of stressed assets. The salient features of the policy are:

A. Under the old regime of LoA-FSA

i. FSA may be signed with the pending LoA holders after ensuring that the plants are commissioned by 31.03.2022.

ii. The 583 pending application for LoA may be closed.

iii. The capacities totalling 68000 MW as per CCEA decision dated 21.06.2013 would continue to get coal at 75% of ACQ even beyond 31.03.2017.

iv. About 19000 MW capacity out of 68000 MW which could not be commissioned by 31.03.2015 may be allowed coal supply under FSA at 75% of ACQ provided these plants are commissioned within 31.03.2022.

v. Actual coal supply to power plants shall be to the extent of long term PPA and medium term PPAs to be concluded in future against bids to be invited by Discoms as per bidding guidelines issued by MoP.

With these, the old regime of LoA-FSA would come to finality and fade away.

B. Following to be considered under new more transparent coal allocation policy for power sector, 2017-SHAKTI (Scheme for Harnessing and Allocating Koyala (coal) Transparently in India)

i. CIL/ SCCL may grant coal linkages to State/Central Gencos/JVs at notified price on recommendations of Ministry of Power.

ii. Linkages to IPP having PPA based on domestic coal but no linkage:

   a. Shall be on auction basis where bidders shall quote discount on tariff

   b. Bid Evaluation Criteria shall be the non-zero Levellised Value of the discount

iii. Linkages to IPPs/ Power Producers without PPAs shall be on auction basis where methodology would be similar to that followed under linkage auction to non-regulated sector i.e. the bidders would bid for premium above the notified price of the coal company.

iv. Coal linkages may also be earmarked for fresh PPAs, by pre-declaring the availability of coal linkage with description, to the States. States may indicate these linkages to Discoms/ SDAs.

v. Power requirement of group of States can also be aggregated and procurement of such aggregated power can be made by an agency designated by Ministry of Power or authorized by such States on the basis of tariff based bidding.

vi. Linkages shall be granted for full normative quantity to Special Purpose Vehicle (SPV) incorporated by nominated agency for setting up Ultra Mega Power Projects (UMPP) under Central Government initiative through tariff based competitive under the guidelines for determination of tariff, on the recommendation of MoP.

vii. MoC in consultation with MoP may formulate a detailed methodology of a transparent bidding process for allocating coal linkages to IPPs, having PPAs based on imported coal, with full pass through of cost saving to consumers.

viii. (a) Short term linkage coal to Power Plants including private generators, which do not have PPAs under B (iii) and B (iv) of SHAKTI Policy.

(b) A generator which terminates PPA in case of default in payment by the Discom, may be allowed to use existing linkage coal for sale of Power through short term PPAs on Power exchange.

(c) Aggregation of Power by Nodal Agency under Para B (v) for a group of States even without requisition.

(d) PSU to act as an aggregator of Power of such Stressed Power assets and procure it through transparent bidding process and offer that Power to the Discom against their existing PPAs.

(e) Net surplus after meeting operating expenses generated in case where provisions of B (viii) (a) (b) (c) and (d) are utilized, shall be entirely used for servicing debt in first place.

Status of Implementation of SHAKTI

- Till 31.3.2019, 5 FSAs have been signed under A(i) of SHAKTI Policy, and under B(i) 5 FSA has been signed.
- Linkage auction under para B(ii) of SHAKTI policy has been conducted in Sep'17 whereby 27.18 MT of annual coal linkage has been booked by 10 successful bidders. FSAs have been signed with 9 bidders for an annual quantity of 26.28 Mill. Tonnes.
- A 2nd round of SHAKTI B(ii) linkage auction has been initiated as per competent direction and the process is under progress.
- CIL has been requested to earmark coal linkage under Para B (iv) & B (v) of SHAKTI Policy.

Policy on Bridge Linkage

Policy guidelines for grant of 'Bridge Linkage' to specified end-use plants of Central and State Public sector Undertakings (both in power as well as non-power sector which have been allotted coal mines/block, have been circulated to all concerned. Bridge Linkage shall act as a short term linkage to bridge the gap between requirement of coal of a specified end use plant of Central and State PSUs and the start of coal production from the linked Schedule-III coal mines and coal blocks allotted under MMDR act. Till now, Bridge Linkage has been granted to 31 Thermal Power Plants in Central/ State Public sector Undertakings and 1 CPP unit.

SLC (LT) in its meeting held on 09.08.2018 granted Bridge Linkage to 2 Thermal power Plants of GSECL. And, SLC (LT) in its various meetings during FY 2018-19 extended the bridge linkage of 19 Thermal Power Plants in Central/ State Public Sector Undertakings including 1 CPP unit.

Washing of Coal

CIL operates 15 washeries - 11 coking coal and 4 non-coking with aggregate capacity of 36.8 MT, of which 20.58 MT is coking coal and 16.22 MT is non-coking. To comply with the guidelines issued by MoEF&CC for supply of coal with less than 34% ash to thermal power plants located beyond 500 km, CIL has planned to set up 9 new non-coking coal washeries having a total capacity of 63.0 MT. These washeries will be set up by December, 2020. Besides this, 9 new coking coal washeries, having a total capacity of 28.1 MT, are also at different stages of implementation for enhancing the washed coking coal quantity, in an effort to reduce the import of coking coal. Apart from this, CIL is also in the process of modernizing its existing coking coal washeries to augment the production of clean coking coal. CIL is also planning to install de-shaling plants for conforming to the commitments of quality to its consumers.

Master Plan to address Fire, Subsidence and Rehabilitation areas

Regarding the provision of the Master Action Plan of Jharia and Raniganj Coalfields, Coal Conservation and Development Advisory Committee (CCDAC) directed that unless the contribution of Coal India Limited (CIL) from their internal resources at the rate of ₹ 350.00 Crores per annum is exhausted, there is no need to consider any provision from CCDA fund.

Satellite Surveillance for land reclamation

Coal India Limited (CIL)

Reclamation of mined out areas is important for sustainable development. Emphasis is being laid on proper reclamation which includes both technical and biological reclamation as well as mine closure. Satellite surveillance for land reclamation is being given the requisite thrust in order to assess the progressive status of mined land reclamation and to take up remedial measures, if any, required for environmental protection.

Land Reclamation Monitoring based on Satellite Data is being done for mines coming under two categories (a) Mines producing more than 5 mcm (Coal+OB) mcm per annum and (b) Mines producing less than 5 mcm (Coal+OB) mcm per annum. The mines coming under more than 5 mcm (Coal+OB) per annum are monitored on annual basis whereas the mines coming under less than 5 mcm (Coal+OB) per annum category are monitored at an interval of three years in a phase wise manner.

In the year 2018-19, total 90 mines/clusters of CIL were selected for monitoring based on satellite data. Out of which 52 OCP Mines belong to more than 5mcm (Coal+OB) category and 38 mines/clusters belong to less than 5 mcm (Coal+OB) mcm per annum category. Cluster wise Land reclamation monitoring for four clusters each of BCCL and ECL has been done as per their specific requirements. The company-wise details of the excavated area, biological & technical reclamation and green cover generated etc. for the projects under monitoring in the year 2018-19 based on satellite data are furnished in the table below:

Status of Land Reclamation in 90 CIL Mines/Clusters monitored in the year 2018-19 (based on Satellite Data)

(Area in Hectores)

Sl. No.	Com-pany	No. of Mines Clusters	Excavated Area	Reclamation (Ha)		Planta-tion on OB Dumps	Plantation under Social Forestry	Total Green Cover Gener-ated	Total Area under Reclamation
				Technical	Biological				
	1	2	3	4	5	6	7	8(=5+6+7)	9(=4+5)
1	WCL	22	3879.29	1100.26	409.81	1641.79	1178.66	3230.26	1510.07
2	SECL	13	7608.31	2840.03	2714.96	1053.99	1094.89	4862.84	5554.99
3	NCL	10	7168.00	2665.00	1537.00	1141.00	2619.00	5297.00	4202.00
4	MCL	16	4938.48	2293.06	818.13	334.30	351.86	1504.29	3111.19
5	CCL	17	2923.03	1281.71	747.55	620.72	543.39	1911.66	2029.26
6	BCCL	6	1640.76	1005.15	141.92	193.71	658.04	993.67	1147.07
7	ECL	6	1547.76	777.43	222.00	48.00	1105.53	1375.53	999.43
Total CIL		**90**	**29705.63**	**11962.64**	**6591.37**	**5033.51**	**7551.37**	**19176.25**	**18554.01**

Singareni Collieries Company Limited (SCCL)

Ministry of Environment, Forest and Climate Change has stipulated in one of the conditions of Environmental Clearances issued to coal mining projects that "For monitoring land use pattern and for post mining land use, a time series of land use maps based on satellite imagery (on a scale of 1:5000) of the core and buffer zone, from the start of the project until end of mine life shall be prepared once in three years (for any one particular season which is consistent in the time series) and the report submitted to MoEF and its regional office at Bangalore".

Also, MoC advised all the coal mining companies that all the opencast mines shall be brought under satellite surveillance for periodical monitoring of land reclamation.

Accordingly, SCCL is being complying the condition of monitoring land use pattern by satellite imagery maps and submitting the same to MoEF&CC and its regional offices once in three years.

Most of the OC projects are being operated as relay projects and the back filling operations are still in active stage. The biological reclamation of the back filled areas will be taken up after attaining final profile as per the schedules of approved mining plans.

Review of Productivity Norms

Output Per Manshift (OMS)

Year	Coal India Ltd.		
	UG	OC	Overall
2013-14	0.76	12.18	5.62
2014-15	0.79	13.13	6.20
2015-16	0.80	14.35	6.95
2016-17	0.80	15.26	7.53
2017-18	0.86	14.10	7.71
2018-19 * (April-Feb'19)	0.94	14.40	8.22

* Provisional

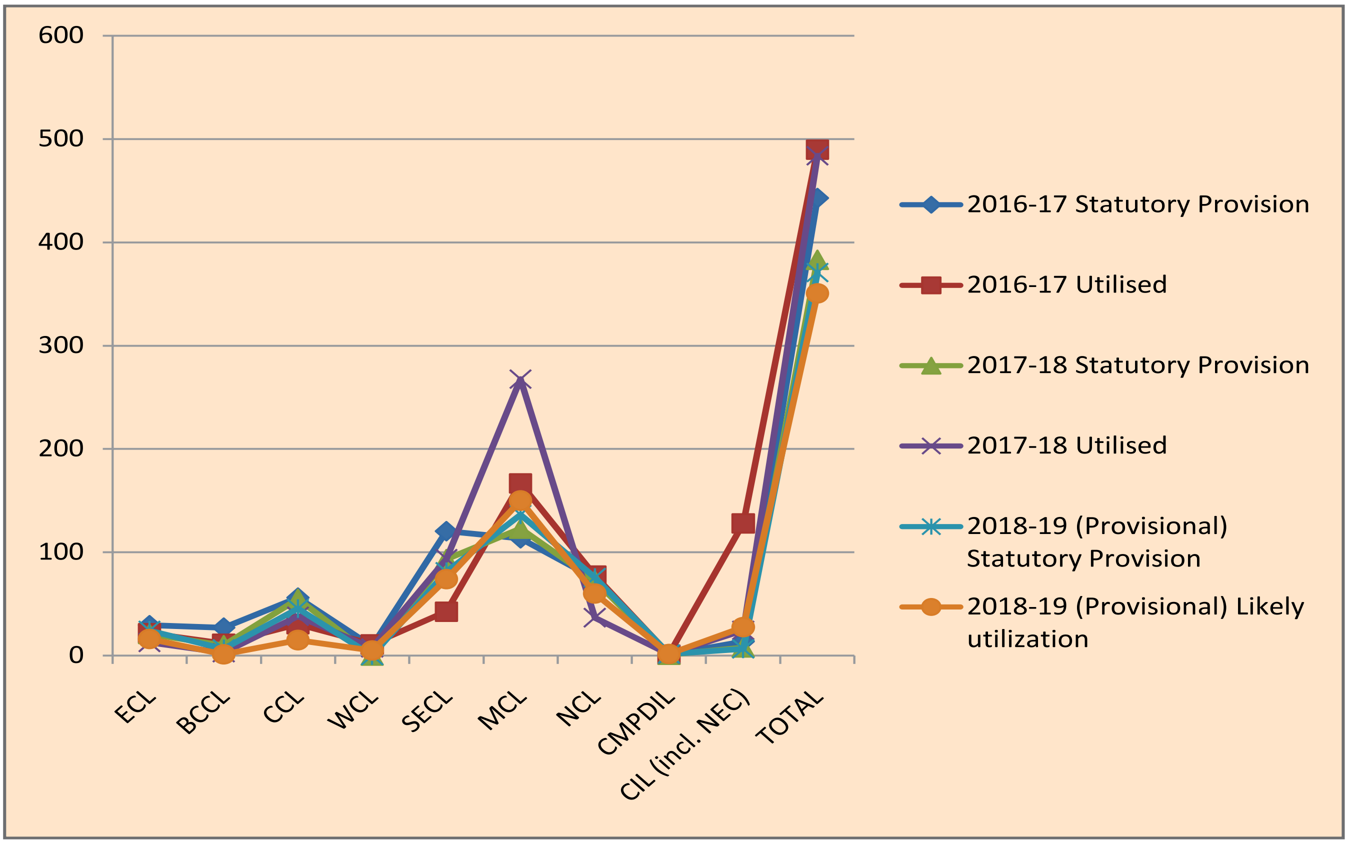
Policy initiatives and Reform Measures regarding Corporate Social Responsibility (CSR)

Coal India Ltd. (CIL) and its subsidiary companies are undertaking different developmental activities under Corporate Social Responsibility (CSR) following the latest DPE guidelines and provisions of the Companies Act, 2013. The allocation of funds is done as per the CSR policy of CIL under which higher of the two amounts – 2% of the average net profit for the three immediately preceding financial years OR ₹ 2.00 per tonne of coal production of the previous year is allocated for a particular financial year.

The details of the CSR statutory provision and the amount utilized by CIL and its subsidiaries each for the last three years are as under:

(in ₹ Crores)

Company	2016-17		2017-18		2018-19 (Provisional)	
	Statutory Provision	Utilised	Statutory Provision	Utilised	Statutory Provision	Likely utilization
ECL	29.19	21.62	20.89	12.69	24.29	16.15
BCCL	26.85	11.45	9.98	2.74	6.52	1.26
CCL	55.90	30.29	54.88	37.90	45.49	15.00
WCL	8.68	10.81	0.00	7.23	0.00	4.97
SECL	120.24	42.50	93.30	93.62	81.04	74.00
MCL	113.36	166.60	122.85	267.52	136.35	150.00
NCL	74.23	77.33	72.47	36.59	75.44	60.00
CMPDIL	0.78	1.02	0.80	1.18	1.42	1.53
CIL (incl. NEC)	24.04	24.72	19.69	73.26	13.52	128.05
TOTAL	**442.75**	**489.67**	**383.05**	**483.78**	**370.53**	**350.35**



The major CSR activities undertaken/planned during the current financial year under various themes are as under:

1) Healthcare

- Cure and better management of Thalassemia by providing financial assistance of up to ₹ 10 lakhs per patient for conducting Bone Marrow Transplants of 200 patients by CIL (HQ). The total project outlay is ₹ 20.00 crores.
- Construction of a 500 bedded hospital and a 100 seater medical college at Talcher, Odisha by MCL at a total project cost of ₹ 493 crores
- Providing one-time health infrastructure/equipment under the theme – "Healthcare – SECL stands for health" in 10 aspirational districts of Chattisgarh at a total cost of ₹ 79.82 crores.

2) Sanitation

- Support to the ODF (Open Defecation Free) campaign by way of construction of Individual Household Toilets (IHHLs) under Swachhta Action Plan by different subsidiaries of CIL.
- Observation of Swachhta Pakhwada to spread the message of cleanliness during 16th to 30th June, 2018. The following activities were undertaken:

  a. Tree Plantation

  b. Cleaning of schools and hospitals

  c. Cleanliness of village and roads

  d. Swachhta campaign and IEC activities

  e. Innovative initiatives like setting up of Green Haat

3) Education

- Free coaching and boarding/lodging arrangements to meritorious students for appearing in Engineering Entrance Examinations under the Lal – Ladli scheme of CCL and BCCL.
- Construction of school building at Nirsha block, Mugma by ECL at a total project cost of ₹ 7.37 crores to improve the quality of education imparted to Project Affected People (PAPs).

4) Skill Development

- Training of 2000 persons in plastic engineering trades at different centres of Central Institute of Plastic Engineering and Technology (CIPET) has been started.
- Skill development of 2.70 lakh persons by CIL (HQ) through National Skill Development Corporation is going on.

5) Drinking water

- Financial assistance of ₹ 4.21 crores by NCL to Drinking Water Scheme for Singrauli District under U.I.D.S.S.M.T (Urban Infrastructure Development Scheme for Small and Medium Towns) Scheme
- Installation of hand pumps for providing access to regular drinking water by CIL and its subsidiaries at different places
- Installation of RO plants / arsenic mitigation projects to providing safe drinking water and mitigation of water borne diseases by CIL and its subsidiaries at different places

6) Rural Development Projects

- Different infrastructure development works (such as construction of irrigation channel, community halls and installation of solar high mast lights etc.) in adjoining rural areas by CIL and its subsidiaries.
- 500 units of Cooperative based Poultry farms have been established, benefitting 500 tribal families, providing them with sustainable livelihoods with an average income of ₹ 35000 to ₹ 42000 per year by NCL at a total project cost of ₹ 3.75 crore.

7) Welfare of Divyangs

- Aids and appliances have been distributed by different subsidiaries of CIL to Divyangs helping them in income generation and self-sufficiency.