

## CHAPTER III

### REFORM MEASURES AND POLICY INITIATIVES

#### Policy Initiatives

#### **3.1 Supply of coal to consumers in small and medium sector**

The New Coal Distribution Policy (NCDP) formulated in compliance of the directions of the Supreme court of India came into force w.e.f 18.10.2007. Under this Policy, each sector/consumer has been treated on merit, keeping in view the regulatory provisions applicable thereto. The Policy specifically addresses the issue of supply of coal to consumers in the small and medium sectors. As per this policy, small and tiny consumers in the erstwhile non-core sectors, whose annual consumption is less than 4200 metric tones per annum and are otherwise not having any access to purchase coal or conclude Fuel Supply Agreements (FSA) for coal supplies with coal companies, are eligible to get coal through agencies nominated by the State Governments.

So far 24 States / Union Territories have nominated their agencies for distribution of coal to the small scale industries, out of which 22 State agencies have already signed FSA. Five States / Union Territories namely Delhi, Haryana, Chandigarh, Andaman & Nicobar Islands and Daman & Diu have indicated nil requirement of coal.

Singareni Collieries Company Limited (SCCL) has been nominated by Government of Andhra Pradesh under New Coal Distribution Policy (NCDP) for supply of coal to small and medium scale industries. Based on the recommendation of the Industries Department, SCCL is supplying coal to small and medium scale sectors. Government of Karnataka and Government of Tamil Nadu have not nominated any agency for supply of coal to small and medium scale sector. However, SCCL is considering supply of coal to Karnataka and Tamil Nadu units based on the recommendation of Industries Department.

#### **3.2 Supply of coal on “cost plus basis”**

In the past, some of the consumers were accorded linkage by Standing Linkage Committee (Long Term) (SLC) (LT) on “cost plus basis”. Under this formula, the coal company was to develop a specific project for supply of coal to the consumer and the cost of supplies was to be worked out by the coal company, based on IRR of the project. In recent time also, coal companies have agreed to provide coal on “cost plus basis” subject to grant of LoA in accordance with the provisions under New Coal Distribution Policy 2007 on “cost

plus basis". Further, in order to ensure allocation of coal on "cost plus basis" in a fair and transparent manner, comprehensive guidelines have been issued by the Ministry.

Singareni Collieries Company Limited (SCCL) has identified cost plus blocks for supply of coal to LOAs granted to Cement and Captive Power units. LOAs were issued to the above units. Subsequent to the issue of LOA, SCCL has also signed FSAs under cost plus category with 12 Cement units & 9 Captive Power Plants (CPP's) as there is no surplus coal under basket linkage. SCCL is supplying coal to the units which have already commenced production at the weighted average e-auction price till the commencement of the cost plus mines.

### **3.3 E-auction**

Coal distribution through e-auction was introduced by CIL/SCCL with a view to providing an access to coal for such consumers who are not able to source coal through the available institutional mechanisms for reasons like the seasonality of coal requirement, limited requirement of coal not warranting long-term coal linkage etc. Under the NCDP, about 10% of estimated annual production of CIL has been earmarked for offer under e-auction. Under the e-auction scheme, CIL offered 43.39 MTs of coal in 2009-10 (upto January, 2010) against which the allocation was 36.36 MTs and the premium secured was 60.7 % increase over the notified price in 2009-10 till January, 2010.

SCCL has introduced e-auction of coal w.e.f. December, 2007. Under e-auction of coal , SCCL offered 1.41 MTs of coal in 2009-10 (upto January, 2010) against which the allocation was 1.16 MTs.

A scheme of Forward E-auction was also launched in August, 2009 by CIL to meet the long term requirement of actual consumers of coal.

### **3.4 Measures being taken to increase coal production**

**Coal India Limited has taken the following steps to increase indigenous production:-**

- 141 mining projects have been envisaged to be undertaken during XI<sup>th</sup> Plan period with an envisaged capacity of 377.37 Mty and by the terminal year (2011-12) of XI<sup>th</sup> Plan period, production contribution would be in the order of 102.45 Mty.
- Improvement in equipment utilization

- Timely implementation of projects.
- All new mines being planned with mechanization.
- Increasing productivity in both underground and opencast mines.

**SCCL has taken the following steps to increase the coal production:**

- 37 new mining projects are envisaged to be undertaken during XIth Plan.
- Conversion of Underground mines to Opencast mines has been taken-up wherever feasible.
- Introduction of High capacity Longwalls for extraction of deeper deposits
- Improvement in capacity utilization of HEMM and other equipment.
- Opencast mines will continue to contribute major share of production. Underground Mechanisation is stabilised with gradual decline in conventional Bord and Pillar Mines; new mines are being opened with mechanization only.
- Improvement in the productivity of underground mines.

**3.5 Emergency Coal Production Plan**

16 opencast projects / mines have been identified (3 in CCL, 6 in NCL, 3 in SECL & 4 in MCL) where production from existing mines / projects can be enhanced at a higher level yielding additional production of 71.30 Mt.

In view of increase in demand of coal, CIL has prepared an Emergency Coal Production Plan. Salient features of this plan are given below:

**Details of Projects under Emergency Coal Production Plan are given below:**

**(as on December 2009)**

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
1	Lakhanpur OC Expn, MCL	10	15	5	116.54	Expn PR for 15 Mty (Incr. 5 Mty) approved in Sept-08 for a Sanc. Capital of Rs. 116.54 Crs. EC obtained. Forestland proposal for 84.399 Ha. awaiting stage I clearance.
2	Asoka OC, CCL	6.5	10	3.5	341.63	Expn PR for 10 Mty approved in Dec-07. EC obtained in Apr-08. Forestry clearance and R&R activities under progress.
3	Kaniha OC Expn, MCL	3.5	10	6.5	457.77 (Incl 96.18 –	Expn PR for 10 Mty (Incr. 6.5 Mty) approved in Dec-07 for a capital of Rs. 457.77 Crs. EC

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
					existing capital)	obtained in Oct-07. For Stage-I clearance of 155.18 ha forest land, mining plan duly signed by Advisor (Project) MoC submitted to CCF (N), Bhubaneswar on 30.07.08 Tree enumeration and erection of boundary pillar is in progress.
4	Bhubaneshwari Expn, MCL	10	20	10	490.10 (Incl 336.68 – existing capital)	Expn PR for 20 Mty (Incr. 10 Mty) approved in Dec-07 for a capital of Rs. 490.10 Crs. EMP clearance for incr. 10 Mty awaited. Out of 199.55 Ha forest land, Stage-II for 112.52 Ha obtained on 16-12-04 (first 25 years). Tree enumeration in 86.866 Ha completed.
5	Dipka OC Expn, SECL	20	25	5	634.92 (UCE-July-08)	Dipka OC (25 Mty) approved by CIL in Oct 09. EC for 25 Mty approved on Jun 09. No additional forestland involved.
6	Gevra OC Expn, SECL	25	35	10	780.11	Ongoing Project (25 Mty). PR for 35 Mty is in process of approval. EC for 35 Mty obtained in Jun 09. Required forest land acquired.
7	Krishnashila OC, NCL	4	4	-	-	Ongoing Project (4.00 Mty) Expn PR not required. Coal production started during 2007-08. HEMM procurement in progress. All land possessed except 148.86 Ha forestland. For this, tree cutting & transportation of felled trees completed in May'09. The land is yet to be handed over by UP Forest Deptt.
8	Amlohri OC Expn, NCL	4	5	1.0		Completed project (4.00 Mty). Expn PR for 10 Mty (Incr. 6 Mty) sanctioned in May-06 for an incremental capital of Rs 1352.04 Crs. EC (10 Mty) obtained in Feb-06.
9	Kusmunda OC Expn, SECL	10	15	5	450.66	Expn PR for 15 Mty (Incr. 5 Mty) approved in June-08 for an Incr. Capital of Rs. 450.66 Crs. EC (15 Mty) approved in Jun 09. Forest clearance for 206 Ha Revenue forest land (regularization) pending with MOEF, New Delhi.
10	Block B OC, NCL	3.5	3.5	-	-	Ongoing Project (3.5 Mty) Expn PR not required. Coal production started during 2007-08. Balance Forest Land (85 Ha) will be required in 2013-14.

Sr No	Project	Sanc. Capacity (Mty)	Enhanced Capacity Proposed (Mty)	Incremental Prod Capacity Under ECPP (Mty)	Likely Capital for Incr. Capacity (Rs Crore)	Remarks
11	Magadh OC Expn, CCL	12	20	8	706.40 (Total OS Option)	Expn PR (20 Mty) approved in Aug-08 for a capital of Rs. 706.40 Crs. EC (20 Mty) obtained in Oct-08. Land and R&R activities under progress. Rs. 7.42 Crs. Paid as forest compensation on 31.03.09 for Stage-II clearance of land required for initial 8 years. Chief secy. directed forest deptt. to expedite the proposal.
12	Bharatpur OC Expn, MCL	11	20	9	131.39 Coal & Incr OB-OS for 5 years	Ongoing Project (20Mty) Expn PR approved by CIL Board on 12.02.2007. EC (20 Mty) obtained in Oct-08. Application for stage-I of 134.41 Ha of land (including land for original project) forwarded to PCCF, Govt.of Orissa. On 14.11.09 the proposal sent back to CCF (N) for getting NOC from Collector under ST& OTFD Act 2006. Being persuaded for NoC from collector.
13	Khadia OC Expn, NCL	4	4.8	0.8	-	Expn PR (10 Mty – Incr 6 Mty) cleared by PIB on 30.11.2005. Now to be approved at CIL level Stage II clearance for 180 Ha forest land pending with MoEF, New Delhi.
14	Piparwar OC, CCL	6.5	10	3.5	21.87	Expn PR (10 Mty – Incr. 3.50 Mty) approved by CCL Board, under delegated powers.
15	Jayant OC, NCL	10	12	2.0	-	Expn PR (12 Mty – Incr. 2 Mty) approved by Company Board, under delegated powers. Expn PR for a Capacity of 15 Mty (Incr. 5 Mty) at an incremental investment of Rs.1060.03 Crs, approved by NCL Board, was sent to MOC for approval. Now to be approved at CIL level.
16	Dudhichua OC, NCL	10	12	2.0	-	Expn PR (12 Mty – Incr. 2 Mty) approved by Company Board, under delegated powers. Expn PR for a Capacity of 15 Mty (Incr. 5 Mty) at an incremental investment of Rs.326.75 Crs, approved by NCL Board in July-08. 207 Ha forest land notified u/s 4 of CBA Act.

### **3.6 Coal Videsh**

#### **Initiative for selection of Strategic partner(s)**

Coal Videsh Division of Coal India Limited (CIL) is pursuing its foreign venture initiatives to acquire coal mines/blocks abroad, develop and produce from such mines in order to import the coal produced to India with the strategic initiatives of securing energy security of the nation.

A global Expression of Interest (EOI) was floated by CIL to select Strategic Partner(s) in preferred destination countries like Australia, USA, South Africa and Indonesia to acquire stakes in the existing or Greenfield coal resources under the following deal structures:

- a. Equity investment by CIL with long-term off take contract at a price less than prevailing import price.
- b. Only long-term off take contract on cost plus basis at a price less than prevailing import price, with financial assistance (if required) by way of loan from CIL for production augmentation.
- c. Formation of JV for exploration, development and operation of coal assets in any of the destination countries.

The global Expression of Interest (EoI) floated by CIL to select Strategic Partner(s) in Australia, USA, South Africa and Indonesia had an encouraging response. 12 Firms from USA, Australia, South Africa and Indonesia were short-listed by the Evaluation Committee at the first instance for a detailed presentation before the Empowered Board Level Committee constituted for the purpose. The Committee had been entrusted upon to finalize the evaluation criteria for assessment of the presentation to be made by the short-listed firms and recommend the companies to be selected as Strategic Partner/s in Australia, USA, South Africa and Indonesia and the same is under process.

### **3.7. Acquisition of coal blocks in Mozambique**

Govt. of Mozambique has allotted exploration license for two nos. of Coal blocks, A-1 and A-2 covering an area of about 224 sq. Km in the Moatize district of Tete province to Coal India Ltd (CIL) through bidding process.

The allotted blocks are located approx. 50 Km away from the Motaize town. There is an existing 670 Km Sena Railway line from Motaize town to Beira port which is being upgraded for cargo handling by the RITES and IRCON, wholly owned companies by Ministry of Railways, Govt. of India.

2 geologists from CMPDI/CIL have been deputed for undertaking preliminary exploratory studies in the allotted coal blocks.

### **3.8 Formation of an empowered Committee of Secretaries with mandate to consider and recommend proposals of Coal India Limited to invest abroad and setting up of International Coal Ventures Limited (ICVL).**

The Govt of India has approved the formation of an Empowered Committee of Secretaries with mandate to consider and recommend proposals of Coal India Ltd to invest abroad which are beyond the powers of the CIL Board. The recommendations of the Empowered Committee will be placed before the Cabinet Committee of Economic Affairs (CCEA) for approval.

The present Empowered Committee of Secretaries consists of Secretaries from Ministry of Steel, Ministry of Power, Ministry of Coal, Ministry of Finance, Ministry of External Affairs and Ministry of Law & Justice.

Government of India has approved the formation of a Special Purpose Vehicle (SPV) through Joint Venture between CIL/SAIL/RINL/NMDC and NTPC, which has been registered as “International Coal Ventures Pvt Limited” (ICVL). ICVL has been registered as a company on 20<sup>th</sup> May, 2009. The purpose of ICVL is to invest in coal resources abroad to meet the coal demand of partner companies. The SPV has been approved to have an authorized capital of Rs. 10,000 Crores and an initial paid up capital of Rs. 3,500 Crores.

### **3.9 Measures to improve financial viability of public sector enterprises**

Revival of Bharat Coking Coal Ltd. (BCCL): BCCL was formed in 1971 pursuant to the nationalization of coal mines in the country and became one of the subsidiaries of Coal India Limited w.e.f. 01.11.1975. Since its inception, BCCL has been incurring losses. A revival plan for BCCL was submitted to BIFR. In its 19<sup>th</sup> meeting, Board for Reconstruction of Public Sector Enterprises (BRPSE), inter-alia, directed that the revival plan be vetted by an independent consultant. M/s Credit Analysis and Research Ltd. (CARE) was appointed as the consultant by BCCL. Based on the appraisal report of the consultant, a modified Revival Package for BCCL was submitted to BRPSE. BRPSE has approved the revised proposal and the same has also been approved now by BIFR.

### **3.10 Captive Mining**

- The Coal Mines (Nationalization) Amendment Act, 1973 was amended from time to time to allow private sector participation in coal mining for manufacturers of steel & iron, generation of power, washing of coal obtained from a mine and for other end uses to be notified by Government from time to time.
- Subsequently, captive mining of coal for production of cement was also permitted vide notification-dated 15.03.1996 and production of syn-gas obtained through coal gasification (underground and surface ) and coal liquification was also notified as end use vide notification dated 12.07.2007.
- Further, the State Government companies or undertakings are allowed to do captive mining of coking and non-coking coal reserves, either by opencast or underground method, anywhere in the country, subject to certain conditions under the revised Coal Mining Policy, 1979 (New State Coal Mining Policy 2001), dated 12th December, 2001.
- In order to implement the aforesaid framework, an administrative mechanism was devised whereby a ‘ Screening Committee’ was constituted in the Ministry of Coal.
- The Screening Committee is headed by Secretary (Coal). It is an inter- Ministerial and inter- Governmental body by nature.
- The Committee comprises representatives from the concerned State Governments, concerned nationalized coal companies and Central Ministries/Departments etc.
- It does the selection of companies eligible for allocation of coal blocks for captive mining.



- It follows the process of discussion and deliberation and decides allocation on relative merits of the applicants.

In consultation with CIL and NLC, 47 new coal blocks with reserves of about 17721.52 million tonnes and 38 lignite blocks with reserves of about 6240.34 million tonnes have been identified. There are 25 remaining coal blocks with reserves of about 7262.66 million tonnes from the old list. Process of identification and earmarking of new coal/lignite blocks is on, and on completion of the exercise, these will be offered for allocation to eligible Govt. and private companies as per the mode of allocation to be determined by the Govt.

Till 31<sup>st</sup> December, 2009, Ministry of Coal has allocated 213 coal blocks with Geological Reserves of coal of 49.07 billion tonnes to eligible companies. Out of 213 blocks, 7 blocks have been de-allocated and mining lease in case of one block has been declared void. Out of the 7 de-allocated blocks, two blocks have again been re-allocated. The effective coal blocks allocated are 208. Out of the 208 coal blocks, 95 coal blocks with 27387.99 million tonnes geological reserves have been allotted to Government companies and 113 coal blocks with 21688.11 million tonnes of geological reserves have been allotted to private companies.

So far, production has commenced in 25 blocks. The production from these coal blocks for the year 2009-10 (April-November, 2009-Provisional) is 23.660 million tonnes as reported by the Coal Controller's Office. Production of coal from these coal blocks was 30.02 million tonnes during 2008-2009.

### **3.11 Measures to address Environmental Concerns**

A Coal-mining project is approved only after obtaining the Environment Impact Assessment / Environment Management Plan clearance from MoEF. Strict compliance of Environmental mitigation measures as laid down in the EMP is a regular activity during and after completion of mining activities. The compliance is also monitored by MoEF and other concerned authorities. Massive plantation of saplings in and around the mines, monitoring of ambient air & water quality, land reclamation, treatment of effluent from mines, workshops, coal handling plants, washeries etc are regular activities in a mining project. In addition, Coal India has taken up monitoring of afforestation, land reclamation & Mine Closure activities by Remote Sensing through Satellite Surveillance techniques.

Environmental Awareness Programme, observation of World Environmental Day / Environmental Protection Week are held regularly to educate the work force and various stakeholders, and to spread awareness amongst the people. Further Government of India have also issued guidelines for mine closures and to be adopted by the coal mine owners.

### **Fire & Subsidence in Jharia and Raniganj Coalfields**

The unscientific mining carried out by erstwhile mine owners in Jharia & Raniganj coalfields has led to fire and subsidence problems in these areas endangering the lives and property. BCCL inherited 70 mine fires at the time of nationalisation and since then, due to some concerted efforts by BCCL, 10 fires could be liquidated completely and other fires were kept under control by and large. In the mean time, 7 more fires have been identified in JCF. Presently there are 67 fires out of which 9 are UG fires sealed behind the stoppings and now are at dormant state. These 9 UG fires do not need any action plan except maintenance of the status quo. Due to concerted efforts, it was possible to achieve followings:

- Affected surface area reduced from 17.32 sq. km. to 8.90 sq.km
- Locked Coal reserve reduced from 1864 mte to 1453 mte

In Raniganj Coalfields, good quality non-coking coal occurring in thick seams at shallow depth were mined indiscriminately in 19<sup>th</sup> century. Small areas near the entries of the mines worked manually and pillars were reduced indiscriminately and resultantly queries caved in at some places causing serious problem of subsidence. As a result, several populated locations aggregating to about 8 sq.km area are under the threat of subsidence. The old abandoned mines underlying the populated areas are mostly water logged and unapproachable. A total of 139 sites are proposed to be rehabilitated including ongoing schemes. There are also 7 fire locations, which are required to be dealt with.

### **MASTER PLAN FOR JHARIA & RANIGANJ COALFIELDS**

A combined proposal on Master Plan for Jharia and Raniganj Coalfields dealing with fire, subsidence , rehabilitation and diversion of surface infrastructure in the lease hold of BCCL & ECL with a total outlay of Rs. 9773.84 crore has been approved by the Government in August, 2009.

- The Master Plan (March 2008) for Jharia Coalfields dealing with fire, subsidence & rehabilitation of people from most endangered areas and diversion of surface infrastructure envisages an estimated investment of Rs. 7112.11 crores including Rs. 83.71 crores earmarked for fire control and rehabilitation scheme of BCCL undertaken as EMSC scheme.
- Similarly, the Master Plan (April' 2008) for Raniganj Coalfields dealing with fire, subsidence & rehabilitation of people from unstable localities and diversion of surface infrastructure envisages an estimated investment of Rs. 2661.73 crores including Rs. 32.52 crores earmarked for rehabilitation demonstration scheme of ECL being undertaken as EMSC scheme.

### **Demonstration Schemes**

- A demonstration scheme was approved by Govt. of India and funded by MOC for shifting of 4600 (3100 non-BCCL unauthorized and 1500 BCCL) houses from most endangered areas in BCCL. The scheme was revised in February 2003 (Rs 61.09 crores). The scheme is under implementation. For implementing the rehabilitation of Non-BCCL houses, the State Government of Jharkhand have entrusted the job to Jharia Rehabilitation & Development Authority (JRDA).
- Government of West Bengal as per Unstable Act 1979 has notified 4 rehabilitation sites / areas (Demonstration) namely Samdih, Harishpur, Bangalpara Refugee Colony & Kenda Village as unstable areas. Rs 50 lakh have been paid as advance to Asansol Durgapur Development Authority (ADDA). Expenditure incurred till November 2009 is Rs. 44.46 lakh. For implementing the rehabilitation of non-ECL houses, the State Government of West Bengal have been entrusted the job to Asansol Durgapur Development Authority (ADDA).
- The present status of Master Plan is enclosed in **Annexure**.

### 3.12 Measures for Welfare of Employees

<b>Welfare Measures</b>	<b>At the time of Nationalization</b>	<b>As on 31.03.2009</b>	<b>As on 01.12.2009</b>
Number of Houses available	1,18,366	4,13,308	4,21,266
Housing satisfaction (%)	21.07 %	100%	100%
Population covered under water supply scheme	2,27,300	22,94,043	22,94,273
Hospitals (Nos)	49	85	85
Dispensaries (Nos)	197	424	424
Ambulance (Nos)	42	668	659
Hospital Beds	1482	5835	5835
Educational Institutions who have been provided grant-in-aid/Infrastructure/Occasional help	287	665	674
Canteen (Nos)	210	481	481
Co- operative (Nos)	177	333	333

CIL has a well-defined Resettlement and Rehabilitation policy (R & R Policy-2008), which has provision of Employment against land acquired in exceptional circumstances only to fill vacancies subject to the land losers meeting the eligibility criteria and further subject to approval of the Board of Directors of the subsidiary company concerned.

### 3.13 Notification of coal gasification and coal liquefaction as specified end uses

Government of India has notified Coal Gasification (Surface & Underground) as end uses under Captive Mining Policy for allotment of Blocks to potential entrepreneurs. The blocks tentatively listed by CIL/NLC for offer for allocation of UCG are yet to be finalized in wake of proposed auction of blocks through competitive bidding through the Mines and Minerals (Development and Regulation ) Amendment Bill, 2008 as introduced in Rajya Sabha on 17.10.2008.

### **3.14 Declaration of Navratna Status**

#### **Navratna status to CIL**

CIL has been conferred with the Navratna status by the Government of India on 24.10.2008, considering its achievements and importance in the country's economy. As Navratna Company, CIL has now been delegated with higher financial powers and greater autonomy in its functioning. The enhanced powers delegated to CIL under its Navratna status includes incurring capital expenditure on each new projects forming joint ventures, making investment abroad upto certain limits prescribed etc without Government approval.

At the time of awarding the Navratna status to CIL, the Government had placed the condition that the listing of CIL should be done in three years. The listing of CIL is expected to infuse better corporate management in the company. CIL is expected to complete the process of listing of its shares during 2010-11.

#### **Miniratna status to CMPDIL**

The Government has granted Miniratna Status (category-II) to Central Mine Planning & Design Institute Limited (CMPDIL), Ranchi in May, 2009. This implies greater autonomy and enhanced financial power to the company.

### **3.15 Regulator for coal sector**

The draft Cabinet Note on setting up of a Coal Regulatory Authority along with the draft Bill was circulated to various Ministries/ Departments for obtaining their comments. The Comments of all the concerned Ministries/Departments have been received and were examined. Meanwhile, Ministry of Law has suggested some major modifications in the draft Bill. Accordingly, a revised draft Bill has been forwarded to Ministry of Law for concurrence.

### **3.16 Revision of Royalty on Coal and Lignite**

Royalty of coal and lignite was last revised w.e.f. 01.08.2007. Royalty on coal and lignite is payable under Section 9(1) of the Mines and Minerals (Development and Regulation) Act, 1957 Section 9(3) of the MMDR Act, 1957 empowers the Central Government to enhance or reduce the royalty rates in respect of any mineral. The proviso to Section 9(3) of the Act prevents the Central Government from enhancing the rate of royalty in respect mineral more than once during any period of three years. A new Study Group for revision of royalty on coal and lignite has been constituted by the Ministry on 04.02.2010.

### **3.17 Expert Committee:**

The Expert Committee under the chairmanship of Shri T.L. Shankar, constituted by the Govt, to draw a road map for coal sector had submitted its report. The recommendations of the Expert Committee included long term demand and supply prospects of Coal and Lignite, improving the procedures for approval of coal mines, Regulation and Governance in coal sector, restructuring of Coal India Limited, improvement in productivity, technology up-gradation in coal sector and human resource management in coal sector. The Govt. has initiated action on the recommendations which have been accepted. A road map indicating the timelines for implementation of the same has been prepared and coal companies have been directed to implement the recommendations.

## The status of activities under Master Plan in Jharia Coalfield of BCCL (up to December 2009)

Sl. No	Particulars	Status
A.	<p><b>Approval Status</b></p>	<ul style="list-style-type: none"> <li>▪ The Revised Master Plan (Updated March' 08) for dealing with fire, subsidence and rehabilitation and diversion of surface infrastructure in Jharia Coal Field was approved at an estimated investment of Rs. 7112.11 crore including Rs. 83.71 crores earmarked for fire control and rehabilitation scheme of BCCL undertaken as EMSC schemes.</li> <li>▪ The State Cabinet, Jharkhand Government, has accorded its approval on 25.06.2008 for R&amp;R package under Jharia Coalfield Fire and Subsidence Control Plan proposed by Ministry of Coal.</li> <li>▪ First meeting of the High Powered Central Committee to monitor implementation of Jharia Action Plan was held on 10.11.2009, at New Delhi under the chairmanship of Secretary (Coal), where Hon'ble MOS (IC) was present to address the participants.</li> </ul>
B	<p><b>Dealing with fire</b></p> <p>(a) Thermal Infra Red Survey (TIR) by NRSA (National Remote Sensing Agency, Hyderabad under Ministry of Defence) and other survey for delineating fire areas.</p> <p>(b) Preparation of schemes to be done by CMPDI for dealing with fire</p>	<p>TIR survey for coarse resolution completed in December 2006. Fine Resolution Survey to be done within 2 years after approval (March-2008) of Master Plan.</p> <p>Five (5) fire schemes have been prepared by CMPDI and approved by BCCL.</p>

C	<p><b>Rehabilitation Projects:</b> Socio-Economic survey, valuation survey and other survey for Non-BCCL houses.</p>	<p>CIL released Rs.65 lakhs to BCCL on 15.02.2007, as advance to JRDA/State Govt. Work has been awarded to CMRI by JRDA. Expenditure incurred till December' 2009 was Rs. 47 lakhs.</p>
D	<p><b>Land acquisition</b> for non BCCL houses and preparation of Rehabilitation Scheme for BCCL houses in Phase-I</p>	<p>CIL released Rs. 11.74 crore for acquiring of land, out of which Rs 10.12 crores have been utilized by BCCL till December 2009.</p>
E	<p><b>Implementation of Schemes under Master Plan for dealing with fire</b></p>	<p><b>1. Diversion of Chatkari jore at Kujama Colliery, Bastocolla Area:</b></p> <ul style="list-style-type: none"> <li>(a) Earth work done till date-73645m<sup>3</sup> out of 233550m<sup>3</sup> (Departmentally)</li> <li>(b) Concrete work done for jore bed stabilization-58.31m<sup>3</sup> out of 1320m<sup>3</sup></li> <li>(c) Route of diversion of Chatkari Jore was modified.</li> <li>(d) Tendering done after getting approval of BCCL Board.</li> <li>(e) Total quantity of cutting to be done for Jore diversion 1.05 lakh m<sup>3</sup></li> <li>(f) No. of boreholes completed- 16 (400 out of 975mts) &amp; further drilling done-10 nos.</li> <li>(g) Stowing done- 3376 out of 26576 m<sup>3</sup></li> <li>(h) Expenditure done till December 2009: Rs. 0.72 crore.</li> </ul> <p><b>2. Protection of Patherdih Link railway Line at Sudamdih-Patherdih Colliery, EJ Area:</b></p> <ul style="list-style-type: none"> <li>(a) Total quantity of filling and blanketing done: 10.06 Lm<sup>3</sup> (out of 17.427 Lm<sup>3</sup>.)</li> <li>(b) 2 boreholes done at Patherdih-Bhoujudih Link Line for protection</li> <li>(c) Drilling for pumping to be done for stabilization-750 mt</li> <li>(d) No. of boreholes completed in Adra-Gomoh Line-21 nos out of 500mt.</li> <li>(e) Sand flushed – 3000 m<sup>3</sup> out of 99114m<sup>3</sup></li> <li>(f) Expenditure done till December 2009: Rs. 0.377 crores.</li> </ul>



	<p><b>3. Protection of KT line at East Basuriya Colliery, Kusunda Area:</b></p> <p>(a) Procured one diesel pump and 600mt of MS pipe,  (b) Total quantity of filling &amp; blanketing of quarry edges done till date- 15492m3 out of 542163m3  (c) Soil sealing to be done-204050m3.  (d) No of boreholes were done – 8 nos (315mt) out of 39 nos (1475 mt) &amp; 4 boreholes joined in the galleries.  (e) Sand stowing to be done-53380m3.  (f) Expenditure done till December 2009: Rs. 0.524 crore (Including FRP cost Rs. 0.26 crores).</p> <p><b>4. Dealing with X seam fire at Gopal Gareria Sub-station at Sendra Bansjora Colliery, Sijua:</b></p> <p>(a) No. of boreholes completed: 81 (1943.52mt) out of 2875 mt  (b) Injection of fly ash/bentonite completed till date: 136.55 m3 out of 10215m3  (c) OB removal done- 0.680 Mm3 out of 1.20 Mm3  (d) Filling done- 0.0662 Mm3 out of 0.17 Mm3  (e) Expenditure done till December 2009: Rs 4.18 crore (Including FRP cost Rs.25.97 lakhs).</p> <p><b>5. Dealing with fire at New Akash Kinaree (formerly East Katras colliery) XI. XIII &amp; XIV, Govindpur Area:</b></p> <p>The scheme has been revised by CMPDIL and got approval in 258<sup>th</sup> BCCL Board on date 29.3.2008. Expenditure done till December 2009: Rs. 0.29 crore.</p>
<p><b>Stabilization projects:</b>  Salanpur Colliery &amp; South Govindpur Colliery</p>	<p>Both the schemes were dropped since the stabilization schemes have been considered for rehabilitation in the <b>revised Master Plan</b>. Expenditure done till Dec' 2009: Rs 1.1048 crore.</p>

	<p><b>EMSC schemes</b></p> <p><b>1. Rajapur (EMSC-21):</b></p> <ul style="list-style-type: none"> <li>a) No. of boreholes completed – 113 out of 179</li> <li>b) Stowing done- 29971 m3 out of 77000 m3 in 109 boreholes,</li> <li>c) Filling &amp; blanketing done upto combined seam floor- 510557 m3</li> <li>d) Mutti transportation done- 20709 m3 out of 0.95 lakhs m3</li> <li>e) Cumulative expenditure December 2009: Rs 341.011 lakhs.</li> </ul> <p><b>2. Industry (EMSC-23):</b></p> <ul style="list-style-type: none"> <li>(a) Drilling and sand flushing completed in 103 out of 180 boreholes</li> <li>(b) Stowing done: 48581m3 against target of 35000 m3 in 82 boreholes</li> <li>(c) Surface sealing not required since the patch is proposed to be worked by OC mining</li> <li>(d) <b>Completion report approved by BCCL Board in April 2009</b></li> </ul> <p><b>3. Alkusa Fire (EMSC-22):</b></p> <ul style="list-style-type: none"> <li>(a) Sand flushing done-8950 m3,</li> <li>(b) Filling done- 172536 m3 and blanketing under process,</li> <li>(c) <b>Completion report approved by BCCL Board in August 2008.</b></li> <li>(d) Cumulative expenditure till December 2009: Rs 255.096 lakhs.</li> </ul> <p><b>4. Reclamation of Degraded land in 125 ha (EMSC-34)</b></p> <ul style="list-style-type: none"> <li>(a) Work is in progress through DFO Dhanbad,</li> <li>(b) Plantation done in 80 Ha,</li> <li>(c) Balance work is affected due to non-availability of non-coal bearing land.</li> <li>(d) Cumulative expenditure till December 2009: Rs 40.58 lakhs.</li> </ul>
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	<p><b>Rehabilitation of houses (EMSC-24):</b></p> <p><b>a) BCCL houses</b></p> <ol style="list-style-type: none"> <li>1. Demographic survey of families and identification etc</li> <li>2. Issue of identity card</li> <li>3. Construction of houses</li> </ol> <p><b>b) Non-BCCL houses</b></p>	<p><b>5. Shifting of persons from most endangered areas of BCCL (EMSC-24)</b></p> <ol style="list-style-type: none"> <li>1. Completed for Phase-I,</li> <li>2. Employees are possessing self identity card,</li> <li>3. Total 1500 houses are to be constructed, <ol style="list-style-type: none"> <li>a. Construction of 344 houses have been completed,</li> <li>b. 204 people have already been shifted to the new houses and the development works at the sites and further shifting are under progress.</li> <li>c. Tendering of balance 1156 houses is being done.</li> <li>d. Expenditure till December 2009: Rs 721.127 Lakhs.</li> </ol> </li> <li>i. Jharkhand State Govt. has constituted JRDA as implementing agency for rehabilitation of non-BCCL people under Master Plan / Action Plan. <ol style="list-style-type: none"> <li>ii. Total 3100 houses are to be constructed.</li> <li>iii. JRDA has already given work order for construction of 3100 houses.</li> </ol> </li> <li>iv. Construction work of 900 houses by M/s HSCL has been completed at Belgoria site.</li> <li>v. Construction of balance 1452 houses by M/S NBCC, is in advanced stage of completion</li> <li>vi. Construction of balance 748 houses could not be taken up due to land dispute. <ol style="list-style-type: none"> <li>vii. Rs. 2225.19 lakhs have been given as advance to District Commissioner, Dhanbad by BCCL for construction of houses including surveying.</li> <li>viii. Expenditure till December 2009: Rs 2225.19 Lakhs.</li> </ol> </li> </ol>
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	<p><b>RCFS schemes</b></p> <p><b>1. Scheme for Control of fire and subsidence for protection of Dhanbad-Patherdih railway line at Lodna and Bagdiggi colliery, (RCFS-01) Lodna Area.</b> PR has been revised by CMPDIL</p> <ul style="list-style-type: none"> <li>a) Indents for procurement of P&amp;M items i.e. Mobile Nitrogen Plant &amp; Foam Generator, are under process.</li> <li>b) Cumulative expenditure till December 2009: Rs 2.28 lakhs.</li> </ul> <p><b>2. Scheme for dealing with fire for Protection of Adra-Gomoh railway line at Block-II OCP and Phularitand colliery (RCFS-02), Block-II Area/Barora Area.</b></p> <ul style="list-style-type: none"> <li>a) Procurement of P&amp;M completed except fire tender &amp; submersible pump,</li> <li>b) Quarry edge filling completed - 380321 m3 out of 750000 m3</li> <li>c) The original scheme was for dealing with fire in XI &amp; XII seams. Since fire has propagated to XIII seams, a proposal for dealing with fire in XIII seams was approved by <b>BCCL Board</b>.</li> <li>d) Both surface sealing and water pool shall be started after OB filling</li> <li>e) Drilling of 39 nos at Adra-Gomoh Railway Line and 143 nos at Phularitand side -Tendering under process</li> <li>f) Stowing of 25200 m3 at Block-II side-Proposal approved &amp; tendering in process.</li> <li>g) Stowing of 46600m3 at Phularitand side-Proposal has been approved and tendering under process.</li> <li>h) Cumulative expenditure till December 2009: Rs 220,931 lakhs.</li> </ul> <p><b>3. Scheme for Dealing with fire for Protection of Chatkari Jore at Jeenagora Bararee colliery (RCFS-03), Lodna Area,</b></p> <ul style="list-style-type: none"> <li>a) Procurement of P&amp;M completed,</li> <li>b) Drilling done -149.5 mt.out of 2915 mt. in XI/XII, XIII seam,</li> <li>c) Stowing done till date - 11 m3 only out of 21000m3</li> <li>d) Earth filling/ Earth/rock cutting &amp; hard soil /stone pitching done till date –12579 m3 out of 69913 m3</li> </ul>
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		<p>e) Mutti filling done- 21006 m3, departmentally out of 74000 m3</p> <p>f) Progress of diversion affected due to land dispute and the matter is sub-judice in the lower court, Dhanbad. Report is being prepared for closure of this scheme in view of Land Dispute.</p> <p>g) Cumulative expenditure till December 2009: Rs 244.591 lakhs.</p> <p><b>4. Scheme for dealing with fire for protection of Dhanbad-Patherdih railway line at Bararee colliery (RCFS-04), Lodna Area:</b></p> <p>a) Discontinued due to dismantling of railway line and the closure of the scheme was <b>approved by BCCL Board vide 242<sup>nd</sup> BCCL Meeting held on 27.08.2005.</b></p> <p>b) Expenditure done till December 2009: Rs 114.344 lakhs.</p>
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Status of activities under Action Plan in **Raniganj Coalfield of ECL:** (upto December' 2009)

<b>Sl. No</b>	<b>Particulars</b>	<b>Status</b>
A	Status of approval	<ul style="list-style-type: none"> <li>▪ The Revised Master Plan (Updated April 2008) for dealing with fire, subsidence and rehabilitation and diversion of surface infrastructure at Raniganj Coalfields was approved by Govt. at an estimated investment of Rs. 2661.73 crore including Rs. 32.52 crores for rehabilitation demonstration scheme of ECL being undertaken as EMSC scheme.</li> <li>▪ Govt. of West Bengal has constituted a High Power Committee in a meeting held on 02.06.2008, for implementation of Master Plan in different areas of Raniganj Coalfields under West Bengal.</li> <li>▪ First meeting of the High Powered Central Committee to monitor implementation of Jharia Action Plan was held on 10.11.2009, at New Delhi under the chairmanship of Secretary (Coal), where Hon'bl MOS (Coal) (IC) was present to address the participants.</li> </ul>

Sl. No	Particulars	Status
		<ul style="list-style-type: none"> <li>▪ As per Master Plan, 139 sites are envisaged to be rehabilitated. There are 7 surface fire areas, which are to be dealt also. Govt of West Bengal as per unstable Act 1979 has notified 4 rehabilitation sites / areas (Demonstration) namely Samdih, Harishpur, Bangalpara Refugee Colony &amp; Kenda Village as unstable areas. Remaining 135 unstable locations / sites are to be followed soon for strict enforcement of the Act.</li> </ul>
	<b>Ongoing Schemes</b>	
a)	Detail survey of families and land holdings etc.	<ul style="list-style-type: none"> <li>▪ Asansol Durgapur Development Authority (ADDA) of W.B State Govt. is the implementing agency.</li> <li>▪ Demographic survey of 4 demonstration sites &amp; Sanctoria village was done and is under review by ADDA.</li> <li>▪ Videography of the affected sites has been completed.</li> <li>▪ Rs 50 lakh have been paid as advance to ADDA. Expenditure incurred till December 2009 is Rs. 44.46 lakh.</li> <li>▪ Identity cards for Samdih village &amp; Refugee Bastees are ready for issue.</li> <li>▪ The job is under progress for other sites.</li> <li>▪ In progress</li> <li>▪ Completed in 2 villages. The other 3 are in progress.</li> <li>▪ Land has been selected for Samdih, Kenda &amp; Harishpur villages and these are Barapattabora, Chakdola and Mongalpur respectively.</li> <li>▪ Land for Bangalpara &amp; Sanctoria village is yet to be finalized.</li> <li>▪ To be done.</li> </ul>
b)	Issue of identity card	
c)	Agreement with villagers	
d)	Assess Requirement of land	
e)	Identification of land	
f)	Plotting land & total planning	

**Stabilization Schemes:**

Sl. No	Particulars	Status
<b>A</b>	<b>Ongoing EMSC schemes</b>	
a)	Where Mining had stopped but surface was unstable	<p>Sand Stowing done for six (6) stabilization schemes till Dec' 2009</p> <ul style="list-style-type: none"> <li>▪ Fatehpur (EMSC-01) – 54007 m3</li> <li>▪ Palasban (EMSC-15) –7909 m3</li> <li>▪ Gwalabasti (EMSC-16) – 65127 m3</li> <li>▪ Pottery (EMSC-18)- 42479 m3</li> <li>▪ Haripur (EMSC-26)- 41523 m3</li> <li>▪ Sanatoria (EMSC-29)- 32846 m3</li> </ul> <p>Further work under progress in all above schemes.</p>
<b>B.</b>	<b>Stabilization of other sites/Upcoming schemes</b>	
a)	Prioritization of sites	<ul style="list-style-type: none"> <li>▪ Completed</li> </ul>
b)	Preparation of priority wise schemes	<ul style="list-style-type: none"> <li>▪ The stabilization at Alluthia-Bharatchak, Narsumda village and Jeevnapara Govt. Colony, Vivekananda School (EMSC-32) has been approved for implementation in August 2005. Drilling of boreholes &amp; Civil works are ready for operation in Alluthia-Bharatchak villages. No water found in the punctured borehole at Narsamuda Village. Matter has been informed to CMPDI, RI-I.</li> <li>▪ Tender (Part-I) for stabilization work of Jeevnapara Govt. Colony opened on 24.01.2008 and cancelled due to technical reasons. Fresh work on Part-I of the tender is under progress.</li> </ul>