

## MCL lines up ₹20,000 crore investment for power, coal, infra development

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Bhubaneswar, 29 November

Mahanadi Coalfields Ltd (MCL), the largest coal producing subsidiary under Coal India (CIL) umbrella has lined up ₹20,000 crore investment over the next four years to bolster its business activities that include coal mining and evacuation, infrastructure strengthening and foray into power generation.

In contrast to these ambitious growth plans, the company, however, has immediate concerns over not meeting its production target in the current fiscal due to hurdles over land acquisition and delay in getting statutory clearances.

MCL had produced 137.8 million tonne coal in 2015-16 dislodging South Eastern Coalfields Ltd (SECL) as the largest coal producing subsidiary under CIL. This has earned the company the highest target of 167 million tonne coal production among all CIL subsidiaries in the current fiscal. Till date, it has produced 85.3 million tonne and despatched 92 million tonne coal.

“As the things stand now, we may fall short of the production target by the end of the fiscal”, said a top official of the company citing problems in land acquisition and evacuation and delay in getting statutory clearance such as forest and environment approvals as the main road blocks in this regard.

MCL has its mines across four districts in Odisha—Sundergarh, Jharsuguda, Sambalpur and Angul with the Talcher coalfields in the last one being most problematic from operational point of view.

“There is frequent disruption in mining and evacuation activities in Talcher area due to agitation by the locals over land acquisition and jobs demand”, said AK Jha, chairman and managing director of MCL.

Out of the total target of 167 million tonne, Talcher coalfield had lion’s share of 105 million tonne. But the actual production may not cross 35 million tonne pulling down

the overall performance. “If the operations remain hassle free during the next four months, we may produce 145 million tonne coal by the end of the year”, he added.

The company has suffered output loss of 15 million tonne due to delay in forest and environment clearances, particularly with respect to two mines Garjanbahal in Sundergarh, a new area and Anant colliery, an existing mine.

Despite these hiccups, MCL has lined up massive capital investment as part of its long term growth plan. The biggest of these investments will be in the foray into power generation where MCL proposes to join hand with another public sector company, Neyveli Lignite Corporation (NLC) for setting up of a 2x800 MW power plant in Sundergarh district at a cost of ₹12,000 crore.