

FOURTH REPORT
STANDING COMMITTEE ON
COAL, MINES AND STEEL
(2024-2025)

EIGHTEENTH LOK SABHA

MINISTRY OF COAL

DEMANDS FOR GRANTS
(2025-26)

Presented to Lok Sabha on 12.03.2025

Laid in Rajya Sabha on 12.03.2025



LOK SABHA SECRETARIAT

NEW DELHI

MARCH, 2025/PHALGUNA, 1946 (SAKA)

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COMPOSITION OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2024-2025)

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| 3. Smt. Sunanda Chatterjee | Deputy Secretary |
| 4. Smt. Tulika Narayan | Assistant Executive Officer |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel having been authorized by the Committee to present the Report on their behalf, present this Fourth Report (Eighteenth Lok Sabha) on Demands for Grants (2025-26) 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 11.02.2025. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Coal, Mines 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 18.02.2025.

4. The Report was considered and adopted by the Committee at their Sitting held on 10.03.2025.

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;
10 March, 2025
19 Phalgun, 1946 (Saka)

ANURAG SINGH THAKUR
Chairperson,
Standing Committee on
Coal, Mines and Steel

REPORT

PART I

CHAPTER I - INTRODUCTORY

OVERVIEW

Coal remains a fundamental and indispensable energy source in India and is expected to retain a significant role in the country's energy landscape for the foreseeable future. Despite the presence of other energy sources such as solar, wind, hydro, and natural gas, coal remains indispensable to meet the country's growing demand. As one of the fastest growing economies globally, India's energy needs are increasing at a rapid rate to support economic growth, urban expansion, better electricity access, a robust manufacturing sector, and rural electrification. India is poised to become a significant player in global energy growth.

1.2 The core objectives of Ministry of Coal are linked to its vision of securing the availability of coal to meet the demand of different sector of the economy in an eco-friendly and sustainable manner and the overall mission of augmenting production through Government companies as well as the captive mining route by adopting state-of-the-art clean-coal technologies; enhancing exploration efforts with thrust on increasing proven resources and developing the necessary infrastructure from evacuation of coal.

1.3 The Committee have been informed that the objectives of Ministry of Coal include:

- i. Ensuring achievement of Annual Action Plan targets for coal production and off-take, Over Burden Removal (OBR), lignite production and lignite based power generation;
- ii. Infrastructure development to augment coal and washed coal production;
- iii. Leveraging technology to minimize environmental externalities
- iv. Cutting edge research and development initiative;
- v. Enhancing exploration to augment resource base;
- vi. Quality and reliability in customer services;
- vii. Expeditious and joint solutions to inter ministerial issues;
- viii. Improving efficiency of Coal India;
- ix. Attracting private investments; and

- x. Allocating coal blocks in a transparent manner.

The subjects allocated to the Ministry of Coal (which includes Subordinate or other organizations including PSUs concerned with their subjects) are governed by the Government of India (Allocation of Business) Rules, 1961.

1.4 The Ministry of Coal is concerned with exploration, development and exploitation of coal and lignite reserves in India. As per the Ministry's Annual Report 2024-25, during FY 2023-24 the actual raw coal production is 997.83 Million Tonnes (MT) against the annual production target of 1012.34 MT. Similarly, during 2023-24 actual raw coal dispatched is 973.01 MT against the Annual Target of 1012.14 MT. As for the Lignite production, NLC India Limited (NLCIL) is an integrated Mining-cum-Power Company with opencast lignite mines linked to Thermal Power Stations. As against the target of 19.34 MT, actual Lignite production is 17.14 MT for the FY 2024-25 (up to Dec 2024).

1.5 During the oral evidence given by the Ministry, the Committee was apprised that the coal production has been showing an increasing trend with a compounded annual growth rate of about 8 per cent in the last five years. The Committee was further informed that the coal supply rate has also been increasing by an average of 8.3 percent in the last five years. In addition, about 830 MT of coal had been produced till January 31, 2025, which shows a growth of about 6 percent as compared to January 2024. As an impetus towards Atma Nirbhar Bharat with the purpose of augmenting the coal production and progressively reducing imports, the Ministry of Coal is following a multi-pronged strategy, within which, about 180 coal blocks have been auctioned by January 31, 2025, out of which about 64 coal mines are operational.

1.6 The inventory of Geological Resources of Indian Coal as on 01.04.2024 and up to a depth of 1200 m prepared by the Geological Survey of India on the basis of resources estimated by Central Mine Planning & Design Institute Limited (CMPDI), Mineral Exploration and Consultancy Limited (MECL), Geological Survey of India (GSI), Singareni Collieries Company Limited (SCCL) and others is 389421.34 MT. The resources have been found mainly in Odisha, Jharkhand, Chhattisgarh, West Bengal, Madhya Pradesh, Telangana and Maharashtra. On the other hand, the Lignite reserves in the country are estimated at around 47295.61 million Tonne (as on 01.04.2024). The major deposits are located in the State of Tamil Nadu, followed by Rajasthan, Gujarat, Union Territory of Puducherry, Jammu and Kashmir, Kerala, Odisha, and West Bengal.

PUBLIC SECTOR/JOINT SECTOR COMPANIES

I. Coal India Limited (CIL)

1.7 The Committee note that 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 228861 as on 01.04.2024. CIL operates through 84 mining areas spread over 08 states of India. It has 313 mines (as on 1st April, 2024) of which 131 are underground, 168 opencast and 14 mixed mines.

1.8 CIL has eleven 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); Central Mine Planning & Design Institute Limited (CMPDIL), CIL Navikarniya Urja Limited for development of non-conventional/ clean and renewable energy and CIL Solar PV Limited for development of solar photovoltaic module as well as a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL). The Committee were happy to note that Chhattisgarh-based SECL's Gevra and Kusmunda coal mines have secured the second and fourth spot in the list of the world's ten largest coal mines released by WorldAtlas.com

1.9 Further CIL has five Joint Venture companies- Hindustan Urvarak & Rasayan Limited, Talcher Fertilizers Ltd., CIL NTPC Urja Pvt. Ltd., Coal Lignite Urja Vikas Private Limited & International Coal Venture Private Limited. Further CIL has formed a Subsidiary Company with BHEL incorporated on 21st May'24 by the name Bharat Coal Gasification and Chemicals Ltd. in which CIL will hold 51% and BHEL 49%. The Subsidiary company will engage into the business of coal gasification to produce Syngas, Ammonia & Nitric Acid as intermediate products and Ammonium Nitrate as end product.

II The Singareni Collieries Company Limited (SCCL)

1.10 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 producing around 7.5% of the total all India Production. It is having the registered office in Kothagudem, Bhadrachari District of Telangana. SCCL is presently operating 17 Opencast Mines and 22 Underground Mines in the six districts of Telangana State with manpower of 40,893 (as on 31.12.2024).

III NLC India Limited (NLCIL)

1.11 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 and Andaman and Nicobar Islands 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, utilizing Lignite & Coal and harnessing Thermal Power and Green Energy.

SUBORDINATE OFFICE AND AUTONOMOUS ORGANISATION

1.12 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 Organization

1.13 The Coal Controller’s Organization is a subordinate Office of Ministry of Coal, having its headquarter at Delhi, Kolkata, Dhanbad, Ranchi, Bilaspur, Nagpur, Sambalpur, Kothagudem and Asansol. Ministry of Finance (Department of Expenditure) vide dated 20.10.2023 has approved 130 posts of CCO under cadre restructuring of CCO.

1.14 The CCO performs various functions under different statutes/rules to ensure fair production and commercial transactions of coal including quality surveillance.

II. Coal Mines Provident Fund Organization (CMPFO)

1.15 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 CMPFO under the guidance of tripartite Board of Trustees, consisting of Central and State Government’s representatives, employers’ representatives and employees’ representatives. The Organization renders services to 3,34,047 Provident Fund subscribers and about 6,27,747 pensioners approximately as on 30.11.2024. The Headquarters of CMPFO is at Dhanbad and its 20 Regional Offices are spread across Coal producing states in the Country.

HIGHLIGHTS OF THE COAL SECTOR

1.16 As noted from the brief presentation on the Demands for Grants 2025-26, statements of the Secretary, Ministry of Coal during Oral Evidence and Annual Report of the Ministry of Coal 2024-25, an overview of the coal sector during the year 2024-25 may be summarized as under:

i. Record Coal Stock at Thermal Power Plants:-

As on 10.02.2025, the coal stock at the thermal power plant end has crossed 50 MT for the first time ever in history. This is said to be sufficient for 21 days of coal consumption. The Committee are happy to note that this stocking up at thermal power plants has taken place because of a whole-of-Government approach between Ministries of Coal, Railways and Power, despite the logistical constraints on account of the rail movement during the Maha Kumbh 2025 in Prayagraj, Uttar Pradesh.

Coal Industry has been the top performer and contributor among core sectors as per Index of Eight Core Industries (ICI) released by the Ministry of Commerce and Industries. In addition, there is 5.3% increase in coal production in December, 2024 vis-à-vis December, 2023.

ii. Import of Coal in April to November, 2024:

There has been a significant reduction in import in April to November, 2024 compared to the same period of 2023, thereby resulting in saving of Foreign Exchange worth ₹30,007.26 cr. Owing to the robustness of coal production and supply, there is a reduction in coal import by around 5.35% from the month of April to November, 2024. Coking Coal import has also reduced by 1.1%, whereas non coking coal import has reduced by 13.26%. A remarkable reduction of 23.56% may be seen in the import of coal used of blending in the domestic coal-based plants.

iii. Closure of Mines and Operationalization of Discontinued Mines:

The Committee were informed by the Ministry that there are about 147 mines that are now abandoned, closed and do not have the capacity for further mining. Now, for the first time 04 coal mines have scientifically been closed under the close monitoring of CCO.

Additionally, Coal PSUs have a significant number of discontinued/ abandoned mines that may have sufficient mineable reserves at suitable depths, which are currently discontinued or closed for safety reasons and/ or unprofitable operations. However, the Ministry of Coal endeavored to engage with the private sector for the operationalization of such mines to unlock its potential and contribute to increasing domestic coal production. In light of this, CIL has identified 34 such discontinued

mines for offering to private mining companies on revenue-sharing model. Out of these, 24 discontinued mines have been awarded for operationalization, 03 are in tendering stage and 07 mines are to be re-tendered.

1.17 The detailed Demands for Grants (2025-26) of the Ministry of Coal were presented to Lok Sabha on 11.02.2025 and are given in Demand No. 09. While analyzing the detailed Demands for Grants of the Ministry of Coal, the Committee in the present Report has 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 has been given in the succeeding chapters of the Report.

CHAPTER II - ANALYSIS OF DEMANDS FOR GRANTS

Summary of Demands for Grants 2025-26

2.1 The Demands for Grants (2025-26) of the Ministry of Coal reflect a provision of ₹1251.20 crore for Central Sector Schemes, Establishment and other Central Sector expenditure as Gross Budgetary Support. Out of this provision, ₹1182.93 crore is earmarked for Central Sector Schemes including Coal Mines Pension Scheme and the remaining ₹68.27 crore for meeting establishment expenses for Secretariat, Coal Controller Organization and Nominated Authority. The Scheme-wise funds provisions are as per the details given below:-

Table No. 1: Comparative Summary of Demands for Grants of FY2024-25 vis-a-vis FY2025-26				
Revenue			Allocation at	Allocation at
			BE 2024-25	BE 2025-26
Central Sector Scheme				
1	Research & Development Programme		21.00	30.00
2	Exploration of Coal and Lignite	Regional Exploration	230.00*	250.00*
		Detailed Drilling	500.00*	500.00*
3	Conservation Safety and Infrastructure Development in Coal Mines	Conservation and Safety in Coal Mines	20.00	20.00
		Development of Transportation Infrastructure in coalfields areas	72.00	72.00
		Environmental Measures and Subsidence Control	0.50	0.50
4.	Coal Gasification Scheme		---	300.00
Total Central Sector Schemes			843.50	1172.50
Non-Scheme				
4	Coal Mines Pension Scheme (Govt. contribution)		10.11	10.43
5	Secretariat, Coal Controller's Organisation and Nominated Authority		68.94	68.27
Total Non-Scheme			79.05	78.70
Total Central Sector Scheme and Non-Scheme			922.55	1251.20

* To be met from National Mineral Exploration Trust (NMET)

2.2. The Committee have desired to know the concrete initiatives taken/proposed to be taken to ensure optimum utilization of enhanced funds allocated for the year 2025-26. In this connection, the Ministry of Coal informed the Committee in writing that Coal Gasification Scheme has been introduced as a new Central Sector Scheme. This scheme has been approved by the Cabinet on 24.01.2024 within outlay of ₹8500 crore. Out of which, ₹300 crore has been allocated for 2025-26. The objective of the scheme is to optimally incentivize potential investors, both domestic and overseas, to set up large scale coal gasification facilities with emphasis on maximum value addition and quality output and achieving pre-committed capacity

level within a pre-defined time period along with development of indigenous coal gasification technology.

2.3. The Ministry in a written reply have also stated that during FY 2024-25, the allocated RE for the scheme of Exploration of Coal & Lignite was ₹730.00 crore whereas actual utilization as on 12.02.2025 was ₹546.35 crore. The provision of fund in BE 2025-26 for abovementioned Scheme is ₹750 crore. For utilisation of these funds, the proposed plan of about 6.75 lakh meter of drilling with seismic survey has been approved for FY 2025-26. Accordingly, there is an increase of ₹20 crore.

2.4. During FY 2024-25, BE was ₹21.00 crore and RE was ₹20.00 crore whereas actual utilization as on 12.02.2025 was ₹15.75 crore for the Scheme Research & Development. During 2025-26, BE has been enhanced to ₹30.00 crore. Additional ₹9.00 crore have been kept for start-ups under the said Scheme.

2.5. During FY 2024-25, for Conservation, Safety and Infrastructural Development in Coal Mines scheme BE was ₹92.50 crore and RE was ₹50.00 crore. The provision of fund in BE 2025-26 for Conservation, Safety and Infrastructural Development in Coal Mines scheme is kept at the same level of ₹92.50 crore.

2.6. There is a reduction of ₹35 lakh in the allocation for Non-Scheme from BE 2024-25 of ₹79.05 crore to BE 2025-26 of ₹78.70 crore.

CHAPTER III - CENTRAL SECTOR SCHEMES-FINANCIAL AND PHYSICAL PERFORMANCE

(a) Financial Analysis

3.1 On being enquired about the allocation of funds vis-à-vis actual utilization (AE) for various schemes of the Ministry of Coal during FYs 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 along with reasons for shortfall, if any, the Ministry of Coal have informed the Committee as under:-

Table No. 2: Fund Utilization for the last Five Years

(₹ in cr)

Scheme	SubScheme	Year	BE	RE	AE	Remark
Research and Development/ S&T		2020-21	25	12	9.97	SC/ST/NER component of budget could not be utilized fully as no proposal was in hand under R&D scheme. However, significant efforts were made for full utilization of NER component during 2023-24 and as a result, the entire budget of ₹18 crore was fully utilized during 2023-24 (100%).
		2021-22	18	11.50	8.35	
		2022-23	10	8.35	6.94	
		2023-24	21	18	18	
		2024-25 (up to 12.02.2025)	21	20	15.75	100 % funds is likely to be utilized
		2025-26	30	--	--	
Explorati on of Coal and Lignite	Detailed Drilling	2020-21	630	385	351.39	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully as 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 COVID-19 outbreak. However, significant efforts were made for full utilization of NER component during 2023-24 and as a result, an amount of ₹22.75 crore (87.50%) was utilized against the allocation of ₹26 crore.
		2021-22	200	350.05	315.05	
		2022-23	175	300	272.30	
		2023-24	200	260	256.75	
		2024-25 (up to 12.02.2025)	500	500	372.36	100 % funds is likely to be utilized
		2025-26	500	--	--	

	Regional Exploration	2020-21	70	100	92.00	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully as 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 COVID-19 outbreak. However, significant efforts were made for full utilization of NER component during 2023-24 and as a result, entire amount of ₹17 crore was utilized (100%).
		2021-22	130	120	110	
		2022-23	75	130	121.30	
		2023-24	250	170	170	
		2024-25 (up to 12.02.2025)	230	230	173.99	100 % funds is likely to be utilized
		2025-26	250	--	--	
Conservation Safety and Infrastructure Development in Coal Mines	Conservation and Safety in Coal Mines	2020-21	10	6	5.72	NER component of budget could not be utilized fully as no proposal was in hand under the scheme for 2021-22 and 2022-23. However, significant efforts were made for full utilization of NER component during 2023-24 as a result, an amount of ₹1.96 crore (98%) was utilized against the allocation of ₹2.00 crore.
		2021-22	6	4.50	4.05	
		2022-23	4	4	3.60	
		2023-24	20	20	19.96	
		2024-25 (up to 12.02.2025)	20	10.79	8.59	100 % funds is likely to be utilized
		2025-26	20	--	--	
	Development of Transport Infrastructure in coalfield areas	2020-21	84.48	50.23	45.21	NER component of budget could not be utilized fully as no proposal was in hand under the scheme for 2021-22 and 2022-23. Significant efforts were made for full utilization of NER component during 2023-24. However, an amount of ₹1.78 crore was utilized against the allocation of ₹7.20 crore as the proposal for the balance amount of ₹5.42 crore was not in hand.
		2021-22	65.48	65.48	58.63	
		2022-23	50.04	50.04	45.05	
		2023-24	72	72	66.58	
		2024-25 (up to 12.02.2025)	72	38.71	34.84	100 % funds is likely to be utilized
		2025-26	72	--	--	
	Environmental Measures and Subsidence Control	2020-21	0.50	0.50	0	
		2021-22	0.50	0.50	0	
		2022-23	0.50	0.50	0	
		2023-24	0.50	0.50	0	
		2024-25	0.50	0.50	0	
		2025-26	0.50	--	--	

Note:

- The EMSC Sub Schemes under the Scheme of Conservation Safety and infrastructure Development in Coal Mines have been merged in the Jharia Master Plan dealing with Fire, Subsidence, Rehabilitation & Resettlement (R&R) within Leasehold of Bharat Coking Coal Limited.
- A token provision of ₹50 lakh was kept for releases under this scheme. As per the provisions of Jharia and Raniganj Master Plans, Coal India Limited was required to spend an amount of ₹350 crore from its internal resources. Whenever, this expenditure exceeds ₹350 Cr, the Gross Budgetary Support from Govt. of India is required. Since the total expenditure during this period is less than ₹350 crore/year, no amount was required from the 2025-26 Budget.

3.2 The Ministry of Coal have informed the Committee that the total allocation for Ministry at BE 2024-25 was ₹922.55 crore and it has been reduced to ₹871.21 crore at RE 2024-25 to meet the demands of Central Sector and Non Sector Schemes. The BE during the FY 2024-25 allocated for different Central Sector Schemes/ Sub Schemes of the Ministry of Coal was ₹843.50 crore which was decreased to ₹800.00 crore at RE stage and the actual utilization was ₹605.53 crore as on 12.02.2025, which is 75.69% of the revised allocation.

3.3 The Ministry of Coal informed that the difference of ₹51.34 crore between BE and RE during FY 2024-25 was surrendered on 18.12.2024 as per the details mentioned at **Annexure I**.

3.4 The Ministry was further enquired whether any budgeted amount has been re-appropriated or funds were transferred from one head to other or extra funds were sought from the Ministry of Finance during the FY 2024-25. The Ministry submitted in a written reply, that during FY 2024-25, as per requirements and availability of savings, funds have been re-appropriated from one object head to another within the approved budget of RE 2024-25. Also, no extra funds beyond the approved RE 2024-25 have been sought from the Ministry of Finance during the FY 2024-25. The details are placed in **Annexure II**.

3.5 The Secretariat expenditure, including the Coal Controller's Organization and Nominated Authority, was allocated ₹60.39 crore under RE 2024-25, with an actual utilization of ₹50.25 crore (83.21%) as on 12.02.2025. The Non-Scheme expenditure was 82.37% utilized as on 12.02.2025, ensuring the smooth functioning of the Ministry's administrative, regulatory, and pension-related commitments. However,

some pension-related shortfalls indicate the need for better forecasting of fund requirements.

3.6 In a written reply, the Ministry of Coal has stated that in order to ensure optimum utilization, the funds allocated have been equally distributed for each quarter of the FY and all the implementing agencies have been directed to strictly adhere to follow the Quarterly Expenditure Plan (QEP) in order to avoid rush of expenditure in the last quarter and last month of the FY. The progress of expenditure is monitored closely during the review meetings and also in the weekly Senior Officers' Meeting.

I. Coal Gasification Scheme

3.7 Coal Gasification is a thermo-chemical process that converts coal into simple molecules, primarily carbon mono-oxide and hydrogen (i.e., CO+H₂) called "Synthesis Gas" or "syngas". The combustion of this gas is cleaner and efficient than combustion of coal since emissions are trapped at the stage of gasification, while also leading to foreign exchange savings. It also helps in manufacturing multiple products facilitating import substitution.

3.8 Newly introduced as a Central Sector Scheme, the Ministry endeavors to take a series of steps on the National Coal Gasification Mission to achieve coal gasification and liquefaction of 100 MT of coal by 2030, including Incentives in Commercial Coal Auctions, New Sub-sector for Syngas Production, Equity Investment Approval, Financial Assistance of ₹8,500 crore, Waiver from DPIIT Registration, and allowing coal supply to gasification projects under the NRS auction with a floor price at the notified price of the regulated sector, for the projects commissioning within the next seven years.

Coal Gasification Scheme (New Scheme)							
* Scheme with financial outlay of ₹ 8500 Crore for funding gasification projects in 03 categories has been approved by the cabinet on 24.01.2024							
Figure ₹ in crore							
2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total Outlay
-	300	3525	725	-	1675	2275	8500

Table 3: Coal Gasification Outlay

3.9 As stated by the Ministry in their written reply, the scheme towards financial incentive is classified under 3 categories, namely Category I for Government PSU or JV of PSU with maximum outlay of ₹4,050 crore, Category II for Private Sector & Government PSU, total outlay of ₹3,850 crore, Category III for Demonstration

projects and/or Small-scale product-based plants, outlay of ₹600 crore. The Ministry of Coal has approved a total of 07 coal gasification projects across all three categories under the scheme. The Letters of Award for Categories I and III were issued on 12.12.2024, and for Category II on 11.02.2025. Details of the same are placed in **Annexure III**.

3.10 The Committee intended to understand the challenges being experienced by the PSUs in establishing highly capital intensive coal gasification plants. The Ministry in a written reply submitted that PSUs in India face several challenges in setting-up coal gasification plants because of the following reasons:

- a. Coal gasification technology in India is still in its nascent phase;
- b. Indian coal has high ash content;
- c. Registration and clearance processes for procurement from land-border sharing countries, along with visa applications for project-related personnel;
- d. High capital expenditure leads to long payback periods; and
- e. Domestically produced downstream products (such as chemicals and petrochemicals) derived from coal gasification faces price competition from imported products. The ecosystem for coal gasification is still evolving.

Since this is a new scheme, no target has been fixed for the FY 2025-26. As such, there is no achievement as on date.

II. Research and Development

3.11 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. CMPDI acts as the Nodal Agency for co-ordination of research activities in the coal sector, 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 fund and monitoring the progress of implementation of the projects, etc.

3.12 It may be seen from Table 2 of the Report that the BE, RE and Actual Utilization of funds incurred under the R&D Scheme for the past five financial years indicate underutilization of funds from 2020-21 to 2022-23, as SC/ST/NER component of the budget could not be utilized due to lack of proposal in hand. However, cent percent utilization of NER component of the same was made in the FY 2023-24 indicating effective fund deployment. In 2024-25,

the Ministry of Coal assured that 100% funds are likely to be utilized. The Demands for Grants for FY 2025-26 increased to ₹30 crore (2025-26) from ₹21 crore in FY 2024-25, reflecting the government's higher focus on coal technology innovation.

3.13 In a written reply, the Ministry of Coal have furnished the quarter-wise information regarding allocation of funds and utilization of the same with respect to Research and Development Scheme during the last five years up to FY 2024-25 which is placed at **Annexure IV**.

3.14 It may be seen from the table that the R&D Scheme's fund utilization has improved over the years, with better disbursement patterns in FY 2023-24 & FY 2024-25. However, fund utilization in second quarter remains a challenge, often showing lower expenditure compared to the remaining three quarters.

3.15 The R&D projects are covered under 07 thematic areas. Utilization of such funds during last 5 years is placed at **Annexure V**. It may be seen that funding for Make-in-India Innovation and indigenization projects increased significantly from ₹0.41 Cr. (2020-21) to ₹5.73 Cr. (2024-25), suggesting a bend towards indigenous coal technologies and self-reliance. Similar increase of funding may be seen in Advanced technology/ methodology for improvement of production & productivity, Alternative Use of Coal & Clean Coal Technology and Waste to Wealth projects. However, there are underutilization in Coal Beneficiation & Geological Studies and Safety, Health and Environment despite their importance in reducing emissions, improving coal quality, mine safety, pollution control and worker health initiative.

Physical Performance

3.16 Details of R&D projects started in the last 03 years and present status is as under:-

Table No. 4

Year	Projects Sanctioned	Projects Completed
2022-23	09	04
2023-24	11	04
2024-25 as on 12.02.2025	06	06

3.17 On being asked about the reason behind reduced number of projects sanctioned from 09 in FY 2022-23 and 11 in FY 2023-24 to 06 in FY 2024-25, the Ministry in a written reply have informed that number of projects to be sanctioned during any forthcoming year is targeted based on the project proposal received and number of proposals under formulation. Though targeted projects for sanctioning during 2024-25 were 04 but actual sanction of projects were 06. Further, they informed that the duration of any research project is generally 2-3 years. Hence projects sanctioned during any year are usually not completed in the same year.

They added that 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.

III. Exploration in Coal and Lignite

Under this Scheme, following Sub Schemes are included:

- a) Detailed Drilling
- b) Regional Exploration

a) Detailed Drilling

3.18. 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, Mineral Exploration Corporation Limited (MECL) and contractual agencies. The scheme is implemented by CMPDI.

Financial Performance

3.19 It may be seen from Table No. 2 of the Report that the budgetary outlay of ₹500 crore remains the same for FY 2024-25 as well as FY 2025-26 through Central Sector Scheme, made for detailed exploration of Non-CIL blocks only. After completion of Detailed Exploration, the blocks are made available for allocation through auction. The expenditure made for exploration in the block is being recovered from the successful allottee of the blocks and the block allottees make all the expenditure for mine development i.e. from post exploration works till projectization and production.

3.20 In a written reply, the Ministry of Coal have furnished the quarter-wise information regarding allocation of funds and utilization of the same with respect to Detailed Drilling Sub Scheme during the last five years up to FY 2024-25 which is placed at **Annexure IV**.

3.21 From the given table, it may be inferred that Detailed Drilling funds have been efficiently utilized (>90%) over the past five years, showing strong implementation. However, the first and last quarters show reasonable spending, whereas the second and third quarters show fluctuating utilization. For the FY 2024-25, only ₹5.00 crore

has been utilized in Q4 as on 12.02.2025, which means a good amount of funds still remains utilization, thereby requiring closer monitoring.

Physical Performance

3.22 Physical target set for FY 2024-25 was 4.50 lakh metre under the Sub Scheme of Detailed Drilling in Non-CIL Blocks, which was revised to 4.30 lakh metre, out of which 3.01 lakh metre as already been achieved till January, 2025.

<u>Table No. 5</u> <i>(meterage in Lakh m)</i>		
Year	Overall Target (RE)	Achievement
2019-20	6.50	6.73
2020-21	6.50	6.44
2021-22	2.00	2.59
2022-23	1.35	1.82
2023-24	1.60	2.54
2024-25 (Up to Jan'25)	4.30	3.01
TOTAL	22.25	23.13

3.23 The Committee note that land acquisition delays and legal hurdles primarily slow down exploration in coal bearing States like Jharkhand, Odisha and Chhattisgarh. On being asked about the steps being taken by the Ministry and PSUs to address these challenges, it has been stated in a written reply that the Ministry and PSUs convene regular consultation with Ministries and State Government agencies, District Administration for mitigation of local issues and expediting various clearances with all coal bearing states. Further, on being asked whether any cost escalation has been faced due to such delays, the Ministry assured that there was no significant cost escalation apart from normal price escalation due to inflation. The Committee also note that there is no single-window clearance mechanism for approvals for detailed drilling in non-CIL blocks. The private exploration firms are engaged through open tendering and they are sensitized well in advance through vendor consultation about the blocks to be taken up for drilling.

b) Regional Exploration

3.24 MECL, State Governments and CMPDI conduct Promotional Exploration under the Ministry of Coal's Plan scheme of "Promotional Exploration for Coal & Lignite" and assist 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.

Financial Performance

3.25 The Ministry have furnished a statement showing the BE, RE and AE of funds incurred under the Regional Exploration Sub Scheme for the past five financial years as shown in Table 2 of the Report. It may be noted from the Table that during 2024-25, ₹230 crore were allocated at BE stage, that remained the same at RE stage and the actual utilization was ₹173.99 crore (75.64% of RE) till 12.02.2025. There is an increase of ₹20 crore in the FY 2025-26, i.e., ₹250 crore from the previous allocation of ₹230 crore in the FY 2024-25 despite underutilization of the funds during the last five financial years.

3.26 When the Committee enquired the reason behind underutilization of funds in the last five FYs, the Ministry gave a written reply that the budgetary allocation during FY 2025-26 has been increased for achieving the key goals of increased exploration and allocation of fund in Coal Gasification Scheme. The Ministry have formulated new exploration strategy for intensifying exploration and vision for completion of regional exploration of the entire prognosticated coal bearing areas by FY 2047.

3.27 In a written reply, the Ministry of Coal have furnished the quarter-wise information regarding allocation of funds and utilization of the same with respect to Regional Exploration Sub Scheme during the last five financial years up to FY2024-25 which is placed at **Annexure IV**. It may be seen that the spending pattern is similar to that of Detailed Drilling, with strong first and last quarter utilization, but with an urge of better mid-year planning.

Physical Performance

3.28 The Committee have been informed that at BE 2024-25, a target of 2.00 lakh metre of drilling kept for regional exploration for different coal mining blocks. At the RE stage, Drilling meterage was revised to 2.20 lakh metre and 2.04 lakh metre drilling have been achieved as on January, 2025.

<u>Table No.6</u> <i>(meterage in Lakh m)</i>		
Year	Overall Target (RE)	Achievement
2019-20	1.10	1.15
2020-21	1.15	1.26
2021-22	1.40	1.69
2022-23	0.65	0.76
2023-24	1.50	1.74
2024-25 (Up to Jan'25)	2.20	2.04
TOTAL	8.00	8.64

3.29 On being asked whether steps are being taken to expand Advancing Exploration Technologies such as satellite imaging, drone-based surveys, automated seismic studies and Artificial Intelligence and Machine Learning applications for geological data analysis, the ministry in a written reply stated that a project in collaboration with Indian Space Research Organization (ISRO) is under formulation for study of satellite imagery for identification of mineral resources in different geological settings. Further, topographical survey of inaccessible/difficult area is planned to be taken through drone-based survey. An AI based R&D study for gradation of coking coal of all CIL command areas in collaboration CSIR-National Metallurgical Laboratory (NML) has been taken up.

IV. Conservation and Safety in Coal Mines

Under this Scheme, following Sub Schemes are included:

- a) Conservation Safety and Infrastructure Development in Coal Mines
- b) Development of Transportation Infrastructure in Coalfield Areas

a) Conservation Safety and Infrastructure Development in Coal Mines

3.30 As per the Colliery Control (Amendment) Rule 2021, financial assistance is given by the Central Government for carrying out works to provide financial assistance for protective works/scientific development work in order to ensure enhanced coal production and subsidence control.

Financial Performance

3.31 The Budget for Conservation & Safety in Coal Mines for the year 2025-26 and 2024-25 has been ₹20.00 Cr. As per the Background Note of the Demands for Grants 2025-26 provided by the Ministry of Coal, there seemed a RE reduction from ₹20 crore in FY 2023-24 to ₹10.79 crore in FY 2024-25, with 79.61% of actual utilization as on 12.02.2025. When asked to furnish the reason behind the same, the Ministry replied that no requisition was made under General component and claims were pending under Scheduled Caste (SC) and Tribal Sub-Plan (TSP) components. Therefore, proposal was sent for re-appropriation from General components to SC & TSP components. Meanwhile, RE meeting was held in Ministry of Finance and since expenditure till second quarter was less, the budget under this scheme was reduced. It has further been apprised by the Ministry that the NER component of budget could not be utilized fully as limited mining activities were going on. However, it has also been assured by the Ministry that all efforts are being made for full utilization of funds.

3.32 The quarterly expenditure trend for the last five financial years as placed in **Annexure IV** show that FY 2022-23 & FY 2024-25 had no second quarter utilization, causing spending to be pushed to third and fourth quarters, thereby suggesting delays in approvals & fund disbursement mid-year. Most years see the highest spending in third and fourth, likely to complete pending safety measures before the financial year-end.

Physical Performance

3.33 The Ministry, in a written reply, furnished the following physical performance under this Sub Scheme in the FY 2024-25 *viz-a-viz* targets set for FY 2025-26:-

Table No. 7: Physical Performance						
Sub Scheme	Indicator(s)	Achievements				Target
		2021-22	2022-23	2023-24	2024-25 till 31.12.2024	2025-26
Coal Conservation & Safety	No. of mines where protective works taken up	07	05	06	06	03
	No. of Man-riding systems installed	01	03	10	07	01
	Installation of tele monitoring unit in UG Mines	00	00	01	00	Nil
	No. of Other modern systems installed for enhancement of safety	-	-	0	01	05
	Replacement of steam winders with electric winder	-	-	07	-	02
	Scientific study for improvement of safety	-	-	03	Nil	Nil
	Installation and commissioning of Li DAR terrestrial 3D Laser scanner	-	-	-	01	Nil

3.34 Safety is an important aspect in functioning of Coal industry, which poses one of the most difficult challenges in the area of safety, health and environment when compared to many other industries due to the complex nature of its operations and maintenance activities and wide range of hazards associated with them. Various issues related to modern systems of safety installations, biometric attendance, among others, were also raised by the Committee during Oral evidence of representatives of the Ministry of Coal pertaining to examination of the Demands for Grants (2025-26).

3.35 In terms of technological interventions to ensure safety with the coal ecosystem of the mining areas and command areas of the coal companies, the

Secretary, Ministry of Coal stated that the concept of Integrated Command and Control Centre is being developed. It involves usage of IT-driven solutions, drones, and Artificial Intelligence so that activities concerning safety, coal theft, among others are tracked on an active basis, thereby ensuring better monitoring within the coal mine area. Additionally, National Coal Mines Safety Report Portal was launched in December, 2024 for, *inter alia*, real-time reporting and management of accidents for prompt response and analysis.

3.36 The Committee raised the issue of fire incident in Jharia Coalfield (JCF) in Jharkhand which has been raging for more than a century, and leading to loss of coal to fire, ground subsidence, water and air pollution and forced migration. As per the Annual Report 2023-24 of the Ministry of Coal, Master Plan with a scope of dealing with Fire, Subsidence and rehabilitation of people from endangered areas was approved by the President of India, on 12.08.2009. The time schedule of implementation in JCF is 12 years including 2 years of pre-implementation. The period of implementation of Master Plan for JCF has expired on 11.08.2021. Further, as per the directive of the Cabinet Secretary, a committee was constituted to review the Jharia Master Plan under the Chairmanship of the Secretary (Coal) on 25.08.2021. The Committee submitted the report on "Way ahead of Jharia Master Plan" on 27.02.2023 to Ministry of Coal. Accordingly, a revised Jharia Master Plan has been prepared which is under approval. Secretary, Ministry of Coal, assured the Committee that JCF is a national concern and is of the highest priority for the Government. Three years ago, there were around 77 fire sights that have reduced to 17 now. Also, the total fire area has reduced from 17 sqkm to 1.8 sqkm.

b) Development of Transportation Infrastructure in Coalfield Areas

3.37 As per the Colliery Control (Amendment) Rule 2021, financial assistance is given by the Central Government for development of Roads and Creation of Rail Infrastructure has been included for reimbursement under this Sub Scheme. The coal companies submit their claims for reimbursement from Coal Conservation and Development Act (CCDA) scheme which are scrutinized at 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.

Financial Performance

3.38 The Budget for Development of Transportation Infrastructure in Coalfield Areas Sub Scheme for the year 2025-26 and 2024-25 has been ₹72.00 crore (please refer to Table No. 02 of the Report). As per the Background Note of the

Demands for Grants 2025-26 provided by the Ministry of Coal, there is a RE reduction from ₹72.00 Crore BE in FY 2023-24 to ₹38.71 crore in FY 2024-25. As on 12.02.2025, ₹34.84 crore has been utilized. 100% funds are likely to be utilized.

3.39 On being asked the reason behind the above mentioned underutilization, it was stated in a written reply that no requisition under General component, and claims were pending under SC and TSP components. Therefore, proposal was sent for re-appropriation from General components to SC and TSP components. Meanwhile RE meeting was held in Ministry of Finance and since expenditure till 2nd quarter was less, the budget under this scheme was reduced.

3.40 The quarterly expenditure trend for the last five financial years as placed in **Annexure IV** show that most of the expenditure is made in the last two quarters of respective financial years, aligning with project completion deadlines.

Physical Performance

3.41 Below are the physical performance for FY 2024-25 and the targets for FY 2025-26:

Table No. 8: Rail Road Construction

Indicator(s)	Achievements				Target
	2021-22	2022-23	2023-24	2024-25 till 31.12.2024	2025-26
Length of Rail line constructed during the year in Km	8.83	7.74	13.865	6.852	13.70
Length of Road constructed during the year in Km	-	-	0.978	Nil	2.41

3.42 It may be seen from above that no road length could be completed in the FY 2024-25 due to land acquisition & project approval delays. As per the PPT provided by the Ministry of Coal, 08 coal PSU Railway projects, covering 537 km with a cost of ₹21,000 crore, have been completed, whereas 05 projects have been commissioned (290 km, ₹13,000 crore). In order to optimize coal transportation end-to-end by strategically shifting towards railway system, Integrated Coal Logistic Plan and Policy was launched in February, 2024. In an effort to eliminate road transportation and mechanized loading and transportation of coal, under the First Mile Connectivity (FMC) 102 Projects (1040 MTY) have been planned and 39 projects (386 MTY) have been commissioned. Centralized platform for real-time tracking, monitoring and analytics for coal transportation is headed to be launched in FY 2025-26 called as Smart Coal Analytics Dashboard (Koyla Shakti).

3.43 According to the Background Note on the Demands for Grants 2025-26 provided by the Ministry of Coal, this scheme for promoting development of

Transport Infrastructure in coalfield areas is reimbursement-based and during the last five years, only spill over payment has been done. Therefore, there has been no physical outcome. However, in 2023-24, 03 new projects completed. Therefore, physical progress depends on the submission of claims, causing delays.

CHAPTER IV - COAL/LIGNITE PUBLIC SECTOR UNDERTAKINGS

Financial Performance

4.1. While giving oral evidence to the Committee, representative, Ministry of Coal, apprised the Committee that CIL is a publicly listed company in the top Sensex 50 as well as Nifty 50. When asked to provide the health of all three PSUs viz., CIL, SCCL and NLCIL, based on financial parameters, the Ministry in a written reply stated that primarily the performance of a company is gauged by its profitability and return to investors, dividend payment and market capitalization. The details in a tabular format are placed in **Annexure VI**, as summarized below:

Table 9: Cumulative Financial Performance of three PSUs from FYs 2019-20 to 2023-24

Cumulative Performance from FYs 2019-20 to 2023-24			
Particulars	CIL	SCCL	NLCIL
Profit Before Tax (PBT)	₹157784.05	₹18270.11	₹12109.00
Profit After Tax (PAT)	₹115873.04	₹12130.99	₹7175.00
Revenue from operation	₹576397.66	₹109318.51	₹61279.00
EPS	₹188.13	₹72.80	₹50.90

4.2. The Committee note that cumulative revenue of ₹5,76,397.66, ₹1,09,318.51 and ₹61,279 have been earned by CIL, SCCL and NLCIL respectively from FYs 2019-20 to 2023-24. The Earnings per Share (EPS), in the same order, for all three PSUs are ₹188.13, ₹72.8 and ₹50.9. The respective high Profits After Tax (PAT) of ₹1,15,873.04, ₹12,130.99 and ₹7,175 reflect strong demand for coal in India and the PSUs' efforts to increase production and operational efficiency.

4.3. With regard to CAPEX, against the target of ₹22,048 crore for the FY 2024-25 for CIL, SCCL and NLCIL, the actual utilization has been ₹20,214 crore till January, 2025. This means, 91.68% of the target has already been utilized. In a written reply to the List of Points, the Ministry have stated that Coal PSUs plan their CAPEX from their self-arranged sources and they are not provided any budgetary support or fund of any nature *per se* by the Government.

4.4. While giving oral evidence to the Committee, representative of Ministry of Coal elaborated on the concept of Asset Monetization Plan (AMP) that is closely monitored by the Ministry of Finance. The objective of AMP of the Government of India is to unlock the value of investment made in public assets which have not yielded appropriate or potential returns so far. The details of targets set and achievements made under the Plan from the FY 2021-22 to FY 2024-25 (till January, 2025) are placed in **Annexure VII**. From the power point presentation of the Ministry,

the Committee note that the Ministry of Coal accounts for almost 38% of the total achievement under AMP of the Government of India in the first AMP cycle from FY 2021-22 to FY 2024-25, which stands as a testament to exceptional and consistent performance of the Ministry.

Physical Performance

4.5. As regards the total domestic supply and import of coal to meet its total demand during the last 05 years for all the three PSUs, namely, CIL, SCCL and NLCIL, the Committee have been informed as under:

Table No. 10: Coal Demand and Supply					(in MT)
Financial Year	2019-20	2020-21	2021-22	2022-23	2023-24
Total Domestic Coal Supply(a)	707.18	690.88	819.21	877.37	973.01
Total Import (b)	248.54	215.25	208.63	237.67	264.53
Total Demand (a+b)	955.72	906.13	1027.84	1115.04	1237.54

4.6. Import of Coal by different sectors for the last four years and current year from April-October, 2024 is placed at **Annexure VIII**. From the presentation given by the Ministry, the Committee note that with an overall compounded annual growth rate (CAGR) of 8.07%, there is a 5.3% increase in coal production in December 2024 vis-a-vis December, 2023. A single consolidated table showing the physical performance of the PSUs during the FY 2023-24 is given below:-

Table 11: FY 2023-24 Physical Performance					(in MT)
Particulars	Target Production	Actual Production	Productivity (OMS)	Reasons for shortfall	
CIL Coal Production	780	773.81 (99.20%)	13.44	No significant shortfall	
NLCIL Lignite Production	26.5	23.68 (83.36%)	17.33	Shortfall due to non-availability of land	
NLCIL Coal Production	12	12.64 (105.33%)	--	No Shortfall	
SCCL Coal Production	70	70.02 (100.03%)	5.42	No Shortfall	

4.7. In Coal & lignite mining, Output per man-shift (OMS) is one of the measures of efficiency for the production, used to measure the efficiency of a workforce by calculating the average amount of output produced per workman present on duty. It is observed from the table above that with 17.33 OMS, NLCIL leads in productivity. However, this is for lignite production, which requires fewer workers. In terms of coal productivity, CIL takes the lead with 13.44 OMS.

4.8. As observed by the Committee in para above, while coal imports remain necessary for certain sectors, the Ministry is actively reducing its non-essential imports, thereby saving foreign exchange and improving energy security.

4.9. As per the Annual Report 2024-25 of the Ministry of Coal, CIL operates 10 coking coal washeries with a total operable capacity of 18.35 MTPA, including 03 newly constructed washeries with a capacity of 11.6 MTPA. Additionally, CIL has planned to set up 08 coking coal washeries by FY 2029-30, with a capacity of 21.5 MTPA.

4.10. The Cost of Production per tonne in respect of CIL during the last 5 years is as under:

Table No. 12: Cost of Production per tonne (in ₹)					
2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (9 Months)
1,319	1,305	1,406	1,447	1,337	1,359

CIL may be considered cost efficient. SCCL & NLCIL have not mentioned their costs, but respective costs of production per tonne are likely higher than CIL due to lower mechanization & productivity.

PART-II

OBSERVATIONS AND RECOMMENDATIONS

1. Strategic Allocation of Funds and Increased Focus on Key Areas

The Committee observe that in the year 2024-25, as in the previous year, the Ministry of Coal has utilized more than 95% of the budgetary allocation for (i) all the three Central Sector Schemes, namely, Research and Development, Exploration of Coal and Lignite, Conservation Safety and Infrastructure Development in Coal Mines and (ii) Non-Scheme, namely Coal Mines Pension Scheme (Government Contribution) and Secretariat, Coal Controller's Organization and Nominated Authority. The Committee while appreciating the excellent rate of utilization of allocated funds for the past few years, hope that the trend will continue in future also resulting in tangible outcomes.

2. Quarterly Utilization of Funds under Central Sector Schemes

The total allocation for Central Sector Schemes in RE 2024-25 was ₹800 crore approximately, out of which around ₹606 crore (~ 76%) had been utilized as of February 12, 2025. The Committee note that the Ministry has implemented a Quarterly Expenditure Plan (QEP), directing agencies to distribute funds evenly across quarters, and conducts regular review meetings to ensure controlled spending. The quarterly utilization of Central Sector Schemes under the Ministry of Coal for FY 2024-25 shows a structured expenditure approach. This has led to improvement in the quarterly utilization of funds, compared to last five years. However, despite these slew of measures, some schemes, particularly in the Scheme 'Conservation Safety and Infrastructure Development in Coal Mines', faced budget reductions at the Revised Estimate (RE) stage due to slower spending in initial quarters.

The Committee also note that the Ministry has re-appropriated a total of ₹120.55 crore, out of which ₹56.36 crore has been re-appropriated to meet additional demand for the purposes of payment of pending bills, Office Expenses, Rents, Digital Equipments, Printing and Publication of Annual Reports, Payment of Allowances to Officers of Secretariat, etc. Further, ₹64.19 crore has been re-appropriated from Non-Functional Head (MH: 2552) to Functional Head (MH: 2803) for Utilization in North-Eastern Region/ Sikkim.

The Committee, thus, recommend strengthening of quarterly monitoring and financial tracking to discourage re-appropriation of funds and ensure more consistent fund utilization. Project planning and execution timelines may also be improved in order to ensure uniform distribution of funds for each quarter. At the same time, re-appropriation of funds within different heads should be avoided for expenditure that are foreseeable and/or to meet day-to-day expenditure.

3. Coal Gasification Scheme as a new Central Sector Scheme

The Committee observe that the Ministry is committed to promote coal gasification projects under a new Central Sector Scheme, namely, Coal Gasification Scheme with a dedicated budget of ₹300 crore for the FY 2025-26. The Committee note that the Scheme is attracting positive response from public and private players. The Committee while commending the Ministry for conceptualizing and initiating the eco-friendly move towards greener future suggest that the momentum has to be built up quickly, incorporating the learning of implementation of such massive projects in other countries, to ensure that the projects becomes operational as per the given timelines. The Committee, therefore, recommend establishing a detailed, structured timeline for the Coal Gasification Scheme by defining clear, time-bound milestones that align with the “Coal Gasification Mission” goal of reaching 100 MT of gasification by 2030. This plan should incorporate specific targets for incremental capacity additions over 1 to 2-year intervals and mandate regular performance audits and environmental impact assessments on a quarterly or biannual basis. The Committee also suggest that best global practices may be adopted in implementing these projects. Since Coal Gasification is considered as an ideal process to pair with Carbon Capture, Utilization and Storage (CCUS) technologies, it is also recommended to strengthen links between Coal Gasification, Green Hydrogen and Carbon Capture initiatives.

The Committee note that the R&D projects of the Ministry of Coal cover thematic areas viz. productivity, safety in coal mines, coal beneficiation, protection of environment, clean coal technology etc. The Committee suggest that the Ministry of Coal's R&D projects should also be linked to the Coal Gasification Scheme, which is at its nascent stage at present and focus on research areas that improve the cost-effectiveness and efficiency of coal gasification technology, researching improved gasification technologies,

studying methods to enhance the quality of coal by removing impurities and conducting pilot projects on smaller scales to test and validate new Coal Gasification technologies. The Committee, therefore, recommend the Ministry to explore the feasibility of giving priority and certain benefits/ incentives to R&D Projects that focus on the Coal Gasification Scheme so as to yield desired results.

4. A Reflection on Percentage Utilization of Funds in Last Five Years

The Committee observe that the utilization of allocated funds for Central Sector Schemes as a percentage of Actual Expenditure over respective Revised Estimates under the Ministry of Coal has shown improvement over the last five years (2020-21 to 2024-25). Utilization of funds in 'Research and Development' and 'Exploration of Coal and Lignite – Regional Exploration' Schemes show improved percentage utilization of funds compared to respective previous year with 100% utilization of funds in FY 2023-24. The overall percentage utilization trend of allocated budget from FY 2020-21 to 2022-23 is 92%, 91.67% and 93.31% respectively, and the same is 100% for FY 2023-24. However, as on 12.02.2025 the percentage utilization of funds for FY 2024-25 is around 76%, while the Ministry have submitted that 100% funds is likely to be utilized.

The Committee hope that as assured by the Ministry, the funds will be fully utilized as the financial year 2024-25 progresses. The Committee would also like to be apprised of the same.

5. Strategic Goals under the Regional Exploration

The Regional Exploration for coal and lignite in the Demands for Grants (2025-26) has been allocated ₹250 crore, an increase from ₹230 crore in the previous financial year, which remained the same at RE 2024-25. The Committee hope that the increased budgetary allocation of ₹20 crore during FY 2025-26 will be utilized optimally for intensifying exploration to achieve the key goals of increased exploration and allocation of fund in Coal Gasification Scheme. The Committee are also of the view that the Ministry should consider diversifying its investment portfolio by leveraging government allocations and PSU revenues, in addition to foreign investments and strategic mineral exploration initiatives critical for India's energy transition, which would help reduce dependency on traditional coal investments, enhance domestic

resource security, foster sustainable industrial growth and contribute significantly toward achieving India's net-zero emission target.

The Committee also feel that Advanced Technology Integration, such as collaboration with ISRO for satellite-based remote sensing, drone-based surveys for mapping of inaccessible areas; increasing engagements with private firms through open-bidding and incentives and simplifying entry barriers for private exploration agencies will be crucial to meet the growing demand for coal in India's energy sector, and recommend that use of such cutting-edge exploration technologies should be expedited and adopted in a time-bound manner for faster reserve estimation.

6. Import of Coal

The Committee are happy to note that India has set the tone towards successful reduction of its reliance on imported non-coking coal. There is also a miniscule reduction in coking coal import by 0.64% from April-October, 2023 to April-October, 2024.

The Committee note that CIL operates 10 washeries with a total washing capacity of 18.35 MT per year. Within the available capacity, the actual washed coking coal production remains relatively low (2.26 MT in 2023-24). Additionally, CIL has planned to set up 08 coking coal washeries by FY 2029-30, with a capacity of 21.5 MTPA. The Committee are of the view that enhanced policy support, technological advancements, and increased private sector participation may result in enhanced efficiency of coal washing in India as coal washing is an integral part of coal production. The Committee, therefore, recommend that Ministry of Coal should coordinate and monitor the progress of construction of washeries on frequent basis and also explore for enhanced private participation too in this. The Committee also hope that CIL ensures smooth and timely setting up 08 coking coal washeries.

7. Low Fund Utilization in Conservation and Safety Measures

The Committee note that the BE allocation for FY 2025-26 for Sub Scheme Conservation and Safety in Coal Mines under the Scheme Conservation Safety and Infrastructure Development in Coal Mines remains stagnant at ₹20 crore, despite considerable number of mine accidents. For the FY 2024-25, against the BE of ₹20 crore, the RE slashed down by around 50% to ₹10.79 crore suggesting no significant investment in mine safety

upgrades. It is a matter of concern further that despite ~ 50% reduction in BE, the quarterly spending of FY 2024-25 as on 12.02.2025 is skewed, as only ₹1.66 crore was spent in first quarter and ₹6.93 crore in third quarter. Second quarter reflect nil expenditure. The Committee are of the view that problems arising out of land acquisition, roof fall incidents, limited safety culture and negligence, illegal and rat-hole mining, unplanned transportation of coal, coal theft, among others, affect worker safety and operational efficiency. The Committee, therefore, recommend that safety budget may be utilized fully to improve execution of safety installations such as LiDAR scanners, tele-monitoring, AI-based hazard detection in underground mines, mandatory biometric attendance of workers to regulate their unpaid extra working hours, and modernization of safety equipment, etc. The Committee also impress upon the Ministry and Coal PSUs to look at the global practices for the safety and security of the labourers to bring down the number of recurring fatal accidents. A review of the effectiveness of the National Coal Mine Safety Portal towards mine accidents should also be conducted.

8. Environmental Pollution Near Mines

The Committee would also like to draw attention of the Ministry towards instances of increased environmental pollution in areas near to coal mines and accidents caused by trucks transporting coal and suggest that instructions should be issued by the Ministry of Coal to address the significant environmental and public health challenges posed by dust generated during coal transportation, so as to ensure that trucks that transport coal are fully covered by tarpaulins and also their movement is restricted to non peak hours so that accidents happening during school hours and other peak times can be avoided. In this direction, the Committee while welcoming the launch of National Coal Mines Safety Report Portal, in December 2024 for real-time safety tracking, would also like to invite their attention to the Committee's earlier recommendation contained in the First Report (Eighteenth Lok Sabha) on safety in coal mines and hope that initiatives such as strict compliance measures with periodic inspections and robust penalties for non-adherence should be introduced, ensuring that operational practices are consistently monitored. The Committee are of the view that this will help to address various kinds of issues being faced at the ground level in a systematic manner.

9. Financial Performance of Coal Public Sector Undertakings

The Committee observe that during the last five financial years from 2020-21 to 2024-25, all the three coal producing companies – CIL, NLCIL and SCCL have been earning net profits. There is a steady revenue growth from ₹90,026 crore (2020-21) to ₹1,42,323 crore (2023-24) for CIL. For SCCL, revenue has doubled from ₹13,759 crore (2020-21) to ₹30,019 crore (2023-24). However, revenue increased from ₹9,846 crore (2020-21) to ₹16,165 crore (2022-23), but declined to ₹12,999 crore (2023-24) for NLCIL. Similarly, Earning per Share of ₹60.69 in 2023-24 for CIL shows that CIL provides the highest returns to its shareholders. On the other hand, NLCIL has the lowest EPS of ₹13.50, indicating lower investor returns. The Committee are of the view that though the overall financial performance of all the three PSUs are laudable in terms of Capital Expenditure (CAPEX) and Profits After Tax (PAT), PSU-specific steps may be taken to ensure optimal revenue profit and earnings. The Committee hope that NLCIL shall maintain consistency in their performance and revenue earnings.

10. Physical Performance of Coal Public Sector Undertakings

The Committee note that all the three coal producing companies have been able to meet the targeted coal production for the FY 2023-24. Against the cumulative coal production target of 862 MT, the combined efforts of the three PSUs have yielded an actual coal production of 856.47 MT which suggest no significant shortfall in coal production. However, NLCIL could not meet its lignite target (83.36%) due to land acquisition delays. In terms of productivity, the Committee note that CIL is the most efficient in coal mining, which may be due to use of modern technology. The Committee are of the view that though the efforts put in by the three coal PSUs are commendable in meeting the overarching national objective of energy security, the obstacles coming in the way of better performance of NLCIL and SCCL may be addressed at the earliest.

11. Address Jharia Coalfield Fire

The Jharia Coalfield Fire has been a long-standing issue leading to loss of coal to fire, ground subsidence, health hazards, forced migration, displacement of local communities. The Committee note that Environmental Measures and Subsidence Control (EMSC) Sub Schemes under the Scheme of Conservation Safety and infrastructure Development in Coal Mines have been

merged in the Jharia Master Plan dealing with Fire, Subsidence, Rehabilitation & Resettlement (R&R) within Leasehold of Bharat Coking Coal Limited. The Committee further note that a revised plan is being formulated by the Ministry to address ongoing fires, land subsidence, and resettlement issues. The Committee would like to be apprised of the same, and recommend expediting the approval of revised Jharia Master Plan.

NEW DELHI;
10 March, 2025
19 Phalguna, 1946 (Saka)

ANURAG SINGH THAKUR
Chairperson,
Standing Committee on
Coal, Mines and Steel

ANNEXURES

ANNEXURE I : Surrender of Funds for FY 2024-25

Heads of Account	Description	Amount (Rs in Thousands)
2803.00.001.04.02.28	Professional Services (Nominated Authority)	88400
2803.00.101. 09.04.33	Development of Transportation Infrastructure in Coalfield Areas (Subsidies)	299600
2803.00.101.09.05.33	Conservation and Safety in Coal Mines (Subsidies)	82900
2552	North Eastern Areas (Major Head)	
2552.00.465.04.00.33	Development of Transportation Infrastructure in Coalfield Areas (Subsidies)	33300
2552.00.465.05.00.33	Conservation and Safety in Coal Mines (Subsidies)	9200
	Total	513400

ANNEXURE II : Re-appropriation of Funds for FY 2024-25

Sl. No	Amount re-appropriated (Rupees in Thousands)	Purpose
1.	10000	To meet additional demand for payment of allowances to the officers of the Secretariat.
2.	1500	To meet additional demand for payment of pending bills under the head of Office Expenses of the Coal Controller Organization.
3.	100	To meet additional demand for payment of pending bills under the head of Rent for Others of the Coal Controller Organization.
4.	2500	To meet additional demand for payment of pending bills under the head of Information, Computer, Telecommunication Equipment of the Secretariat.
5.	7100	Additional funds allocated due to increase in Govt's Share of contribution to Pension-cum-Gratia Funds of Coal Mines Pension Scheme.
6.	195700	For settlement of pending claims under the TSP component of the scheme of Development of Transportation Infrastructure in Coalfield Areas.
7.	31000	For settlement of pending claims under the SC component of the scheme of Development of Transportation Infrastructure in Coalfield Areas

8.	52100	For settlement of pending claims under the SC component of the scheme of Conservation and Safety in Coal Mines.
9.	1000	To meet additional demand for payment of air tickets booked in the Secretariat for official tours.
10	700	To meet additional demand for printing of Annual Report of the Ministry under the head of Printing and Publication of the Secretariat.
11	5000	To meet additional demand for payment of allowances to the officers of the Secretariat.
12	10000	To meet additional demand for payment of salaries to the officers of the Secretariat.
13	400	To meet additional demand for payment of pending bills under the head of Digital Equipment of the Secretariat
14	700	To meet additional demand for meeting day to day expenditure under the head of Office Expenses of the Secretariat.
15	1500	To meet additional demand for procurement of furniture under the head of Furniture & Fixtures of the Secretariat.
16	4300	To meet additional demand for meeting day to day expenditure under the head of Office Expenses of the Secretariat.
17	10000	To meet additional demand for payment to Young Professionals and Consultants hired in the Secretariat.
18	220000	To meet additional demand for under the scheme of Regional Exploration as more adequate meterage available and more nos. of blocks to be taken up in the FY 2024-25.
19	10000	To meet additional demand for payment to Young Professionals and Consultants hired in the Secretariat.
Total (a) 563600		
From Non-Functional Head (MH:2552) to Functional Head (MH:2803) for Utilization in North-Eastern Region/Sikkim		
20.	82700	Lump-sum funds are earmarked to Schemes for north-east areas under Non-functional heads. These non-functional heads are merely control heads from which no actual expenditure is made during the normal course. For incurring expenditure, these funds are mandatorily routed from non-functional heads to the functional heads in the respective schemes. As per DoE OM No. 02(01)/2024-E.II (A) dated 03.06.2024 these powers have been delegated to the Secretaries of the respective Ministries/Departments.
21.	80300	
22.	8100	
23.	50000	
24.	220000	
25.	117800	
26.	29500	
27.	32500	
28.	21000	
Total (b) 641900		
Grand Total (a+b) = ₹1205500		

ANNEXURE III : Letters of Award Issued in Categories I, II, III under the Coal Gasification Scheme

SN	Category I	Amount	Category II	Amount	Category III	Amount
1	Bharat Coal Gasification & Chemicals Ltd	₹1350 Cr	Jindal Steel & Power Ltd.	₹569.05 Cr	New Era Cleantech Solution Pvt. Ltd	₹100 Cr
2	CIL-GAIL JV	₹1350 Cr	New Era Cleantech Solution Pvt Ltd.	₹1000 Cr		
3	CIL-BPCL JV	₹1350 Cr	Greta Energy Limited	₹414.01 Cr		

ANNEXURE IV: Quarter-wise Fund Allocation for the Last Five Financial Years

The details of quarter wise information regarding allocation of funds and utilization of the same with respect to each Scheme/ Sub Scheme, during the last five years up to FY 2024-25 are as under:

Scheme/ Sub Scheme	FY	Fund Allocation (RE)	Utilization				
			Q1	Q2	Q3	Q4	Total
R&D/ S&T	2020-21	12.00	3.75	0.88	4.25	1.09	9.97
	2021-22	11.50	-	4.60	-	3.75	8.35
	2022-23	8.35	-	-	0.30	6.64	6.94
	2023-24	18	6.95	-	5.39	5.66	18
	2024-25 (up to 12.02.2025)	20	8.35	2.07	5.33	-	15.75
Detailed Drilling	2020-21	385	94.50	94.57	101.50	60.82	351.39
	2021-22	350.05	89	54	37	135.05	315.05
	2022-23	300	57	85	15.50	114.80	272.30
	2023-24	260	84.84	45	58.17	68.74	256.75
	2024-25 (up to 12.02.2025)	500	95.83	119.20	152.33	05	372.36
Regional Exploration	2020-21	100	8.32	10.06	38.34	35.28	92
	2021-22	120	10	24	39	37	110
	2022-23	130	28	-	43.80	49.50	121.30
	2023-24	170	39.60	26.41	34.795	69.19	170

	2024-25 (up to 12.02.2025)	230	60.10	26.33	87.56	-	173.99
Conservation and Safety in Coal Mines	2020-21	6	3.56	0.06	0.83	1.28	5.73
	2021-22	4.50	1.01	-	2.72	0.32	4.05
	2022-23	4.00	-	-	3.60	-	3.60
	2023-24	20	8.79	.074	8.47	1.96	19.96
	2024-25 (up to 12.02.2025)	10.79	1.66	-	6.93	-	8.59
Development of Transport Infrastructure in Coalfield Mines	2020-21	50.23	7.27	0.06	27.01	10.87	45.21
	2021-22	65.48	9.99	1.07	31	16.57	58.63
	2022-23	50.04	-	-	4.15	40.90	45.05
	2023-24	72	9.0779	-	52.63	4.87	66.58
	2024-25 (up to 12.02.2025)	38.71	12.17	-	22.67	-	34.84

**ANNEXURE V: Thematic-area wise Fund Allocation under the Scheme
Research and Development for the past five Financial Years**

(₹ in crore)					
Thematic areas	Fund utilized				
	2020-21	2021-22	2022-23	2023-24	2024-25
Advanced technology/ methodology for improvement of production & productivity	0.10	0.00	0.95	0.08	2.69
improvement of safety, Health and environment	4.48	1.10	1.77	3.77	3.52
Waste to wealth	0.36	0.00	0.00	2.70	2.75
Alternative use of coal and clean coal technology	1.94	1.94	2.88	2.37	2.95
Coal beneficiation and utilization	0.00	0.00	0.59	1.10	0.28
Exploration	1.99	2.55	0.25	0.19	0.45
Innovation and indigenization (Under Make-in-India concept)	0.41	1.65	0.00	6.20	5.73
Others (including Hackathon, S&T Coordination etc.)	0.69	1.11	0.50	1.60	1.62
Total	9.97	8.35	6.94	18.00	20.00

ANNEXURE VI: Financial Performance of CIL, NLCIL AND SCCL

<u>COAL INDIA LIMITED</u>					
Particulars	2023-24	2022-23	2021-22	2020-21	2019-20
Profit Before Tax (PBT)	48812.61	43274.6	23616.28	18009.24	24071.32
Profit After Tax (PAT)	37369.13	31722.98	17378.42	12702.17	16700.34
Revenue from operation	142323.98	138251.91	109715.42	90026.01	96080.34
EPS	60.69	51.54	28.17	20.61	27.12

<u>NLCIL</u>					
Particulars	2023-24	2022-23	2021-22	2020-21	2019-20
Profit Before Tax (PBT)	2,882	2,056	2,603	2,223	2,345
Profit After Tax (PAT)	1,868	1,425	1,115	1,314	1,453
Revenue from operation	12,999	16,165	11,948	9,846	10,321
EPS	13.5	10.3	8.1	9	10

<u>SCCL</u>					
Particulars	2023-24	2022-23	2021-22	2020-21	2019-20
Profit Before Tax (PBT) (restated basis 23-24 AR)	6443.38	6507.28	1684.72	777.26	2857.47
Profit After Tax (PAT)(restated basis 23-24 AR)	4701.29	4791.38	1193.21	441.59	1003.52
Revenue from operation (restated basis 23-24 AR)	30019.34	26185.51	20495.10	13759.55	18859.01
EPS	27.87	29.8	7.09	2.14	5.90

Trend of Market Capitalization (amount in Rs.crores)				
Name of the company	Market Cap as on 01.04.2021	Market Cap as on 01.04.2022	Market Cap as on 01.04.2023	Market cap as on 01.04.2024
CIL	81483.45	112808.742	131666.69	267308

**ANNEXURE IX: Minutes of the Tenth Sitting of the Standing Committee on
Coal, Mines And Steel Held on 18.02.2025**

**MINUTES OF THE TENTH SITTING OF THE STANDING COMMITTEE ON COAL,
MINES AND STEEL HELD ON 18th FEBRUARY, 2025 IN MAIN COMMITTEE
ROOM, PARLIAMENT HOUSE ANNEXE, NEW DELHI.**

The Committee sat from 1100 hrs. to 1215 hrs.

PRESENT

Shri Anurag Singh Thakur- Chairperson

Lok Sabha

32. Smt. Roopkumari Choudhary
33. Shri Vijay Kumar Hansdak
34. Smt. Kamlesh Jangde
35. Shri Harish Chandra Meena
36. Shri Ananta Nayak
37. Smt. Bharti Pardhi
38. Dr. Rajkumar Sangwan
39. Shri Kali Charan Singh
40. Shri Shatrughan Prasad Sinha

Rajya Sabha

41. Smt. Mahua Maji
42. Shri Anil Kumar Yadav Mandadi
43. Shri Rwngrwa Narzary
44. Shri Deepak Prakash
45. Shri Aditya Prasad
46. Dr Fauzia Khan

SECRETARIAT

- | | | |
|----------------------------|---|------------------|
| 1. Shri Srinivasulu Gunda | - | Joint Secretary |
| 2. Smt. Jagriti Tewatia | - | Director |
| 3. Smt. Sunanda Chatterjee | - | Deputy Secretary |

WITNESSES

MINISTRY OF COAL

1. Shri Vikram Dev Dutt, Secretary (Coal)
2. Smt Rupindar Brar, Additional Secretary
3. Smt Nirupama Kotru, JS&FA (Coal)
4. Shri Bhabani Prasad Pati, Joint Secretary
5. Shri Sanjeev Kumar Kassi, Joint Secretary
6. Smt Santosh, Deputy Director General
7. Shri Asheesh Kumar, OSD
8. Shri Manik Chandra Pandit, Economic Advisor
9. Shri Sajeesh Kumar N., Coal Controller

COAL PSUs

1. Shri P M Prasad, CMD, Coal India Limited
2. Dr Suresh Chandra Suman, Director (Mines), NLCIL
3. Shri N. Balram, CMD, SCCL
4. Shri Uday A Kaole, CMD, MCL
5. Shri J. P. Dwivedi, CMD, NCL/ SECL
6. Shri Nilendu Kumar Singh, CMD, CCL
7. Shri B. Sairam, CMD, NCL
8. Shri Manoj Kumar, CMD, ECL
9. Shri Samiram Dutta, CMD, BCCL
10. Shri Mukesh Chaudhary, Director (Marketing), CIL

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 for Oral evidence of representatives of Ministry of Coal regarding examination of the Demand for Grants (2025-26). The Chairperson then drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. Thereafter, he directed the representatives to introduce themselves.

3. The Secretary, Ministry of Coal thereafter gave a PowerPoint Presentation and apprised the Committee in detail the Actual Expenditure incurred for the last three years by the Ministry *vis-a-vis* the Revised Estimates, the Budget Estimates for Coal and PSUs and their expenditure under various heads etc. The Committee was also apprised of the financial outlay under the Coal Gasification Scheme and other Central Sector Schemes. The targets, achievements and overall performance of Coal PSUs were highlighted. It was underscored that the Coal PSUs are one of the top achievers in CAPEX in the Government of India across PSUs and across Ministries. While highlighting the policies and programmes of the Ministry, the Secretary, Ministry of Coal, emphasized on Mining with Conscience, along with

focusing on import reduction and production of coal in an eco-friendly, sustainable and cost effective manner.

4. The Committee sought certain clarifications on the various issues like land acquisition and land clearances, capacity of washeries for coking and non-coking coal, coal import, , modernization and diversification of underground mining in order to minimize recurrent fire incidents and accidents in coal mines, performance of Coal PSUs, etc. The representatives of the Ministry replied to some of the queries of the Members.

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

6. Hon'ble Chairperson thanked the Members of the Committee and Officials of the Ministry and PSUs for their active participation in the Sitzings of the Committee.

7. The witnesses then withdrew.

A copy of verbatim record of the Sitzings of the Committee has been kept separately.

The Committee then adjourned.

ANNEXURE X: Minutes of the Fourteenth Sitting of the Standing Committee on Coal, Mines And Steel Held on 10.03.2025

MINUTES OF THE FOURTEENTH SITTING OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2024-2025) HELD ON 10.03.2025 FROM 1500 HRS. TO 1545 HRS. IN COMMITTEE ROOM 'B', PARLIAMENT HOUSE ANNEXE, NEW DELHI.

PRESENT

Shri Anurag Singh Thakur- Chairperson

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Smt. Roopkumari Choudhary
4. Smt. Kamlesh Jangde
5. Shri Govind Makthappa Karjol
6. Smt. Jyotsna Charandas Mahant
7. Shri Harish Chandra Meena
8. Shri Ananta Nayak
9. Dr. Manna Lal Rawat
10. Dr. Rajkumar Sangwan
11. Shri Kali Charan Singh
12. Shri Shatrughan Prasad Sinha
13. Shri Pratibha Suresh Dhanorkar

Rajya Sabha

14. Shri Rwngrwa Narzary
15. Shri Deepak Prakash
16. Shri Aditya Prasad
17. Shri Pradip Kumar Varma

SECRETARIAT

- | | | |
|----------------------------|---|------------------|
| 1. Shri Srinivasulu Gunda | - | Joint Secretary |
| 2. Smt. Jagriti Tewatia | - | Director |
| 3. Smt. Sunanda Chatterjee | - | Deputy Secretary |

2. At the outset, Chairperson welcomed the Members to the Sitting of the Committee.

3. The Committee thereafter took up for consideration Draft Report on Demands for Grants for the year 2025-26 pertaining to the Ministry of Coal.

4. After due deliberations, the Committee adopted the Draft Report with slight modifications as shown in the **Annexure**.

5. The Committee authorized the Chairperson to finalize the Report in light of the modifications suggested by the Committee and the factual verification received from the concerned Ministry and present and lay the same in the Lok Sabha and Rajya Sabha respectively.

The Committee, then, adjourned.

Modifications Made in the Draft Report on the 'Demands for Grants 2025-26'

SN.	Para Nos.	Narration/ Recommendation Portion of the Draft DFG 2025-26	Revised Narration/ Recommendation Portion of the Draft DFG After Changes Suggested by the Committee
1.	Pg No. 05 Para 1.16	For the words in the Heading 'Reduction in Import of Coal.'	Read as 'Import of Coal in April to November, 2024.'
2.	Pg No. 24 Para 4.6 Line No. 01	Before the words 'From the presentation given by the Ministry'	Added 'Import of Coal by different sectors for the last four years and current year from April-October, 2024 is placed at Annexure VIII.'....
3.	Pg No. 27 Point No. 03 Line No. 09	After the words 'to ensure that the projects becomes operational as per the given timelines.'	Added ...'The Committee, therefore, recommend establishing a detailed, structured timeline for the Coal Gasification Scheme by defining clear, time-bound milestones that align with the "Coal Gasification Mission" goal of reaching 100 MT of gasification by 2030. This plan should incorporate specific targets for incremental capacity additions over 1 to 2-year intervals and mandate regular performance audits and environmental impact assessments on a quarterly or biannual basis.'
4.	Pg No. 28 Point No. 05 Line No. 06	After the words 'allocation of fund in Coal Gasification Scheme.'	Added ...'The Committee are also of the view that the Ministry should consider diversifying its investment portfolio by leveraging government allocations and PSU revenues, in addition to foreign investments and strategic mineral exploration initiatives critical for India's energy transition, which would help reduce dependency on traditional coal investments, enhance domestic resource security, foster sustainable industrial growth and contribute significantly toward achieving India's net-zero emission target.'
5.	Pg No. 29 Point No. 06	For the heading of the Point ' <u>Import of Coking Coal</u> '	Read as ' <u>Import of Coal</u> '

	Line No. 02	For the words ‘...thermal coal, driven by record domestic production, improved logistics and transport infrastructure, technological interventions and policy push for import substitution. There is a reduction in coal import by around 5.35% from the month of April to November, 2024. However, while thermal coal imports have been reducing, coking coal imports remain a challenge due to limited domestic reserves and high ash content in Indian coal on one hand and its high use, primarily for Steel production, on the other.’	Read as ‘...non-coking coal. There is also a miniscule reduction in coking coal import by 0.64% from April-October, 2023 to April-October, 2024.’
6.	Pg No. 30 Point No. 08 Line No. 04	For the words ‘...and suggest that instructions should be issued by the Ministry of Coal to ensure that trucks that transport coal are fully covered and also their movement.’	Read as ‘to address the significant environmental and public health challenges posed by dust generated during coal transportation, so as to’ ensure that trucks that transport coal are fully covered ‘by tarpaulins’
7.	Pg No. 30 Point No. 08 Line No. 13	For the words ‘on safety in coal mines and hope that such initiatives taken’	Read as ... ‘on safety in coal mines and hope that initiatives such as strict compliance measures with periodic inspections and robust penalties for non-adherence should be introduced, ensuring that operational practices are consistently monitored. The Committee are of the view that this’...
8.	Pg No. 38 Annexure VIII	-----	<i>Added ‘<u>ANNEXURE VIII: Coal Import Data</u>’</i>