

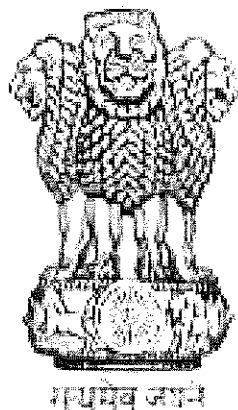
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**STANDING COMMITTEE ON
COAL, MINES AND STEEL (2025-2026)
EIGHTEENTH LOK SABHA**

MINISTRY OF COAL

**[Action Taken by the Government on the Observations/
Recommendations contained in the Fourth Report (Eighteenth Lok Sabha) of the
Standing Committee on Coal, Mines and Steel on Demands for Grants (2025-26)
of the Ministry of Coal]**

TWELFTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
DECEMBER, 2025/AGRAHAYANA, 1947(Saka)**

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COAL, MINES AND STEEL (2025-2026)**

(EIGHTEENTH LOK SABHA)

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**[Action Taken by the Government on the Observations/Recommendations
contained in the Fourth Report (Eighteenth Lok Sabha) of the Standing
Committee on Coal, Mines and Steel on Demands for Grants (2025-26) of the
Ministry of Coal]**

Presented to Lok Sabha on 05.12.2025

Laid in Rajya Sabha on 05.12.2025



**LOK SABHA SECRETARIAT
NEW DELHI
DECEMBER, 2025/AGRAHAYANA, 1947(Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL
(2025-2026)**

Chairperson – Shri Anurag Singh Thakur

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Dr. Raj Kumar Chabbewal
4. Smt. Roopkumari Choudhary
5. Shri Vijay Kumar Hansdak
6. Smt. Kamlesh Jangde
7. Shri Govind Makthappa Karjol
8. Shri Selvaganapathi T.M.
9. Smt. Jyotsna Charandas Mahant
10. Shri Bidyut Baran Mahato
11. Shri Harish Chandra Meena
12. Shri Ananta Nayak
13. Smt. Bharti Pardhi
14. Shri B.K. Parthasarathi
15. Dr. Manna Lal Rawat
16. Dr. Rajkumar Sangwan
17. Shri Kali Charan Singh
18. Shri Shatrughan Prasad Sinha
19. Smt. Dhanorkar Pratibha Suresh
20. Shri S. Venkatesan
21. Shri Aditya Yadav

Rajya Sabha

22. Dr. Sarfraz Ahmad
23. Shri Subrata Bakshi
24. Smt. Mahua Maji
25. Shri Anil Kumar Yadav Mandadi
26. Shri Deepak Prakash
27. Shri Aditya Prasad
28. Shri Devendra Pratap Singh
29. Shri Pradip Kumar Varma
30. Shri Milind Murli Deora*
31. Vacant

* nominated w.e.f. 16.10.2025 *vide* Bulletin – Part-II, Para No. 3329 dated 17.10.2025

SECRETARIAT

- | | |
|------------------------------|------------------------------|
| 1. Shri Harish Chandra Bist | Joint Secretary |
| 2. Smt. Reena Gopalakrishnan | Director |
| 3. Smt. Sunanda Chatterjee | Deputy Secretary |
| 4. Shri Sachin Kumar Saini | Senior Secretariat Assistant |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel (2025-26) having been authorised by the Committee to submit the Report on their behalf, present this Twelfth Report (Eighteenth Lok Sabha) on Action Taken by the Government on the Observations/Recommendations contained in the Fourth Report of the Committee on 'Demands for Grants(2025-26)' of the Ministry of Coal.

2. The Fourth Report was presented to Lok Sabha on 12.03.2025. Replies of the Government to all the Observations/ Recommendations contained in the Report were received on 02.06.2025.

3. The Committee considered and adopted this Action Taken Report at their sitting held on 02.12.2025. The Minutes of the sitting of the Committee has been given at Annexure -I to the Report.

4. An analysis on the action taken by the Government on the Observations/ Recommendations contained in the Fourth Report of the Committee is given at Annexure-II.

5. For facility of reference and convenience, the observations/ recommendations of the Committee have been printed in bold letters in Chapter-I of the Report.

**NEW DELHI;
02nd December, 2025
11 Agrahayana, 1947 (Saka)**

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

CHAPTER I

REPORT

This Report of the Committee deals with Action Taken by the Government on the observations/recommendations contained in the Fourth Report (Eighteenth Lok Sabha) of the Standing Committee on Coal, Mines and Steel on 'Demands for Grants (2025-26)' relating to the Ministry of Coal which was presented to Lok Sabha and laid in Rajya Sabha on 12.03.2025.

2. The Report contained 11 Observations/Recommendations. The Action Taken Replies have been received from the Ministry of Coal in respect of all the 11 observations/ recommendations contained in the Report on 02.06.2025. These have been categorized as follows: -

- | | | |
|-------|---|-------------------------|
| (i) | Observations/ Recommendations which have been accepted by the Government:
Sl. Nos. 1,2,3,4,5,6,7,8,9,10 & 11 | Total: 11
Chapter-II |
| (ii) | Observations/ Recommendations which the Committee do not desire to pursue in view of Government's replies:
NIL | Total: 0
Chapter-III |
| (iii) | Observations/ Recommendations in respect of which replies of Government have not been accepted by the Committee:
NIL | Total: 0
Chapter-IV |
| (iv) | Observations/ Recommendations in respect of which final replies of Government are still awaited:
NIL | Total: 0
Chapter-V |

3. The Committee trust that utmost importance will be accorded to the implementation of the Observations/Recommendations accepted by the Government. In case, where it is not feasible for the Ministry to implement the recommendations in letter and spirit for any reason, the matter may be reported to the Committee along with reasons for non-implementation. The Committee desire that Final Action Taken Notes on the Observations/Recommendations contained in Chapter-I of this Report be furnished to the Committee within three months of the presentation of this Report.

4. The Committee will now deal with the Action Taken by the Government on a recommendation made in the Report.

**Low Fund Utilization in Conservation and Safety Measures
(Recommendation No. 07)**

5. The Committee in their Fourth Report had observed/recommended as under:

"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 impresses 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.”

6. In its Action Taken Reply furnished to the Committee, the Ministry of Coal had stated as under:

“This is a subsidy scheme. Since sufficient requisitions were not received under this sub-scheme during the FY 2024-25, there was less expenditure. Against RE of Rs. 9.72 Cr, expenditure was Rs. 8.647 Cr during the FY 2024-25. Remaining funds amounting to Rs. 73 lakhs under NER component, could not be released as no requisition was received.

Ministry of Coal undertakes that the safety budget will be utilized fully to improve the 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. Further, the Ministry and Coal PSUs will look at the global practices for the safety and security of the labourers to bring down the number of recurring fatal accidents. Review of the effectiveness of the National Coal Mine Safety Portal towards mine accidents will be conducted periodically.”

7. **The Committee in their Original Report had noted low fund utilization in the sub-scheme ‘Conservation and Safety in Coal Mines’ under the scheme “Conservation Safety and Infrastructure Development in Coal Mines” during the first three quarters of FY 2024-25 and had viewed that problems in the area of conservation and safety not only affect safety of workers but also operational efficiency. The Committee had therefore recommended that the budget under the scheme may be fully utilized to improve execution of safety installations while looking into the global practices for the safety and security of the labourers to bring down the number of fatal accidents. The Committee had also sought a review of the effectiveness of the National Coal Mine Safety Portal. From the reply of the Ministry, it is learnt that being a subsidy scheme, non-receiving of sufficient requisitions during FY 2024-25 was the reason for less expenditure. The Committee appreciate that the Ministry in its reply has given undertaking for full utilization of the safety budget to improve the execution of safety installations**

and further assured that the Ministry along with Coal PSUs will look into the global practices for the safety and security of the labourers to bring down the number of recurring fatal accidents while conducting periodical review of the effectiveness of the National Coal Mine Safety Portal.

CHAPTER-II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Strategic Allocation of Funds and Increased Focus on Key Areas

(Recommendation No. 1)

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.

Reply of the Government

During FY 2024-25, Ministry of Coal has utilized 97.75% of the budgetary allocation under the three Central Sector Schemes, namely i) Research and Development, ii) Exploration of Coal and Lignite, and iii) Conservation Safety and Infrastructure Development in Coal Mines. Ministry of Coal will attempt 100 percent utilization of budgetary allocation in subsequent Financial Years. As regards Non-Scheme expenditure, the inputs of the Committee have been duly noted, and it will be ensured that the allocated budget for the Ministry is utilized appropriately and effectively in future as well.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Quarterly Utilization of Funds under Central Sector Schemes

(Recommendation No. 2)

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 notes 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 an improvement in the quarterly utilization of funds, compared to the last five years. However, despite this slew of measures, some schemes, particularly in the 'Conservation Safety and Infrastructure Development in Coal Mines' scheme, 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 equipment's, 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 the North-Eastern Region/ Sikkim.

The Committee, thus, recommends 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.

Reply of the Government

Exploration of Coal and Lignite: It is apparent that the achievement remains about 40% of the annual target in Q1 & Q2 and the remaining 60% is being achieved in Q3 & Q4. Accordingly, the funds are being utilised in a financial year. The targets are also assigned accordingly to the weather, cultivation period, etc., because land owners do not generally allow road construction activities & deployment of rigs during crop sowing period. However, efforts are being made to uniformly utilise the fund throughout all quarters.

During 2024-25, the re-appropriation of the fund in NER component from the sub-scheme of Non-CIL detailed exploration to the promotional exploration was done for maximum utilisation of the fund of the NER component.

The areas identified in the North Eastern Region are mostly unexplored, and only a few areas are regionally explored. Hence, regional exploration is to be taken up in the areas

identified at first instance, and on the basis of the outcome of the regional exploration, the potential area is to be taken for detailed exploration. The regional exploration of a block may take 2 to 3 years to complete. Hence, there may be a dearth of areas for detailed exploration in the next 2 to 3 years in NER region. However, a few blocks are identified to take up detailed exploration during FY 2025-26 as per the outcome of the regional exploration of the previous year. Hence, re-appropriation of funds within different heads will be avoided during 2025-26.

Research and Development: Quarterly monitoring and financial tracking for Research and Development under the Central Sector Scheme will be done to avoid any possible re-appropriation of funds.

Conservation, Safety, and Infrastructural Development in Coal Mines: The funds allotted under the SC component and TSP component were fully utilised in the 1st quarter of FY 2024-25. However, due to re-appropriation from the General component to SC/TSP component, no fund was released during the 2nd quarter of FY 2024-25. Meanwhile, a meeting on the Revised Estimate was held in Ministry of Finance, and the budget allocation was reduced from Rs. 92.50 crore to Rs. 48.56 crore for the scheme at RE stage by Ministry of Finance.

Non-Scheme: As far as the Secretariat Budget is concerned, it is submitted that, on some occasions, there have been a need to re-appropriate funds under certain heads due to shortage of funds in these heads from the estimates projected. Such re-appropriations are carried out as per requirement of funds. However, the recommendations of the Committee have been duly noted for compliance.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Coal Gasification Scheme as a new Central Sector Scheme (Recommendation No. 3)

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.

Reply of the Government

The Cabinet approved the Coal Gasification Scheme on January 24, 2024, with a total financial outlay of ₹8,500 crore. The Scheme is designed to incentivize coal/lignite gasification projects across three categories and has received strong interest from public and private sector players.

In response to the Committee's recommendation, the Ministry has prepared a detailed, structured timeline aligned with the Coal Gasification Mission goal of achieving 100 million tonnes of gasification by 2030. The roadmap, including project-wise targets,

annual capacity additions, and year of commissioning, has been attached as Annexure-I.

To realize the Coal Gasification Mission target of 100 MT by 2030, the Ministry is actively accelerating project implementation. A Special Task Force, chaired by the Additional Secretary (Coal) has been constituted to monitor progress, with periodic review meetings to ensure timely execution.

Below is a summary of selected applicants and proposed commencement timeline:

Particulars	Company	End Product	Approved Incentive (in ₹. Cr)	Estimated Project Commencement Timeline
Category- I	Bharat Coal Gasification and Chemicals Ltd.	Ammonium Nitrate	1350	FY2030
	Coal Gas India Limited (CIL-GAIL JV)	Synthetic Natural Gas (SNG)	1350	FY2030
	Coal India Limited	Synthetic Natural Gas (SNG)	1350	FY2030
Category- II	Jindal Steel & Power Ltd.	Direct Reduced Iron (DRI)	569.05	FY2029
	Greta Energy and Metal Pvt. Ltd. (SPV of Greta Energy	Direct Reduced Iron (DRI)	414.01	FY2030

Particulars	Company	End Product	Approved Incentive (in ₹. Cr)	Estimated Project Commencement Timeline
	Ltd.)			
	New Era Cleantech Solution Pvt. Ltd.	Ammonium Nitrate & Hydrogen	1000	FY2030
Category-III	New Era Cleantech Solution Pvt. Ltd.	Ethanol	100	FY2029
Total			6133.06	

- Recognizing the synergies between coal gasification, Carbon Capture, Utilization and Storage (CCUS), and hydrogen production, the Scheme incentivizes integration with such technologies. Specifically:
 - ❖ A 10% weightage is assigned in project evaluation for projects implementing CCUS or achieving zero CO₂ emissions.
 - ❖ Two selected applicants (New Era Cleantech and Jindal Steel & Power) are already incorporating CCUS.
 - ❖ The Ministry has requested MNRE to include blue hydrogen (hydrogen from coal with CCUS) under the policy ambit of green hydrogen, promoting a holistic low-carbon energy transition.
- To support R&D initiatives:
 - ❖ The Scheme has allocated ₹600 crore for demonstration project/small scale plants, with incentives of up to ₹100 crore or 15% of capex per project (whichever is lower).

- ❖ Eastern Coalfields Ltd. is undertaking a pilot Underground Coal Gasification (UCG) project in Jharkhand in collaboration with Ergo Exergy Technologies Inc., Canada. The project aims to explore the potential of UCG technology in India, which involves converting coal into syngas while still underground, thus offering a more efficient and environmental-friendly alternative to traditional coal mining and gasification methods.
- A balance of ₹2366.94 crore (Rs. 8500 crore – Rs. 6133.06 crore) remains under the Scheme, which is earmarked to support additional rounds of project allocation. This surplus will enable the launch of new coal/lignite gasification initiatives in future phases.
- The Ministry acknowledges the importance of adopting international best practices in project design and implementation. As part of this, CMPDI has prepared and submitted a report on “Availability of Technology for coal gasification Projects and a pragmatic way forward for successful execution of these Projects”. Discussions with global technology providers and institutional collaborations are also being explored.

One R&D project on Underground Coal Gasification (UCG) (at Kasta Coal Block in Jharkhand) has already been undertaken. Further, one Special Hackathon on Coal Gasification was also organised during 2024-25.

The recommendation of the Committee 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 are noted for necessary compliance.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

A Reflection on Percentage Utilization of Funds in Last Five Years

(Recommendation No. 4)

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 the 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.

Reply of the Government

The Ministry of Coal has utilized overall 97.75 percent of the budget allocation in the FY 2024-25 for the Schemes as mentioned below:

Exploration of Coal and Lignite: 100% of the fund except NER component in the scheme of Exploration of coal & lignite was utilised as per the details given below:

Scheme	RE 2024-25 (₹ In Crore)	Fund disbursed (₹ In Crore)	% of utilisation against RE	Remarks
Detailed Exploration in Non-CIL blocks	478	469.09	98.72	100% of the fund utilised except NER component. In NER only ₹19.09 crore utilised out of ₹28.00 crore. The balance (Rs. 8.91 crore) could not be released as no requisition was received.
Regional Exploration	252	246.09	97.65	100% of the fund utilised except NER component. In NER only ₹ 39.09 crore utilised out of ₹ 45.00 The balance (Rs. 5.91 crore) could not be released as no requisition received.

Research and Development: Research and Development funds (RE ₹ 20 crore) for the financial year 2024-25 have been fully utilized. Also, it is expected that allocated funds (BE: ₹ 30 crore) for the financial year 2025-26 will be fully utilized.

Conservation, Safety and Infrastructural Development in Coal Mines: The funds allotted under the SC component and TSP component were fully utilised in the 1st quarter of FY 2024-25. However, due to re-appropriation from the General component to SC/TSP component, no fund was released during the 2nd quarter of FY 2024-25. Meanwhile, a meeting on the Revised Estimate was held in Ministry of Finance, and the budget allocation was reduced from Rs. 92.50 crore to Rs. 50.00 crore for the scheme at RE stage by Ministry of Finance.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Strategic Goals under the Regional Exploration

(Recommendation No. 5)

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.

Reply of the Government

Exploration of Coal and Lignite: The exploration blocks/areas are identified to take up exploration during 2025-26, and the increased allocation of ₹ 250 crore for promotional exploration is likely to be utilised.

During 2024-25, CMPDI executed 18% of the total achievements through private players, and in 2025-26, it may increase up to 35 to 40%. CMPDI organises various vendor meets to increase participation of private agencies in the exploration activities. CMPDI also encourages the start-ups by exempting the qualifying criteria in the tenders.

Various cutting-edge technologies are being adopted by the CMPDI in the exploration from time to time. CMPDI has already adopted modern technology of 2D/3D seismic survey in coal exploration for faster coverage of areas.

CMPDI is presently looking for use of the buzz technology of Artificial Intelligence (AI) for data interpretation. The advanced technology of hydro spectral studies through drone technology is being studied for mineral exploration in association with ISRO, and a pilot project may be taken to know the efficacy of this survey. Based on outcome of this project, the use of this technology in coal exploration may be worked out. However, the drone technology has already been implemented by CMPDI for other uses like topographical survey, volume measurement, etc., for the different clients.

Moreover, CMPDI provides services in the field of satellite-based Remote Sensing using satellite data obtained from the National Remote Sensing Agency (NRSA), ISRO, and other authorised agencies. The jobs of Land Reclamation Monitoring, Vegetation Cover mapping of 19 Coalfields (in 3-years cycle), Land Use/ Cover Mapping of Core & Buffer Zones for EMPs, Thermal mapping using Satellite-based thermal infrared imagery, are being done by CMPDI. It is also doing settlements mapping jobs using Satellite based High Resolution imagery. The outputs are used for various applications in exploration, environment and other services.

CMPDI is also providing Drone/ UAV-based services through its own drones as well as through empanelled agencies in outsourced mode even in difficult, inaccessible areas. Drones are equipped with various sensors, which provide Orthophotos, 3-D Point Cloud,

thermal images, videos which are being used for various applications such as generation of Contour Plans, volumetric measurements, thermal mapping, environmental studies, generation of fly-through videos, site surveys, etc. These outputs are useful in preparation of Geological reports, mine planning/ operations, environmental clearances and other services.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Import of Coal
(Recommendation Sl. No. 6)

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 18.35MT 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 8 coking coal washeries by FY2029- 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 ensure smooth and timely setting up 08 coking coal washeries.

Reply of the Government

Coal India Limited (CIL) currently operates 10 coking coal washeries and has planned 8 additional washeries with a capacity of 21.5 MTPA by FY 2029-30, which are being set up on Build-Operate-Maintain (BOM)/ Build-Own-Operate (BOO) basis with private sector participation. The Ministry is closely monitoring the construction progress to ensure timely completion.

Further, to enhance private sector involvement, the Ministry has also auctioned 16 coking coal blocks, which will help strengthen domestic coal availability and improve overall coal washing efficiency.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Low fund utilization in Conservation and Safety Measures

(Recommendation No. 7)

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 impresses 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.

Reply of the Government

This is a subsidy scheme. Since sufficient requisitions were not received under this sub-scheme during the FY 2024-25, there was less expenditure. Against RE of Rs. 9.72 Cr, expenditure was Rs. 8.647 Cr during the FY 2024-25. Remaining funds amounting to Rs. 73 lakhs under NER component, could not be released as no requisition was received.

Ministry of Coal undertakes that the safety budget will be utilized fully to improve the 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. Further, the Ministry and Coal PSUs will look at the global practices for the safety and security of the labourers to bring down the number of recurring fatal accidents. Review of the effectiveness of the National Coal Mine Safety Portal towards mine accidents will be conducted periodically.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

(For Comments of the Committee, please see para 7 of Chapter I)

Environmental Pollution Near Mines

(Recommendation No. 8)

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.

Reply of the Government

Through mandatory Environmental Clearance (EC) for new and expansion projects, along with implementation of pollution control measures outlined in Environmental Impact Assessments (EIAs) and Environmental Management Plans (EMPs) and regular environmental monitoring, the coal PSUs ensure environmental/pollution

compliance in its mining area. Periodic compliance reports are also submitted to MoEF&CC and Pollution Control Boards.

All the mines are operated with valid Consent to Operate granted by the Pollution Control Board and renewed at periodic interval.

Coal PSUs have implemented several measures to reduce dust generation at its mining sites and associated operations. Major steps taken are:

- (i) Surface Miners: These machines reduce the need for drilling and blasting, significantly lowering dust and emissions during coal extraction.
- (ii) First Mile Connectivity Projects: These systems replace conventional loading and road transport methods, reducing dust and carbon emissions.
- (iii) Covering by Tarpaulins: In order to prevent dust generation during coal transportation, the roads are black-topped, coal carrying trucks are optimally loaded and covered with tarpaulin.
- (iv) Water Sprinkling Systems: Advanced water sprinkling systems like Fog Canons and Mist Sprayers on haul roads, stockpiles, and other dust-prone areas to suppress dust are being used.
- (v) Green Belt Development: Large scale plantations are carried out annually including avenue plantation and green belts around mining areas.
- (vi) Environmental Monitoring: Regular monitoring of air quality is conducted to ensure compliance with environmental standards and to identify areas needing improvement.
- (vii) CAAQMS (Continuous Ambient Air Quality Monitoring Systems): These systems monitor air quality in and around mining areas to ensure compliance with environmental standards.
- (viii) Automatic Truck Washing Systems: Installed at key locations to prevent dust from being carried off-site.

To reduce the accidents caused by trucks transporting coal, the following steps are being taken.

- (i) Formulation of Code of Transport Rules as per regulation no. 109 of the CMR – 2017.
- (ii) Formulation and enforcement of a Code of Practice as per regulation no. 110 of CMR- 2017, which includes:

- Safe operating procedures (SOP).
- Examination and testing protocols before and after installation.
- Maintenance and repair guidelines.
- Schedules and methods for inspection and record-keeping.

(iii) An access control mechanism is put in place to restrict the entry of unauthorized transport vehicles inside mines.

(iv) ICCC has already been provided in some subsidiaries to control unsafe traffic movement in mines.

Further to reduce non-adherence to the statutory safety compliance, regular mine inspection by the competent authority, mine safety audit and meetings are conducted.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Financial Performance of Coal Public Sector Undertakings

(Recommendation No. 9)

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.

Reply of the Government

CIL, NLCIL & SCCL have shown consistent growth in both revenue and profitability. As advised by the Committee, coal PSUs have taken proactive steps by conducting regular reviews at appropriate levels to ensure optimal revenue generation and profitability.

Further as far as NLCIL is concerned, it operates in a regulated business environment, governed by the regulations of the Central Electricity Regulatory Commission (CERC), which is the regulatory authority for power sector Companies. NLCIL's revenue and profitability are influenced by regulatory orders issued by CERC. These orders can have both positive and negative effects on the company's financial performance. As a result, NLCIL's profits fluctuate in response to the tariff orders received over the past 2-3 years, as the tariff period is for 5 years. While the regulated profit for NLCIL, as determined by CERC, is around ₹1,300– 1,400 crores, the company has consistently outperformed this figure, achieving profits in the range of ₹1,400–1,800 crores, driven by the operational efficiencies showcased by NLCIL's production units.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Physical Performance of Coal Public Sector Undertakings

(Recommendation No. 10)

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.

Reply of the Government

Following steps have been taken by SCCL & NLCIL for better Physical Performance :
SCCL : SCCL achieved 100% of its coal production target during the year 2023-24 (Target: 70 MT, Actual 70 MT).

Further, 96% of its target is achieved during the year 2024-25 (Target: 72 MT, Actual: 69 MT). The shortfall is mainly due to delay in grounding of new mines (VK Opencast (OC) and JK OC) due to delay in Forest land diversion.

SCCL has planned 72 MT for the year 2025-26 including 3 MT from new mines (VK OC and JK OC). EC has been received for VK OC on 11.04.2025 and EC is recommended in EAC meeting held on 09.05.2025 for JK OC.

Presently (from 01.04.2025), total 38 mines (22 underground and 16 opencast) are in operations in Godavari Valley Coal Fields (GVCF), Telangana.

In addition to these mines in GVCF, Telangana, one opencast mine in Naini in Odisha which is allotted to SCCL was inaugurated on 16.04.2025, has started overburden removal from 01.05.2025.

Following steps are being taken by SCCL to enhance coal production:

- Opening of 7 new mines and expansion of the existing mines.
- Regular follow up is being done with Ministry of Environment Forest & Climate Change and State Govt. for expediting the grant of permissions and clearances for grounding of new projects.
- Regular monitoring of the progress of activities of the new projects and operations of existing projects.
- Ensuring timely supply of materials, machinery, spares, stowing materials etc.
- Ensuring timely awarding of Coal transport and OB removal contracts to ensure uninterrupted working.
- Development of Infrastructure for evacuation of coal like CHPs, Crushers, Mobile Crushers, Pre-weigh-bins etc.

NLCIL: Steps taken by NLCIL to resolve the delay in land acquisition: Lignite production at NLCIL witnessed fluctuations in recent past primarily due to the COVID-19 pandemic and challenges related to land availability for advancing the mining front. To expedite land acquisition for the Neyveli mines, NLCIL has made concerted efforts to revise the minimum compensation for land acquired since 01.01.2014, in consultation with the District & State Administration and with involvement of Stakeholders—

- Rs.25 lakh per acre for agricultural lands.

- Rs 2.5 lakhs per cent (Rs. 2.5 Cr per acre) for House site lands acquired in rural areas (GO Ms No. 9, dated 12.01.2024) and Rs. 5 lakhs per cent (Rs. 5 Cr per acre) for the House site lands acquired in urban areas (GO Ms No. 107, dated 21.08.2024).
- Along with the above, in respect of the lands acquired for its projects at Neyveli region, NLCIL has also revised the R&R provisions.

Steps taken to meet the demand of landowners for permanent employment:

- 20 Bonus mark is awarded to the Project Affected Persons (PAPs) attending the written exams (100 marks) to be conducted for C & D group employment recruitments.
- 39 PAPs were selected in the post of Mining Sirdar, Surveyor and Overman for the Mines at Neyveli.
- 5 PAPs were selected for paramedical services for NLCIL General Hospital.
- 443 PAPs have been provided with AMC perennial nature contractual employment.
- 326 PAPs were selected for training slots for SME operator Assistants (under 3-year training scheme) also 96 PAPs were selected for training slots for Technicians (ITI) (under 3-year training scheme).

As a result of these efforts, the Paravanar river was successfully diverted to its final alignment in September 2023—an activity that had been pending since 2006. Additionally, NLCIL took possession of 600 hectares of land.

Further, NLCIL officials/Senior management coordinates with District Administration/ State Governments and other stakeholders for land acquisition.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

Address Jharia Coalfield Fire
(Recommendation No. 11)

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.

Reply of the Government

EMSC Scheme is linked with the Master Plan, dealing with fire, subsidence, Rehabilitation and Diversion of surface infrastructure in Jharia and Raniganj Coalfields within the leasehold of areas of ECL and BCCL, sanctioned by the Government of India in August, 2009.

As per the provisions of the Master Plan, Coal India Limited was to contribute Rs.350 crores per annum from their internal resources and the expenditure beyond Rs. 350 Cr was provided from the central sector schemes. However, expenditure on account of Master Plan has not exceeded Rs 350 Cr, as such no expenditure has been incurred from EMSC sub-scheme so far. Since, revised Jharia Master Plan is under preparation, this sub-scheme is being continued and notional amount is allocated every year.

It is to be noted that the tenure of the Jharia Master Plan was over in August 2021. As per the approval of the Cabinet Secretariat, a Committee, under the Chairmanship of Secretary (Coal), was constituted on 25th August 2021 to review the Jharia Master Plan. The Committee report was approved by the Committee of Secretaries headed by the Cabinet Secretary on 07.02.2023. Based on the committee report, Ministry of Coal prepared the Cabinet Note on Revised Jharia Master Plan and submitted to PMO/Cabinet Secretariat on 22.07.2024. The salient features of Revised Plan are as follows:

- i. Phased Risk based Approach for RehabilitationCIL/BCCL will deal with present fire & any future outbreak
- ii. No new house construction; Cash compensation in place of house
- iii. Revised cut-off date: Demographic survey 2019 for family entitlement
Classification of sites into Mining & Non-Mining Projects BCCL has identified 81 most vulnerable sites to be dealt initially by 2026-27. Remaining 475 sites, based on vulnerability, will be taken up on need basis and to be completed by 2029-30.

Subsequently, Cabinet Secretariat has constituted a committee to understand the implementation of Jharia Master Plan on ground and suggest measures for effective implementation. Committee has submitted its report on 29th March 2025. Based on the Committee Report, revised Cabinet Note on Jharia Master Plan is being prepared.

(Ministry of Coal OM No. 20011/4/2025-IFD dated 02.06.2025)

CHAPTER-III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

-NIL-

CHAPTER-IV

OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF
THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

-NIL-

CHAPTER-V

**OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES
OF THE GOVERNMENT ARE STILL AWAITED**

-NIL-

**NEW DELHI;
02nd December, 2025
11 Agrahayana, 1947 (Saka)**

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

ANNEXURE-I

MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2025-26) HELD ON 02 DECEMBER, 2025 FROM 1500 HRS TO 1540 HRS IN COMMITTEE ROOM NO. 1, PARLIAMENT HOUSE ANNEXE EXTENSION BUILDING, NEW DELHI

PRESENT

Shri Anurag Singh Thakur - Chairperson

Lok Sabha

2. Dr. Raj Kumar Chabbewal
3. Shri Vijay Kumar Hansdak
4. Shri Govind Makthappa Karjol
5. Shri Selvaganapathi T.M.
6. Smt. Jyotsna Charandas Mahant
7. Shri Bidyut Baran Mahato
8. Shri Ananta Nayak
9. Dr. Manna Lal Rawat
10. Dr. Rajkumar Sangwan
11. Shri Kali Charan Singh
12. Shri Shatrughan Prasad Sinha

Rajya Sabha

13. Dr. Sarfraz Ahmad
14. Smt. Mahua Maji
15. Shri Anil Kumar Yadav Mandadi
16. Shri Pradip Kumar Varma
17. Shri Milind Murli Deora

Secretariat

- | | | | |
|----|---------------------------|---|------------------|
| 1. | Shri Harish Chandra Bist | - | Joint Secretary |
| 2. | Smt. Reena Gopalakrishnan | - | Director |
| 3. | Smt. Sunanda Chatterjee | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee, thereafter, considered and adopted the following draft Reports without any amendments:-

- (i) Action Taken by the Government on the Observations/ Recommendations contained in the 4th Report (18th Lok Sabha) on Demands for Grants (2025-26) relating to the Ministry of Coal

- | | | | | | |
|-------|------|------|------|------|------|
| (ii) | **** | **** | **** | **** | **** |
| (iii) | **** | **** | **** | **** | **** |

3. The Committee then authorized the Chairperson to finalise the Reports and present/lay the same in both the Houses of Parliament.

The Committee, then, adjourned.

*Not related to the Report.

ANNEXURE-II

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS / RECOMMENDATIONS CONTAINED IN THE FOURTH REPORT OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL

Total No. of Recommendations made: 11

Observations / Recommendations that have been accepted by the Government

Sl. Nos. 1,2,3,4,5,6,7,8,9, 10 & 11

11

Percentage of Total: 100%

Observations / Recommendations which the Committee do not desire to pursue in
view of the Government's replies

NIL

Percentage of Total : 0%

Observations / Recommendations in respect of which replies of the Government
have not been accepted by the Committee

NIL

Percentage of Total : 0%

Observations / Recommendations in respect of which final replies of the
Government are still awaited

NIL

Percentage of Total : 0%