

18

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

EIGHTEENTH LOK SABHA

MINISTRY OF COAL

**DEMANDS FOR GRANTS
(2026-27)**

EIGHTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

MARCH, 2026/PHALGUNA, 1947 (SAKA)

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STANDING COMMITTEE ON COAL,
MINES AND STEEL
(2025-2026)

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MINISTRY OF COAL

DEMANDS FOR GRANTS
(2026-27)

Presented to Lok Sabha on 11.03.2026

Laid in Rajya Sabha on 11.03.2026



LOK SABHA SECRETARIAT
NEW DELHI

MARCH, 2026/PHALGUNA, 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
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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
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Rajya Sabha

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23. Shri Subrata Bakshi
24. Smt. Mahua Maji
25. Shri Anil Kumar Yadav Mandadi
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27. Shri Aditya Prasad
28. Shri Devendra Pratap Singh
29. Shri Pradip Kumar Varma
30. Shri Milind Murli Deora*
31. Shri Sajjad Ahmad Kichloo#

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

nominated w.e.f. 05.12.2025 vide Bulletin – Part-II, Para No. 3767 dated 08.12.2025

SECRETARIAT

- | | |
|------------------------------|-----------------------------|
| 1. Shri Harish Chandra Bist | Joint Secretary |
| 2. Smt. Reena Gopalakrishnan | Director |
| 3. Shri Moksh Kher | 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 Eighteenth Report (Eighteenth Lok Sabha) on Demands for Grants (2026-27) 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 11.02.2026. 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 18.02.2026.

4. The Report was considered and adopted by the Committee at their sitting held on 09.03.2026.

5. The Committee wish to express their gratitude to the Ministry of Coal for placing material information as well as tendering evidence and views 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;
09 March, 2026
18 Phalguna, 1947 (Saka)

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

PART – I

REPORT

CHAPTER – I

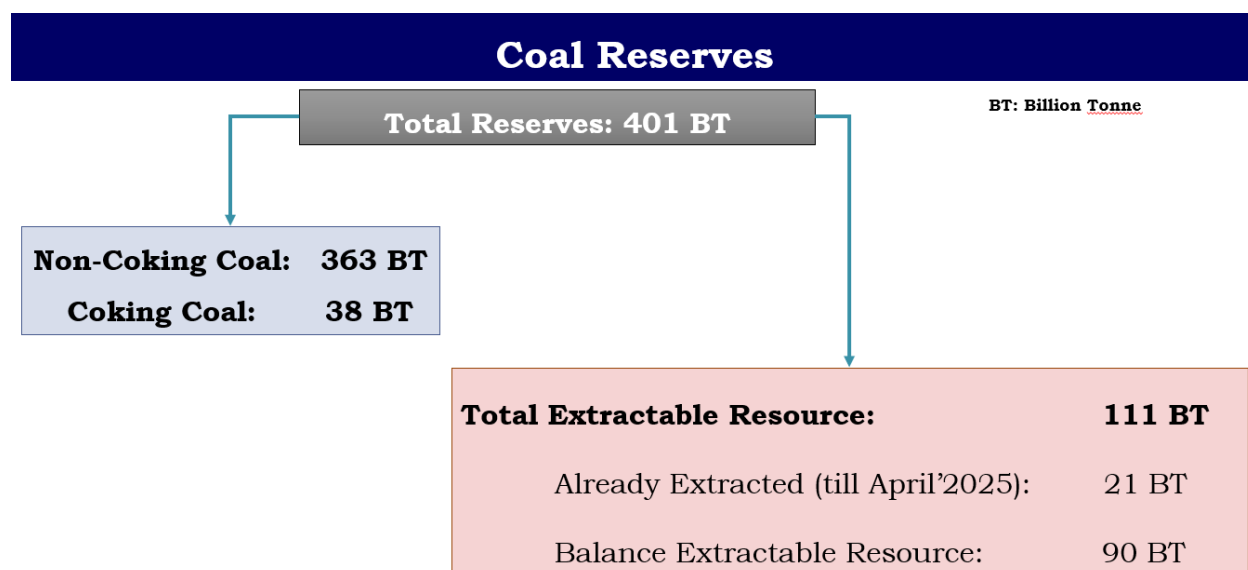
INTRODUCTORY

A. Coal Sector: Overview

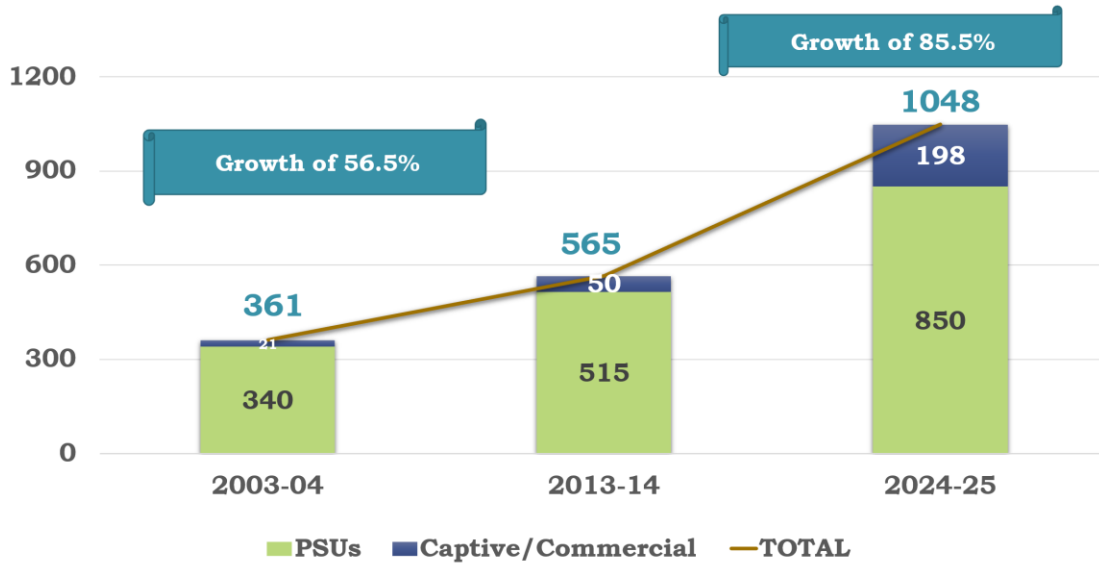
Coal sector is central to India's energy and economic architecture. India is the 2nd largest producer and consumer of coal globally and holds the 5th largest coal reserves in the world. In FY 2025, coal production and supply exceeded 1 billion tonnes, contributing nearly 72% of India's electricity generation and ensuring energy security for power, steel, cement, fertilizers and other core industries.

1.2 The sector has a significant macro-economic impact, generating ₹1.96 lakh crore worth of production annually and contributing about ₹1.1 lakh crore per year to the exchequer through royalties, taxes, cess and dividends. It provides direct employment to about 5 lakh people and indirect employment to nearly 25 lakh, while accounting for 51% of Indian Railways' freight revenue. With 401 BT of geological reserves and 111 BT of extractable resources, long-term coal availability is ensured to support India's growth trajectory under the Viksit Bharat Vision 2047.

1.3 During the evidence of the Ministry of Coal, the following information on reserves, growth in production, coal stocks and coal import was shared with the Committee through a presentation:



Growth Trajectory of Production

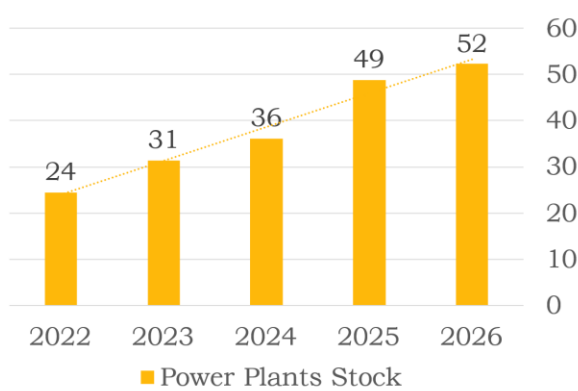


Figures in Million Tonne

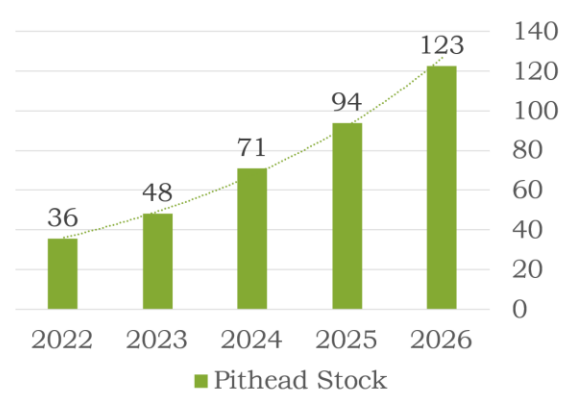
Growing coal stocks for Energy security

As on 31st January

Figure in Million Tonne (MT)



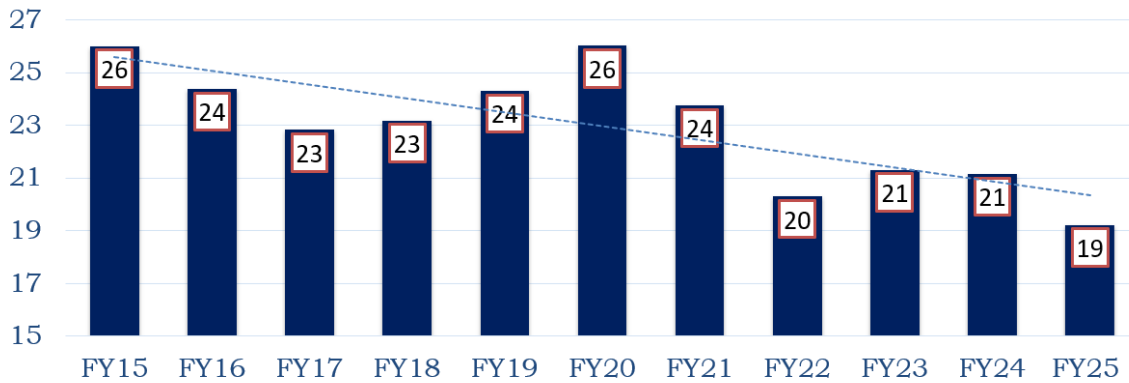
Present stock - sufficient for 22 days




This excludes coal in transit (10 MT)

Coal Import

% of Coal Import in Coal Consumption




FY 25 over FY24
Import Reduction : 8%


FY 25 over FY24
Forex Saving of ₹61,000 Cr.

1.4 During the presentation the Ministry also brought to the notice of the Committee the details about the Smart Coal Analytics dashboard under Koyla Shakti. It was informed that Koyla Shakti (SCAD), launched by India's Ministry of Coal in October 2025, is a centralized digital dashboard for real-time monitoring of coal production, logistics (rail, road, ports), and consumption. Developed with NICDC and powered by ULIP, it enables effective monitoring of coal logistics, demand & supply, identifying bottlenecks & delays for faster resolution and predictive analytics for decision-making.



- Effective monitoring of coal logistics, demand & supply
- Identifying bottlenecks & delays for faster resolution
- Predictive analytics for decision-making

(i) Role of the Ministry of Coal

1.5 The Ministry of Coal (MoC) is the nodal Ministry responsible for policy formulation, planning, development, regulation and sustainable management of coal and lignite resources in the country. Its overarching objective is to ensure adequate, affordable and reliable coal supply, reduce import dependence, promote value addition, and align coal development with environmental sustainability and technological modernization.

1.6 The subjects allocated to the Ministry are as under:

- (i) Exploration and development of coking and non-coking coal and lignite deposits in India.
- (ii) All matters relating to production, supply, distribution and prices of coal.
- (iii) Development and operation of coal washeries other than those for which the Department of Steel is responsible.
- (iv) Low Temperature carbonisation of coal and production of synthetic oil from coal.
- (v) All work related to coal gasification.
- (vi) Administration of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974).
- (vii) Administration of the Coal Mines Provident Fund and Miscellaneous Provision Act, 1948 (46 of 1948).
- (viii) Administration of the Coal Mines Labour Welfare Fund Act, 1947 (32 of 1947).
- (ix) Administration of Rules under the Mines Act, 1952 (32 of 1952) for the levy and collection of duty of excise on coke and coal produced and dispatched from mines and administration of rescue fund.
- (x) Administration of the Coal Bearing Areas (Acquisition and Development) Act, 1957 (20 of 1957).
- (xi) Administration of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and other Union Laws in so far, the said Act and Laws relate to coal and lignite and sand for stowing, business incidental to such administration including questions concerning various States.

(ii) Key Functions of the Ministry of Coal

- (i) Policy and regulatory framework for coal and lignite mining, including administration of the Coal Mines (Nationalisation) Act, MMDR Act, and Coal Mines (Special Provisions) Act.
- (ii) Allocation and auction of coal blocks, including commercial mining, captive mining and projectization of new mines to meet future demand.
- (iii) Oversight and strategic direction of CPSEs such as Coal India Limited (CIL), NLC India Limited (NLCIL) and coordination with SCCL.
- (iv) Enhancing domestic production and logistics efficiency, including mechanization, First Mile Connectivity (FMC) projects and rail-based evacuation.

- (v) Import reduction and energy security, leading to significant forex savings through increased domestic supply.
- (vi) Promotion of reforms and digitization, including revised SHAKTI policy, Coal SETU, Coal Exchange, Integrated Command & Control Centre (ICCC) and Smart Coal Analytics Dashboard.
- (vii) Clean coal and value-added initiatives, notably coal gasification, supported by financial incentive schemes and aimed at import substitution and production of chemicals, fuels and hydrogen.
- (viii) Sustainable mining and mine closure, including scientific mine closure, monitoring of coal fires, and implementation of the Revised Jharia Master Plan with strong social and rehabilitation components.
- (ix) Diversification and energy transition, including renewable energy expansion by coal CPSEs and initiatives aligned with net-zero targets.

1.7 Overall, the Ministry of Coal plays a vital role in strengthening India's energy infrastructure while balancing economic growth with environmental and social responsibilities.

(iii) Public Sector/Joint Sector Companies

1.8 Public Sector/Joint Sector companies under the administrative control of the Ministry are as under:

- i. Coal India Limited (CIL)
- ii. Neyveli Lignite Corporation India Limited (NLCIL)
- iii. Singareni Collieries Company Limited (SCCL) (GoI holding 49%)

a) Coal India Limited (CIL)

1.9 CIL is a Maharatna company and state-owned coal mining corporate that came into being in November 1975 with the Government taking control over private coal mines. With a modest production of 79 MT at the year of its inception, CIL today is the single largest coal producer in the world. The vision of CIL is to emerge as a global player in the primary energy sector by attaining environmentally socially sustainable growth through best practices from mine to market. CIL operates through 85 mining areas spread over eight (8) states of India. Coal India Limited has 310 working mines (as on 1st April, 2025) of which 129 are underground, 168 opencast and 13 mixed mines. Coal India Limited (CIL) is the largest coal-producing company in India and plays a crucial role in the country's energy sector. CIL is responsible for producing approximately 80% of India's total coal output. Given that coal fuels around 55% of India's primary commercial energy needs, CIL alone meets a substantial 40% of the country's primary commercial energy requirement

1.10 CIL has eleven fully owned subsidiaries, 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 (CNUL);CIL Solar PV Limited (CSPL); and Coal India Africana Limitada (CIAL) – Foreign Subsidiary

1.11 Further, CIL has three partly owned Subsidiaries, viz.,Bharat Coal Gasification & Chemicals Limited (BCGCL) (51% holding), Coal Gas India Limited (CGIL) (51% hilding) ;and CIL Rajasthan Akshay Urja Limited (CRAUL) (74% holding).

1.12 CIL has five Joint Venture companies namely - Hindustan Urvarak & Rasayan Limited (HURL);Talcher Fertilizers Limited (TFL);CIL NTPC Urja Pvt. Limited (CNUPL);Coal Lignite Urja Vikas Private Limited (CLUVPL);International Coal Venture Private Limited (ICVPL)

The mines in Assam i.e. North Eastern Coalfields is managed directly by CIL.

b) NLC India Limited (NLCIL)

1.13 NLC is a “Navratna” Company under the Ministry of Coal, 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 the States of Tamil Nadu, Rajasthan, Uttar Pradesh, Odisha, Jharkhand, Gujarat, Assam, Chhattisgarh and Andaman & 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.

1.14 NLCIL is an Energy Major utilising Lignite & Coal and harnessing Thermal Power and Green Energy. The present mining capacity is 30.1 MTPA of lignite & 20 MTPA of coal, while the power generating capacity is 7,585.09 MW including 1,625.09 MW from Renewable Energy.

1.15 The Company has seven subsidiaries namely NTPL, NUPPL, NRPL, NIGEL and NIRL, including two step subsidiaries under NIRL namely NARL and NRRL and two JV companies namely CLUVPL and MNH Shakti Ltd.

c) Singareni Collieries Company Limited (SCCL)

1.16 SCCL is a state-level Public Sector Enterprise jointly owned by the Government of Telangana (51%) and the Government of India (49%). The company contributes around 7.5% of India’s total coal production. SCCL’s registered office is in Kothagudem, Bhadradi District, Telangana. The company currently operates 17 Opencast (OC) mines and 21 Underground (UG) mines across six districts of Telangana, employing 40,186 personnel (as of 31.12.2025). A new mine, VK Opencast (5.3 MTPA rated capacity), commenced overburden removal in October 2025. Coal Production is expected from January 2026.

1.17 Beyond coal mining, SCCL has diversified into thermal power generation, solar power, explosives manufacturing for captive use, and processed sand production from overburden.

(iv) Subordinate Office and Autonomous Organisations

1.18 The following subordinate office and autonomous Organisations are under the administrative control of Ministry of Coal:

- (i) Office of the Coal Controller's Organisation (CCO) – a subordinate office;
- (ii) Coal Mines Provident Fund Organisation (CMPFO) – an autonomous body.

a) Coal Controller's Organisation:

1.19 Coal Controller Organisation (CCO) is a subordinate Office of Ministry of Coal, having its Offices at Delhi, Kolkata Dhanbad, Ranchi, Bilaspur, Nagpur, Sambalpur and Kothagudem. Field offices, other than Delhi and Kolkata, are headed by OSDs being supported by other technical official. The head of the Organisation is the Coal Controller being supported by Director (ISS), one Deputy Director (ISS) and two Deputy Assistant Coal Controllers and other Officials. The Coal Controller Organisation discharges various statutory functions derived from the following statutes

1.20 Functions: The Coal Controller Organisation discharges various statutory functions derived from the following statutes :

- (i) The Colliery (Amended in 2025).
- (ii) Control The Coal Mines Rules, 2004 (Conservation & Development) Act, 1974 and The Coal Mines (Conservation & Development) Rules, 1975 (Amended in 2011)
- (iii) The Coal Bearing Areas (Acquisition & Development) Act, 1957 (20 of 1957)
- (iv) Act as Commissioner of Payment under CM (SP) Act, 2015.

1.21 The Coal Controller Organisation discharges the following functions:

- (a) Inspection of collieries to ensure the correctness of the class, grade or size of coal.
- (b) To issue directives for the purpose of declaration and maintenance of grades of coal of a seam mined in a colliery.
- (c) To act as the appellate authority in case of dispute between consumers and owner arising out of declaration of grade of coal.
- (e) Quality surveillance with respect to maintenance of grade, loading of coal in wagons/trucks according to laid down procedures regarding grades and sizes.
- (f) To grant opening/re-opening permission of coal mine, seam or a section of seam or to sub-divide a mine.
- (g) Approval of Mining Plan and Mine Closure Plan

(h) Implementation of Washery Rejects Policy

(i) Review/evaluations of mines under Star rating Policy

(j) Reimbursement of funds against progressive/final mine closure activities from Escrow Accounts

(k) Disbursement of sums of credit from Coal Mines Conservation and Development account:

(l) To hear objections to the Central Government's Notification relating to acquisition of coal bearing land under Coal Bearing Area (Acquisition and Development) Act, 1957 and to furnish his reports to Central Govt.

(in the m) To facilitate field visits for prospective bidders for proposed coal blocks for auction

(n) Parliament Query & RTI

(o) Support of CSO, DPIIT, IBM, RBI, State Govt. & Niti Ayog etc.

b) Coal Mines Provident Fund Organisation (CMPFO)

1.22 Coal Mines Provident Fund Organisation (CMPFO) is an autonomous body established under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948. It is entrusted with the administration of the Coal Mines Provident Fund Scheme, 1948, the Coal Mines Deposit-Linked Insurance Scheme, 1976, and the Coal Mines Pension Scheme, 1998. These Schemes are administered by CMPFO under the guidance of a tripartite Board of Trustees comprising representatives of the Central Government, State Governments, employers, and employees.

1.23 As on 31 December 2025, CMPFO is rendering services to approximately 3,27,262 Provident Fund subscribers and about 4,77,477 pensioners. The Headquarters of CMPFO is located at Dhanbad, with 20 Regional Offices functioning across the coal-producing States of the country.

1.24 The following reforms have been undertaken by the Ministry in the last one year:

- Revised Shakti Policy
- Coal SETU (Seamless, Efficient and Transparent Utilisation)
- Enhanced Logistics Efficiency
- Coking Coal as Critical Mineral
- Coal Exchange
- Process Reforms- Tapping private sector resources and simplifying approval processes
- Incentives for Underground Coal Mining/Gasification

- Digitization Initiatives
- Scientific and sustainable Mine Closure

1.25 The detailed Demands for Grants (2026-27) of the Ministry of Coal were presented to Lok Sabha on 11.02.2026 and are given in Demand No. 9. While analysing the detailed Demands for Grants of the Ministry of Coal, the Committee in the present Report have examined various schemes/programmes of the Ministry and the PSUs under its administrative control. The detailed analysis along with observations/recommendations of the Committee on various issues have been given in the succeeding chapters of the Report.

CHAPTER – II

OVERVIEW OF DEMANDS FOR GRANTS

A. SUMMARY OF DEMANDS FOR GRANTS 2026-27

The Demands for Grants (2026-27) of the Ministry of Coal reflect a provision of ₹4390.32 crore for Central Sector Schemes, Establishment and other Central Sector expenditure as Gross Budgetary Support. Out of this provision, ₹4301 crore is earmarked for Central Sector Schemes. ₹10.36 crore for Coal Mines Pension Scheme and the remaining ₹78.96 crore for meeting establishment expenses for Secretariat, Coal Controller Organization and Nominated Authority.

2.2 During the oral evidence, the Ministry furnished the proposed and approved BE 2026-27 as under:

Budget 2026-27 at a Glance

(₹ in Crore)

		Proposed BE 2026-27	Approved BE 2026-27
(i)	Central Sector Scheme		
	(a) <u>Research & Development</u>	40.00	21.00
	(b) <u>Exploration of Coal & Lignite</u>	900.00	755.00
	(c) Conservation, Safety and Infrastructure Development in Coal Mines	-	Discontinued
(ii)	<u>Scheme for promotion of Coal Gasification</u>	3525.00	3525.00
	Total Scheme	4465.00	4301.00
(iii)	Other Central Sector Expenditure		
	Coal Mines Pension Scheme (CMPFO)	10.36	10.36
(iv)	Estt. Expenditure		
	(a) Secretariat/NA/CCO	98.30	76.76
	(b) Capital	2.20	2.20
	Total Non-Scheme	110.86	89.32
	Total Budget	4575.86	4390.32

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i) Plan Outlay for 2026-27

2.3 Total outlays of the Ministry of Coal for Central Sector Schemes, Establishment, and Other Central Sector for 2026-27 at BE stage are given below:

Central Sector Scheme			Allocation at BE 2026-27 (Rs. in crore)
1	Research & Development		21.00
2	Exploration of Coal & Lignite	Regional Exploration	200.00
		Detailed Drilling	555.00

3.	Scheme for Promotion of Coal/lignite Gasification	3525.00
Total		4301.00
Non-Scheme		
4	Other Central Sector [Coal Mines Pension Scheme (Govt. contribution)]	10.36
5	Establishment Expenditure (Secretariat, Coal Controller's Organization and Nominated Authority)	78.96
Total		89.32
Total (Scheme and Non-Scheme)		4390.32

Note: The funds of ₹755.00 crores earmarked for the Scheme "Exploration of Coal & Lignite" will be met from NMEDT funds.

2.4 The details about the allocations sought by the Ministry and the allocations approved is as under:

(Rs. In Crore)

I. Capital Section					
(i) Internal and Extra Budgetary Resources (IEBR)-PSUs	Proposed by MoC	Approved by MoF	Follow-up action		
Coal India Limited	16500.00	16500.00	Action Plan is being prepared to utilize the entire CAPEX.		
NLC India Limited	5737.96	5737.96			
Singareni Collieries Company Ltd.	2500.00	2500.00			
Total (IEBR)	24737.96	24737.96			
(ii) Ministry	2.20	2.20			
Total CAPEX (i+ii)	24740.16	24740.16			
II. Revenue Section (Budgetary Support)					
(i) Central Sector Schemes					
(a) Research & Development	40.00	21.00	Action Plan is being prepared to utilize the entire revenue grant.		
(b) Exploration of Coal & Lignite	Regional Exploration	250.00		200.00	
	Detailed Drilling	650.00		555.00	
(ii) Scheme for promotion of Coal/Lignite Gasification	3525.00	3525.00			
Total	4465.00	4301.00			
(iii) Other Schemes & Programmes					
(a) Govt. Contribution towards Coal Mines pension Scheme (CMPFO)	10.36	10.36			

(b) Ministry (Establishment Expenditure)	98.30	76.76	
Total	108.66	87.12	
Total (Revenue Section)	4573.66	4388.12	
Gross Budgetary support for the Ministry (CAPEX and Revenue)	4575.86	4390.32	

ii) Revenue and Capital Outlay

2.5 The charged and voted provisions made in the revenue and capital heads in the Demands for Grants (2026-27) of the Ministry of Coal, Scheme/Sub scheme-wise are as under:

Scheme	Sub-Scheme		Revenue	Capital	Total
Research & Development		Charged	-	-	-
		Voted	21	-	21
Exploration of Coal & Lignite	Regional Exploration	Charged	-	-	-
		Voted	200	-	200
	Detailed Drilling	Charged	-	-	-
		Voted	555	-	555
Promotion Coal/Lignite Gasification Scheme		Charged	-	-	-
		Voted	3525	-	3525
Non-Scheme					
Secretariat, Coal Controller's Organisation and Nominated Authority		Charged			
		Voted	76.76	2.20	78.96
Coal Mines Pension Scheme (Govt. contribution)		Charged	-	-	-
		Voted	10.36	-	10.36
Total		Charged	-	-	-
		Voted	4388.12	2.20	4390.32

iii) Allocation to the Ministry vis a vis Government of India Budget

2.5 On being asked about the percentage share of the allocation to the Ministry vis a vis Government of India Budget, it is furnished as under:

Financial Year	Budget Estimates	Revised Estimates	Actuals	Government of India B.E.	% share vis-a-vis Government of India budget (wrt MoC B.E.)
2016-17	1461	1356.36	1338.04	1978060	0.074
2017-18	1445.10	1442.61	1411.19	2146735	0.067
2018-19	770.91	781.85	708.35	2442213	0.032

2019-20	1159.05	933.60	823	2786349.45	0.042
2020-21	882.61	627.58	571.64	3042230.09	0.029
2021-22	534.88	644.09	573.66	3483235.63	0.015
2022-23	393.24	547.875	497.06	3944908.67	0.010
2023-24	642.32	619.04	604.96	4503097.45	0.014
2024-25	922.55	871.21	850.88	4820512.08	0.019
2025-26	1251.20	1240.96	661 (till Dec, 25)	5065345.04	0.025
2026-27	4390.32	-	-	5347314.81	0.082

iii) Performance Review

a) Actuals against Allocation 2025-26

2.7 The details of actual utilisation of allocated funds, Scheme/Non-scheme wise in BE 2025-26 is as under:

Actuals against Allocation 2025-26

Figure ₹ in crore

Particulars	BE 2025-26	RE 2025-26	Actuals 2025-26 upto 10.02.2026	Percentage
Central Schemes	872.50	862.50	691.84	80.21
Scheme for promotion of Coal Gasification	300.00	285.00	-	-
Other Central Sector & Estt. Exp	78.70	93.46	66.65	71.31
Total	1251.20	1240.96	758.49	61.12
Scheme				
Research & Development	30	20	14	70
Exploration of Coal & Lignite	750	750	616.35	82.18
Conservation Safety and Infrastructure Development in Coal Mines	92.50	92.50	61.49	66.47
Other Central Sector Expenditure				
Coal Mines Pension Scheme (CMPFO)	10.43	10.75	7.82	72.74
Establishment Expenditure				
Estt. Expenditure (Secretariat/NA/CCO)	68.27	82.71	58.83	71.12

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2.8 On being asked about the details of funds surrendered, in its written reply, the Ministry stated as under:

"Due to reduced allocation of budget at RE 2025-26 stage (BE 2025-26 of Rs. 1251.20 crore minus RE 2025-26 of Rs. 1240.96 crore), there is a savings of Rs. 10.24 crore and it will be surrendered in due course as the procedure.

2.9 The following measures have been taken to avoid rush of expenditure in the last quarter and last month of the FY 2025-26:

“The funds allocated to Ministry of Coal have been equally distributed for each quarter of the FY (Quarterly expenditure plan) and all the implementing agencies have been directed to strictly adhere to follow the Quarterly Expenditure Plan 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.

There will be no rush of expenditure during the last quarter and last month of the FY 2025-26”.

b) Financial Performance of Central Sector Schemes in the Last Five Years

2.10 The Details of Budget Estimates, Revised Estimates and Actual Expenditure under Central Sector Schemes for the last five years, year-wise along with reasons for variations are as below:

(Rs. in Crore)

Scheme	Sub-Scheme	Year	BE	RE	Actuals	Remark
1.Research & Development (S&T)		2021-22	18	11.50	8.35	As per the requirement, the funds were allocated at RE stage, but the allocation for SC/ST/NER component could not be utilized fully as no proposal was in hand under R&D scheme for 2021-22 and 2022-23. However, significant efforts were made for full utilization of NER component and as a result, the entire budget was utilized during 2023-24 and 2024-25.
		2022-23	10	8.35	6.94	
		2023-24	21	18	18	
		2024-25	21	20	20	

		2025-26	30	20	13.93 (31.01.2026)	100 % funds is likely to be utilized
2.Explorati on of Coal and Lignite	(i)Regional Exploration	2021-22	130	120	110	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 and as a result 100% allocation was utilized during 2023-24 and 97.65% was utilized during 2024-25.
		2022-23	75	130	121.30	
		2023-24	250	170	170	
		2024-25	230	252	246.09	
	2025-26	250	250	141.16 (31.01.2026)	100% funds is likely to be utilized.	
	(ii) Detailed Drilling	2021-22	200	350.05	315.05	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully as exploration could
		2022-23	175	300	272.30	

		2023-24	200	260	256.75	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 and as a result 98.75% allocation was utilized during 2023-24 and 98.13% was utilized during 2024-25.
		2024-25	500	478	469.09	
		2025-26	500	500	400.00 (31.01.2026)	
3.Conservation Safety and Infrastructure Development in Coal Mines	(i) Conservation and Safety in Coal Mines	2021-22	6	4.50	4.05	As per the requirement the funds were allocated at RE stage, but the allocation for NER component could not be utilized fully as no proposal was in hand under the scheme. However, significant efforts were made for full utilization of NER component during 2023-24 and as a
		2022-23	4	4	3.60	
		2023-24	20	20	19.96	
		2024-25	20	10.79	8.647	

						result, the entire budget was utilized and in 2024-25, 80% was utilized.
		2025-26	20	20	2.67 (31.01.2026)	100 % funds is likely to be utilized
	(ii)Development of Transport Infrastructure in coalfield areas	2021-22	65.48	65.48	58.63	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 2024-25 and as a result 94.97% was utilized.
		2022-23	50.04	50.04	45.05	
		2023-24	72	72	66.58	
		2024-25	72	38.71	36.765	
		2025-26	72	72	58.82 (31.01.2026)	
	(iii)Environmental Measures and Subsidence Control	2021-22	0.50	0.50	-	A token provision of Rs. 50 lakhs was kept for releases under this scheme. As per the provisions of Jharia and Raniganj Master Plans, Coal India Limited was required to spent an amount of Rs. 350 crore from its internal resources. Whenever, this expenditure exceeds Rs. 350 Cr, the Gross Budgetary Support
		2022-23	0.50	0.50	-	
		2023-24	0.50	0.50	-	
		2024-25	0.50	0.50	-	
		2025-26	0.50	0.50	-	

						from Govt. of India is required. Since, the total expenditure during this period is less than Rs 350 crores/year, no amount was required from Govt. budget.
4. Scheme for Promotion of Coal/lignite Gasification		2025-26	300	285	-	<p>As per the Scheme guidelines, the first instalment of ₹285 crore (50% of the committed incentive) is to be released as reimbursement of actual capital expenditure incurred on plant and machinery. One project has achieved financial closure, including loan disbursement and contribution of 30% equity.</p> <p>As per the Scheme, the first installment is to be released after first disbursed of loan and 30% equity contribution of the project, in the form of reimbursement of actual capital expenditure</p>

					<p>incurred on plant and machinery.</p> <p>One project has partially complied with the above conditions till date and it is likely to be fulfilled in Feb'2026. Thereafter the funds will be released by Mar 2026.</p>
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c) Physical Performance of Central Sector Schemes in the Last Five Years

2.11 The physical performance of Central Sector Schemes, during the past five years is as under:

Scheme		Target	Revised Target	Achievement	Remark
Detailed Drilling (in Lakh Meter)	2020-21	6.00	6.50	6.44	Achieved more than targets
	2021-22	1.90	2.00	2.59	
	2022-23	1.60	1.35	1.82	
	2023-24	1.50	2.00	2.54	
	2024-25	4.50	4.30	4.46	
	2025-26	4.50	4.50	4.71 (upto Dec. 2025)	Achieved more than targets
Regional Exploration (in Lakh Meter)	2020-21	1.00	1.15	1.35	Achieved more than targets
	2021-22	1.50	1.40	1.69	
	2022-23	0.40	0.65	0.76	
	2023-24	2.00	1.50	1.74	
	2024-25	2.00	2.20	2.57	
	2025-26	2.25	2.25	0.85 (upto Dec. 2025)	About 1.25 lakh metre is likely to be achieved

					due to law & order problem & pending FC. Hence, re-appropriation of Rs.100 crore from Regional Exploration to Detailed drilling is being considered for 100% utilization of fund.
Research and Development (S&T)	Year	Project completed		Project sanction	
		Target	Achievement	Target	Achievement
	2020-21	4	4	2	5
	2021-22	3	3	2	2
	2022-23	4	4	9	11
	2023-24	4	5	10	11
	2024-25	3	8	4	6
	2025-26	4	4 (as on 13.01.2026)	6	5 (as on 13.01.2026)
Scheme for promotion of Coal/lignite Gasification	2024-25	<p>This is a financial incentive scheme aimed at promoting the setting up of coal/lignite gasification projects.</p> <p>Seven (7) selected projects under the scheme are scheduled for commissioning by year FY2030. Accordingly, no physical outcomes are envisaged for year 2025-26.</p> <p>Upon commissioning, projects expected to cumulatively utilize ~12 MT coal per annum.</p>			
	2025-26				

CHAPTER – III

DETAILED ANALYSIS OF DEMANDS FOR GRANTS

A. RESEARCH AND DEVELOPMENT

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 as per the details given below:

- Study and research related to energy efficiency and its optimization
- Technology development / indigenization (Make in India) as per the requirement of the industry
- Application of Information Technology / Artificial Intelligence / Machine Learning for process optimization
- Capturing and transferring operational performance data through suitable instrumentation and its analysis using Artificial Intelligence or Big Data Analysis
- Disruptive technology
- Clean Coal technology / Coal beneficiation / Quality control Improvement of production & productivity
- Improvement of safety, health and ergonomics
- Environment & Ecology dealing with environmental issues, green mining, for reducing environmental impact
- Transforming Waste to Wealth
- Study of social impact of mining and its mitigation

3.2 The Research & Development (R&D) activities in the Coal sector are administered through an apex body namely, Standing Scientific Research Committee (SSRC) with the Secretary (Coal) as its Chairman. The other members of this apex body include Chairman, Coal India Limited (CIL), Chairman cum Managing Directors (CMDs) of Central Mine Planning and Design Institute (CMPDI), Singareni Collieries Company Limited (SCCL) and NLC India Limited (NLCIL), Director General (DG) of Directorate General of Mines Safety (DGMS), Directors of concerned CSIR Laboratories, Representatives from Department of S&T (DST), NITI Aayog and Research Institutions, Chairman of Technical Sub-committee, etc.

3.3 The main functions of SSRC are to plan, programme, budget and oversee the implementation of research projects. The SSRC is assisted by a Technical Sub-

Committee headed by the Head of Department (HoD) (Mining) of IIT- KGP/BHU/ISM on annual rotation basis.

3.4 The R&D projects are broadly covered under 7 thematic areas, viz. Advanced technology / methodology for improvement of production & productivity, Improvement of safety, Health and environment, Waste to wealth, Alternative use of coal and clean coal technology, Coal beneficiation and utilization, Exploration, Innovation and indigenization (Under the Make-in-India concept).

3.5 CMPDI acts as the Nodal Agency for co-ordinating research activities in the coal sector. This involves identifying 'Thrust Areas' for research activities, identifying agencies that can undertake research work in the identified fields, processing the proposals for Government approval, preparing budget estimates, disbursing fund, monitoring the progress of implementation of the projects, etc.

3.6 As per the written submission furnished by the Ministry the allocation under the R&D/ S&T Scheme during the FY 26-27 is as under:

Scheme	Allocation for 2026-27 (Rs. in Crore)
Research & Development	21

3.7 The Committee was given to understand that the Ministry of Coal had proposed an allocation of Rs. 40 crore for Research and Development (S&T) in 2026-27 whereas only Rs. 21 crores have been sanctioned in BE by the ministry of Finance. Further it is seen that there is consistent downsizing of funds allocated for R & D at RE level.

(Rs. in Crore)

Scheme	Sub-Scheme	Year	BE	RE	Actuals (31.01.2026)
Research & Development (S&T)		2021-22	18	11.50	8.35
		2022-23	10	8.35	6.94
		2023-24	21	18	18
		2024-25	21	20	20
		2025-26	30	20	13.93

3.8 It has been observed by the Committee that R&D allocations are modest relative to sectoral challenges and there is also a past pattern of North East Region and Scheduled Caste Sub Plan components being under-utilised. Moreover, the BE 2026-27 for R&D is 21 crore, only marginally higher than RE 2025-26 (20 crore), while the Ministry cited ambitious goals on clean coal, gasification pilots, AI/ML and Make-in-India

technologies. The, Committee , therefore, has desired to know how this envelope was assessed as adequate, and the trade-offs made between thematic areas while finalising BE. In response to this concern , it was replied as under:

“The Ministry has proposed continuation of the Central Sector Scheme of Research & Development (S&T) for the XVI Finance Commission cycle (FY 2026–27 to FY 2030–31) with an enhanced outlay in view of the strategic importance of indigenous technology development in areas such as coal gasification, carbon management, clean coal technologies, mine safety and digital and automation-based mining solutions. The proposal is presently under appraisal through the SFC mechanism. On approval of the scheme for continuation, the funds will be projected accordingly”.

3.9 On being asked about the reason for consistent downsizing of funds allocated for R&D and the steps/measures taken by the Ministry to ensure effective utilisation of funds, it has been informed in a post evidence reply as under:

“An allocation of Rs. 30 crore was made for the R&D scheme in the Budget Estimates (BE) for 2025–26, and the same amount was proposed to be retained at the Revised Estimates (RE) stage. However, the allocation has been reduced to Rs. 20 crore at RE stage for 2025–26 by the Ministry of Finance.

All new R&D proposals, including those from startups and academic institutions, are first examined by the Technical Sub-Committee (TSC) headed by the Head of Department (Mining), Indian Institute of Technology Kharagpur. The TSC evaluates technical feasibility, relevance to sectoral priorities, expected outcomes, timelines, and cost reasonableness.

The Proposals recommended by the TSC are thereafter placed before the Standing Scientific Research Committee (SSRC) chaired by the Secretary, Ministry of Coal, for detailed deliberation and approval. This ensures alignment with national priorities and Ministry objectives.

The amount allocated is adequate to meet the ongoing and newly approved projects due to technological modernisation & advancement of mining technology. However, additional funds as per the requirement will be projected at RE 2026-27 stage.”

3.10 When the Committee desired to know how the Ministry plans to bridge the gap between the amount proposed, i.e Rs.40 crore & sanctioned, i.e Rs. 21 crore, and the R&D projects that may get affected by the reduced grant, in a supplementary response, it was submitted as under :

“The Ministry has proposed continuation of the Central Sector Scheme of Research & Development (S&T) for the XVI Finance Commission cycle (FY 2026–27 to FY 2030–31) with an enhanced outlay in view of the strategic importance of indigenous technology development in areas such as coal gasification, carbon management, clean coal technologies, mine safety and digital and automation-

based mining solutions. The proposal is presently under appraisal through the SFC mechanism. On approval of the scheme for continuation, the funds will be projected accordingly”.

3.11 The details of Budget Estimates, Revised Estimates and Actual Expenditure under Research and Development (S&T) for the last five years, year-wise along with reasons for variations are as below:

(Rs. in Crore)

Scheme	Sub-Scheme	Year	BE	RE	Actuals	Remark
1.Research & Development (S&T)		2021-22	18	11.50	8.35	As per the requirement, the funds were allocated at RE stage, but the allocation for SC/ST/NER component could not be utilized fully as no proposal was in hand under R&D scheme for 2021-22 and 2022-23. However, significant efforts were made for full utilization of NER component and as a result, the entire budget was utilized during 2023-24 and 2024-25.
		2022-23	10	8.35	6.94	
		2023-24	21	18	18	
		2024-25	21	20	20	
		2025-26	30	20	13.93 (31.01.2026)	100 % funds is likely to be utilized

3.12 Further, thematic area wise fund utilized during last 5 years are as follows:

(Rs. in crore)

Thematic Areas	Fund utilized				
	2021-22	2022-23	2023-24	2024-25	2025-26 (31.01.2026)
Advanced technology/methodology for improvement of production & productivity	0.00	0.95	0.08	2.69	2.23
Improvement of safety, Health and environment	1.10	1.77	3.77	3.52	1.86
Waste to wealth	0.00	0.00	2.70	2.75	2.37
Alternative use of coal and clean coal technology	1.94	2.88	2.37	2.95	1.20
Coal beneficiation and utilization	0.00	0.59	1.10	0.28	-
Exploration	2.55	0.25	0.19	0.45	
Innovation and indigenization (Under Make-in-India concept)	1.65	0.00	6.20	5.73	3.48
Others (including Hackathon, S&T Coordination etc.)	1.11	0.50	1.60	1.62	2.78
Total	8.35	6.94	18.00	20.00	13.92

3.13 The Committee was also informed that NITI Aayog supported for continuation of Central Sector Scheme of Research & Development for a period of the next 5 years (2026-31) during the 16th Finance Commission Cycle for scientific research, innovation, and technology development in the coal mining and energy sectors. More thrust shall be given for taking up pilot-scale projects for coal gasification to reduce import dependency.

3.14 Further, it was informed by the Ministry that the SC/ST/NER component of budget could not be utilized fully as no proposal was in hand under R&D scheme for 2021-22 and 2022-23. However, significant efforts were made for full utilization of NER component and as a result, the entire budget was utilized during 2023-24 and 2024-25 (100%). 100 % funds is likely to be utilized during FY 2025-26. In this context, the Committee has desired to know the specific outreach and appraisal changes have been introduced to avoid a recurrence of such under-utilisation under BE 2026-27, especially in DAPSC/DAPST components. To this query, in a post evidence written reply, it was stated:

“The reason for non-utilization of funds under DAPSC/DAPST components before the FY 2023-24 was due to non-availability of guidelines for disbursement under DAPSC/DAPST components. But, since FY 2023-24, 100% fund is being utilized under DAPSC/DAPST/NER components. CMPDI regularly organizes seminars to increase the awareness and for inviting research proposals”.

3.15 With regard to Research and Development, the Committee have further observed that the Output-Outcome Monitoring Framework(OOMF) sets targets of 6 new projects sanctioned, 8 ongoing projects completed, one new technological solution adopted and at least one patent and one peer-reviewed paper in 2026-27. Hence, the Committee have desired to know the baseline performance on each of these indicators in the last three years, and the manner in which the Ministry ensure that these outputs translate into actual deployment in mines and plants rather than remaining on paper. To this, it was replied as under:

“During the last three years, all the targeted parameters were fully achieved. Details of the same are as follows:

Output/Outcome	Indicator	2023-24		2024-25		2025-26	
		Annual Target	Annual Achievement	Annual Target	Annual Ach.	Annual Target	Achievement till date
Research Project sanctioned and initiated in the new Thrust areas	No. of research projects sanctioned during the year	4	11	4	6	6	5
Research Project sanctioned and initiated in the new Thrust areas	No. of on-going research projects completed during the year	4	4	3	8	4	4
Solutions provided from R&D projects successfully adopted	No. of new technological innovations/ solutions adopted in Coal Industry	1	1	1	1	1	-
Solutions provided from R&D projects successfully adopted	No. of research papers published in peer reviewed journal	2	2	2	2	1	1
Solutions provided from R&D projects successfully adopted	No. of patent registered for new innovation in current FY	-	-	1	1	1	1

Primarily projects that have been undertaken by the funding of MoC are at Technology Readiness Level (TRL) 3-5. With establishment of NaCCER, it is being attempted to scale up the projects up to TRL-7-8 along with startups which

necessitates significantly higher funding. The same has been requested by CMPDI to MOC. Currently, after successful completion of the project & demonstration at mines of CIL/SCCL/NLCIL, the finding of the projects is circulated widely to the mining PSUs and government research institutes for further field implementation”.

3.16 On being asked about the reason and justification of decrease in budget of R&D, the representative of Ministry deposed as under:

“In research and development, apart from Ministry, the coal companies are also making huge investments. Just in this current financial year, coal companies have invested around Rs. 300 crore in R&D.”

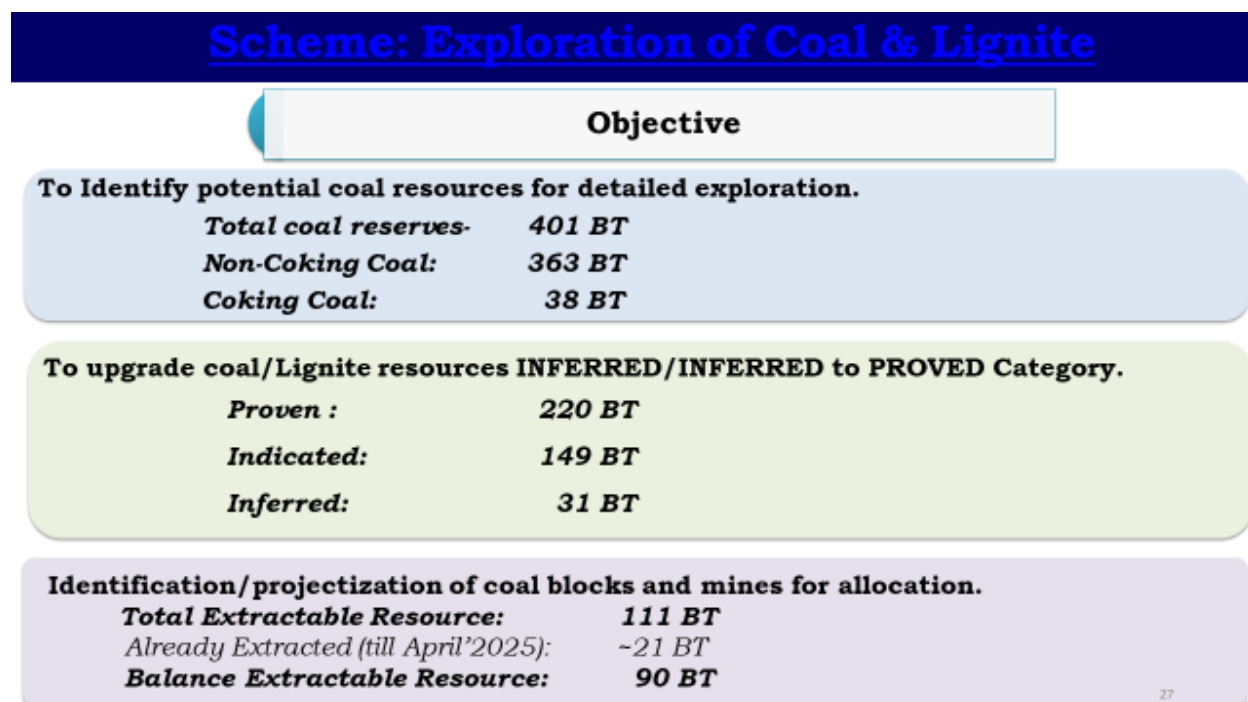
B. EXPLORATION OF COAL AND LIGNITE

3.17 The total outlays under the Central Sector Scheme” Exploration of Coal & Lignite at BE 2026-27 is as under:

Exploration of Coal & Lignite	Regional Exploration	200.00
	Detailed Drilling	555.00

3.18 It has been informed that the funds of ₹755.00 crores earmarked for the Scheme “Exploration of Coal & Lignite” will be met from NMEDT funds.

3.19 During the presentation before the Committee, the objectives of the scheme has been explained as below:



3.20 The details of Budget Estimates, Revised Estimates and Actual Expenditure under Exploration of Coal and Lignite Schemes for the last five years, year-wise along with reasons for variations are as below:

(Rs. in Crore)

Exploration of Coal and Lignite	(i)Regional Exploration	2021-22	130	120	110	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 and as a result 100% allocation was utilized during 2023-24 and 97.65% was utilized during 2024-25.
		2022-23	75	130	121.30	
		2023-24	250	170	170	
		2024-25	230	252	246.09	
		2025-26	250	250	141.16 (31.01.2026)	
		2021-22	200	350.05	315.05	100% funds is likely to be utilized.
		2021-22	200	350.05	315.05	During the year 2021-22 and 2022-23, NER component

		2022-23	175	300	272.30	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 and as a result 98.75% allocation was utilized during 2023-24 and 98.13% was utilized during 2024-25.
		2023-24	200	260	256.75	
	(i) Detailed Drilling	2024-25	500	478	469.09	
		2025-26	500	500	400.00 (31.01.2026)	

3.21 During the evidence, the Committee noted that these are a few R&D initiatives. Regarding exploration of coal and lignite — Rs. 755 crore is the BE 2026-27. Besides this, coal companies are also investing an amount of Rs. 375 crore last year and this year also.

(i) Regional Exploration

3.22 The Demands for Grants for the scheme of Regional Exploration in Coal & Lignite is met through Gross Budgetary Support from Government of India. The Scheme assists in enhancing the pace of coal-lignite regional exploration undertaken by Geological Survey of India, CMPDIL and MECL 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 CMPDIL.

3.23 The details of the fund allocated during last five financial years and in the FY 2026-207 on regional exploration are as under:

(Rs. in crore)

FY	BE	RE	Utilization
2021-22	130	120	110
2022-23	75	130	121.30
2023-24	250	170	170
2024-25	230	252	246.09
2025-26	250	250	141.16 (31.01.2026)
2026-27	200	-	-

3.24 Regarding the physical performance under Regional Exploration, it has been submitted as under:

Regional Exploration	Year	Overall Target (RE)	Total Achievement
	2021-22	1.40	1.69
	2022-23	0.65	0.76
	2023-24	1.50	1.74
	2024-25	2.20	2.57
	2025-26	1.25	0.85 (upto Dec, 2025)

3.25 While furnishing the reasons for the increase /decrease in budgetary allocation under the scheme for regional exploration during FY 2026-27, in its written reply, the Ministry submitted as under:

”The funds in Regional Exploration during the FY 2026-27 decreased in as it is prioritized more in Detailed Drilling in comparison to Regional Exploration because increased funding in the Sub-scheme of Non-CIL detailed exploration will allow to cover more area and addition of more resources in proved category. This enhancement, compared to BE 2025-26, directly supports the Ministry of Coal's goal of providing more fully explored blocks for auction and early projectisation & mining”

3.26 Regarding underutilization of funds in 2025-26, it has been stated as under:

“During the FY 2025-26, less funds are being utilized for Regional Exploration due to shift in focus to Detailed Drilling to avail more blocks for auction. Further, there is severe law & order problem in the number of blocks in the Chhattisgarh, Jharkhand and delay in Forest Clearance in Madhya Pradesh which led to lower utilization during FY 2025-26. Hence, re-appropriation of Rs.100 crore from Regional Exploration to Non-CIL Detailed Exploration is being considered”.

3.27 When the Committee desired to know the steps being taken to expand exploration technologies such as satellite imaging, drone-based surveys, automated seismic studies and Artificial Intelligence and Machine Learning applications for geological data analysis, in its written reply, the Ministry has furnished as below:

“Various cutting-edge technology is being adopted by CMPDI in the exploration from time to time. CMPDI has already adopted the modern technology of 2D/3D seismic survey in coal exploration for faster coverage of areas. CMPDI is presently looking for the use of Artificial Intelligence (AI) for data interpretation. Advanced technology of hydro spectral studies through drone technology is being done for mineral exploration in association with ISRO and a pilot project may be taken to know the efficacy of this survey. On the outcome of the result 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 use like topographical survey, volume measurement etc. for different clients”.

3.28 On being asked about the steps taken by the Ministry and PSUs to address land acquisition delays and legal hurdles that are primarily slowing down exploration in coal bearing States like Jharkhand, Odisha and Chhattisgarh, in a written reply, the Ministry has stated as under:

“During the exploration stage, no land is acquired by the exploration agencies. Exploration is carried out through negotiations with the landowners without transferring land or providing any benefits. However, once blocks are allotted to block allocatees through PL-cum-ML, and if, further exploration is required, the land may be acquired by them prior to exploration, as they become the owners of the blocks/projects”.

(ii) Detailed Drilling

3.29 The Demand for Grant for Detailed Drilling in Non-CIL/Captive mining block is met through Gross Budgetary Support from Government of India. The 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, MECL and contractual agencies. The scheme is implemented by CMPDI.

3.30 In FY 2026-26 Rs. 555.00 crore has been allocated to detailed drilling. The details of Revised Estimates and Actual Expenditure under the sub-scheme 'Detailed Drilling' for the last five years, year-wise are as below:

Detailed Drilling	Year	RE	Utilization
	2021-22	350.05	315.05
	2022-23	300	272.30
	2023-24	260	256.75
	2024-25	478	469.09
	2025-26	500	400.00 (31.01.2026)

3.31 Regarding the physical performance of detailed drilling , the following data has been placed before the Committee:

Detailed Drilling	Year	Overall Target (RE)	Total Achievement
	2021-22	2.00	2.59
	2022-23	1.35	1.82
	2023-24	2.00	2.54
	2024-25	4.30	4.46
	2025-26	4.50	4.71 (upto Dec, 2025)

3.32 During the oral evidence, the Committee observed that the issue of lignite had not been addressed. The Committee noted that certain States, including Rajasthan, possess substantial deposits of lignite, which constitute an important indigenous source of energy. The Committee, therefore, desired to know the Ministry's policy framework with regard to exploration, development and utilisation of lignite resources.

3.33 Further, the Committee during evidence desired to know the present status of lignite-based projects , the strategy for optimum utilisation of lignite to strengthen India's energy security and the steps taken to promote value-added use of lignite including gasification and other downstream applications. To this it has been replied as under:

“To ensure optimal utilisation of lignite and promote diversification, the Government, on 24.01.2024, approved a financial outlay of ₹8,500 crore to encourage both public and private sector participation in setting up coal and lignite gasification projects. The scheme enables the use of lignite as well as coal for producing value-added products, thereby reducing import dependence and strengthening India’s energy security. ₹8,500 crore of financial incentive scheme was approved on 24.01.2024 for promotion of coal/lignite gasification projects. The Request for Proposal under the scheme were published for the 1st round on 15.05.2024 and for the 2nd round on 30.09.2025. However, no proposal for setting up lignite gasification projects has been received under the scheme so far. Presently, no lignite-based gasification project is under implementation.”

3.34 The Committee during the examination of Demands for Grants also wanted to know whether there is a single-window clearance mechanism in place for faster approvals for detailed drilling in non-CIL blocks and if not, the steps being taken to increase the penetration of private exploration firms. To this query , it was replied as below:

“The SWCS Portal was developed specifically for faster approval of geological reports for coal blocks auctioned under the PL cum ML method. No such approval is needed for reports under Non-CIL detailed drilling, as the entire scheme is governed under the supervision of CMPDI, the Ministry of Coal’s nodal agency for exploration. To strengthen the coal sector and advance Aatmanirbhar Bharat, the Government notified 18 QCI-NABET accredited private agencies on November 26, 2025, for coal and lignite prospecting. Additionally, on January 28, 2026, it notified 26 more agencies previously accredited under the QCI-NABET scheme for mineral exploration. This expands allottees’ options, saves upto 6 months in exploration time, fosters efficiency and innovation, and accelerates mining to meet India’s growing energy needs”.

C. CONSERVATION, SAFETY AND INFRASTRUCTURE DEVELOPMENT IN COAL MINES

3.35 It has been informed by the Ministry during the examination of DFG 2026-27 that the scheme ‘Conservation, Safety and Infrastructure Development in Coal Mines’ , has been discontinued w.e.f. 2026-27 and hence, no allocation has been made for the same in FY 2026-27.

3.36 The details of allocation in the FY 2025-26 along with the actuals as on 31.01.26 are as under:

Scheme	Sub-scheme	BE 25-26	RE 25-26	Actuals as on 31.01.26	% with respect	BE 206-27

					to RE 25-26	
Conservation Safety and Infrastructure Development in Coal Mines	Conservation and Safety in Coal Mines	20	20	2.67	1.35	- (scheme discontinued)
	Development of Transportation Infrastructure in coalfields areas	72	72	58.82	81.69	- (scheme discontinued)
	Environmental Measures and Subsidence Control	0.5	0.5	-	-	- (scheme discontinued)

3.37 The details of Budget Estimates, Revised Estimates and Actual Expenditure under the subscheme 'Conservation, Safety and Infrastructure Development in Coal Mines' for the last five years, year-wise are as below:

In Crore

Scheme	Sub-Scheme	Year	BE	RE	Actuals	Remark
Conservation Safety and Infrastructure Development in Coal Mines	(i) Conservation and Safety in Coal Mines	2021-22	6	4.50	4.05	As per the requirement the funds were allocated at RE stage, but the allocation for NER component could not be utilized fully as no proposal was in hand under the scheme. However, significant efforts were made for full utilization of NER component during 2023-24 and as a result, the entire budget was utilized

						and in 2024-25, 80% was utilized.
		2022-23	4	4	3.60	
		2023-24	20	20	19.96	
		2024-25	20	10.79	8.647	
		2025-26	20	20	2.67 (31.01.2026)	100 % funds is likely to be utilized
	(ii)Development of Transport Infrastructure in coalfield areas	2021-22	65.48	65.48	58.63	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 2024-25 and as a result 94.97% was utilized.
		2022-23	50.04	50.04	45.05	
		2023-24	72	72	66.58	
		2024-25	72	38.71	36.765	
		2025-26	72	72	58.82 (31.01.2026)	100 % funds is likely to be utilized
	(iii)Environmental Measures and	2021-22	0.50	0.50	-	A token provision of Rs. 50 lakhs was kept for releases under this scheme. As per the

	Subsidence Control					provisions of Jharia and Raniganj Master Plans, Coal India Limited was required to spent an amount of Rs. 350 crore from its internal resources. Whenever, this expenditure exceeds Rs. 350 Cr, the Gross Budgetary Support from Govt. of India is required. Since, the total expenditure during this period is less than Rs 350 crores/year, no amount was required from Govt. budget.
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3.38 During the evidence, the Committee had observed that the scheme 'Conservation, Safety and Infrastructure Development in Coal Mines' has been discontinued from 2026-27, despite allocating 92.50 crore in 2025-26 and reporting only partial utilisation under sub-heads like conservation, transport infrastructure and environmental measures. In this backdrop, the Committee desired to know the rationale for discontinuation instead of restructuring or tightening scheme design and the the manner in which safety, subsidence control, environmental measures and transport infrastructure needs be funded/implemented. To this, it was replied as under:

“The scheme is overlapping with the mandate of coal companies which are responsible for handling the environmental and safety concerns. The coal companies have sufficient funds for handling these issues, and therefore, the scheme is being discontinued with closer of 15th Finance Commission cycle. Subsidiaries of CIL provide adequate funds for ensuring and improving standards of mine safety. Total funds allocated and utilized by CIL for FY 2025-26 are as follows:

Financial Year	Funds allocated	Funds utilized	% of utilization
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2025-26	Rs. 824.81 crore	Rs. 582.02 crore (Prov.) (till 3 rd Quarter)	70.56%
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CIL is implementing all its safety, environmental measures through internal resources. Regarding transport infrastructure, CIL has funded all its projects through internal resources except the 5 railway projects which are being implemented through Joint Venture (JV) with debt-equity model. The projects wherein support was envisaged under this scheme may be funded through internal resources”.

3.39 During the oral evidence, the representative of the Ministry deposed as under:

“With regard to conservation and safety, last year, the allocation was Rs. 92 crore. However, there was a Department of Expenditure guideline that wherever sufficient resources are available with PSUs, considering the limited fiscal space, we should restrict our schemes. Here, coal companies are investing around Rs. 2,000 crore only in this year. Last year also, it was much more than around Rs. 3,000 crore in coal conservation, safety and infrastructure. However, the Ministry will be continuously monitoring the progress on this made by the coal companies”

3.40 It was further observed that the token BE for Environmental Measures & Subsidence Control has been ₹0.5 crore historically, with CIL expected to fund up to Rs. 350 crore internally and enquired how the Ministry will monitor and ensure compliance of CIL with master plans to meet its obligations, especially at Jharia & Raniganj. They also desired to know the policy on additional GBS support if expenditures for such measures are likely to exceed ₹350 crore in a year. In a post evidence written reply, it was stated as under:

“Revised Jharia Master Plan has been approved by Cabinet Committee on Economic Affairs on 25.06.2025 with an outlay of Rs. 5940.47 Crores from balance amount of Rs. 6663.02 Crores from Jharia & Raniganj Master Plan of 2009 available with Coal India Limited.

As per approved Revised Jharia Master Plan, 2025, Funding of ₹ 500 Crore/ year from CIL will continue, and a corpus will be created for future phases, if required. Further, funding from the District Mineral Foundation (DMF) will be utilised by DC, Dhanbad, whenever required’.

To monitor and ensure compliance, a monitoring committee has been proposed to constitute with following structure:

- i. Secretary (Coal), Co-Chairman
- ii. Chief Secretary, Govt. of Jharkhand, Co-Chairman
- iii. Secretary, Mines, Govt. of Jharkhand, Member

- iv. Secretary, Department of Home, Jail & Disaster Management, Govt. of Jharkhand, Member
- v. Chairman, Coal India Ltd., Member
- vi. CMD, BCCL, Member
- vii. Director General, DGMS, Member”

3.41 Regarding mine safety digitalisation and adoption of IoT/ safety systems (Suraksha Kavach/proximity systems) in underground mines, it was submitted as below:

“Internet of Things (IoT) in mining refers to the use of connected sensors, devices, and systems to monitor equipment, environment, and operations in real time to improve safety, productivity, and cost control. SCCL has deployed smart sensors for real-time monitoring of environmental conditions in two underground mines to monitor the gases like CO, CO₂, CH₄, O₂. Tube bundle gas monitoring system in ALP mine and Tele monitoring system at PVK 5 mine is being used.

In CIL, the deployment of 5G-enabled IoT technology in UG coal mines is still in the research stage. CIL has initiated an R&D project on the application of 5G technology in UG mines”.

3.42 When asked about the state of illegal mining and rat hole mining in the country along with the steps being taken to curb the same and penalize the unauthorized incidents, the Ministry replied as under:

“Illegal mining, including rat-hole mining, remains a matter of concern in certain coal-bearing areas. The issue is being addressed through a combination of physical security measures, surveillance, coordination with State authorities, and use of digital platforms. The following steps are being taken by CIL subsidiaries to check illegal mining of coal:

- (i) Concrete walls have been erected on the mouth of the abandoned mines to prevent access and illegal activities in these areas.
- (ii) Surprise raids/checks being conducted jointly by security personnel and law and order authorities of the concerned State Government.
- (iii) Dumping of the overburden is being done on the outcrop zones.
- (iv) Training of existing security/CISF personnel, refresher training and basic training of new recruits in security discipline for strengthening the security setup.
- (v) Maintaining close liaison with the State authorities.

(vi) Committee/task force has been constituted at different level (block level, subdivisional level, district level, state level) in some subsidiaries of CIL to monitor different aspects of illegal mining.

(vii) Installation of check-posts at vulnerable points.

3.43 Ministry of Coal has launched a Khanan Prahari Mobile App and Coal Mines Surveillance & Management system (CMSMS) web App for reporting the incidents of theft of coal and illegal mining of coal and to enable law and order authorities to take suitable action on the complaints in time.

3.44 The Coal Mines Surveillance & Management System (CMSMS) integrates the following digital tracking mechanisms:

1. Satellite-Based Monitoring

- ✓ Periodic analysis of high-resolution satellite imagery to detect land disturbances and fresh excavations.

2. Geo-Tagged Incident Reporting

- ✓ Integration with Khanan Prahari Mobile App enabling

3. Geo-tagged photographs

- ✓ Real-time reporting of illegal mining and coal theft
- ✓ Public participation in surveillance

4. DGPS Mapping

- ✓ Digitized boundaries of operational, abandoned and discontinued mines using Differential GPS (DGPS).
- ✓ Linking mine coordinates to national GIS platforms.

5. Centralized Web Dashboard

- ✓ Real-time monitoring of reported incidents.
- ✓ Automated forwarding of complaints to concerned State authorities and coal companies.
- ✓ Tracking of action-taken reports.

6. Data Integration

- ✓ Linking of CMSMS with mine closure records, lease boundaries, and security infrastructure details.
- ✓ These digital interventions, combined with physical security and administrative enforcement, are significantly strengthening surveillance and helping prevent illegal mining and accidents in abandoned coal mines.

3.45 When asked about the details of serious and fatal accidents which took place in Coal/Lignite mines , in awritten reply, the Ministry has submitted as under:

“Number of fatal and serious accidents, including corresponding injuries that took place in mines of CIL and its subsidiaries during the last five years, is as follows:

Fatal Accidents (FA) and Fatality (FY):

PSUs	2021		2022		2023		2024		2025	
	FA	FY	FA	FY	FA	FY	FA	FY	FA	FY
ECL	7	8	2	2	4	4	3	4	2	2
BCCL	2	3	4	5	5	6	0	0	4	9
CCL	1	1	2	2	4	4	3	3	8	9
NCL	3	3	1	1	2	2	5	6	4	4
WCL	6	6	1	2	2	2	1	1	1	3
SECL	7	7	8	8	3	3	7	8	6	6
MCL	1	1	0	0	6	8	3	3	2	2
NEC	0	0	0	0	0	0	0	0	0	0
Total	27	29	18	20	26	29	22	25	27	35

Serious Accidents (SA) and Serious Injuries(SI):

PSUs	2021		2022		2023		2024		2025	
	SA	SI	SA	SI	SA	SI	SA	SI	SA	SI
ECL	10	11	9	9	3	6	3	3	3	3
BCCL	6	7	2	3	4	4	3	4	0	0
CCL	3	4	3	3	0	0	1	1	4	6
NCL	9	9	8	8	12	16	4	9	5	5
WCL	6	7	10	12	3	3	5	5	9	9
SECL	21	21	25	26	11	12	14	14	5	6
MCL	2	2	4	4	1	4	1	1	2	2
NEC	0	0	0	0	0	0	0	0	0	0
Total	57	61	61	65	34	45	31	37	28	31

NLCIL: Details of Accidents in NLCIL during the last 5 years:

Mine	Type of Injuries	2021	2022	2023	2024	2025
Mine I	Fatal	-	-	1	-	-
	Serious	-	-	-	1	-
Mine IA	Fatal	-	-	-	1	-
	Serious	1	-	-	-	-
Mine II	Fatal	-	-	-	1	-
	Serious	-	1	-	1	-
BLMP	Fatal	-	-	-	-	-
	Serious	-	-	-	-	-
Talabira Coal OCP	Fatal	-	-	-	-	-
	Serious	-	-	-	-	-

SCCL: Details of Serious and fatal accidents & Serious injuries took place in SCCL during the last five years is as below:

Parameters	2021	2022	2023	2024	2025
Fatal Accidents	7	3	5	6	3
Fatalities	13	5	5	7	3
Serious Accidents	120	91	68	88	86
Serious Injuries	122	96	68	88	88

D. SCHEME FOR PROMOTION OF COAL/LIGNITE GASIFICATION

3.46 Coal Gasification is a clean coal technology that converts coal into synthesis gas (syngas), a mixture of carbon monoxide (CO) and hydrogen (H₂), through a series of thermo-chemical reactions with controlled amounts of oxygen and steam. The syngas produced can be utilized for power generation, and production of methanol, ammonia, fertilizers, synthetic natural gas (SNG), and other value-added chemicals. India possesses the world's fourth-largest coal reserves. However, a substantial portion of

domestic coal is of low grade with high ash content, rendering it less suitable for direct combustion or metallurgical use. Coal gasification provides an efficient alternative route for productive utilization of such coal resources, aligning with the Government’s focus on energy security, import substitution, and cleaner utilization of indigenous coal. To promote this technology, the Government of India has launched the National Coal Gasification Mission, with a target of achieving 100 million tonnes of coal gasification by 2030.

3.47 During the evidence, the Ministry furnished the following, vide presentation:

Coal Gasification | Current Scenario

Coal gasification is a process that converts coal into synthesis gas or syngas - a mixture of carbon monoxide (CO), hydrogen (H₂), and other gases.

Potential products from Coal Gasification

- ❑ **Gaseous Fuel:** Synthetic Natural Gas, Hydrogen etc.
- ❑ **Chemical and Petrochemicals:** Ammonia, Urea, Mono Ethylene Glycol etc.
- ❑ **Liquid Fuel:** Methanol, Ethanol, Di-methyl ether, etc.
- ❑ **Syngas-to-Power**

Financial Incentive Scheme

- ₹8,500 crore Financial Incentive Scheme approved on 24.01.2024.
- Currently, **7 projects** are being implemented (~₹6133 crore earmarked).
- **Total investment :** ~₹64,000 crore
- **Coal Utilisation :** ~12 MTPA
- Projected Forex Savings from ongoing 7 projects-**₹16,000 crores**

100
 Million Tonne

Coal Gasification
 vision by 2030


Importance of Coal Gasification



Accelerated **utilization** of
India's coal



Import Substitution:
 Reduces dependence on
 imported gas, chemicals etc.



A cleaner transition pathway
 contributing to India's Net Zero
 commitments

3.48 The coal/lignite gasification projects are classified under 3 categories:

Category I for Government PSU or JV of PSU: A total outlay of ₹ 4050 crore, with a maximum allocation of ₹1,350 crore per project or 15% of capex, whichever is lower.

Category II for Private Sector & Government PSU: A total outlay of ₹3850 crore, with a maximum allocation of ₹1000 crore per project or 15% of capex, whichever is lower.

Category III for Demonstration projects and/or Small-scale product-based plants: A total outlay of ₹600 crore, with a maximum allocation of ₹100 crore per project or 15% of capex, whichever is lower.

3.49 The year-wise financial outlay under the Scheme, corresponding to the release of incentives to the selected projects up to FY 2031, is as follows:

Year wise fund allocation of Seven projects under the scheme							
<i>(Fig in ₹ Crore)</i>							
Particulars		FY2025	FY2026	FY2027-	FY2028	FY2029-	FY2030
		-26	-27	28	-29	30	-31
First Instalment	Category -I	-	2025.00	-	-	-	-
	Category -II	284.53	707.01	-	-	-	-
	Category -III	-	50.00	-	-	-	-
Second Instalment	Category-I	-	-	-	-	-	2525.00
	Category -II	-	-	-	491.53	-	-
	Category -III	-	-	-	-	50.00	-
Total	6133.06	284.53	2782.01	-	491.53	50.00	2525.00

i. The **success of the first round** is reflected in:

- 100% utilisation of Category-I allocation by 2031
- Partial utilisation under Categories II & III, leaving Rs. 2,366.94 (Rs. 8500-Rs. 6133.06) crore available for the second round of applications.

3.50 In the FY 2026–27, it is informed that a provision of ₹3,525 crore has been made for promotion of Coal/Lignite Gasification Scheme. In 2025-26, the BE allocation was Rs. 300.00 crore which was brought down to Rs. 285.00 crore during RE and no expenditure is made till the end of January 2026.

3.51 When enquired about the reasons for downsizing the allocation for Coal gasification from Rs. 300 crore at BE level to Rs 285 Crore at RE level during FY 2025-26, the Ministry in a written reply has submitted as under:

“The reduction in allocation from ₹300 crore (BE) to ₹285 crore (RE) in FY 2025–26 is primarily due to actual fund requirement based on milestone achievement. While the total scheme outlay is ₹8,500 crore, as of now ₹6,133.06 crore has been earmarked for seven approved projects, of which only one project has attained eligibility for incentive disbursement during FY 2025–26. The financial incentive as per the scheme is to be released in the form of reimbursement of expenditure incurred on plant and machinery.

At present, Jindal Steel Limited (Category-II) is the only project that has achieved financial closure, including completion of the requisite equity infusion and first debt disbursement, thereby qualifying for release of the first instalment of financial incentive amounting to ₹285 crore. Accordingly, the Revised Estimate has been aligned with the actual disbursement requirement, resulting in the downsizing from the Budget Estimate.”

3.52 Giving the reasons for nil expenditure till date, the Ministry, in a written reply, *inter-alia*, submitted as under:

“As per the Scheme guidelines, the first instalment of ₹285 crore (50% of the committed incentive) is to be released as reimbursement of actual capital expenditure incurred on plant and machinery. One project has achieved financial closure, including loan disbursement and contribution of 30% equity.

As per the Scheme, the first installment is to be released after first disbursed of loan and 30% equity contribution of the project, in the form of reimbursement of actual capital expenditure incurred on plant and machinery.

One project has partially complied with the above conditions till date and it is likely to be fulfilled in Feb'2026. Thereafter the funds will be released by Mar 2026”.

3.53 In this connection, during the oral evidence, the Secretary of the Ministry deposed as under:

“In the scheme for promotion of coal gasification, that is the second row, against Rs. 285 crore, we have not spent anything. But, right now, in next few days, this amount of Rs. 285 crore will be spent. There were three conditions for the project. Two conditions have been fulfilled. The third condition of giving the requisite bill in claiming the reimbursement expenditure is underway. So, by February or early March, this amount of Rs. 285 crore will also be spent.”

3.54 When enquired about the Ministry's assessment of absorptive capacity to spend over seven times the previous year's net allocation in a single year, and the risk-mitigation measures that are in place in case milestones slip, the Ministry in a written reply has submitted as under:

"The enhanced allocation under B.E. 2026–27 is primarily attributable to the Scheme for Promotion of Coal/Lignite Gasification, while allocations under other schemes have been rationally aligned with implementation requirements. The Ministry's strategy for effective utilisation of the allocated funds is outlined below:

An amount of ₹3,525 crore has been provisioned in B.E. 2026–27 as against ₹285 crore in R.E. 2025–26.

the financial incentive under the ₹8,500 crore scheme is milestone-based and released in two equal instalments, linked to:

- Financial closure, equity infusion, and first debt disbursement; and
- Achievement of minimum 50% production capacity and one year of continuous production.

Currently, seven projects are under implementation, with ₹6,133.06 crore earmarked as financial incentive. Except for M/s Jindal Steel Limited (Category-II), which has achieved Financial Closure and triggered eligibility for the first instalment, other projects are expected to meet milestone conditions during FY 2026–27.

Accordingly, disbursement of approximately ₹2,782 crore towards first instalments is anticipated in FY 2026–27, along with possible release of eligible claims subject to milestone achievement."

3.55 The Committee had observed that the Ministry of Coal has officially opened the second round of applications for financial incentives aimed at accelerating Coal and Lignite Gasification projects across India and had desired to know the success rate of first round of applications for such financial incentives. In reply, the Ministry has submitted as under:

"The Cabinet approved a total outlay of ₹8,500 crore on 24.01.2024 for promotion of coal/lignite gasification projects under three categories. Subsequently, the Request for Proposals (RFPs) for all three categories were issued on 15.05.2024.

Category-wise selection under the first round is as under:

Category	Beneficiaries	Cap Limit per project	Allocation	Selected Projects
I	Govt.PSUs/JVs	₹1,350 crore/ project or 15% of capex	₹4,050 crore	Bharat Coal Gasification and Chemicals Ltd. Coal Gas India Ltd. Coal India Ltd.
II	Private Companies and/or Govt. PSUs	₹1,000 crore/ project or 15% of capex	₹3,850 crore	Jindal Steel Ltd. Greta Energy and Metal Pvt. Ltd. New Era Cleantech Solution Pvt. Ltd.
III	Demonstration projects and/or Small-scale product-based plants	₹100 crore/ project or 15% of capex	₹600 crore	New Era Cleantech Solution Pvt. Ltd.

Fund Utilisation Position (First Round):

(Rs. in Crore)

Particulars	Total outlay	Fund expected to be utilised by 2031
Category I – for Government PSU or JV of PSUs	4050.00	4050.00
Category II – for Private sector & Government PSUs	3850.00	1983.06

Particulars	Total outlay	Fund expected to be utilised by 2031
Category III – for Demonstration projects and/or Small-scale product-based plants	600.00	100.00
Total	8500.00	6133.06

The success of the first round is reflected in:100% utilisation of Category-I allocation by 2031

Partial utilisation under Categories II & III, leaving Rs. 2,366.94 (Rs. 8500-Rs. 6133.06) crore available for the second round of applications.”

3.56 Regarding the specific project milestones for the FY 2026-27 for financial disbursements, it has been responded to as below:

“Financial incentives are provided as reimbursement of capital expenditure incurred towards plant and machinery and are released in two equal instalments, as detailed below:

1st instalment: After disbursal of loan by bank/FI and 30% equity contribution of the project. The financial incentive will be in the form of reimbursement of the actual capital expenditure incurred towards plant and machinery.

2nd instalment: After achieving minimum 50% of production capacity and one year of continued production of the product(s)

As per the Scheme and the Request for Proposal (RFP) issued thereunder, financial closure is required to be achieved within two years, and project commissioning within five years, from the date of signing of the agreement.

Accordingly, during year 2026–27, the selected projects are expected to attain milestones related to eligibility for release of the first instalment, subject to submission and verification of the prescribed documentary evidence”.

3.57 When the Committee desired to know the percentage of the selected projects under Category II, utilizing indigenous high-ash gasification technology instead of imported proprietary technology from GE or Siemens, in tune with NITI Aayog’s recommendation on ‘Coal Gasification Technology for Indian High Ash Content Coal’, it was stated as under:

“At present, three projects have been selected under Category II, with the technology profile as under:

Jindal Steel Ltd.-Utilising Lurgi gasification technology, owned by M/s Nalwa Green Energy Ltd. (*Indigenous*)**Greta Energy and Metal Pvt. Ltd.**-Utilising Entrained Bed Gasification Technology from Thyssenkrupp Uhde, Germany (*Imported*)

New Era Cleantech Solution Pvt. Ltd.-Utilising non-indigenous gasification entrained bed gasification technology (*Imported*)

3.58 When enquired about the steps that are being undertaken to encourage use of indigenous high-ash gasification technology and constraints being faced along with remedial steps taken, the Ministry in its written reply has submitted as under:

“Under the scheme of Gasification of Coal and Lignite under Category-I- project of Bharat Coal Gasification and Chemicals Limited (BCGCL) uses BHEL’s indigenous gasification technology for coal-to-ammonium nitrate similarly under Category-II, Jindal Steel Limited has adopted Lurgi technology (owned by Nalwa Green Energy), reflecting the Ministry’s focus on technologies suitable for Indian high-ash coal.

Further, Category-III has been specifically designed to support demonstration projects for development and scale-up of indigenous gasification technologies.

While the Ministry actively encourages use of indigenous technology, the scheme is technology-agnostic, allowing project proponents to select the most suitable technology for their coal type and downstream product. At the same time, projects of Jindal Steel Limited and Greta Energy and Metal Pvt. Ltd. involve 80–85% indigenous equipment, supporting domestic manufacturing.

The key constraints in wider adoption of indigenous gasification technology include limited commercial-scale operating experience, as these technologies are largely proven only at the pilot scale, and challenges in handling high-ash coal, which together affect project bankability. To address these challenges, the Ministry is promoting Category-III projects aimed at demonstration, validation, and scale-up of indigenous gasification technologies.”

3.59 When enquired about the mechanism in the Ministry to monitor the implementation of the scheme as well as utilisation of funds, the Ministry in a written reply has submitted as under:

“A Special Task Force, chaired by the Additional Secretary (Coal), has been constituted to oversee project progress and ensure timely execution through regular reviews and resolution of bottlenecks. In addition, a Project Management Agency (PMA) has also been appointed to assist the Ministry of Coal in implementation of financial incentive scheme.”

E. OTHER CENTRAL SECTOR EXPENDITURE- NON SCHEMES

a) Coal Mines Pension Scheme (Govt. Contribution)

3.60 In exercise of the powers conferred under Section 3E of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, and in supersession of the Coal Mines Family Pension Scheme, 1971 (except in respect of things done or omitted to be done before such supersession), the Central Government framed the Coal Mines Pension Scheme, 1998. The Scheme came into force with effect from 31 March 1998.

3.61 CMPS 1998 provides monthly pension, disablement pension, widow or widower pension, children pension and orphan pension. Pension fund under the scheme created by equal contribution from employee and employer, additional pension contribution by employer and government share of contribution.

- (i) Consequent upon its enforcement, about 8 lakhs coal workers working in different coal mines including those ceased to be in employment from 01.04.1994 to 31.03.1998 have been benefited.
- (ii) Under Section 3 E (2) (a) to (d) of CMPF & MP Act, 1948, & Para 3(b) to (d) of CMPS, 1998 defines the contribution towards CMPS, 98. The rate of contribution has been enhanced to 7%+7% (employee and employer) effective from 01.10.2017 vide Notification dated 08.06.2018.
- (iii) Due to continuous deficit in Pension Fund, Coal companies (CIL) contribution in Pension Fund has been enhanced from ₹10 per ton to Rs.20 per ton w.e.f 16.04.2025.
- (iv) The central government contributes @₹26.56 per employee per month for each employee (i.e. one and two third percent salary of ₹1600).

3.62 CMPFO implemented Coal Mines Family Pension Scheme in 1971 for providing family pension to the deceased on-roll coal workers. Later in 1998 CMPFO launched Coal Mines Pension Scheme to provide pension to the coal employees after retirement and to the dependent of coal employees after the death whether death on roll or after retirement. Coal Mines Pension Scheme 1998 notified under section 3E of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948. This scheme has superseded the erstwhile Coal Mines Family Pension Scheme, 1971.

3.63 The salient aspects pertaining to CMPFO is shown hereunder:

Driving the Change - CMPFO (4/4)

❖ Digitization of CMPFO

- C CARES 1.0 - Online Claim Settlement of PF/ Pension (Feb. 2024)
- C CARES 2.0 – Implementation of Financial Module (June 2025)

➤ **Impact:**

- Settlement time reduced from 20 days to 10 days.
- Additional disbursement of PF Rs.2,700 Crores after C CARES 2.0.
- 59.54% & 66.41% increase in PF & Pension Settlement.

Live PF Membership: 3.26 lakhs (apx.)

No. of Pensioners: 5.35 lakhs (apx.)

F.Y	No. of claims settled	
	PF	PENSION
2024 (Avg. 6 Months)	11,725	13,099
2025 (upto Sept.25)	18,704	21,798

❖ Initiatives to achieve zero pendency

- PRAYAAS (Prompt Resolution for Assured Access to Social security)

- **Commissioner , CMPFO's Hotline No.** (July 2025)
To resolve grievances related to PF/PENSION settlement.

PRAYAAS Meetings	PF Claims Settled	Pension claims Settled
72	542	849

Hotline Grievances received	Total Grievances Resolved	Average disposal time
1293	1288	2 Days

3.64 About the allocation of the scheme, the Ministry in its written reply has stated as under:

“In 2026-27, Rs. 10.36 crore has been allocated under the scheme. The details of allocations towards Coal Mines Provident Fund Organization (CMPFO) under Central Sector Non scheme Expenditure during the last three years is as under:

(Rs. In crore)

Year	BE	RE	Actuals
2023-24	10.64	10.66	10.64
2024-25	10.11	10.82	10.82
2025-26	10.43	10.75	7.82 (upto 31.01.2026)
2026-27	10.36	-	-

3.65 In response to the point raised by the Committee regarding the stagnant contribution of the Government to the Coal Mines Pension Scheme (₹10.1-10.6 crore) over the last three years despite rising pension liabilities, the Ministry has explained that:

“Government contribution to the Coal Mines Pension Scheme determined on number of live pension members i.e. number of members not yet superannuated and not by the pensioners. Since, number of live members remains constant, Government contribution flat”.

3.66 As per the Annual Report 2025-26, during the year 2025–26, a total of 21,660 new pension claims were settled during the period from 01.04.2025 to 31.12.2025, and approximately 7,200 claims are expected to be settled during the period from 01.01.2026 to 31.03.2026. The total pension amount disbursed under the Scheme during the period from 01.04.2025 to 31.12.2025 was approximately `4,790 crore, while disbursement of approximately `1,700 crore is estimated for the period from 01.01.2026 to 31.03.2026.

3.67 In response to the query by the Committee whether the existing corpus and contribution structure under the Coal Mines Pension Scheme are sufficient to meet future pension liabilities without requiring additional budgetary support, the Ministry in a written reply has furnished as under:

“The Coal Mines Pension Scheme, 1998 is financed through contributions from employees, employers, the Central Government, and an additional levy linked to coal production. To strengthen long-term sustainability, the Board of Trustees enhanced the contribution rate to 7% + 7% (employer and employee) w.e.f. 01.10.2017, notified vide GSR 540€ dated 08.06.2018.

Further, the voluntary production-linked contribution by Coal India Limited and Singareni Collieries Company Limited has been increased from ₹10 to ₹20 per tonne of coal w.e.f. 16.04.2025 to augment pension fund resources.

Additionally, a committee constituted under JS & FA, Ministry of Coal examined the sustainability of the Pension Fund, and based on its observations, a High-Level Committee under the Chairmanship of Additional Secretary, Ministry of Coal, with representatives from coal companies, EPFO, CMPFO and the Actuary has been formed. The matter regarding long-term adequacy of corpus and requirement of any additional budgetary support is under active consideration of the said Committee based on actuarial valuation and liability projections. Central Government’s contribution is restricted to ₹26.67 per employee per month.”

3.68 In response to the point raised by the Committee regarding non revision of pension rules since 1988, despite a provision in the Scheme rules to review and potentially revise pensions every three years, the Ministry in its written reply has submitted as under:

“Coal Mines Pension Scheme, 1998 is a defined contribution and defined benefit scheme. The contribution under the scheme is not commensurate with the benefit. Coal Mines Pension Scheme, 1998 provides for valuation and review of the pension fund. The Commissioner, Coal Mines Provident Fund Organisation (CMPFO) is responsible for valuation of Pension Fund every third year by an Actuary to be appointed by the Board of Trustees (BoT), CMPFO. When the Pension Fund permits, BoT on the recommendation of an Actuary and with the approval of the Central Government may amend the rates of contribution payable under the Scheme or the scale of any benefits admissible or the period for which

such benefit may be allowed. The actuarial evaluation report, which is based on the detailed analysis and taking into account various critical aspects like defined contribution for defined benefit, number of pensioners, number of active workers, their dependents etc. to make the funds sustainable, are placed before the BoT from time to time. However, on account of opposition by the Central Trade Union representatives, who are also members of the BoT, the recommendation of the actuary to enhance pension contribution could not be implemented. Coal Mines Pension Scheme, 1998 came into force on 31st day of March, 1998 and minimum monthly pension has been revised on 08th March, 2024”.

The contribution to the fund was revised to 14 per cent from the erstwhile 4.91 per cent with effect from 1st October, 2017. Despite this, contribution to the fund is less than the disbursement, as per the details given below:

Financial Year	Average monthly contribution (Rs. in crore)	Average monthly disbursement (Rs. in crore)
2020-21	280.54	328.01
2021-22	295.21	356.97
2022-23	364.00	468.95
2023-24	470.70	452.30
2024-25	421.91	436.90

As per actuarial valuation, net liability of pension was Rs. 47,961 crores as on 31st March, 2022 and hence, the present coal mines pension fund corpus does not allow the enhancement of pension benefits. However, revision of pension has been made for enhancement of minimum pension to the existing pensioners @ Rs.1000 p.m. as per Gazette Notification dated 08.03.2024”.

3.69 The Committee sought specific measures taken by the Ministry to ensure that all coal mine workers, including those engaged through contractors, are covered under the Coal Mines Pension Scheme and the Coal Mines Deposit Linked Insurance Scheme. The Ministry in its written reply has submitted as under:

“As per Para-25 of CMPF Scheme - 1948, every employee in a coal sector to which this Scheme applies, other than an excluded employees, shall be required to join the Coal Mines Provident Fund and become a member immediately. However, as per Para-26 of CMPF Scheme-1948 which provides that, *“Notwithstanding anything to the contrary contained in paragraph 25, a subscriber to a Provident Fund recognized under the Indian Income Tax Act 1922 (XI of 1922), or to which the Provident Funds Act 1925 (XIX of 1925), applies, may elect to continue as a*

subscriber thereto and if he does so, he shall not be required to or be entitled to become a member of the Coal Mines Provident Fund.”

3.70 Further, the details of the upcoming ‘Coal Mines Employees’ Provident Fund and Miscellaneous Provisions Bill, 2025 meant to overhaul social security and pension benefits for coal workers has been shared with the Committee in a written reply as under:

“Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 is a pre-constitution Act and has been amended several times. Considering the significant developments in areas such as industrial disputes resolution, working conditions, social security, wage regulation and digitalization, a comprehensive review and strengthen the provisions of the Act has been needed by repealing the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 and re-enacting a new law with necessary modifications including legally institutionalizing CMPFO, to bring parity with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and other social security laws and decriminalization of the existing penal provisions, to bring it in conformity with the current scenario and circumstances.

Accordingly, based on stakeholder consultations, a draft Coal Mines Employees’ Provident Fund and Miscellaneous Provisions Bill have been prepared and as per pre-legislative policy, Ministry of Coal has circulated the draft of Coal Mines Employees’ Provident Fund and Miscellaneous Provisions Bill, 2025 for public consultation as well as Inter Ministerial Consultation.

Salient features of re-writing of Act :

- Simple and comprehensive language
- Old useful/ beneficial provisions and spirit of the previous legislation to stay
- New provisions to suit the challenges and requirement of the present time
- Penal provisions to be relaxed and preventive measures to be added for effective compliance
- Objectivity of provisions for easy human interpretation and mechanized compliance

The Ministry has circulated the Draft Cabinet Note for Introduction of the Coal Mines Employees’ Provident Fund and Miscellaneous Provisions Bill, 2025 and Repeal of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948) for Inter-Ministerial consultation and the comments received from consulted Ministries/Departments are being examined”.

3.71 In response to the point raised by the Committee regarding the feedback and timeline about the draft Coal Mines Employee Provident fund & Miscellaneous provision Bill, the Ministry in a written reply has submitted as under:

“The Ministry of Coal/CMPFO prepared the draft Coal Mines Employees’ Provident Fund & Miscellaneous Provisions Bill, 2025 and circulated the same to stakeholders on 08.10.2025, inviting comments by 07.11.2025.

i) A total of 122 responses were received from 28 stakeholders.

ii) The Draft CMEPF & MP Bill, 2025 along with the Draft Cabinet Note is under process for requisite approvals and accordingly, the Bill will be introduced once necessary approval process is completed.”

b) Establishment Expenditure

3.72 The provision is for meeting the establishment expenditure like salaries, allowances, office expenses etc. of the Secretariat, Coal Controller’s Organisation and Nominated Authority.

3.73 The details of provisions made in BE, RE and the actual expenditure incurred along with reasons for variations on establishment during the last three FYs and in BE 2026-27 are as under:

(Rs. In crore)

Head	FY	BE	RE	Actual	Reasons for variation
Secretariat	2023-24	39.24	36.56	34.46	94.25% of funds were utilized in FY 2023-24 and 100 % during FY 2024-25.
	2024-25	40.08	45.25	45.25	
	2025-26	45.765	60.04	43.40 (till Jan, 25)	100% funds are likely to be utilized during FY 2025-26.
	2026-27	58.27	-	-	
Coal Controller’s Organisation (subordinate office)	2023-24	11.77	10.61	8.49	80 % of funds were utilised in FY 2023-24. Rest of the funds could not be utilized due to non-receipt of proposal for payment of rent of CCO office at Kolkata. 100% funds are likely to be utilized during FY 2025-26.
	2024-25	11.06	9.14	8.43	
	2025-26	11.79	13.11	6.75(till Jan, 25)	
	2026-27	10.865	-	-	
Nominated Authority	2023-24	15.62	19.15	18.63	97.28% of funds were utilized in FY 2023-24 and 98.13%
	2024-25	15.6	5.9	5.79	

(attached office)	2025-26	10.71	9.56	8.68(till Jan, 25)	during FY 2024-25. 100% funds are likely to be utilized during FY 2025-26.
	2026-27	9.825	-	-	
Coal Mines Provident Fund Organisation (autonomous body)	2023-24	10.64	10.66	10.64	No variation
	2024-25	10.11	10.82	10.82	
	2025-26	10.43	10.75	7.82(till Jan, 25)	
	2026-27	10.36	-	-	
Coal Mines Pension Scheme (Govt. contribution)					

F. DEVELOPMENT HEADS

3.74 In response to the point raised by the Committee regarding outlay towards various Development Heads, the Ministry in its written reply furnished as under:

(Rs. In crore)

Head	FY	BE	RE	Actuals
Development Action Plan for Scheduled Castes	2023-24	46.77	44.86	44.82
	2024-25	70.01	70.01	78.28
	2025-26	72.42	71.59	57.37 (31.01.2026)
	2026-27	66.41	-	-
Development Action Plan for Scheduled Tribes	2023-24	48.46	51.16	51.12
	2024-25	72.54	72.54	92.07
	2025-26	75.03	107.84	100.06 (31.01.2026)
	2026-27	66.74	-	-
North Eastern Region	2023-24	56.35	54.05	45.29
	2024-25	84.35	80.10	41.38
	2025-26	87.25	86.25	46.98 (31.01.2026)
	2026-27	77.60	-	-

3.75 The Committee noted the acknowledged under-utilisation of the SC and ST fund components and NER allocations, and directed the Ministry to explain the reasons for this under-utilisation.

G. PUBLIC SECTOR UNDERTAKINGS

(i) Performance of PSUs

3.76 The company-wise budgetary support and IEBR details along with financial allocation vis-a-vis utilisation for the last five financial years and in BE 2026-27 are as under:

Coal India Limited (Consolidated):

(Rs. In crore)

Budgetary support and IEBR details for the last five financial years and in BE 2026-27 (CAPEX)						
		Budgetary Support	IEBR	Total Outlay	Utilization	Utilization (%)
BE	2026-27	NIL	16,500	16,500	-	-
BE	2025-26	NIL	16,000	16,000	9535.73 (upto Dec, 25)	59.60
	2024-25	NIL	15,500	15,500	21,775.99	140.49
	2023-24	NIL	16,500	16,500	23,475.41	142.28
	2022-23	NIL	16,500	16,500	18,619.27	112.84
	2021-22	NIL	14,685	14,685	15,400.96	104.88
	2020-21	NIL	13,000	13,000	13,283.83	102.18
a. Financial Allocation vis-à-vis utilization for the last three years						
		Borrowings	Equity	Total		Utilization

2025-26	2300.00	13700.00	16000.00	9535.73 (upto Dec, 25)
2024-25	8,908.40	12,867.59	21,775.99	21,775.99
2023-24	6,289.02	17,186.39	23,475.41	23,475.41
2022-23	4,114.73	14,504.54	18,619.27	18,619.27

NLCIL:

(₹ Crore)

	Budgetary Support	IEBR	Total Outlay	Utilization	Utilization %
FY 2025-26	-	5078.31	5078.31	6241.86 (upto Dec, 25)	122.91
FY 2024-25	-	5078.31	5078.31	7736.10	318.49
FY 2023-24	-	10156.62	10156.62	4270.18	148.27
FY 2022-23	-	20313.24	20313.24	3307.78	113.28
FY 2021-22	-	2061	2061	2541.76	123.33
FY 2020-21	-	6667	6667	2881.04	43.21

CAPEX Targets & Actual for last 3 years in respect of NLCIL are as under:

(₹ Crore)

Capex Outlay	2022-23		2023-24		2024-25	
	Target	Actual	Target	Actual	Target	Actual
NLCIL Projects (Standalone)	1050	1540.08	1015	1984.62	739	3864.54

JV Projects	1870	1767.70	1865	2285.56	1690	3871.56
Total	2920	3307.78	2880	4270.18	2429	7736.10

SCCL: IEBR and its utilization during the last 5 years are as below:

FY	Budgetary Support	IEBR	Total Outlay	Expenditure	Utilization (%)
2020-21	NIL	2300	2300	1310.06	57%
2021-22	NIL	2500	2500	1713.69	69%
2022-23	NIL	2000	2000	1473.16	74%
2023-24	NIL	1650	1650	1704.08	103%
2024-25	NIL	1600	1600	2150.28	134%
2025-26	NIL	1700	1700	1159.74	68% of the total (upto Dec 2025)

Note : including loan from Financial Institutions.

“Reasons for not achieving the target for SCCL:

- 2020-21: Covid pandemic impact.
- 2021-22: Delay in commissioning of solar plants, delay in commissioning of new projects due to Covid pandemic.
- 2022-23: Delay in commissioning of solar plants, delay in commissioning of new projects VK OC and JK OC.
- 2024-25: Spilled over expenditure of Solar and STPP previous year”.

CMPDIL:

(Rs. In crore)

PSU	FY	Budgetary Support	IEBR	Total Outlay	Utilization (%)
Central Mine Planning & Design	2026-27 (BE)	Nil	Nil	Nil	NA
	2025-26	Nil	Nil	Nil	NA

Institute Ltd. (CMPDIL)	2024-25	Nil	Nil	Nil	NA
	2023-24	Nil	Nil	Nil	NA
	2022-23	Nil	Nil	Nil	NA
	2021-22	Nil	Nil	Nil	NA
	2020-21	Nil	Nil	Nil	NA

3.77 The financial performance indicators for the last five financial years of Coal PSUs are as under:

CIL

(Rs. In crore)

Year	Turnover	Profit Before Tax	Profit after Tax	EPS
2024-25	1,43,369	46,966	35,302	57.37
2023-24	1,44,762	48,813	37,369	60.69
2022-23	1,38,252	43,275	31,723	51.54
2021-22	1,09,715	23,616	17,378	28.17
2020-21	90,026	18,009	12,702	20.61

3.78 In response to the point raised by the Committee regarding the reasons for decline in profit of CIL despite rising demand of coal across the country, the Ministry in a written reply has furnished as under:

“Prime reasons for decrease in the profitability of CIL in FY 2024-25 vis-a -vis FY 2023-24 is:

1) Offtake increased by 1%, rising from 753.51 MT in FY 2023-24 to 763.06 MT in FY 2024-25. However, the average realisation declined by 4%, from ₹1,728 per tonne to ₹1,667 per tonne, primarily due to a reduction in e-auction rates by 17%.

2) Increase in contractual expenses on account of higher contractual rates. However, impact on the profit was offset to some extent by application of various checks like rationalization in deployment of manpower, decrease in actuarial liability, increase in other operating income & Other income (interest on receipt of Income Tax Refunds)”

NLCI

Financial Performance for the last five FYs on Standalone and Consolidated basis is as follows:

Financial Performance - Consolidated:

Year	Turnover	Profit Before Tax	Profit After Tax	EPS
2024-25	15283	3697	2714	19.57
2023-24	13001	2882	1868	13.47
2022-23	16165	2056	1426	10.28
2021-22	11948	2603	1116	8.05
2020-21	9846	2223	1314	9.48

Financial Performance - Standalone:

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25
Turnover (₹ Cr.)	7,250	9,856	12,955	10,520	10,286
Profit Before Tax (₹ Cr.)	1,722	2,606	1,724	2,788	2,858
Profit After Tax (₹ Cr.)	1,010	1,237	1,248	1,847	1,900
EPS (₹)	7.29	8.92	9.00	13.32	13.70

SCCL

Details of financial performance indicators for the last five financial years are as follows:

Rs. In Crore

FY	Turnover #	Profit Before Tax	Profit After Tax	EPS
2024-25	28777.64	8660.63	6393.56	38.14
2023-24	30019.34	6443.38	4701.29	27.87
2022-23	26185.51	6507.28	4791.38	29.80
2021-22	20495.10	1684.72	1193.21	7.09
2020-21	13759.54	777.26	441.59	2.14

Turnover means Revenue from Operations

CMPDIL

Details of financial performance indicators for the last five financial years are as follows:

(Rs. In crore)

FY	Turnover	Profit Before Tax	Profit After Tax	EPS
2024-25	2102.76	882.14	666.91	4670.24
2023-24	1732.69	732.84	503.23	3524.02
2022-23	1386.09	366.95	296.66	2077.45
2021-22	1208.43	366.04	282.12	1975.63
2020-21	1488.60	414.69	316.96	2219.61

3.79 The Ministry furnished the Physical Performance data of Coal PSUs as under:

CIL

Year	Coal Production Target (MT)	Coal Production Actual (MT)	Productivity (Te/Manshift)	Remarks
2020-21	660.00	596.22	10.32	-
2021-22	670.00	622.63	9.54	-
2022-23	700.00	703.20	13.10	-
2023-24	780.20	773.65	14.99	-
2024-25	838.20	781.06	15.14	-

3.80 In response to the point raised by the Committee about the reasons of actual production of CIL being lower than the target during past five years, the Ministry in a written reply has furnished as under:

“Major constraints faced by CIL in achievement of coal production targets are as under:

- i. Issues relating to land acquisition and Rehabilitation & Resettlement (R & R).
- ii. Delay in obtaining Forest Clearances and Environmental Clearances.

iii. Evacuation & logistics constraints.

iv. Law & Order issues.

Shortage of stowing material and adverse geo-mining conditions in some underground mines.”

NLC

Year	Lignite Production Target (MT)	Lignite Production Actual (MT)	Productivity (Te/Manshift)	Remarks
2020-21	25.22	19.26	14.07	-
2021-22	24.65	25.11	18.09	-
2022-23	26.35	23.53	16.53	-
2023-24	26.50	23.68	17.33	-
2024-25	27.60	24.06	17.60	-

SCCL

Year	Coal Production Target (MT)	Coal Production Actual (MT)	Productivity (Te/Manshift)	Remarks
2020-21	67.50	50.58	5.62	-
2021-22	68.00	65.02	6.09	-
2022-23	70.00	67.14	5.31	-
2023-24	72.00	70.02	5.41	-
2024-25	72.00	69.01	5.79	-

Dividend Paid by Coal PSUs to GOI

Figure ₹ in Crore

Financial Year	CIL & its subsidiaries	NLCIL	SCCL	Total
2022-23	9809.46	384.37	63.57	10257.40
2023-24	9921.38	314.91	84.76	10321.05
2024-25	10,310.45	300.35	84.76	10695.56
2025-26	6127.90*	360.42^	84.76	6573.08

* Dividend for FY 2025-26 included First and Second Interim Dividend

^Interim Dividend declared @36% on 12th Jan, 2026 for FY 2025-26

3.81 In response to the observation made by the Committee during the evidence about the reason of fixed dividend of Rs. 84.76 crore by SCCL, the Secretary, Ministry of Coal deposed as under:

“Sir, actually we will check back on the exact details, but their production has been rather stagnant.”

UNLOCKING CPSE'S VALUE

- ❖ BCCL listed on 19.01.2026
- ❖ Created capital market history, with listing at **Rs 45 per** equity share at **96% premium** on the issue price of **Rs 23 per** equity share
- ❖ **46 crore shares** that were on offer to raise **Rs. 1070 crore**, received over **90 lakh** applications and were oversubscribed **147 times**
- ❖ CMPDIL Roadshows ongoing. Listing to be completed before 31.03.2026
- ❖ Process for listing of MCL, SECL, NIRL started
- ❖ MCL proposal sent to DIPAM for approval.

3.82 In response to the point raised by the Committee during the evidence about the rationale for listing BCCL — whose current profit stands at only Rs. 101 crore for nine months — when other, more profitable subsidiaries exist. The representative of the Ministry deposed as under:

“This decision was taken about one and a half to two years ago. All the preparatory work proceeded. The thinking at that time was that there is investor appetite for

coking coal, not as much for thermal coal as there is for coking coal. That has been proven by the response also. It was oversubscribed by 147 times including a lot of international funds. Road shows and interactions were also held with them. They explicitly said that they are bullish on coking coal. Coking coal capacity is not expanding anywhere in the world. Australia is not expanding their capacity. BCCL will be expanding their capacity.”

3.83 In response to the clarification sought by the Committee about CIL aiming for 1 BT by 2028–29, what is the implied incremental production required in FY 2026–27 and FY 2027–28, and how will this be met operationally, the Ministry in its written reply has furnished as under:

“Coal Production Projection: Coal production is mainly contributed by the CIL and its subsidiaries. SCCL, the State PSU also contributes the coal production in the country besides the private coal production companies. In the recent years, coal block operated by the captive and commercial and other categories have been showing not only significant contribution but also very high growth rate in the coal production.

CIL Coal Production Projection for FY 2026-27 and FY 2027-28 are as under:

In Million Tonne

Company/ Year	Annual Coal production Plan Target		Coal Production Projection		
	2025-26	2026-27	2027-28	2028-29	2029-30
ECL	59	55	64	70	78
BCCL	46	37	54	56	60
CCL	110	90	150	160	170
NCL	140	140	140	140	140
WCL	69	67	70	71	73
SECL	212	180	260	270	280
MCL	239	200	305	315	330
CIL (Total)	875	769	1043	1082	1131

CIL is focused on increasing the coal production capacity and constantly endeavour to enhance its coal production through expansion of mines (brownfield projects), opening of new mines (greenfield projects), mechanization and modernization of its mines, both Underground (UG) & Opencast (OC). CIL in its Underground (UG) mines, is adopting new and modern technologies like Mass Production Technologies (MPT) with the deployment of Continuous Miners (CMs), Longwall (LW) and Highwall (HW), wherever feasible. In its Opencast (OC) mines, CIL already has State-of-the-Art technology in its high-capacity Excavators and Dumpers. Standardization of Heavy Earth Moving Machinery (HEMM) has been done in opencast mines. Surface Miners have also been deployed in opencast mines for efficient and eco-friendly mining. CIL has identified and initiated actions

for fulfilling all the resources required like Environment Clearance / Forest Clearance, land acquisition, evacuation infrastructures such as mechanized loading through Coal Handling Plant (CHP) / SILO, Rail Projects etc.”

3.84 In response to the points raised by the Committee about the token BE for Environmental Measures & Subsidence Control has been ₹0.5 crore historically, with CIL expected to fund up to ₹350 crore internally, how will the Ministry monitor and ensure compliance with master plans (Jharia, Raniganj) and that CIL meets its obligations? If expenditures for such measures are likely to exceed ₹350 crore in a year, what is the Ministry’s policy on additional GBS support? The Ministry in a written reply has furnished as under:

“Revised Jharia Master Plan has been approved by Cabinet Committee on Economic Affairs on 25.06.2025 with an outlay of Rs. 5940.47 Crores from balance amount of Rs. 6663.02 Crores from Jharia & Raniganj Master Plan of 2009 available with Coal India Limited.

As per approved Revised Jharia Master Plan, 2025, Funding of ₹ 500 Crore/ year from CIL will continue, and a corpus will be created for future phases, if required. Further, funding from the District Mineral Foundation (DMF) will be utilised by DC, Dhanbad, whenever required’.

To monitor and ensure compliance, a monitoring committee has been proposed to constitute with following structure:

- i. Secretary (Coal), Co-Chairman
- ii. Chief Secretary, Govt. of Jharkhand, Co-Chairman
- iii. Secretary, Mines, Govt. of Jharkhand, Member
- iv. Secretary, Department of Home, Jail & Disaster Management, Govt. of Jharkhand, Member
- v. Chairman, Coal India Ltd., Member
- vi. CMD, BCCL, Member
- vii. Director General, DGMS, Member”

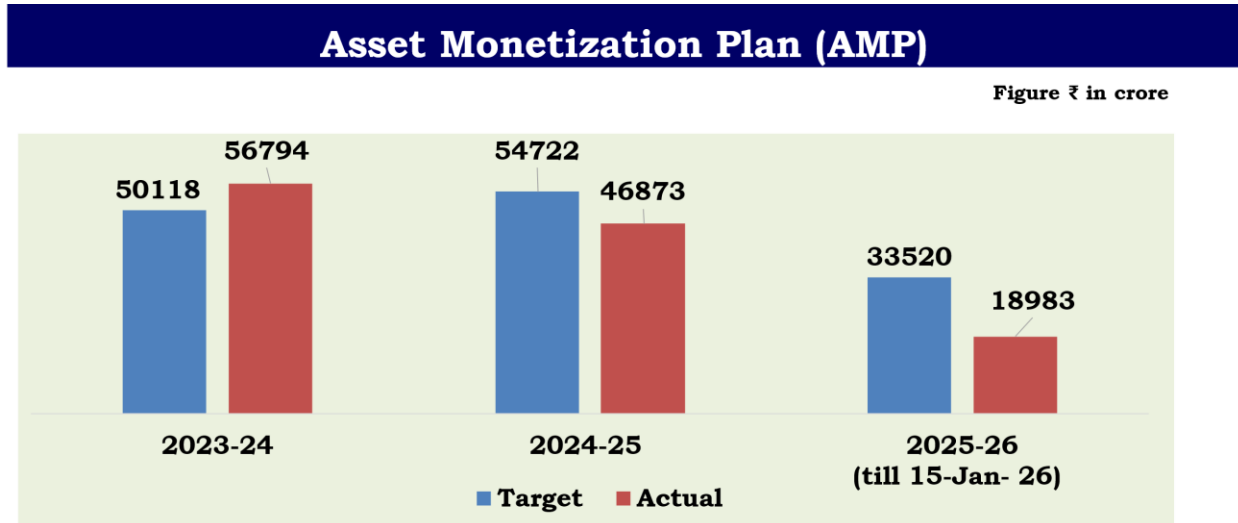
3.85 In response to the concerns of the Committee about coordinating mine expansion, FMC projects and rail corridors so that evacuation infrastructure does not become the binding constraint on meeting targets, the Ministry in its written reply has submitted as under:

“139 first mile projects have been planned. The capacity of these FMC projects in 1319 MTY, 65 FMC projects with 552 MTY capacity have already been commissioned. By 2029-30, about 90% of the total projected coal output is

expected to be transported by FMC. Progress of FMC projects is reviewed periodically by Ministry of Coal.

8 railway projects costing ₹21,000 crores under deposit/JV mode to evacuate Coal in brownfield and Greenfield areas of Chhattisgarh, Odisha, Jharkhand, and Telangana were planned. Out of the above, five projects have already been completed and remaining are to be completed by FY 27. Apart from the above, M/o Railways, in coordination with Ministry of Coal, has taken up 33 critical Railway projects for future coal evacuation.”

3.86 Regarding asset monetization, during the evidence through PPT, the following has been informed:



❖ Ministry of coal accounts **for almost 38% of the total achievement under AMP of Govt of India** in the 1st AMP cycle (FY 2021-22 to FY 2024-25) which stands as testament to exceptional and consistent performance of Ministry of Coal.

3.87 The Committee observed during the evidence that AMP achievements are very less and desired to understand the meaning of “sufficient response was not received” as deposited by the representative of the Ministry.

(ii) **CSR Proposals from Members of Parliament**

3.88 During the oral evidence, the Committee raised the issue of coal PSUs failing to respond to CSR proposals submitted by Members of Parliament from coal-bearing constituencies. It has been observed that non-responsiveness on the part of coal companies, even to the communications from Members of the Committee, raises serious concerns regarding the effectiveness of the Ministry’s supervisory and oversight mechanisms.

H. COAL WASHERIES AND EVACUATION

3.89 During the oral evidence, on being enquired by Committee about the sufficient capacity of Coal washeries in India, the Secretary to the Ministry deposed as under:

“Sir, the washeries set up earlier by Coal India have become very old. They are 35 to 40 years old. The output is less than 30 per cent”

3.90 During the oral evidence, the Committee noted that coal contributes about 51 percent of India’s rail freight revenue and there has been introduction of high-capacity rakes, etc., to help the transportation of coal and desired to know the bottlenecks and assessment for rail freight tariffs and the possible options for coal evacuation. To this, in a written reply, it has been informed as under:

“Based on the projected increase in coal production of CIL from 781.05 MT in 2024–25 to 1,072.5 MT by 2030–31, and considering that around 70% of this production is envisaged to be evacuated through rail mode, the scale of future coal movement is set to rise significantly. This substantial increase underscores the critical need for commensurate augmentation in railway infrastructure, rake availability, and operational coordination to sustain coal evacuation and ensure national energy security. In order to improve efficiency and reliability of coal transportation, CIL would seek the following improvements / assistance from Indian Railways:

- I. **Stable daily rake supply against requirement**
 - a. Assurance of predictable and stable rake supply against daily requirement to reduce variability in loading plans and improve adherence to loading targets.
- II. **Higher line capacity and reduction of bottlenecks on coal corridors**
 - a. Augmentation of capacity on critical coal evacuation routes through doubling/tripling, yard remodelling, and removal of sectional bottlenecks.
- III. **Faster terminal turnaround at both ends (mine loading and plant unloading)**
 - a. Improved coordination to reduce placement-to-drawn-out time at mine sidings through adequate transportation and improved loading end infrastructure.
 - b. Faster unloading at power plants and ports by addressing constraints related to wagon tippers, track layouts, and operational practices.
- IV. **Improved wagon and locomotive availability**
 - a. Adequate and timely availability of BOBRN / BOXNHL wagons with improved reliability.
 - b. Reduction in sick/defective wagons and faster examination cycles to enhance rake productivity.

V. Improved evacuation infrastructure

- a. Expeditious development and commissioning of last-mile rail connectivity.
- b. Expedition & Integration of first-mile connectivity projects with Railways operational planning to ensure seamless evacuation.”

PART- II

OBSERVATIONS/RECOMMENDATIONS

OVERVIEW OF COAL SECTOR

1. The Committee note that the coal sector remains central to India's energy security and industrial growth with production exceeding 1 billion tonnes and contributing over 72% of the country's electricity generation. The Committee also note that over the past year, the Ministry has focused on strategic priorities like energy security and self-reliance, structural reforms and sustainable transformation. The Committee further note that the Ministry is unlocking value in coal PSUs by listing of companies as per the policy of the Government. The Committee while appreciating the achievements of the Ministry and its efforts in diversification towards coal gasification, use of technology and digital transformation across all aspects of mining suggest that the Ministry strategically move ahead to achieve the target of 100 MT of coal gasification by the year 2030 to fulfil the objective of self-reliance and achieving the goals of Viksit Bharat and Net Zero target.

(Recommendation No. 1)

BUDGETARY ALLOCATIONS AND UTILIZATION

2. The Committee note that the Demands for Grants (2026–27) of the Ministry of Coal reflect a net budget allocation of Rs.3635.32 crore, marking an increase over the previous year. Out of the total budget provision, Rs. 3546 crore are earmarked for Central Sector Schemes under which Rs. 3525 crore have been provided for Promotion of Coal/Lignite Gasification scheme. For the scheme of Exploration of Coal & Lignite, Rs.755 crore have been provided and Rs.21 crore have been provided for Research & Development. The Committee also take note of the Ministry's submission that the Ministry is hopeful of full utilization of the allocated budget in the Central Sector Schemes. The Committee further taking note of the submission of the Ministry that there will be no rush of expenditure in the

last quarter and last month of FY 2025–26, hope that the Ministry will ensure full utilization of all funds to achieve substantial results. The Committee also urge the Ministry to strengthen its internal projection mechanisms and coordination with implementing agencies to avoid re-appropriation for foreseeable expenditures and ensure realistic budgeting at the BE stage itself.

(Recommendation No. 2)

R&D AND SAFETY IN THE COAL SECTOR

3. The Committee note that the allocation for Research and Development under the Ministry of Coal in BE 2026-27 is Rs. 21 crore, as against the Ministry's own demand of Rs. 40 crore. The Committee observe that the Scheme for Conservation, Safety and Infrastructure Development in Coal Mines has been dropped this year which was allocated Rs. 92.50 crore last year. The Committee note the Ministry's submission in this regard of a guideline of Department of Expenditure stating that wherever sufficient resources are available with PSUs, considering the limited fiscal space, Ministries may restrict the Scheme. The Committee are informed that coal companies themselves have invested approximately ₹300 crore in R&D during the current financial year. The Committee is further informed that coal companies having sufficient financial resources of their own and investing around Rs. 2,000 crore this year and Rs. 3,000 crore last year in coal conservation, safety and infrastructure. The Committee suggest that R&D being an important component for development, modernisation, environment protection and safety in coal mines, the Ministry should pursue to get enhanced allocation under the R&D and also monitor the progress of R&D done by coal companies.

(Recommendation No. 3)

OUTPUT–OUTCOME FRAMEWORK AND DEPLOYMENT OF R&D OUTCOMES

4. The Committee have examined the baseline performance furnished by the Ministry under the Output–Outcome Monitoring Framework (OOMF) and note that, during the last three years, the Ministry has reported achievement of most annual targets relating to sanction of new research projects, completion of ongoing projects, adoption of technological solutions, publication of research papers and

registration of patents. The data indicate that in several instances, achievements have exceeded targets, particularly in sanction of new projects and completion of ongoing projects. While appreciating the quantitative achievements reported under OOMF indicators, the Committee are of the view that the Ministry establish a technology deployment roadmap linking R&D outputs to mandatory pilot implementation in selected mines, followed by defined timelines for scale-up across coal PSUs. The Committee also suggest that the Ministry may explore setting up a mechanism similar to the National Centre for Clean Coal Research and Development (NaCCER) to take R&D projects from Technology Readiness Level (TRL) 3-5 to TRL 7-8 for commercial viability.

(Recommendation No. 4)

EXPLORATION STRATEGY FOR COAL & LIGNITE

5. The Committee note that Rs.755 crore have been provided in BE 2026-27 for Exploration of Coal & Lignite, in which Rs.200 crore are for Regional Exploration and Rs.555 crore are for Detailed Drilling, which will be met entirely from the NMEDT funds. While utilisation in recent years has improved and physical targets have been achieved, the Committee observe that since Regional Exploration is the foundational stage of identification of reserves through surface mapping and remote sensing, and detailed drilling is important for converting the findings to proved category, the Ministry may give continued focus to these schemes. The Committee also suggest adoption of advanced technologies such as collaboration with ISRO for satellite-based remote sensing, drone-based surveys for mapping of inaccessible areas and increased engagement with the 44 private exploration agencies notified by the Ministry to expedite exploration activities. Lignite being an important resource with significant deposits in several States, the Committee would like to be apprised of the steps being taken by the Ministry and the roadmap for addressing the pace of exploration of lignite in the lignite-bearing States.

(Recommendation No. 5)

MODERNISATION OF COAL WASHERIES

6. The Committee note that India is the world's second largest producer of coal. The Committee also note that the limitation of Indian coal both in coking coal and non-coking coal is its high ash content due to which coal washing has to be performed before being exported or for use in blast furnaces. The Committee are informed that our exports in washed coal are nil and many coal washeries which were installed about 35 years ago, are running at low efficiency. The Committee therefore call upon the Ministry to explore the feasibility of getting a separate budget for modernisation and renovation of coal washeries for optimal beneficiation of coal in order to provide washed coal for domestic blast furnaces at competitive prices, thereby reducing imports and also thereby encouraging export of washed coal.

(Recommendation no. 6)

COAL EVACUATION

7. The Committee note that the Coal sector contribute to about 55 per cent of India's rail freight revenue in which coal is transported through All Rail Route and the Rail-sea route. The Committee also note that the freight of Rail-Sea Route is costlier than the All Rail Route for which the Ministry wish to pursue the matter with the Railways. The Committee observe that coal evacuation through inland waterways is more economical, environment-friendly and energy-efficient as compared to other modes of transport, considering the announcement made in the Union Budget 2026-27 regarding operationalisation of 20 new National Waterways over the next five years, starting with National Waterway-5 (NW-5) in Odisha, to connect mineral-rich areas of Talcher and Angul and industrial centres like Kalinga Nagar to the ports of Paradeep and Dhamra. The Committee also note the announcement of the Coastal Cargo Promotion Scheme to incentivise modal shift from rail and road to waterways, aiming to increase the share of inland waterways and coastal shipping from 6% to 12% by 2047. The Committee, therefore, suggest that the Ministry may explore the feasibility of coal evacuation through NW-5 and other suitable national waterways in a time-bound manner. The Committee further urge the Ministry to explore developing multimodal terminals and cargo

aggregation infrastructure at strategic locations near coal mines and undertake a detailed feasibility study for evacuation of coal through inland waterways from other major coal-producing States. The Committee may be apprised of the quantity of coal evacuation done through Inland Waterways, All Rail Route and Rail-Sea Route for the last five years, along with comparative cost analysis.

(Recommendation no. 7)

UTILISATION OF FUNDS UNDER DAPSC, DAPST AND NER COMPONENTS

8. The Committee appreciate that the Ministry has fully utilised the outlay under DAPSC AND DAPST during the financial years 2023-24, 2024-25 and for the FY 2025-26 (up to 31.1.2026) utilised 80.13% in DAPSC and 92.78% in DAPST. The Committee note that utilisation under NER allocations have fallen short of Budget Estimates, with actual expenditure of Rs.45.29 crore, Rs.41.38 crore, and Rs.46.98 crore as on 31.01.2026, against BEs of Rs.56.35 crore, Rs.84.35 crore, and Rs.87.25 crore during 2023–24, 2024–25, and 2025–26 respectively. The Committee hope that the Ministry will identify the bottlenecks and work out an action plan to ensure full utilisation of allocations under the NER component in FY 2025-26 and FY-2026-27.

(Recommendation No. 8)

MINE SAFETY, DIGITALISATION AND ILLEGAL MINING SURVEILLANCE

9. The Committee note that various initiatives are undertaken with the launch of CMSMS and the Khanan Prahari App, centralized dashboards, etc. for mine safety digitalisation and surveillance to curb illegal mining. These measures represent important steps toward technology driven safety and enforcement. The Committee also note the deployment of advanced safety systems including Proximity Warning Devices (PWD), Automatic Fire Detection and Suppression Systems (AFDSS), fatigue monitoring systems, GPS-based Vehicle Tracking Systems (GPS-VTS), and real-time monitoring through the National Coal Mines Safety Report Portal launched in December 2024. These measures represent important steps toward technology-driven safety and enforcement. The Committee hope that the deployment of advanced IoT and proximity safety systems will add to safety measures and digital platforms for reporting illegal mining. The

Committee, therefore, recommend that the Ministry adopt a time-bound plan for scaling digital safety systems, particularly IoT-enabled real-time monitoring of environmental conditions, gases like CO, CO₂, CH₄, O₂ across all underground mines, and institute a transparent monitoring framework for CMSMS and related platforms with periodic public reporting. The Committee also call upon the feasibility to look at strengthening the Coal Mine Pithead Security Plan for all abandoned/discontinued mines.

(Recommendation No.9)

COAL/LIGNITE GASIFICATION SCHEME

10. The Committee note that the allocation under the Scheme for Promotion of Coal/Lignite Gasification was reduced from Rs.300 crore at BE 2025–26 to Rs. 285 crore at RE stage on actual milestone-based requirement. The Committee note that no expenditure is incurred for most of the financial year, with even a single eligible project awaiting fulfilment of reimbursement formalities. The Committee further note that against a Revised Estimate of Rs.285 crore in FY 2025–26, the Budget Estimate for FY 2026–27 is enhanced to Rs.3,525 crore. The Committee, therefore, recommend that the Ministry adopt a time bound expenditure projection framework, supported by quarterly milestone verification and independent financial closure certification. The Committee further recommend that the Ministry encourage use of indigenous high-ash gasification technology in line with NITI Aayog recommendations, particularly through Category-III projects designed for demonstration and scale-up of indigenous technologies. The Committee also suggest the Ministry to explore the feasibility of using Indian high-ash, low-grade coal for gasification projects and provide measurable import substitution for methanol, ammonia, fertilisers, SNG, etc.

(Recommendation No. 10)

CIL'S PROFITABILITY AND PRODUCTION TARGETS

11. The Committee note that Coal India Limited, despite remaining the largest coal-producing company in the world, has recorded a decline in Profit Before Tax from Rs.48,813 crore in FY 2023-24 to Rs.46,966 crore in FY 2024-25, and a decline

in Profit After Tax from Rs.37,369 crore to Rs.35,302 crore over the same period. The Committee also note that CIL is short of achieving the annual coal production targets over the last five years, with actual production of 781.06 MT against a target of 838.20 MT in FY 2024-25. The Ministry has attributed this shortfall to delays in land acquisition, forest and environmental clearance bottlenecks, evacuation and logistics constraints etc. The Committee, therefore, is of the opinion that the Ministry of Coal may take up the matter in coordination with concerned Ministries and State Governments, to eliminate these bottlenecks to complete its physical targets.

(Recommendation No. 11)

NEW DELHI;
09 March, 2026
18 Phalguna, 1947 (Saka)

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

MINUTES OF THE FOURTEENTH SITTING OF THE COMMITTEE ON COAL, MINES AND STEEL (2025-26) HELD ON 18th FEBRUARY, 2026.

The Committee sat on 18 February, 2026 from 1000 hrs to 1230 hrs in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Anurag Singh Thakur — Chairperson

Lok Sabha

2. Smt. Roopkumari Choudhary
3. Shri Vijay Kumar Hansdak
4. Smt. Kamlesh Jangde
5. Shri Harish Chandra Meena
6. Shri Ananta Nayak
7. Smt. Bharti Pardhi
8. Dr. Manna Lal Rawat
9. Dr. Rajkumar Sangwan
10. Smt. Dhanorkar Pratibha Suresh

Rajya Sabha

1. Shri Deepak Prakash
2. Shri Sajjad Ahmad Kichloo

Secretariat

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

WITNESSES

Ministry of Coal

1. Shri Vikram Dev Dutt — Secretary (Coal)
2. Smt. Rupinder Brar — Additional Secretary
3. Shri Sanoj Kumar Jha — Additional Secretary
4. Shri Ashim Kumar Modi — Joint Secretary & Financial Adviser
5. Shri Manoj Kumar Gangeya — Joint Secretary

6. Shri Sanjeev Kumar Kassi — Joint Secretary
7. Smt. Chetna Shukla — Deputy Director General
8. Shri Sajeesh Kumar N. — Coal Controller/Commissioner (CMPFO)
9. Shri M. Prasanna Kumar — CMD, NLCIL
10. Shri Uday A. Kaole — CMD, MCL
11. Shri Harish Duhan — CMD, WCL/SECL
12. Shri Nilendu Kumar Singh — CMD, CCL
13. Shri Satish Jha — CMD, ECL
14. Shri Manoj Kumar Agarwal — CMD, BCCL
15. Shri Mukesh Chaudhary — Director (Marketing), CIL
16. Shri Gowtham Potru — Director (Finance), SCCL

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 the representatives of the Ministry of Coal regarding Demands for Grants (2026-27). The Chairperson noted that Rs. 4390.32 crore had been allocated to the Ministry of Coal for the Financial Year 2026-27, representing a 640 per cent increase over the Revised Estimate for 2025-26. He also noted the allocation of Rs. 3,525 crore under the Scheme for Promotion of Coal/Lignite Gasification in BE 2026-27 and emphasised the importance of quantified estimates of expected import substitution. He further directed the Ministry to apprise the Committee on steps being taken to address issues related to labourers, pensioners and capacity building.

3. The sitting commenced with a PowerPoint presentation by the representatives of the Ministry of Coal on Demands for Grants for the year 2026-27. The presentation, made in two parts, gave an overview of India's coal reserves (approximately 400 billion tonnes as on 1st April, 2025), production growth trajectory including the historic milestone of one billion tonnes of production achieved in 2025-26, stock position at power plants (52 million tonnes) and pit head (123 million tonnes), progress of commercial and captive mine auctions, coal block allocation to PSUs and private players, revenue shared with State Governments, reforms undertaken including the revised SHAKTI policy and Coal SETU policy, logistics and first-mile connectivity, coal gasification projects, financial performance and dividend declared by Coal PSUs, and human resource and welfare measures including the PRAYAAS initiative of CMPFO.

4. The Committee had elaborate discussions on the Demands for Grants for 2026-27. The Chairperson raised queries on India's export potential for coal, the reasons for continued high levels of coking coal imports despite domestic reserves of 38 billion tonnes, the condition and adequacy of coal washery infrastructure, the rationale for the

constant dividend figure of Rs. 84.76 crore from SCCL over three consecutive years, shortfall in Asset Monetisation Plan targets for 2024-25 and 2025-26, the listing of BCCL and the rationale for listing a company with relatively low profit, the inadequacy of the R&D budget allocation vis-à-vis the actual expenditure of coal PSUs, the adoption of IoT and safety systems in underground mines, rail freight tariff and capacity bottlenecks for coal evacuation, the coal lignite gasification scheme and safeguards to ensure use of domestic high-ash coal, underutilisation of SC/ST funds and NER components, pithead security compliance in abandoned mines, inland waterways as a mode of coal evacuation, and the issue of illegal and rat-hole mining.

5. The Members of the Committee raised queries on various issues viz. adequacy of budget provisions for production, exploration, technology and modernisation targets; gap in expenditure under the Research and Development head; progress of coal gasification projects and the feasibility of achieving the 100 million tonne target by 2030; underachievement of Asset Monetisation Plan targets; policy on private sector washery development; lignite deposits and policy; deposits of high-grade non-coking coal; geopolitical risk in coal import sources and availability of alternate suppliers; decline in coal sector employment; responsiveness of coal PSUs to CSR proposals from Members of Parliament; illegal mining and coal mafia in Jharkhand, Nagaland, Kolkata and other areas; impact of mining on neighbouring farmlands and groundwater; rehabilitation of displaced persons; coal block exploration in Jammu & Kashmir; and reduction in budget for pollution control. Several Members also raised concerns regarding adulteration of coal, non-compliance with the Coal Bearing Areas Act, MMDR Act and Mines Act by commercial mine operators, absence of employment provisions for local residents in commercial mining contracts, and the environmental damage caused by coal slurry and washery effluents.

6. The representatives of the Ministry responded to many of the queries. The Chairperson directed the Ministry and coal PSUs to furnish written replies to all queries that remained unanswered during the sitting within the stipulated period. He further directed the Ministry to examine the feasibility and optimal utilisation of the 20 identified inland waterways for coal evacuation, and to ensure installation of effluent treatment plants at all washeries to prevent damage to farmlands and groundwater.

7. The Honourable Chairperson thanked the Members of the Committee and officials of the Ministry and PSUs for their active participation in the sitting of the Committee.

The Witnesses then withdrew.

MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2025-26) HELD ON 09 MARCH, 2026 FROM 1700 HRS TO 1715 HRS IN COMMITTEE ROOM 'B', PARLIAMENT HOUSE ANNEXE, NEW DELHI

PRESENT

Shri Anurag Singh Thakur - Chairperson

Lok Sabha

2. Smt. Roopkumari Choudhary
3. Shri Vijay Kumar Hansdak
4. Smt. Kamlesh Jangde
5. Shri Ananta Nayak
6. Smt. Bharti Pardhi
7. Dr. Manna Lal Rawat
8. Dr. Rajkumar Sangwan
9. Shri Kali Charan Singh
10. Smt. Pratibha Suresh Dhanorkar

Rajya Sabha

11. Dr. Sarfraz Ahmad
12. Smt. Mahua Maji
13. Shri Anil Kumar Yadav Mandadi
14. Shri Deepak Prakash
15. Shri Aditya Prasad
16. Shri Devendra Pratap Singh
17. Shri Pradip Kumar Varma
18. Shri Milind Murlu 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) Draft Report on Demands for Grants (2026-27) pertaining 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.**