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

EIGHTEENTH LOK SABHA

MINISTRY OF COAL

**DEMANDS FOR GRANTS
(2024-25)**

FIRST REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

DECEMBER, 2024 /AGRAHAYANA, 1946 (SAKA)

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COAL, MINES AND STEEL
(2024-2025)
EIGHTEENTH LOK SABHA

MINISTRY OF COAL
DEMANDS FOR GRANTS
(2024-25)

Presented to Lok Sabha on 04.12.2024
Laid in Rajya Sabha on 04.12.2024



LOK SABHA SECRETARIAT
NEW DELHI

DECEMBER, 2024 /AGRAHAYANA, 1946 (SAKA)

CC&S No.

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**Published under Rule 382 of the Rules of Procedure and Conduct
of Business in Lok Sabha (___ Edition) and printed by _____**

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**COMPOSITION OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL
(2024-2025)
Chairperson – Shri Anurag Singh Thakur**

Lok Sabha

2. Shri Sukhdeo Bhagat
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6. Smt. Kamlesh Jangde
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21. Shri Aditya Yadav

Rajya Sabha

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23. Smt. Mahua Maji
24. Shri Anil Kumar Yadav Mandadi
25. Shri Manas Ranjan Mangaraj
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27. Shri Deepak Prakash
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29. Shri Devendra Pratap Singh
30. Shri Pradip Kumar Varma
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SECRETARIAT

- | | |
|----------------------------|-----------------------------|
| 1. Shri Srinivasulu Gunda | Joint Secretary |
| 2. Smt. Jagriti Tewatia | Director |
| 3. Smt. Sunanda Chatterjee | Deputy Secretary |
| 4. Smt. Tulika Narayan | Assistant Executive Officer |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel having been authorized by the Committee to present the Report on their behalf, present this First Report (Eighteenth Lok Sabha) on Demands for Grants (2024-25) 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 31.07.2024. 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 04.11.2024.

4. The Report was considered and adopted by the Committee at their sitting held on 29.11.2024.

5. The Committee wish to express their thanks to the officials of the Ministry of Coal for the cooperation extended by them in furnishing written replies and for placing their considered views and perceptions before the Committee.

6. The Committee place on record their profound appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;
29 November, 2024
08 Agrahayana, 1946 (Saka)

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

REPORT

PART I

CHAPTER I - INTRODUCTORY

OVERVIEW

The Ministry of Coal has the overall responsibility of determining policies and strategies in respect of exploration and development of coal and lignite reserves, sanctioning of important projects of high value and for deciding all related matters. They strive to build a modern, sustainable and competitive coal sector that enable accelerated coal production for energy security and economic growth.

1.2. The Ministry of Coal are envisioned to secure availability of Coal to meet the demand of various sectors of the economy in an eco-friendly, sustainable and cost-effective manner. The Ministry is committed to:

- i. Augment production through Government companies as well as captive mining route by adopting state-of-the-art and clean coal technologies with a view of improve productivity, safety , quality and ecology;
- ii. Augment the resource base by enhancing exploration efforts with thrust on increasing proved resources; and
- iii. Facilitate development of necessary infrastructure for prompt evacuation of coal.

1.3 The Committee have been informed that Ministry of Coal is concerned with exploration, development and exploitation of coal and lignite reserves in India. The subjects allocated to the Ministry of Coal (which includes Subordinate or other organizations including PSUs concerned with their subjects) under the Government of India (Allocation of Business) Rules, 1961, as amended from time to time are as follows:

- 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 carbonization of coal and production of synthetic oil from coal. All work related to coal gasification;
- v. The Coal Mines Provident Fund Organization;
- vi. The Coal Mines Welfare Organization;

- 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. 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); and
- 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.

1.4 As per the Ministry's Annual Report 2023, the all-India coal production for the calendar year 2023 is 968.61 Million Tonnes (provisional) as compared to 864.26 MT coal during the same period of last year with a growth of about 12.07%. There has been a continuous increase in overall demand for coal over the years. Consumption / actual supply of coal (including import) increased from 1027.84 MT in 2021-22 to 1115.04 MT in 2022-23. The demand for coal for 2023-24 was estimated to be 1196.60 MT, against which actual supply was 1233.86 MT (provisional).

1.5 From the Annual Report by the Ministry, the Committee note that in order to maintain higher trajectory of production level well over its past levels of 773 MT and to ensure energy security of the country as well as to eliminate non-essential import of coal, CIL has planned to produce 1 Billion Tonne (BT) coal production in a time bound manner. During the oral evidence given by the Ministry to the Committee, the Secretary, Ministry of Coal has underlined the Ministry's Vision 2030 that the coal production would be touching about 1.5 BT by the FY 2030. It will be peaking thereafter by 2035 and then having a stable trajectory by 2047, Viksit Bharat. As per the presentation given by the Ministry, overall compound annual growth rate of coal production is 8.07% and is projected to be 1797 MT by FY 2034-35.

1.6 The inventory of Geological Resources of Indian coal as on 01.04.2023 and up to a depth of 1200 meter prepared by the Geological Survey of India on the basis of resources estimated by Central Mine Planning & Design Institute Limited (CMPDI), Mineral Exploration Corporation Ltd. (MECL), Geological Survey of India

(GSI), Singareni Collieries Company Limited (SCCL) and others is 378.21 BT. The resources have been found mainly in Odisha, Jharkhand, Chhattisgarh, West Bengal, Madhya Pradesh, Telangana and Maharashtra. The Lignite reserves in the country are estimated at around 47.36 BT (as on 01.04.2023).

PUBLIC SECTOR/JOINT SECTOR COMPANIES

I. Coal India Limited (CIL)

1.7 The Committee note that Coal India Limited (CIL) is a 'Maharatna' company under the Ministry of Coal with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and one of the largest corporate employers. CIL operates through its subsidiaries, 84 mining areas spread over 8 states of India. It has 313 mines (as on 1st April, 2024) of which 131 are underground, 168 opencast and 14 mixed mines. CIL further operates 13 coal washeries, (10 coking coal and 03 non-coking coal). As on 31.03.2024, there are 119 ongoing coal projects (costing ₹20 crores and above) with total sanctioned cost of ₹1,33,567 crores, that are under different stages of implementation.

1.8 CIL has eleven fully owned subsidiary companies, viz. Eastern Coalfields Limited (ECL); Bharat Coking Coal Limited (BCCL); Central Coalfields Limited (CCL); Western Coalfields Limited (WCL); South Eastern Coalfields Limited (SECL); Northern Coalfields Limited (NCL); Mahanadi Coalfields Limited (MCL); Central Mine Planning & Design Institute Limited (CMPDIL), CIL Navikarniya Urja Limited for development of non-conventional/ clean and renewable energy and CIL Solar PV Limited for development of solar photovoltaic module as well as a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL). Further CIL has five Joint Venture companies- Hindustan Urvarak & Rasayan Limited, Talcher Fertilizers Ltd., CIL NTPC Urja Pvt. Ltd., Coal Lignite Urja Vikas Private Limited & International Coal Venture Private Limited. Further CIL has formed a Subsidiary Company with BHEL incorporated on 21st May'24 by the name Bharat Coal Gasification and Chemicals Ltd. in which CIL will hold 51% and BHEL 49%. The Subsidiary company will engage into the business of coal gasification to produce syn-gas, Ammonia & Nitric acid as intermediate products and Ammonium Nitrate as end product.

II The Singareni Collieries Company Limited (SCCL)

1.9 The Singareni Collieries Company Limited (SCCL) is a Joint Venture of Govt. of Telangana and the Govt. of India with equity participation in the ratio of 51:49 respectively.

SCCL is producing around 7.5% of the total all India Production. It is having the registered office in Kothagudem, Bhadrachari District of Telangana. SCCL is presently operating 17 Opencast Mines and 22 Underground Mines in the six districts of Telangana State with manpower of 41,837 (as on 31.03.2024).

III NLC India Limited (NLCIL)

1.10 NLC India Limited, a “Navratna” company with its registered office at Chennai and corporate office at Neyveli in Tamil Nadu is a pioneer among the Central Public Sector Enterprises in the energy sector. NLCIL has lined up a number of projects and spreading its wings in Tamil Nadu, Rajasthan, Uttar Pradesh, Odisha, Jharkhand and Andaman and Nicobar Islands including expansion/ augmentation of its existing mines and power plants, setting up of green-field mines & power plants, setting up of wind and solar power plants across the country with PAN-India Foot Prints. NLCIL is an Energy Major, utilising Lignite & Coal and harnessing Thermal Power and Green Energy.

SUBORDINATE OFFICE AND AUTONOMOUS ORGANISATION

1.11 The office of the Coal Controller’s Organization (CCO) – a subordinate office and Coal Mines Provident Fund Organization (CMPFO) – an autonomous body are under the administrative control of Ministry of Coal.

I. Coal Controller’s Organization

1.12 The Coal Controller’s Organization is a subordinate Office of Ministry of Coal, having its headquarter at Delhi, Kolkata, Dhanbad, Ranchi, Bilaspur, Nagpur, Sambalpur, Kothagudem and Asansol.

1.13 The Coal Controller’s Organization discharges various statutory functions derived from the following statutes:

- i. The Colliery Control Rules, 2004 (Amended in 2021).
- ii. The Collection of Statistics Act, 2008 and the Collection of Statistics (Central) Rules, 2011.
- iii. The Coal Bearing Areas (Acquisition & Development) Act, 1957(20 of 1957).
- iv. Act as Commissioner of Payment under CM (SP) Act, 2015.

II. Coal Mines Provident Fund Organization (CMPFO)

1.14 The Coal Mines Provident Fund Organisation is an Autonomous body established under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, and

is responsible for administering the Coal Mines Provident Fund Scheme, 1948, Coal Mines Deposit Linked Insurance Scheme, 1976, and Coal Mines Pension Scheme, 1998. These three schemes are administered by CMPFO under the guidance of tripartite Board of Trustees, consisting of Central and State Government's representatives, employers' representatives and employees' representatives. The Organization renders services to 3,34,091 Provident Fund subscribers and about 6,13,872 pensioners approximately as on 31.03.2024. The Headquarters of CMPFO is at Dhanbad and its 20 Regional Offices are spread across Coal producing states in the Country.

HIGHLIGHTS OF THE COAL SECTOR

1.15 As stated by the Ministry in their Annual Abridged Report, 2024, some of the achievements in the coal sector during the year 2023-24 may be summarized as under:

i. Record Coal Production:-

Achieving record coal production and thereby ensuring adequate coal supply to thermal power plants and other sectors across the country, bringing about innovative policy reforms to give fillip to India's energy security have been stated to be some of the remarkable achievements of the Coal Sector during the year 2023.

With reforms in the Coal Sector, private sector is now emerging as a major coal producing contributor. From a production of 90.56 MT in FY 2022, the captive coal mines have produced 154.00 MT in 2024.

CIL coal production is poised to grow from 600 MTs in FY 2022 to 1 BT by FY 2026. This huge increase in coal production is said to have opened up possibilities for supply of coal to other end uses after meeting the full requirement of power sector and thermal coal consumers.

ii. Coal Linkage Policy Implementation:

157 coal mines have been successfully allocated since 2015 under transparent commercial coal mine auction, holding Investors' Conclave in different parts of the country

Policy for Auction of Coal Linkages to Non Regulated Sector: CIL has completed Six tranches of linkage auctions and 7th tranches is under progress so far, total 170.50 MT have been booked by the successful bidders.

Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI) Policy: 314.20 MT coal linkage have been booked / allocated under the different provisions of the SHAKTI Policy.

iii. Moving towards Greener Technologies and Smarter Infrastructure:

CIL/ SCCL have been allowed to provide long term allotment of coal to their own gasification plants at prices as may be decided by the coal company. This move is said to encourage the Coal Gasification technology in the country and will help in early establishment of this new use of coal. Coal Gasification can yield multiple energy, chemical and petro-chemical products, most of which are presently imported. In order to set up 02 Coal based and 01 Lignite based gasification project to promote indigenous gasification technology, CIL has signed two MOUs with BHEL and GAIL on 12.10.2022 to set up coal based gasification projects at MCL Odisha to produce ammonium nitrate using high ash coal and at ECL West Bengal to produce Synthetic Natural Gas with low ash coal. NLCIL has signed MOU with BHEL for Methanol from Lignite in Tamil Nadu under the aegis of Ministry of Coal.

37 First Mile Connectivity (FMC) projects with 360 MTPA capacity and 05 railway projects were commissioned out of 08 railway projects taken up for coal evacuation.

1.16 The detailed Demands for Grants (2024-25) of the Ministry of Coal were presented to Lok Sabha on 31.07.2024 and are given in Demand No. 9. While analyzing the detailed Demands for Grants of the Ministry of Coal, the Committee in the present Report has examined various schemes/ programmes of the Ministry and other PSUs under its administrative control. The detailed analysis along with observations/ recommendations of the Committee on various issues has been given in the succeeding chapters of the Report.

CHAPTER II

ANALYSIS OF DEMANDS FOR GRANTS

Summary of Demands For Grants 2024-25

2.1 The Demands for Grants (2024-25) of the Ministry of Coal reflect a provision of ₹ 922.55 crore for Central Sector Schemes, Establishment and other Central Sector expenditure as Gross Budgetary Support. A provision of ₹ 853.61 crore has been made in the Demands for Grants for Central Sector Schemes including Coal Mines Pension Scheme (CMPS). A provision of ₹ 68.94 crore has been made for meeting establishment expenses for Secretariat, Coal Controller Organisation and Nominated Authority. The Scheme-wise funds provisions are as per the details given below:-

<u>Table No. 1</u> Revenue		Allocation at BE 2024-25	
	Central Sector Scheme	₹ in crore	
1	Research & Development Programme	21.00	
2	Conservation Safety and Infrastructure Development in Coal Mines	Conservation and Safety in Coal Mines	20.00
		Development of Transportation Infrastructure in coalfields areas	72.00
		Environmental Measures and Subsidence Control	0.50
3	Exploration of Coal and Lignite	Regional Exploration	230.00*
		Detailed Drilling	500.00*
Total Central Sector Schemes		843.50	
4	Coal Mines Pension Scheme	10.11	
5	Secretariat, Coal Controller's Organisation and Nominated Authority	68.94	
Total Non Scheme		79.05	
Total Central Sector Scheme and Non-Scheme		922.55	

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

2.2. The Ministry of Coal informed the Committee in writing that the Central Sector Scheme component of ₹ 843.50 crore includes mandatory provision of 10% of total allocated fund of ₹ 84.35 crore towards North Eastern areas under the Central Sector Schemes.

2.3. The Committee have desired to know the concrete initiatives taken/proposed to be taken to ensure optimum utilization of enhanced funds allocated for the year 2024-25. In this connection, the Ministry in a written reply have stated that during 2023-24, the allocated BE for the scheme of Exploration of Coal & Lignite was ₹450.00 crore and in RE stage the allocation was revised to ₹430 crore. The

provision of fund in BE 2024-25 for exploration of coal and lignite is ₹730 crore. For utilisation of these funds, the blocks have been already identified for detailed and promotional exploration. Steps are being taken for optimum utilization of fund.

2.4. During 2023-24, BE was ₹ 21.00 crore and RE was ₹ 18.00 crore for S&T Scheme (under Research & Development). During 2024-25, BE is ₹ 21.00 crore. For taking up research projects during 2024-25, various awareness initiatives have been undertaken and as a result, several proposals have been received. All efforts are being made for full utilization of funds.

2.5. During 2023-24, for Conservation, Safety and Infrastructural Development in Coal Mines scheme BE was ₹ 92.50 crore and RE was also ₹ 92.50 crore. The provision of fund in BE 2024-25 for Conservation, Safety and Infrastructural Development in Coal Mines scheme is kept at the same level of ₹92.50 crore. All efforts are being made for full utilization of funds.

2.6. At BE 2023-24, a provision of ₹ 78.82 crore was kept under Non-Scheme and it has been enhanced to ₹ 79.05 crore at BE 2024-25. The additional funds amounting to ₹23 lakhs are required for salaries and other establishment expenses in 2024-25.

CHAPTER –III

CENTRAL SECTOR SCHEMES-FINANCIAL AND PHYSICAL PERFORMANCE

(a) Financial Analysis

3.1 Asked about the allocation of funds vis-à-vis utilization for various schemes of the Ministry of Coal during FYs 2021-22, 2022-23 and 2023-24 along with reasons for shortfall, if any, the Ministry of Coal have informed the Committee as under:-

Table No. 2

Scheme	Sub-Scheme	Year	BE (₹ in cr)	RE (₹ in cr)	Utilization (₹ in cr)	% of utilization wrt RE	Remark
1. Research and Development/ S&T		2021-22	18	11.50	8.35	72.60	SC/ST/NER component of budget could not be utilised fully as no suitable proposal was received during 2021-2022 and 2022-2023
		2022-23	10	8.35	6.94	83.11	
		2023-24	21	18	18	100	
		2024-25	21	-	15.67 (till 04.11.2024)	74.62 wrt BE	All efforts are being made for full utilization of funds.
2. Exploration of Coal and Lignite	(i) Detailed Drilling	2021-22	200	350.05	315.05	90	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully due to local factors and COVID -19 outbreak.
		2022-23	175	300	272.30	90.76	
		2023-24	200	260	256.75	98.75	
		2024-25	500	-	313.25 (till 04.11.2024)	62.65 wrt BE	All efforts are being made for optimal utilization of funds.
	(ii) Regional Exploration	2021-22	130	120	110	91.66	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully due to local factors and COVID -19 outbreak.
		2022-23	75	130	121.30	93.30	
		2023-24	250	170	170	100	
		2024-25	230	-	157.39 (till 04.11.2024)	68.43 wrt BE	All efforts are being made for full utilization of funds
3. Conservation Safety and Infrastructure Development in Coal Mines	(i) Conservation and Safety in Coal Mines	2021-22	6	4.50	4.05	90	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully as no mining activities were going on.
		2022-23	4	4	3.60	90	
		2023-24	20	20	19.96	99.80	
		2024-25	20	-	1.66 (till 04.11.2024)	8.30 wrt BE	All efforts are being made for full utilization of funds

(ii) Development of Transport Infrastructure in coalfield areas	2021-22	65.48	65.48	58.63	89.54	During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully as no mining activities were going on.
	2022-23	50.04	50.04	45.05	90	
	2023-24	72	72	66.58	92.47	
	2024-25	72	-	12.17 (till 04.11.2024)	16.90 wrt BE	All efforts are being made for full utilization of funds
(iii) Environmental Measures and Subsidence Control (EMSC)	2021-22	0.50	0.50	-		The EMSC schemes have been merged in the Jharia Master Plan dealing with Fire, Subsidence, R&R within the Leasehold of Bharat Coking Coal Limited. A token provision of ₹ 50 lakhs is kept under this scheme as Jharia Master Plan is under approval.

Note:

- SC/ST/NER component of budget under the R&D/ S&T Scheme could not be utilized fully as no suitable proposal was received during 2021-22 and 2022-23.
- During the year 2021-22 and 2022-23, NER component of budget under the Scheme Exploration of Coal and Lignite could not be utilized fully due to local factors and COVID -19 outbreaks.
- During the year 2021-22 and 2022-23, NER component of budget under the Conservation Safety and infrastructure Development in Coal Mines could not be utilized fully as no mining activities were going on.
- The EMSC Sub Schemes under the Scheme of Conservation Safety and infrastructure Development in Coal Mines have been merged in the Jharia Master Plan dealing with Fire, Subsidence, R&R within Leasehold of Bharat Coking Coal Limited. A token provision of ₹ 50 lakhs is kept under this scheme as Jharia Master Plan is under approval.
- On account of submitting of Coal Cess into GST, reimbursement for sand stowing in UG mines has been stopped as a result fund provision under the head 'Conservation and Safety' has decreased.

3.2 The Committee have been informed that the Budget Estimate during the financial year 2023-24 allocated for different programmes/schemes of the Ministry of Coal was ₹ 563.50 crore which was decreased to ₹ 540.50 crore at RE stage and the actual utilization was ₹ 531.29 crore as on 31.03.2024 of the revised allocation.

3.3 The Committee note that budgeted amount has consistently been re-appropriated (Scheme-wise) or transferred from one head to other or extra funds

sought from Ministry of Finance during the years 2021-22, 2022-23 and 2023-24 as furnished below in a written reply of the List of Points for oral evidence of the Ministry of Coal:

Table No. 3

Year	Scheme	BE	RE	Additional Funds	Reasons
2021-22	Detailed Drilling	200	350.05	150.05	Cash Supplementary of ₹ 109.22 crore was sought from Ministry of Finance and ₹ 40.83 crore re-appropriated from internal savings through token supplementary to meet the additional demand under the scheme of Detailed Drilling.
2022-23	Regional Exploration	75	130	55	Cash Supplementary of ₹ 180 crore was sought from Ministry of Finance to meet the additional demand under the scheme of Exploration of Coal and Lignite.
	Detailed Drilling	175	300	125	
2023-24	Detailed Drilling	200	260	60	₹ 60 crore were re-appropriated from the scheme of Regional Exploration to Detailed Drilling to meet the additional demand for Detailed Drilling.

3.4 Regarding the utilization of the funds allotted during 2024-25, it has been stated in the written reply that allocation made during FY 2024-25 are sufficient to meet the requirement of physical targets under various programmes of Central Sector schemes and that Action Plan has already been prepared for utilization of these funds.

Research And Development

3.5 The Research & Development (R&D) activities in Coal sector are administered through an apex body namely, Standing Scientific Research Committee (SSRC) with 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. 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 Head of Department (HoD) (Mining) of IIT-KGP/BHU/ISM on annual rotation basis.

3.6 The R&D projects are 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 Make-in-India concept). CMPDI acts as the Nodal Agency for co-ordination of research activities in the coal sector, which involves identification of 'Thrust Areas' for research activities, identification of agencies which can take up the research work in the identified fields, processing the proposals for Government approval, preparation of budget estimates, disbursement of fund and monitoring the progress of implementation of the projects, etc.

3.7 It may be seen from Table 2 above that the BE, RE and Actual Utilization of funds incurred under the R&D Scheme for the past three financial years indicate underutilization of funds, as SC/ST/NER component of the budget could not be utilized in FY 2021-22 and 2022-23. However, cent percent utilization of NER component of the same was made in the FY 2023-24.

3.8 When enquired the reason for such underutilization of funds or lack of proposals for R&D, the Ministry in a written reply stated the reasons for under-utilization of funds during 2021-22 and 2022-23 were due to non-receipt of quality research proposals from premier institutes like IITs/NITs also due to widespread Covid-19 Epidemic.

3.9 When enquired whether the funds allocated under R&D for 2024-25 are sufficient for implementing the Scheme, the Ministry have stated that the funds allocated under R&D for 2024-25 are sufficient for implementing R&D projects by Ministry of Coal and shall be optimally & fully utilized. Apart from that, each PSU has their own R&D budget and spend there for their R&D projects as under:

Table No.4

PSU	2021-22 (₹ in cr)	2022-23 (₹ in cr)	2023-24 (₹ in cr)	2024-25 (₹ in cr)	
				Utilized (till 04.11.2024)	Likely utilization
CIL	6.85	6.21	15.73	13.25	4.33
NLCIL	-	0.74	0.08	0.27	-
SCCL	1.50	-	2.19	2.15	1.00 (tentative)
Total	8.35	6.95	18.00	15.67	5.33

Physical Performance

3.10 Details of R&D projects started in the last 3 years and present status is as under :-

Table No. 5

Year	No. of projects started	Present status
2021-22	02	01 ongoing and 01 completed
2022-23	09	Ongoing
2023-24	11	Ongoing

3.11 On being asked about the steps that have been taken for the timely completion of various ongoing and new projects under R&D, the Ministry in a written reply have informed as under:

- a. CMPDI monitors the physical and financial progress of all ongoing research projects regularly.
- b. Progress is also reviewed by the Technical Sub-committee of the Standing Scientific Research Committee (SSRC) and the SSRC, headed by the Secretary (Coal).
- c. Implementing agencies submit quarterly progress reports of the projects to CMPDI, which after examination are placed before the Technical Sub-committee and SSRC.
- d. Periodic visits to the implementing institutes/places are undertaken by CMPDI officials to monitor the progress of the projects and necessary assistance is extended to them.
- e. Introduction of Third Party Evaluation.

Exploration In Coal And Lignite – Detailed Drilling

3.12 Central Mine Planning and Institute Limited (CMPDI) carries out Detailed Exploration in CIL and Non-CIL blocks as per strict timelines to bring resources falling in **indicated** and **inferred** category into the **measured** (proven) category. The exploratory drilling in non-CIL/captive Mining blocks is taken up under the Ministry of Coal's Plan scheme of "Detailed Drilling in Non-CIL Blocks".

Financial Performance

3.13 It may be seen from Table No. 2 above that the Demands for Grants for the FY 2024-25 indicate an allocation of ₹500 cr which is an increase by ₹300 cr from the previous BE of ₹200 cr during FY 2023-24 for the Scheme Detailed Drilling.

3.14 The Committee enquired the reason behind such enhancement of funds, to which the Ministry of Coal have replied that they are focusing more on the detailed exploration so that existing resources of Indicated/Inferred category are upgraded to 'Proved' category through detailed drilling. Hence the fund in the detailed drilling has been enhanced in BE 2024-25. In 2024-25 BE, fund of ₹500.00 crore is approved in the budget for which a proposed plan of about 4.50 lakh metre of drilling with seismic survey has been submitted. Projects/Blocks are also identified and approved in the Annual Plan to take up Exploration.

3.15 When asked about the more budgetary utilization of funds with respect to BE for all the three Financial Years and where the excess fund requested by the Ministry at RE stage has been utilized, the Committee have been informed that through detailed exploration with more budgetary support, more resources will be proved from indicated and inferred category. In 2024-25 BE, fund of ₹500.00 crore is approved in the budget for which a proposed plan of about 4.50 lakh metre of drilling with seismic survey has been submitted. The target is likely to be achieved during 2024-25 except in NER component and fund requested in RE stage is likely to be utilized except in NER component due to non-availability of regionally explored area to take up detailed exploration.

Physical Performance

3.16 Physical targets and respective achievements may be referred at Annexure I. On being asked about the physical target set for 2024-25 and whether the funds provided at BE stage are sufficient for meeting the targets, the Ministry in a written reply have informed that fund of ₹156.50 crore has been utilised out of allocated fund of ₹500 crore and drilling meterage of 1.42 Lakh metre has been achieved during Apr'24 to Sept'24 against the annual target of 4.50 Lakh metre. 100% of the targets in non-CIL detailed exploration is likely be achieved except NER component because there is very less regionally explored area available for taking up detailed exploration in North eastern region.

Exploration In Coal And Lignite – Regional Exploration

3.17 Mineral Exploration Corporation Limited (MECL), State Governments and Central Mine Planning and Institute Limited (CMPDI) conduct Promotional Exploration under the Ministry of Coal's Plan scheme of "Promotional Exploration for Coal & Lignite".

Financial Performance

3.18 The Ministry have furnished a statement showing the BE, RE and Actual Utilization of funds incurred under the Regional Exploration Sub Scheme for the past three financial years and in the FY 2024-25 as under shown in Table 2 above.

3.19 It is noted from the Table that during 2023-24, ₹250 crore were allocated at BE stage, which were reduced to ₹170 crore at RE stage that were completely utilized.

3.20 When the Committee enquired the reason behind underutilization of funds in the last three FYs, the Ministry gave a written reply that 100% of the fund except NER component allocated in RE has been utilized during FY 2021-22 and FY 2022-23. During the year 2021-22 and 2022-23, NER component of budget could not be utilized fully due to special land tenancy act, local issues and COVID -19 outbreaks.

Physical Performance

3.21 The Committee have been informed that at BE 2024-25, a provision of ₹230.00 crore is kept and out of which ₹ 157.39 crore was released till date. A target of 2.00 lakh metre of drilling has been kept for regional exploration for different coal mining blocks. Drilling meterage of 0.89 lakh metre has been achieved till Sept'2024.

Conservation Safety And Infrastructure Development In Coal Mines

3.22 The Coal Controller acts as the Member-Secretary for the Coal Conservation & Development Advisory Committee (CCDAC), constituted under the Coal Mines (Conservation & Development) Act, 1974 and also under Rule 12C of the Colliery Control (Amendment) Rules, 2021. The office of the Coal Controller receives proposals and scrutinizes applications/claims from Coal Companies regarding Protective work, Scientific Development Works, road and railways infrastructure projects in the coalfields areas to release of funds through CCDAC.

Financial Performance

3.23 The Budget for two Plan Schemes for the year 2023-24 and 2024-25 is as under:

Conservation & Safety in Coal Mines – ₹ 20.00 Cr

Development of Transport Infrastructure in Coalfields – ₹ 72.00 Cr

There was spillover amount of ₹ 10.34 Cr. in Conservation and Safety Head and ₹ 86.26 Cr. in Development of Transport Infrastructure Head from 2023-24. 88th CCDA Committee has approved an amount of ₹ 70.78 lakhs in Conservation and Safety Head and ₹ 23.418 lakhs in Development of Transport Infrastructure Head. Ministry of Coal has released an amount of ₹ 19.9604 Cr. in Conservation and

Safety Head and ₹ 66.5828 Cr. in Development of Transport Infrastructure Head in FY 2023-24.

3.24 When the Committee enquired how much fund has been allocated and actually utilized for conservation and safety in coal mines during 2024-25, and whether the funds allocated are sufficient enough to meet the requirements, the Ministry stated in their written reply that at, BE 2024-25, a provision of ₹20.00 crore is kept and out of which ₹ 1.66 crore was released till 04.11.2024. Further, Coal companies are also allocating funds for conservation and safety in coal mines. Hence, funds are sufficient to meet the requirement.

Physical Performance

3.25 In a written reply to the List of Points for oral evidence meeting with the Committee, the Ministry furnished the following physical performance under this Scheme:-

Table No. 6

Physical Performance	Indicator(s)	2021-22	2022-23	2023-24
Coal Conservation & Safety	No. of mines where protective works taken up	7	5	6
	No. of Man-riding systems installed	1	3	10
	Installation of telemonitoring unit in UG Mines	0	0	1
	No. of Other modern systems installed for enhancement of safety	-	-	0
	Replacement of steam winders with electric winder	-	-	7
	Scientific study for improvement of safety	-	-	3
Development of transport infrastructure in coalfields	Length of Rail line constructed during the year in Km	8.83	7.74	13.865
	Length of Road constructed during the year in Km	-	-	0.978

3.26 During the brief presentation on the Organization, Programmes and Policies, the Committee observe that road transportation may lead to accidents and coal spillage while also affecting local shopkeepers, houses and local environment. The Coal Secretary, Ministry of Coal, emphasized that since most of the coals producing regions are in the eastern part of the country, and most of the industrial growth in the country is on the western side, the challenges of transportation arise out of the peculiar geography of coal mining.

3.27 In order to achieve the planned growth in production and evacuation in future, CIL has undertaken the construction of major railway infrastructure projects,

particularly dedicated Coal Corridors. These railways infra projects are being implemented by either Indian Railways (on deposit basis) or through JV companies with IRCON representing Railways, Subsidiary company (representing CIL) and concerned State Government. There are three (03) major rail infrastructure projects being implemented on deposit basis and four (04) rail infrastructure projects being implemented by JV companies.

3.28 CIL and SCCL have taken steps to upgrade the mechanized coal transportation and loading system under 'First Mile Connectivity' projects. These infrastructure Projects shall help in improving coal quality, savings in under-loading charges and a positive impact on the environment. The projects taken up by CIL are being executed in four phases, thereby enabling increased mechanized evacuation from 151 MTPA to 988.5 MTPA by FY 29-30. On account of efforts by SCCL on the same line, in order to achieve the targeted dispatches through rail by reducing road transport of coal, it is proposed to construct three new CHPs (Phase-I) under First Mile Connectivity. SRP OC CHP & JVR OC CHP Completed. Under Phase-II FMC projects, VK OC CHP (06 MTPA) and under Phase-III, RG OC3 (5 MTPA) CHP are planned. The FMC Milestone for commissioning by NLCIL as given as under:

Table No.7

Name of the Project	Anticipated Timeline for commissioning
Commencement of mining operations	2019-20
CHP, Silo based dispatch and Mechanized Conveyor system (MDO Scope)	Jun 2025
Railway Siding (FMC)	Jun 2025

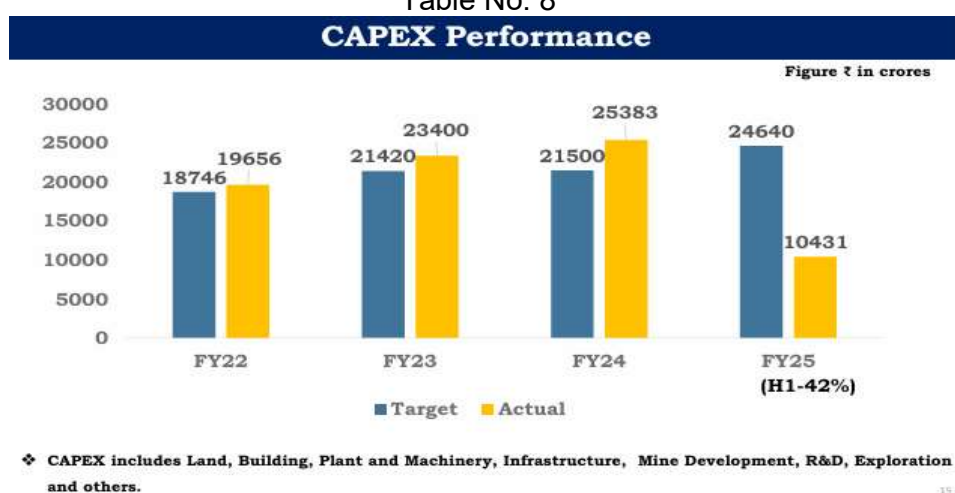
3.29 Nation Master Plan (PM-GatiShakti-NMP) incorporates the infrastructure projects of various Ministries and State Governments which extensively uses spatial planning tools. The Ministry of Coal has identified more than 100 data layers mapped along with attributes and metadata. The data layers are being monitored and updated as per the requirements and further layers are being added with their attributes as required. It enhances the integrated planning process of the resources of related Ministries during the planning stage. The Ministry of Coal intends to build up the value chain of coal resource from exploration to planning and execution of coal sector projects through development of dashboards and applications on PM GatiShakti NMP platform and integrate with portal of the Ministry. Presently, the available land resources are being mapped on the portal. Also, the critical railway projects being closely monitored by mapping these infrastructures in consultation with the Ministry of Railways, BISAG, & CMPDIL.

CHAPTER-IV COAL/LIGNITE PUBLIC SECTOR UNDERTAKINGS

Financial Performance

4.1. While giving oral evidence to the Committee, Secretary, Ministry of Coal said, “CAPEX is a very important component of the Government’s policies in terms of what the coal companies plough back into their ecosystem both in terms of modernization, technology investments, land building plant and the mining infrastructure which has a lot of elements where every element contributes significantly for operational improvements.” As presented to the Committee during the meeting have been informed about the CAPEX* of Coal/Lignite PSUs as under:

Table No. 8



*Cumulative target for FY22, FY23 and FY24 is ₹61,666 cr and actual is ₹68,439 cr

Table No. 9

PAT, PBT & Dividend Of COAL PSU'S

Figure in ₹ Crore

FINANCIAL METRICS OF PERFORMANCE			
Coal India Limited			
Particulars	2023-24	2022-23	2021-22
Profit Before Tax (PBT)	48812.61	43274.60	23616.28
Profit After Tax (PAT)	37369.13	31722.98	17378.42
DIVIDEND (GOI Share)	9921.38	9809.46	6928.58
NLCIL			
Particulars	2023-24	2022-23	2021-22
Profit Before Tax (PBT)	2,882	2,056	2,603
Profit After Tax (PAT)	1,868	1,425	1,115
Dividend (GoI Share)	314.91	384.37	329.47
SCCL			
Particulars	2023-24	2022-23	2021-22
Profit Before Tax (PBT)	5656 (provisional)	3074.36	1684.72
Profit After Tax (PAT)	4149(provisional)	2222.46	1193.21
Dividend (GoI Share)	84.76	63.57	42.38

PAT- Profit After Tax
PBT- Profit Before Tax

*Cumulative PAT total of CIL, NLCIL and SCCL during last 3 FYs are ₹86,470 cr, ₹4,408 cr and ₹7,565 cr respectively and PAT of all these three PSUs for the same period is ₹98,500 cr (approx). Cumulative dividends paid by the three PSUs is ₹28,000 cr (approx).

4.2. The overall financial performance of the three PSUs in FY 2023-24 indicates robust revenue generation and a high level of capital expenditure utilization. Both CIL and NLCIL achieved record profits in previous years. The high profits after tax (PAT) reflect the strong demand for coal in India and the PSUs' efforts to increase production and operational efficiency.

4.3. It may be seen from above that during FY 2023-24, against plan CAPEX outlay of ₹ 21,500 crore, the actual utilization has been ₹ 25,383 crore. Details of outlays of PSUs as approved by the Ministry of Finance for the year 2024-25 is as under:-

Table No. 10

Internal and Extra Budgetary Resources (IEBR)	Proposed by this Ministry (₹ in crore)	Approved by Ministry of Finance (₹ in crore)
Coal India Limited	15,500	15,500
NLC India Limited	2,429	2,429
SCCL	19,529	19,529

4.4. The overall capital expenditure target for CIL in FY 2024-25 is ₹15,500.05 crore. As of September 2024, the actual expenditure was ₹6,777.65 crore, representing a 94% utilization of the BE for the period up to September. Similarly, NLCIL has an internal and extra-budgetary resources (IEBR) target of ₹4,979 crore for capital expenditure in FY 2024-25. The actual CAPEX incurred up to September 2024 was ₹3,065.97 crore, reflecting a 62% utilization rate against the target.

4.5. When asked whether the allocation made for 2024-25 will be sufficient to meet the requirement of the physical targets under various programmes of the Ministry, the Ministry in a written reply have assured that Allocation made during FY 2024-25 are sufficient to meet the requirement of physical targets under various programmes of Central Sector schemes and that Action Plan has already been prepared for utilization of these funds. During the presentation, the Secretary, Ministry of Coal, said “we have exceeded the targets for capex in the last three years, in the current half year also because capex expenditure typically takes place on an enhanced scale in the second half of the year. We are confident that we would be able to meet and exceed the targets.”

Physical Performance

4.6 As regards the total demand of coal in the country including Coking and Non-Coking Coal and domestic supply and import of coal to meet the demand during last 3 years, the Committee have been informed as under:

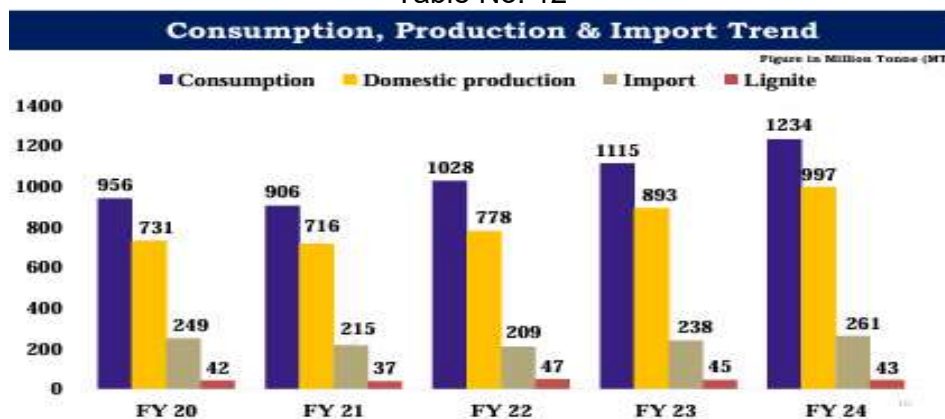
Table No. 11

S.No	Sector-wise Demand of Coal (In Million Tonne)				
	Sectors	2021-22 Actual	2022-23 Actual	2023-24 Estimated	2023-24 Actual (P)
1	Coking - Steel + Coke Oven	66.28	69.47	81.00	74.76
2	Power (Utility)	673.35	732.48	789.36	860.60
3	Power (Captive)	36.70	52.65	55.64	--
4	Cement	7.31	8.12	9.10	9.12
5	Steel DRI	9.02	8.06	6.50	11.97
6	Others*	235.18	244.26	255.00	277.41
Total N-Coking		961.56	1045.57	1115.60	1158.50
Total		1027.84	1115.04	1196.60	1233.86

P- Provisional, * Including Import

4.7 The demand of coal is met by the three PSUs of CIL, SCCL, NLCIL and other Coal Companies of captive and commercial means as well as import. As presented by the Ministry during oral evidence, following is the consumption, production and import trend of coal and lignite:

Table No. 12



Regarding coal supply to Power sector and position of coal stock at thermal power plants in the last three financial years, the details are given at Annexure II.

4.8 The Ministry have furnished the following details showing company wise coal production target and actual during the last three years:-

Table No. 13

COAL PRODUCTION (MILLION TONNES)						
Company	2021-22 Target	2021-22 Actual	2022-23 Target	2022-23 Actual	2023-24 Target	2023-24 Actual
CIL	670.00	622.63	700.20	703.20	780.00	773.81

SCCL	68.00	65.02	70.00	67.14	70.00	70.02
Captive& Commercial	99.00	85.72	130.00	116.68	150.00	147.52
Others	11.00	4.84	11.00	6.17	12.14	6.48
Total	848.00	778.21	911.00	893.19	1012.14	997.83

4.9 On being asked to furnish the reasons for some shortfall of targets, the Ministry gave a written reply that each year there is growth of production of coal. For CIL for the FY 2023-24 production targets missed by narrow margin and for the year 2021-22 outbreak of pandemic COVID-19 also affected production. Major constraints for achievements of targets are stated as under:

- Land acquisition problem and R & R issues
- Delay in Forestry and Environmental Clearances
- Evacuation & logistics constraints
- Certain local issues.

The major reasons for shortfall in production are furnished as below:

- Due to Initial teething problems.
- Due to Coal Shortage between Sep-2021 and May-2022& due to surrender of power.
- Due to surrender of power & ESP Ash evacuation problems.

4.10 As per the Annual Report 2023-24 release by the Ministry, Coal production of 773.65 MT during 2023-24 achieved 99.16% of the annual target of 780.20 MT registering 10.02% growth over last fiscal year. Production in volume terms increased by 70 MT over 703.2 MT of FY 2022-23, the second highest yearly rise ever. For the second successive financial year five of CIL's subsidiaries have exceeded their respective production targets - BCCL (100.24%), CCL (102.44%), NCL (100.85%), WCL (101.64%) and MCL (101.03%). Topping the production among CIL's subsidiaries, MCL has breached the 200 MT production mark emerging as the country's first coal company to have achieved this distinction. For the first time in 14 years, since FY 2010, CIL was able to arrest the declining trend in UG production and produced 26.02 MT bettering the previous fiscal's UG production of 25.49 MT clocking a growth of 2.1%.

Accidents in PSUs

4.11 A number of fatal and serious accidents including corresponding injuries that took place in mines of CIL and its subsidiaries during the three years are as under:-

Table No. 14

Subs	Fatal Accidents			Fatalities			Serious Accidents			Serious Injuries		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
ECL	7	2	4	8	2	4	10	9	3	11	9	6
BCCL	2	4	5	3	5	6	6	2	4	7	3	4
CCL	1	2	4	1	2	4	3	3	0	4	3	0
NCL	3	1	2	3	1	2	9	9	12	9	9	16
WCL	6	1	2	6	2	2	6	10	3	7	12	3
SECL	7	8	3	7	8	3	21	25	11	21	26	12
MCL	1	0	6	1	0	8	2	4	1	2	4	4
NEC	0	0	0	0	0	0	0	0	0	0	0	0
CIL	27	18	26	29	20	29	57	62	34	61	66	45

4.12 During the oral evidence of the representatives of the Ministry of Coal, the Committee expressed concern on the safety and welfare of workers in coal mines, and statistics on accidents as furnished by the Ministry.

4.13 When enquired about the steps taken by the Coal/Lignite Companies to ensure accountability/responsibility for any serious/fatal accident and to prevent occurrence of such accidents, the Ministry in a written reply have informed the Committee following steps have been taken for prevention for recurrence of such accidents:

- a) Root Cause Analysis (RCA) based accident enquiries as per MOC's guidelines based on High Level Expert Committee (HLEC) are being done to identify most probable root causes of these accidents;
- b) Risk Assessment based Safety Management Plan (SMP)/SOPs/COPs;
- c) Principal Hazard Management Plan (PHMP);
- d) Emergency Response and Evacuation Plan (EREP);
- e) Mine Safety Audits as per MOC Guidelines Dec., 2023;
- f) Framing and implementing Mine-Specific Transport and Traffic rule;
- g) Imparting Simulator based & Virtual Reality (VR) based safety Training;
- h) Tool Box Safety Talks and pre-shift safety briefings;
- i) Implementation of Lockout-Tagout (LOTO) protocols for electrical shutdowns to ensure electrical safety and maintenance procedures;
- j) Monitoring of safety through National Coal Mines Safety Report Portal;
- k) Organizing special safety drives and campaigns focusing on various aspects of mine safety; and
- l) Strengthening the functions of the Safety Committee at the mine level and ISO oversight at the subsidiary level.

PART-II

OBSERVATIONS AND RECOMMENDATIONS

1. Utilization of the Allocated Resources under Central Sector Schemes

The Committee observe that there are three Central Sector Schemes- (i) Research & Development, (ii) Exploration of Coal and Lignite, (iii) Conservation Safety and Infrastructure Development in Coal Mines. There are two sub components– (a) Detailed drilling; and (b) Regional exploration under aforementioned (ii) and three sub components - (a) Conservation and safety in coal Mines; (b) Development of transport infrastructure; and, (c) Environmental Measures & Subsidence Control under aforementioned (iii). In all three Central Sector Schemes, more than 90 % of the allocated resources have been spent for the intended purposes since 2021-22 except in case of funds meant for Northeastern states that too in financial years 2021-22 and 2022-23 due to covid-19 and local factors. Such high percentage utilization of budgeted funds meant for exploration and drilling of minerals will go a long way in achieving the intended objectives and enhance the prospects of reducing coal imports and in attaining the self reliance in coal production.

2. Physical Targets and Achievements

The data on physical targets in terms of projects targeted for completion and achievement and also projects targeted to be sanctioned and achievement thereon during the last three years reveals that in both the aspects the performance exceeded the targets set under the Central Sector Scheme 'Research & Development /S&T'.

The targets given under exploration of Coal and Lignite, the actual achievement exceeded the targets set under both the components of the Scheme i.e. (a) Detailed drilling; and, (ii) Regional Exploration. For instance, against targets of drilling 1.90, 1.60 & 1.50 lakh meters of drilling actual achievement stood at 2.00, 1.35 & 2.00 lakh meters exceeding the targets during 2021-22 to 2023-24 respectively, except in 2022-23 where it witnessed small drop in achievement *vis-a-vis* targets. The trend of achievements outpacing targets was also seen under 'regional exploration' during the period. The Committee would like to be apprised of the concrete outcomes of exploration and drilling operations such as 'upgradation from 'indicated / inferred' category to 'proved category' to assess the impact of such

operations. Such outcomes in concrete terms will aid in allocation of further resources for the purpose in future.

3. Improving Coal Transportation in India

The Committee note the significant strides made by the Ministry in modernizing coal transportation infrastructure to meet the growing demands of the sector. However, certain challenges persist, such as road damage, coal spillage, and logistical inefficiencies, which require targeted interventions to further enhance the system's efficiency and sustainability. The Committee appreciate the Ministry's efforts and recommend the development of dedicated coal corridors, particularly rail-based systems, to minimize road dependency and reduce transportation time. For areas reliant on road transport, the Committee suggest reinforcing concrete roads with durable surfacing to mitigate wear and tear caused by heavy coal-carrying vehicles. Additionally, mechanized loading systems should be adopted to enhance operational efficiency and reduce manual intervention.

The Committee also observe the issue of coal spillage during transportation and recommend the implementation of stricter environmental controls, including mandatory use of covered trucks and dust suppression technologies. Enhancing the safety standards for coal trucks and transportation routes is also suggested to ensure safer and more compliant operations.

To strengthen logistics management, the Committee recommend deploying a real-time tracking system for coal transportation. This system will help optimize routes, enhance transparency, and ensure effective monitoring of coal movement across the supply chain.

The Committee believe that these proactive measures will not only support the Ministry's vision of a modern and efficient coal sector but also contribute significantly to reducing environmental impact, improving infrastructure resilience, and fostering a more sustainable approach to coal transportation.

4. Lack of proposals on R&D from IITs and NITs

The Committee are concerned to note that due to lack of quality proposals from the premier institutes like IITs and NITs, the Ministry has to surrender some amount of R&D budget in 2021-22 and 2022-23. Also out of a total of 22 R&D projects started w.e.f. 2021-22 to 2023-24, only one R&D

project got completed. The Committee are thus of the view that conducting outreach programs like workshops, seminars etc to engage academic institutions and research organizations may result in awareness of the R&D programmes and also interact with the top echelons of these premier institutes to have meaningful R&D proposals and may result in utilization of R&D budget.

5. Operational Performance of Coal Companies

The coal production witnessed a Compounded Annual Growth Rate (CAGR) of 8.07% since financial year 2019-20 to 2023-24 taking the production of coal from 731 Million Tonnes (MTs) including captive/commercial to 997 MTs during the period. Going by the performance in the past five years, the Committee hope that Ministry could meet its target of producing 1797 MTs of coal by 2035. The Committee, however, suggest that likely major road blocks may be anticipated in advance and corrective actions be taken to avoid any delays and cost overruns in achieving this target.

The position of coal stocks at Thermal Power Plants (TPPs), another metric for assessing the performance of the Coal sector, which stood at low of 7.2 Million Tonnes (MTs) meeting 4 day coal requirements of TPPs in 2021-22 to 30.54 MTs in 2023-24, meeting 13 days coal requirements of the TPPs. It shows that concerted efforts were made by the Ministry and also the coal companies to increase coal availability during the period and in avoiding power outages and stabilizing the electricity supply. The Committee compliment the Ministry and Coal companies for their steady performance during the last five years.

6. Financial performance of the Coal Public Sector Undertakings

The Committee observe that during the last three financial years from 2021-22 to 2023-24 all the three coal producing companies – Coal India Limited (CIL); Neyveli Lignite Corporation of India Limited (NLCIL); and Singareni Colliers Company Limited (SCCL) have been earning net profits. During the last three financial years the cumulative Profit After Tax (PAT) of CIL, NLCIL and SCCL stood ₹86,470 crore, ₹4,408 crore and ₹7,565 crore respectively. The PAT of all these three Companies during the last three financial years amounted to ₹98,500 crore (approx.)

The Committee are also glad to note that the three Companies have cumulatively paid dividends to the tune of ₹28,000 crore to the exchequer

during the last three financial years. Further, the listed coal PSUs namely CIL and NLCIL paid dividends to the shareholders other than the Government. The continuous payment of dividends during the last three years, despite adverse effects of COVID aftermath, shows the confidence of their operations generating enough revenues in future.

The Capital Expenditure (CAPEX) of Coal / lignite PSUs (as shown at page 20 of the Report), reveals that it has exceeded targets given during the last three financial years by a wide margin. Against targeted CAPEX of ₹61,666 crore, the actual CAPEX stood at ₹68,439 crores, an excess CAPEX of ₹6,773 crore spent during the last three financial years. All indications are that the performance is likely to be repeated in the current financial year 2024-25 also.

The Committee are of the view that without proper perspective and planning on the part of the Ministry and managements of these companies such a healthy financial performance could not have been possible. Such a stupendous performance, the Committee observe, was achieved despite extreme difficulties faced due to covid -19 related restrictions. The Committee, therefore, appreciate whole heartedly the performance of these companies and hope that they repeat their performance in the coming years and continue to play crucial role in the nation building.

7. Impending competition from private sector players

Public Sector coal companies, though currently in pole position, in view of the opening of the coal production to private sector participation about four years ago in 2020 itself, the Committee expect coal PSUs to brace for impending Competition from the private coal producers and be agile and dynamic to maintain the leading position in future in a scenario of level playing field.

8. Safety In Coal Mines

As regards the Safety in Coal Sector, the Committee observe that there is lack of detailed information about specific projects or action plans executed under this Scheme for FY 2023-24. The proposed BE under the Scheme remains unchanged at ₹20 cr for FY 2024-25 out of which ₹1.66 cr was released till 04.11.2024. Given the importance of safety in coal mines, the Committee recommend prioritizing safety upgradation and investment in modern safety systems and tele-monitoring units. Initiatives such as scientific studies and

safety awareness programmes aimed at identifying and mitigating safety risks in coal mines are crucial and need to be implemented. The Committee further recommend that supervision and inspection work should be done by qualified and statutory persons like mining sirdars, overmen and undermanagers. Further, where any accident occurs in mines, DGMS should have the power to enquire the matter as per the laid down procedure to resolve such instances.

9. Annual Health Check Up For Coal Miners

As the Coal miners work in difficult conditions, the Committee suggest that an annual health checkup system for the mine employees may be put in place, to enable the Miners to monitor their health and take preventive steps in case of any adverse health conditions

10. Clean Coal Technologies

The Committee are happy to note that the Ministry is steadfast in its efforts to promote coal production and ensure surplus supply, while transitioning towards cleaner energy alternatives like solar, wind, and hydroelectric power, recognizing the need to address environmental concerns and reduce carbon emissions. The Committee also applaud the Ministry's commitment to promote coal gasification projects, which hold immense potential for transforming coal into various valuable products. At the same time, the Committee underline managing the impact of climate change while ensuring that developmental priorities continue to get the focus which has been the hallmark of India's growth strategy. To guide climate change mitigation efforts by the Coal Companies, mitigation and adaptation strategies adopted at the Ministry level should be identified and climate change performance should be tracked. The Committee also desire to know if any funds are allocated categorically to factor in Clean Coal Technologies and other Energy Efficiency Measures.

NEW DELHI;

29 November, 2024

08 Agrahayana, 1946 (Saka)

ANURAG SINGH THAKUR

Chairperson,

**Standing Committee on Coal,
Mines and Steel**

ANNEXURES

ANNEXURE I

Physical Targets vis-à-vis Achievements (in lakh meters) in the Sub Scheme of Non-CIL Detailed Exploration

Sub Scheme	FY	Proposed BE	Proposed RE	Achieved
Detailed Exploration	2021-22	1.90	2.00	2.59
	2022-23	1.60	1.35	1.82
	2023-24	1.50	2.00	2.54

Source: Background Note as provided by the Ministry of Coal

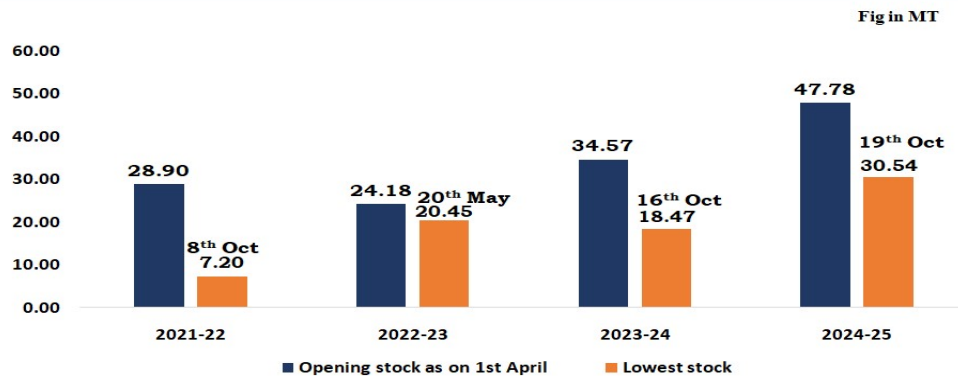
ANNEXURE II

Supply to Power Sector and Position of Coal Stock

Supply to Power sector

- Current stock at the Thermal Power Plant (TPP) end: **31.53 MT (~ 14 days)- 68.07 % growth**
- Stock position same day last year 18.76 MT
- **Lowest stock 7.24 MT on 08.10.2021 (~ 4 days)**
- Opening stock on 01.04.2024: **47.78 MT**
- Institutional Mechanisms in place to ensure coal supplies:
 - Secretary level Inter-Ministerial Committee
 - Sub Group Meetings (twice a week)-chaired by AS (Coal)
 - Regular coordination meetings with Coal companies, Railways and Ministry of Power

Position of Coal Stock at Thermal Power Plant last 3 years & FY 25



Source: Presentation on the Organization, Programmes and Policies of the Ministry of Coal provided during the Oral Evidence to the Committee

MINUTES OF THE FOURTH AND FIFTH SITTINGS OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL HELD ON 04th NOVEMBER, 2024 IN COMMITTEE ROOM NO. '2', PARLIAMENT HOUSE ANNEXE EXTENSION BUILDING, A BLOCK, NEW DELHI.

The Committee sat from 1100 hrs to 1230 hrs and from 1230 to 1330.

PRESENT

Shri Anurag Singh Thakur- Chairperson

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Smt. Roopkumari Choudhary
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. Shri Shatrughan Prasad Sinha
11. Shri S. Venkatesan
12. Shri Aditya Yadav

Rajya Sabha

13. Shri Manas Ranjan Mangaraj
14. Shri Devendra Pratap Singh
15. Dr Fauzia Khan

SECRETARIAT

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

WITNESSES

MINISTRY OF COAL

1. Shri Vikram Dev Dutt, Secretary
2. Smt Vismita Tej, Additional Secretary
3. Smt Rupinder Brar, Additional Secretary
4. Smt Nirupama Kotru, JA&FA

COAL PSUs and Other Organizations

1. Shri Anandji Prasad, Advisor (Project)
2. Smt Santosh, Deputy Director General
3. Shri Vijay Kumar Mishra, Commissioner, CMPFO
4. Shri Sajeesh Kumar N., Coal Controller
5. Shri P. M Prasad, CMD, CIL
6. Shri Prasanna Kumar, CMD, NLCIL
7. Shri N. Balram, CMD, SCCL
8. Shri Uday A Kaole, CMD, MCL
9. Shri B. Sairam, CMD, NCL
10. Shri P. S. Mishra, CMD, SECL
11. Shri Samiran Dutta, CMD, ECL/BCCL
12. Shri Manoj Kumar, CMD, CMPDIL
13. Shri Nilendu Kumar Singh, CMD, CCL
14. Shri Jai Prakash Dwivedi, CMD, WCL
15. Shri Mukesh Choudhary, Director (Marketing), CIL

2. At the outset, the Chairperson welcomed the Secretary and other representatives of the Ministry of Coal and its Public Sector Undertakings (PSUs) to the Sittings of the Committee convened for (i) briefing the Committee on Organization, programmes and policies of the Ministry of Coal as well as overall performance of Coal sector; and (ii) Oral evidence of the representatives regarding Demands for Grants (2024-25). The Chairperson then drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. Thereafter, he directed the representatives to introduce themselves.

3. While presenting the organizational structure, programmes and policies of the Ministry, the Secretary, Ministry of Coal, informed the Committee that in the last Financial Year, Coal Industry has witnessed a record coal production of 997 million tonnes. Also, the Ministry is focusing on production of coal in an eco-friendly, sustainable and cost effective manner. The Committee was also apprised of the various initiatives and reforms taken to augment the production of coal and resource

base, give impetus to modern technologies and gainful utilization. The presentation outlined the targets, achievements and other highlights of Coal sector as well as PSUs.

4. The Committee sought certain clarifications on the various issues like special incentives given to the private players, forest and land clearances, modernization and diversification of underground mining, accidents in coal mines, expenditure by coal companies, etc. The representatives of the Ministry responded to most of the queries raised by the Members of the Committee.

5. Thereafter, the representatives of the Ministry of Coal gave a presentation on Demands for Grants for the year 2024-25. The PPT detailed the actual expenditure incurred for the last three years by the Ministry *vis-a-vis* the revised estimates and details regarding the budget estimates for Coal PSUs and their expenditure. The representatives of the Ministry replied to some of the queries of the Members.

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

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

8. The witnesses then withdrew.

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

The Committee then adjourned.

MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2024-2025) HELD ON 29.11.2024 FROM 1000 HRS. TO 1050 HRS. IN COMMITTEE ROOM NO. '2', A-BLOCK, PHA EXTENSION BUILDING, NEW DELHI.

PRESENT

Shri Anurag Singh Thakur- Chairperson

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Smt. Roopkumari Choudhary
4. Smt. Kamlesh Jangde
5. Smt. Jyotsna Charandas Mahant
6. Smt. Bharti Pardhi
7. Dr. Manna Lal Rawat
8. Shri Kali Charan Singh
9. Shri Shatrughan Prasad Sinha

Rajya Sabha

10. Shri Anil Kumar Yadav Mandadi
11. Shri Rwngrwa Narzary
12. Shri Deepak Prakash
13. Shri Aditya Prasad
14. Shri Devendra Pratap Singh
15. Shri Pradip Kumar Varma
16. Dr. Fauzia Khan

SECRETARIAT

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

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

3. The Committee thereafter took up for consideration three Draft Reports on Demands for Grants for the year 2024-25 pertaining to the Ministries of Coal, Mines and Steel.

4. The Committee adopted the three Reports without any modifications. The Committee then authorized the Chairperson to finalise the Reports in the light of the factual verification received from the concerned Ministries and present and lay the same in the Lok Sabha and Rajya Sabha respectively.

The Committee, then, adjourned.