Progress and Success in the Coal Sector: MCL's Transformative Journey Since 2014

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The Indian coal sector has witnessed a remarkable transformation since 2014, driven by a series of well-conceived policy and structural reforms of the Government of India aimed at enhancing **transparency, efficiency, technology adoption, infrastructure development, ease of operations and energy security**. These reforms have created an enabling environment for faster decision-making, modernisation of mining operations, improved logistics and higher productivity. Their impact is reflected in the coal sector achieving the landmark **1 Billion Tonne (BT) level of domestic coal production well ahead of the targeted timeline**, significantly strengthening India's energy security and reducing dependence on imported coal.

Mahanadi Coalfields Limited (MCL) represents one of the most compelling success stories of this transformation. From 23 MT of production in 1992-93, MCL has grown into India's largest coal-producing company and has sustained **more than 200 MT of both production and dispatch for three consecutive years**. Its production growth accelerated to around 9% CAGR during FY 2021-22 to FY 2025-26, compared with 6.7% during FY 1992-93 to FY 2020-21. This achievement reflects the combined impact of progressive policy reforms, modern mine planning, technology, infrastructure, operational efficiency and the commitment of MCL's workforce.

The success of MCL, however, extends far beyond production and dispatch. The company has achieved its **highest-ever profitability** and remains one of the principal contributors to the profits of Coal India Limited, while making a substantial contribution to the Government exchequer. Its operations also generate extensive direct and indirect livelihood opportunities, with more than 22,000 regular employees, over 27,000 contractual workers and a large ecosystem of transportation and allied activities.

A particularly important dimension of this transformation is its **human and social impact**. Contractual workers associated with MCL benefit from wages aligned with the recommendations of the High Power Committee, which are higher than statutory minimum wages, along with social-security and welfare measures including CMPF, medical facilities and educational support. The **CLAMP portal** has enabled digital management of contractual manpower data, bringing greater transparency and accountability. Local communities have benefited through employment opportunities, engagement of cooperative societies in coal loading and transportation, and support extended to Project Affected Persons.

MCL's commitment to **community development and CSR** is equally significant. It is among the highest CSR contributors in Odisha as well as among CIL subsidiaries. Its interventions encompass healthcare, education, drinking water, nutrition, sports, skill development and rural infrastructure. The construction of the **Medical College and Hospital at Talcher**, involving an investment of about ₹500 crore, along with continued annual financial support of around ₹60–80 crore, represents a major investment in public healthcare; the institution has also received approval for PG courses. Similarly, MCL-funded CSR support enabled the establishment of the first Government cardiac-care hospital at Jharsuguda. Piped drinking-water projects across the four districts in its command area and aspirational districts, support to AIIMS

Bhubaneswar and Burla Medical College, schools, classrooms, smart classes, girls' hostels, sports complexes and other community assets demonstrate that the benefits of coal mining extend well beyond the mine boundary.

The transformation is equally visible in **technology, environment and logistics**. More than 99% of MCL's coal production is now through Surface Miner technology, which substantially reduces drilling, blasting, crushing, dust and other environmental disturbances. MCL is further investing around **₹10,000 crore in 19 First Mile Connectivity projects**, about **₹6,500 crore in rail infrastructure** and around **₹2,150 crore in concrete internal transportation roads and coal corridors**. These initiatives are aimed at enhancing evacuation efficiency, reducing dependence on road transportation and minimising the environmental footprint. The company has already invested substantially in rail and FMC infrastructure, with nearly 70% of dispatch being undertaken through rail mode. Its pioneering **Rail-Sea-Rail (RSR)** multimodal logistics system further strengthens supply-chain efficiency and enables reliable coal supply to consumers across coastal regions.

MCL's contribution also reaches the wider regional economy through **tourism and heritage development**, including initiatives around Hirakud, mine museums, waterfront development, ropeways and mine tourism at Orient Mine in the IB Valley. Community engagement has also been strengthened through initiatives such as the Bhubaneswar Half Marathon, which attracted around 6,000 participants, and the Hirakud–Sambalpur Half Marathon, which witnessed participation exceeding 10,000.

Today, MCL supplies coal across **16 States** to power utilities, captive and independent power plants, cement, sponge iron and other industries. Its sustained performance has therefore become an important pillar of India's energy security and industrial growth.

MCL's journey demonstrates that the success of coal-sector reforms cannot be measured merely in tonnes of coal produced. It is a story of higher productivity, stronger profitability, better logistics, technological advancement, environmental responsibility, worker welfare, community development and nation-building. The transformation achieved since 2014 provides a powerful example of how progressive policy reforms, institutional responsiveness, modern technology and committed human resources can convert the immense potential of India's coal sector into tangible economic and social value.

As India progresses towards a developed and energy-secure economy, **MCL remains committed to carrying forward this momentum—producing and delivering more, efficiently and responsibly, while ensuring that the benefits of its growth reach its employees, communities, consumers and the nation at large.**

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