

GOVERNMENT OF INDIA  
MINISTRY OF COAL

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2748**  
TO BE ANSWERED ON 18.08.2025

**CLEAN COAL TECHNOLOGY AND EMISSION REDUCTION**

**2748. DR. SASMIT PATRA:**

Will the Minister of Coal be pleased to state:

- (a) whether the Ministry mandated carbon capture in coal-based plants;
- (b) the R&D budget for clean coal technology;
- (c) whether Indian firms collaborating with foreign partners; and
- (d) the incentives that exist for cleaner mining?

**ANSWER**  
**MINISTER OF COAL AND MINES**  
**(SHRI G. KISHAN REDDY)**

(a): Though the Ministry of Coal has not mandated carbon capture in coal-based plants, the Ministry of Power has implemented a Carbon Capture Utilization and Storage (CCUS) project in a few thermal power plants on pilot basis to reduce carbon dioxide in the flue gases.

(b): There is no R&D budget exclusively for clean coal technologies. However, R&D projects related to clean coal, along with other initiatives, are funded under the Research & Development scheme of the Ministry of Coal. For the Financial year 2025-26, a Budget Estimate (BE) of ₹ 30.0 crore has been provisioned under this R&D scheme.

(c): An R&D pilot project has been undertaken to establish Underground Coal Gasification (UCG) technology adapted to Indian geo-mining conditions at the Kasta (West) Block of ECL (Eastern Coalfields Ltd). In this project, CMPDI and ECL are the Principal Implementing Agencies, while M/s Ergo Exergy, Canada, is the Sub-Implementing Agency.

(d): Underground coal mining, which offers several advantages, particularly from environmental, land-use, and social perspectives, is treated as cleaner mining. In order to give impetus to underground mining, the methodology dated 28.05.2020 for auction of coal and lignite mines or blocks for sale of coal and lignite on revenue sharing basis has been amended vide order dated 23.04.2025 to provide the bidders with the following incentives:

1. Reduction of the floor percentage of revenue share to 2%.
2. Complete waiver of the Upfront Amount.

The successful allocatee of coal and lignite mines or blocks, classified for underground mining on the aforementioned modified conditions, cannot convert the underground mine to Open Cast or Mixed Mine at any stage during the life of the mine.

\*\*\*\*\*