

**GOVERNMENT OF INDIA
MINISTRY OF COAL**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2589
ANSWERED ON 16.03.2026**

INDIA'S DECARBONIZATION ROADMAP

2589. DR. SIKANDER KUMAR:

Will the Minister of COAL be pleased to state:

(a) the specific allocation and detailed roadmap for the ₹35,000 crore incentive package for coal gasification proposed in the Union Budget 2026-27 and the manner in which this quadrupling of funds from earlier levels would accelerate the target of achieving 100 million tonnes of gasification by 2030;

(b) the manner in which Government plan to utilise the ₹20,000 crore outlay for carbon capture to align record production levels with India's net zero commitments; and

(c) the measures being taken to operationalise the National Coal Trading Exchange through the dedicated unit being established by the National Stock Exchange?

ANSWER

MINISTER OF STATE FOR COAL AND MINES

(SHRI SATISH CHANDRA DUBEY)

(a): There is no incentive package of ₹35,000/- crores proposed in the Union Budget 2026-27 for coal gasification. However, the Government has approved a Financial Incentive Scheme with an outlay Rs. 8500/- crores for coal and lignite gasification projects on 24.01.2024. Under this scheme, total of 7 projects have been selected for financial support. This incentive scheme will give fillip to coal gasification in the country.

(b): The outlay of Rs. 20,000/- crores has been provisioned for carbon capture technologies across lead industrial/energy sectors, which is to be used by Nodal Ministries to achieve India's net zero commitment. So far as the coal sector is concerned, its PSUs, particularly Coal India Limited (CIL), are actively pursuing a multi-pronged strategy to achieve Net Zero goals and earn Green Credits, ensuring that record production aligns with India's net-zero commitments. Key initiatives include implementation of First Mile Connectivity (FMC) measures to minimize road transport emissions; scaling up Renewable Energy (RE) installations across operations; extensive plantation drives in and around coal mining areas; adoption of energy efficiency measures in mining and allied activities; and deployment of clean coal technologies such as Coal Gasification, Coal Bed Methane (CBM), and Coal Mine Methane (CMM).

Under the Government of India's Green Credit Programme, CIL has registered and paid for the afforestation of 1793.79 hectares, contributing significantly to carbon sequestration.

(c): Ministry of Coal is in the process of setting up Coal Exchange(s) in the country in pursuance of the legislative provisions of the Mines and Minerals (Development and Regulation) Amendment Act, 2025. Section 18B of the Mines and Minerals (Development and Regulation) Amendment Act, 2025, empowers the Central Government to frame the rules for the purpose of Coal Exchange(s). In pursuance of the provisions, Coal Exchange Rules have been drafted after public consultation so as to provide for the objectives and structure of the Coal Exchange(s) to be established in the country, including their registration criteria.
