GOVERNMENT OF INDIA
MINISTRY OF POWER

LOK SABHA
UNSTARRED QUESTION NO.1842
ANSWERED ON 30.07.2026

CARBON CAPTURE OUTLAY & CLIMATE-RESILIENT INFRASTRUCTURE

1842. SHRI TAPIR GAO:
SHRI PRAVEEN PATEL:
SMT. ANITA NAGARSINGH CHOUHAN:
SHRI DAMODAR AGRAWAL:
SHRI JASHUBHAI BHILUBHAI RATHVA:
DR. MANNA LAL RAWAT:
MS. BANSURI SWARAJ:
SHRI BIDYUT BARAN MAHATO:
SHRI DINESHBHAI MAKWANA:
SHRI SUNIL KUMAR:

Will the Minister of POWER
be pleased to state:

(a) the details of the guidelines used for selecting heavy industry clusters to deploy carbon mitigation systems under the newly announced 20,000 crore Carbon Capture, Utilization, and Storage (CCUS) technology fund;

(b) whether the Ministry has established specific emission-reduction auditing frameworks to track carbon capture efficiencies in the selected pilot thermal power plants;

(c) if so, the details thereof;

(d) whether the Ministry would issue standardised rules to enable municipal corporations to issue green bonds for urban wetland revival by formulating standardised regulation; and

(e) if so, the details thereof?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) to (c) : As per the budget (FY 2026-27) announcement, an outlay of ₹20,000 crore has been proposed over the next 5 years for Carbon Capture, Utilization and Storage (CCUS) technologies. The objective is to promote the development of these technologies at scale in order to achieve higher readiness levels in end use applications across five industrial sectors viz., power, steel, cement, refineries and chemicals.

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The CCUS Program is currently under establishment stage in the Ministry of Power. Following approval of the Program, the Ministry will formulate the requisite rules and guidelines, including the modalities for selection of projects/clusters and other implementation-related aspects.

(d) & (e) : Ministry of Housing & Urban Affairs has been providing incentive to Urban Local Bodies (ULBs) for issuance of Municipal Bonds at the rate of ₹13 crore per ₹100 crore worth of bonds issued with maximum incentive of ₹26 crore per ULB. Second time eligibility is only for issuance of Green bonds with incentive at the rate of ₹10 crore per ₹100 crore of bonds issued, restricted to a maximum incentive of ₹20 crore.

Generally, Municipal bonds are issued for Urban Infrastructure Projects. So far, ₹6,540.44 crore has been raised through municipal bonds by 23 Urban Local Bodies (ULBs), which include ₹1,294 crore through Green bonds by 7 cities. A total of ₹515.44 crore have been released as incentive to the ULBs for bonds issuance, which include incentive of ₹112.5 crore for issuance of Green bonds.

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