

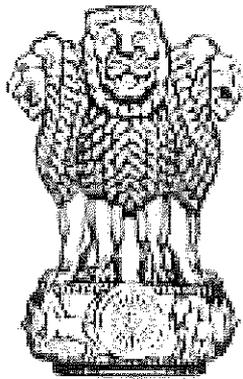
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**STANDING COMMITTEE ON
COAL, MINES AND STEEL (2025-2026)
EIGHTEENTH LOK SABHA**

MINISTRY OF MINES

**[Action Taken by the Government on the Observations/
Recommendations contained in the Fifth Report (Eighteenth Lok Sabha) of the
Standing Committee on Coal, Mines and Steel on Demands for Grants (2025-26)
of the Ministry of Mines]**

THIRTEENTH REPORT



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI
DECEMBER, 2025/AGRAHAYANA, 1947(Saka)**

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COAL, MINES AND STEEL (2025-2026)**

(EIGHTEENTH LOK SABHA)

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**[Action Taken by the Government on the Observations/Recommendations
contained in the Fifth Report (Eighteenth Lok Sabha) of the Standing Committee
on Coal, Mines and Steel on Demands for Grants (2025-26) of the Ministry of
Mines]**

Presented to Lok Sabha on 05.12.2025

Laid in Rajya Sabha on 05.12.2025



**LOK SABHA SECRETARIAT
NEW DELHI
DECEMBER, 2025/AGRAHAYANA, 1947(Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL
(2025-2026)**

Chairperson – Shri Anurag Singh Thakur

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Dr. Raj Kumar Chabbewal
4. Smt. Roopkumari Choudhary
5. Shri Vijay Kumar Hansdak
6. Smt. Kamlesh Jangde
7. Shri Govind Makthappa Karjol
8. Shri Selvaganapathi T.M.
9. Smt. Jyotsna Charandas Mahant
10. Shri Bidyut Baran Mahato
11. Shri Harish Chandra Meena
12. Shri Ananta Nayak
13. Smt. Bharti Pardhi
14. Shri B.K. Parthasarathi
15. Dr. Manna Lal Rawat
16. Dr. Rajkumar Sangwan
17. Shri Kali Charan Singh
18. Shri Shatrughan Prasad Sinha
19. Smt. Dhanorkar Pratibha Suresh
20. Shri S. Venkatesan
21. Shri Aditya Yadav

Rajya Sabha

22. Dr. Sarfraz Ahmad
23. Shri Subrata Bakshi
24. Smt. Mahua Maji
25. Shri Anil Kumar Yadav Mandadi
26. Shri Deepak Prakash
27. Shri Aditya Prasad
28. Shri Devendra Pratap Singh
29. Shri Pradip Kumar Varma
30. Shri Milind Murli Deora*
31. Vacant

* nominated w.e.f. 16.10.2025 vide Bulletin – Part-II, Para No. 3329 dated 17.10.2025

SECRETARIAT

- | | |
|------------------------------|-------------------|
| 1. Shri Harish Chandra Bist | Joint Secretary |
| 2. Smt. Reena Gopalakrishnan | Director |
| 3. Smt. Sunanda Chatterjee | Deputy Secretary |
| 4. Shri Lalit Sharma | Executive Officer |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel (2025-26) having been authorised by the Committee to submit the Report on their behalf, present this Thirteenth Report (Eighteenth Lok Sabha) on Action Taken by the Government on the Observations/Recommendations contained in the Fifth Report of the Committee on 'Demands for Grants(2025-26)' of the Ministry of Mines.

2. The Fifth Report was presented to Lok Sabha on 21.03.2025. Replies of the Government to all the Observations/ Recommendations contained in the Report were received on 20.06.2025.

3. The Committee considered and adopted this Action Taken Report at their sitting held on 02.12.2025. The Minutes of the sitting of the Committee has been given at Annexure -I to the Report.

4. An analysis on the action taken by the Government on the Observations/ Recommendations contained in the Fifth Report of the Committee is given at Annexure-II.

5. For facility of reference and convenience, the observations/ recommendations of the Committee have been printed in bold letters in Chapter-I of the Report.

**NEW DELHI;
02 December, 2025
11 Agrahayana, 1947 (Saka)**

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

CHAPTER I REPORT

This Report of the Committee deals with Action Taken by the Government on the observations/recommendations contained in the Fifth Report (Eighteenth Lok Sabha) of the Standing Committee on Coal, Mines and Steel on 'Demands for Grants (2025-26)' relating to the Ministry of Mines which was presented to Lok Sabha on 21.03.2025 and laid in Rajya Sabha on 20.03.2025.

2. The Report contained 12 Observations/Recommendations. The Action Taken Replies have been received from the Ministry of Mines in respect of all the 12 observations/recommendations contained in the Report on 20.06.2025. These have been categorized as follows: -

- | | | |
|-------|---|-------------------------|
| (i) | Observations/ Recommendations which have been accepted by the Government:
Sl. Nos. 1,2,3,4,5,6,7,8,9,10,11 & 12 | Total: 12
Chapter-II |
| (ii) | Observations/ Recommendations which the Committee do not desire to pursue in view of Government's replies:
NIL | Total: 0
Chapter-III |
| (iii) | Observations/ Recommendations in respect of which replies of Government have not been accepted by the Committee:
NIL | Total: 0
Chapter-IV |
| (iv) | Observations/ Recommendations in respect of which final replies of Government are still awaited:
NIL | Total: 0
Chapter-V |

3. The Committee trust that utmost importance will be accorded to the implementation of the Observations/Recommendations accepted by the Government. In case, where it is not feasible for the Ministry to implement the recommendations in letter and spirit for any reason, the matter may be reported to the Committee along with reasons for non-implementation. The Committee desire that final Action Taken Notes on the Observations/ Recommendations contained in Chapter-I of this Report be furnished to the Committee within three months of the presentation of this Report.

4. The Committee will now deal with the Action Taken by the Government on a recommendation made in the report.

Bharat Gold Mines Limited (BGML)

Recommendation No. 10

5. The Committee in their report had observed/recommended as under

“The Committee note that operations of BGML were closed *w.e.f.* 01.03.2001 as it is economically unviable and the Cabinet in 2006 has decided to dispose of the assets and liabilities of the Company through an open global tender. Ministry of Mines is currently seeking possible ways for monetization of assets of BGML. The Committee while noting the efforts made by the Ministry to auction certain assets (tailing dumps) of BGML and the legal complications encountered in the process resulting in underutilization of the funds meant for the purpose, as mentioned at para 6.12 of the report would like to be apprised of:-

- (i) Why even after almost 19 years since the decision of the cabinet in 2006 to dispose of the assets and liabilities of the Company, the process is yet to be completed?
- (ii) The amount spent, since 2006 on maintenance of the assets of BGML.
- (iii) The timelines for disposal of the assets & liabilities of BGML, if any and the details there off.”

6. The Ministry in its Action Taken Reply has stated as under:

“As per the approval of the Cabinet dated 27.07.2006, an Inter-Ministerial Group (IMG) was constituted on 27.12.2006 to oversee the tendering process of the assets of BGML. After examination by Sub-Group and IMG, the Global tender documents were submitted to Hon’ble High Court of Karnataka for approval. The Hon’ble Single Judge vide order dated 03.07.2009 approved the draft bid

documents and floating of bids with certain modifications sought by employees' society. The same was challenged before the Hon'ble Division Bench of the Hon'ble High Court. The Hon'ble Division Bench vide order dated 01.02.2010 set aside the Single Judge judgment with certain observations which were against the decision of the Cabinet dated 27.07.2006. The Gol vide SLP No. 10023/2011 challenged the order of Hon'ble Division Bench dated 01.02.2010. Finally, the Hon'ble Supreme Court vide order dated 09.07.2013 permitted Gol to proceed with the Global Tender in accordance with the decision taken by the Cabinet in 2006.

Thereafter, M/s MECON was appointed in 2013 to update the tender document prepared in 2008. Meanwhile, MMDR Amendment Act 2015 was passed in 2015. As per the latest amendment Section 12 (A) 6, mines, which are not acquired through auction route, cannot be transferred. Lease of BGML at Kolar Gold Fields, Karnataka expired in 2013. Despite applying for renewal of lease the Govt. of Karnataka (GoK) has not renewed the lease. The GoK had made it clear that Renewal of mining lease of BGML can only be considered if the mines are exploited by the Company itself. The mining lease cannot be part of any auction and State Government will not be transferring mining lease if the BGML is being auctioned to private party.

The efforts of the Ministry to handover BGML to GoK did not succeed as the GoK categorically refused to take over BGML due to huge liability on BGML.

The matter was discussed in the Ministry and it was decided that the possibility of revival of BGML may be explored. This was needed to be preceded by exploration of dumps and the mining area to assess the resources and Techno-Economic Feasibility Study (TEFS) of the same. A Committee consisting of MECL, GSI and OSD, BGML was formed in November, 2018 for assessment of resources of BGML leasehold areas including tailing dumps. As per the Committee's report, BGML is having total resources of 32.26 million tonnes of tailings with 0.75 Gram/Tonne Au. Nearly 24,279 Kg of Gold is available in tailing dumps of BGML. Besides, the Non Ferrous Materials Technology Development Centre (NFTDC) had also conducted a study on Gold Ore Tailings of BGML. NFTDC in its pilot plant was able to extract other mineral like Palladium and Rhodium in addition to Gold and suggested value of all minerals to be approx. Rs.30000 crores.

M/o Mines constituted a Monitoring Committee in April, 2019 to study and recommend an action plan for possible way forward for BGML through engagement of a Management Consultant. This Committee hired a Management Consultant in February, 2021 to do legal status review, valuation of assets, financial diligence based on the TEFR, examination of various options including Special Purpose Vehicle (SPV) route, auction of dumps and to recommend a way forward and action plan. The assessment report of BGML resources and the NFTDC's report were given to Management Consultant. The Management Consultant after perusal of reports submitted its report in July 2021 and suggested that BGML does not look for operationalization on its own. On the basis of Management Consultant's report, the Monitoring Committee has also recommended that the mines were closed due to unviable and uneconomic mining of Gold. It is prudent not to pursue the mining activities by BGML, which is closed since long and more so the Mining Lease has not been renewed since 2013 and has lapsed as per section 4A (4) of MMDR Amendment Act. Thereafter, the issue of BGML was discussed in PMO and it was agreed that Ministry will first move forward in selling of tailings of BGML. Accordingly, the monetization of tailing dumps of BGML is underway.

b. The amount spent, since 2006 on maintenance of assets of BGML.

Reply: As per the financial statement, from 2006 to March 2025 an amount of Rs. 58.87 crore has been spent towards maintenance of assets of BGML. Maintenance of assets includes amount paid to outsourced security personnel and repair & maintenance of buildings etc.

c. Timelines for disposal of the assets & liabilities of BGML, if any and the details thereof.

Reply: BGML is having around 33 million tonne gold tailing dumps and as per available reports, these dumps having gold & other precious metals like Palladium and Rhodium worth of approx. Rs. 30000 crore. As per discussion held in PMO, presently Ministry is actively pursuing monetization of tailing dumps of BGML.

The Central Government vide notification dated 31.07.2024 has reserved 1003.4 acres of land covering the tailing dumps in the expired KGF mining lease, for

undertaking mining operations by the Central Government under section 17 of the MMDR Act.

The SBICAPS has been appointed in August, 2024 as 'Transaction Advisor (TA)' for assisting in monetization of tailing dumps of BGML. Ministry has initiated process to appoint a CPSE as the Project Manager, which will be responsible for selecting an MDO. The MDO will undertake prospecting, mining and processing of the said mine tailing dumps in KGF, Karnataka. It was decided that a detailed Techno-Economic Feasibility Study (TEFS) will be undertaken and a comprehensive report (TEFR) will be prepared.

Accordingly, Engineers India Limited has been appointed in November, 2024 for preparing the TEFR for the monetization of tailing dumps. Preparation of TEFR is underway."

7. The Committee in their original report had noted that the operations of BGML were closed w.e.f. 01.03.2001 being found economically unviable and the Ministry was seeking possible ways for monetization of assets of BGML. The Committee had desired to be apprised of the reasons for non-completion of the process of disposal of assets and liabilities of the BGML; the amount spent on maintenance of the assets of BGML since 2006; and, the timelines set for disposal of the assets & liabilities of BGML. The Ministry in its reply has mentioned various evolving circumstances for the non-completion of process of disposing of the assets of BGML and the Committee are apprised that the monetization of tailing dumps of BGML is underway. The Ministry has further stated that Rs. 58.87 crore has been spent since 2006 on the maintenance of assets of BGML. As regards the timelines set for disposal of assets of BGML, the Committee are apprised that in November, 2024, the Engineers India Limited has been selected as MDO to undertake prospecting, mining and processing of the said mine tailing dumps and preparation of a Techno-Economic Feasibility Report (TEFR). Since the tailing dumps relates to valuable minerals, the Committee desire that the Ministry may speed up the action in this regard.

CHAPTER-II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Utilization of Budgetary allocations by the Ministry

(Recommendation No. 1)

The Committee note that, the Annual Plan Outlay of the Ministry of Mines for the year 2024-25 at BE stage was ₹1941 crore which was increased to ₹3133 crore at RE Stage. The BE for the year 2025-26 is ₹3038 crore. This includes notable increase of ₹410 crore as compared to RE ₹0.01 crore in 2024-25 pertaining to allocations for emerging initiative like the National Critical Mineral Mission (NCMM) and also enhanced budgetary allocation of ₹500 crore in 2025-26 for mineral exploration through National Mineral Exploration Trust (NMET) as compared to ₹400 crore RE (2024-25). The allocation for Geological Survey of India (GSI) has also been increased in 2025-26 to ₹1447 crore from RE 2024-25 of ₹1424 crore. The Committee hope that these budgetary initiatives will strengthen augmenting the mineral resources of the country and make India self-reliant in the mineral sector.

Reply of the Government

Ministry has noted the observations of Hon'ble committee and will ensure proper utilization of these budgetary initiatives towards strengthening mineral sector of country. Further specific submissions w. r. to budget allocation to NCMM, NMET and GSI are given below;

National Critical Mineral Mission

After announcing of the NCMM scheme in the Financial Year 2024-25 and the approval of cabinet for the same, a token amount Rs.0.01 crore was kept at RE 2024-25 for opening of relevant budget heads under the scheme. The allocation of Rs.410.00 crore at BE 2025-26 has been made for the various activities proposed under the NCMM, including Critical Mineral Recycling, setting up of Skill Development Centres, Critical Minerals Processing Parks and Stockpiling of Critical Mineral.

National Mineral Exploration Trust

For FY 2025-26, NMET has received budget allocation of ₹500 crore against Rs.400.00 crore in RE 2024-25 considering a significant upscaling of baseline survey, exploration

and other activities including funding for National Critical Mineral Mission during the year.

Since inception, NMET has sanctioned 540 projects of Baseline Geo-science, Mineral Exploration, Financial Assistance for Capacity Building and Research & Development amounting to ₹2,938/- crore. As present, 263 projects are ongoing. It is anticipated that more than 100 new projects will be sanctioned by NMET during current FY for funding support. Furthermore, NMET will be providing funding support for National Critical Mineral Mission for which budget provision of ₹100 crore has been made. Therefore, ₹500 crore would be utilized to provide funding support for these ongoing and new projects.

For the first time, NMET has undertaken the initiative of allotting seven Regional Mineral Targeting (RMT) projects to Notified Private Exploration Agencies (NPEAs). Each project spans an area of 500 sq km. to 2,000 sq. km, thereby entailing fund utilization higher than the cost of conventional G3/G4 stage exploration.

Following the introduction of the Exploration License (EL) regime under the MMDR Act, the Government aims to enhance private sector participation in mineral exploration. Post-auction, EL holders will be eligible for partial reimbursement of exploration costs under a dedicated NMET scheme, thereby mitigating financial risk during early-stage exploration.

NMET continues to support major national geoscientific programmes such as the National Geophysical Mapping (NGPM) and Deep Seismic Reflection Studies (DSRS), including Magneto telluric (MT) surveys. These projects would entail milestone-linked expenditure, contributing to the identification of deeper and previously unexplored mineral resources.

Geological Survey of India

GSI has been allocated ₹68.25 crore under the 'Mineral Exploration' head for the financial year-2025-26 for exploration activities in different parts of the country. A total of 462 exploration programmes including 227 projects for critical minerals have been taken up in FS-2025-26. The implementation of these projects will proceed as per the scheduled timeframe, and a reassessment of fund requirements will be carried out at the RE stage.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

Allocation and Utilisation of Funds by Geological Survey of India(GSI)

(Recommendation No. 2)

The Committee note that GSI designs and implements its geoscientific programs through five key Missions: Baseline Geoscience Data Generation (Mission-I), Natural Resources Assessment (Mission-II), Geo-informatics (Mission-III), Fundamental, Multi-disciplinary Geoscience and Special Studies (Mission-IV), and Training and Capacity Building (Mission-V). Analysis of the data on utilization of budgetary allocations shows that GSI could spent funds more or less in tune with the guidelines of Dept of Expenditure of the funds allocated for various Missions and Non-Mission purposes in the year 2024-25 (upto 14.02.2025) except in Mission I and III where the utilisation stood at 42.14% and 54.43% of REs as mentioned at para 3.5 of the report. The Ministry in their written replies submitted that entire amount of funds allocated for Operation and Maintenance of (i) three Research vessels; and, (ii) Online Core Business Integrated System under Mission I and III respectively will be utilized by the end of the year 2024-25 itself. The Committee would like to be apprised of the actual spending under these heads in the action taken replies.

Reply of the Government

During FY 2024–25, GSI utilized 99.89% of the allocated RE grant under Mission I- 'Survey & Mapping'. Out of the total RE allocation of ₹171.30 crore, an expenditure of ₹171.11 crore was incurred including operation and maintenance of GSI's three research vessels.

Under Mission III – 'Information Dissemination', GSI allocated ₹30.98 crore during FY 2024–25 and utilized ₹30.93 crore, achieving a utilization of 99.83%. This includes expenditure related to the operation and maintenance of the Online Core Business Integrated System (OCBIS), GSI's enterprise portal.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

R& D Projects of GSI

(Recommendation No.3)

The Committee note that since 2020-21, GSI was allocated ₹64.30 Crore for Research & Development (R&D) at RE stage. Out of this allocation, GSI utilized ₹61.22 crore, representing 95 % of the allocated budget. The Committee while appreciating the high percentage utilization of R&D budget, desire that they may be apprised of the actual outcome or impact of the research projects in concrete terms with supporting facts and

data. Further, process improvements and the product innovations, if any, resulting from R&D spend including patent filings may be submitted to the Committee.

Reply of the Government

GSI has undertaken a series of cutting-edge R&D projects over the past five years, focusing on rare earth elements (REE), critical minerals and strategic ore systems across diverse geological terrains. GSI's mineral-biased research supports the development of indigenous capability through scientific innovation and the adoption of advanced technologies to study evolving mineral systems, especially those related to critical and strategic minerals. These efforts complement GSI's broader mandate of mineral exploration, baseline geoscience data generation, and public-good geoscientific studies.

Since FS 2020-21 to 2024-25, GSI has taken up 238 research and development projects in the domains of petrology, paleontology, geochronology etc. As an outcome of these R&D activities, 76 paper/abstract were published, highlighting notable findings from GSI's fundamental and multidisciplinary geoscience projects, in reputed National/International journals and Workshops/Conferences.

In addition to this, the mineral based R&D projects lead to the identification of mineral potential zones where new exploration projects can be launched. For the past five years, from the outcome of R&D projects, 14 mineral exploration projects were initiated in different part of the country for concealed critical mineral deposits.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

CAG Audit Para

(Recommendation No.4)

The Committee note that there are 73 internal audit paras pertaining to pay and allowances, etc. and out of these 73 paras 10 paras have been dropped and 63 paras are pending. The Committee hope that the 63 internal audit paras would be addressed in a time bound manner.

Reply of the Government

Presently, no C&AG para is pending in respect of this Ministry. Out of 63 Internal Audit Paras, 45 paras have since been settled, and as on date 18 paras are yet to be addressed (i.e. 17 pertains to GSI and 01 to Sectt. Proper). All concerned have been reminded again for action to address these paras without further delay.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

**Indian Bureau of Mines (IBM) – Technological Upgradation and Modernization:
Under Utilization of RE Allocations
(Recommendation No.5)**

The Indian Bureau of Mines (Mines) undertakes scientific, research-oriented studies in various aspects of mining, geological studies, environmental studies etc. The utilization of allocated amounts for the scheme stood at 88.03%, 74.58%, 88.69% and 67.21% of the RE allocations for the years 2021-22, 2022-23, 2023-24, and 2024-25 in the last four years respectively. The committee would like to be apprised of the sharp drop in utilization of budgeted funds for the year 2024-25. The Committee also suggests that better planning may be made to avoid surrendering of the funds even compared to revised Estimates.

Reply of the Government

Scheme No.3 Technological up gradation and Modernization.

Table: Financial Performance of Scheme No.3

(In lakhs)

S.No.	Year	BE	RE	Actual Expenditure	% of Actual Expenditure w.r.to RE
1	2021-22	59.00	58.00	51.06	88.03%
2	2022-23	63.00	59.50	44.38	74.58%
3	2023-24	39.00	39.00	34.59	88.69%
4	2024-25	27.00	42.00	40.61	96.69%

It is respectfully submitted that the expenditure figures given earlier were up to Jan. 2025 and afterwards as on 31st March, 2025, the utilization of allocated amount for the scheme No.3 i.e. Technological Upgradation and Modernization is 96.69% w.r. to RE. As such the utilization of allocated amount for the year 2024-25 is better than the earlier years.

Further, suggestion of the Committee that better planning may be made to avoid surrendering of the funds even compared to revised Estimates., has been noted for compliance during the year 2025-26.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

IBM- Physical targets
(Recommendation No.6)

The Committee note that IBM under the Scheme "Technical upgradation and Modernization" Scheme (i) takes up various technical consultancy and mining research assignments; (ii) conducts training courses; (iii) prepares mineral maps with forest overlays; and (iv) updation of National Mineral Inventory (NMI). With regard to the component 'Technical consultancy and mining research assignments' the Ministry stated that in 2019-20 that out of targets of five assignments, two Regional Mineral Development Studies were carried out and for the year 2020-21 to 2024-25, no specific targets were given citing non availability of manpower. The Ministry further stated that IBM is facing severe manpower crunch in recent years and working 50% of the sanctioned strength and being a regulatory department, it is essential to carry out its statutory functions and as such available manpower is being utilized for inspection of Mines for Mine Conservation and Development Rules (MCDR(/Mining Productivity Index (MPI)/Mine Safety Index (MSI), Mining Plan disposal/Review of Mining Plan disposal/FMCP disposal, validation of star Rating of Mines etc.

The justification given by the Ministry stands not tenable as it is observed that the achievements made under the above-mentioned statutory functions are also short of Annual Targets fixed for the same. The committee therefore, recommends that the IBM should work out a strategy to address the issue of non-achievement of targets and being a regulatory department, IBM should ensure that the targets fixed with respect of statutory functions and other activities are adhered to.

The Committee also reiterate their earlier recommendation made in their 2nd Report (18th Lok Sabha) that the Ministry should take earnest steps to overcome the problem by taking early action for filling up of vacant posts and appointing technically qualified manpower to sufficiently strengthened IBM. IBM should endeavor to restart important activity specially Mining Research Assignments at the earliest. The Committee would also like to know the status of 1256 lessees which have filed SDG template online for the assessment year 2023-24.

Reply of the Government

Under the Scheme "Technical upgradation and Modernization" Scheme, with regard to the component 'technical consultancy and mining research assignments' during the year 2024-25, IBM has published booklet showcasing best practices in sustainable mine

closure of mines and same is released in 3rd Mining Ministers Conference on 20th January, 2024.

Another technical publication named "Automation in Indian Mining Industries", has been prepared and uploaded at IBM website for benefit of all mining stakeholders, with aim to explore the current landscape of automation in the Indian mining sector, examining both the advancements and the barriers that have shaped its evolution. This publication delves into the various facets of automation technologies, including robotics, artificial intelligence, and machine learning and assesses how these innovation are being applied to improve safety, productivity, cost effectiveness and environmental management in mining operations. This will shed light on the importance of innovation in driving the future efficient and sustainable mining.

IBM has noted for the compliance the committee's recommendation that the IBM being a regulatory department should ensure that the targets fixed with respect to statutory functions and other activities are adhered to.

Regarding filling up of the vacant posts it is submitted that as on 01.05.2025, 754 posts are vacant against the total sanctioned strength of 1477. Out of total 754 vacant posts, 519 vacancies have already reported to UPSC and SSC and in response to this 288 dossiers have been received from UPPC and SSC. The offers of appointment are being issued regularly to the candidate on the completion of their pre-appointment formalities. Similarly regular promotion orders are being issued to the officers on the completion of their qualifying service for promotion as prescribed in respective recruitment rules against 235 vacancies pertains to promotion quota.

As per recommendation of the committee IBM will start important activities specially Mining Research Assignments at the earliest after sufficient strengthening of Manpower.

Status of mining leases filed SDF template online for the assessment year 2023-24:

Star rating of mines is an annual activity. All the lease holders are required to submit their online self-assessment report for the given financial year ending on 31st march, by 1st July of next financial year to IBM. At IBM all the activities covering validation of templates through field visit/office record, scrutiny by Technical Evaluation Committee (TEC) and award of final star rating to each time is completed within nine months period and final star rating is awarded by 31st March of next financial year.

Thus, the various components of the activity as filling of online self-assessment report by lease holder for the previous year (assessment year), validation of templates by IBM field offices and award of star rating are having a span of one year.

For the assessment years 2022-23 and 2023-24: total 1256 and 1250 Star Rating Templates were submitted by the leaseholders respectively. The status of validated Star Rating of Mines for the assessment years 2022-23 and 2023-24 is as follows:

Star Rating	No. of Mines	
	2022-23	2023-24
5 out of 5	68	95
4 out of 5	285	315
3 out of 5	776	775
2 out of 5	53	22
1 out of 5	48	32
0 out of 5	26	14
Grand Total	1256	1250

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

**National Mineral Exploration Trust (NMET) & Utilization of Funds
(Recommendation No.7)**

The Committee are pleased to note that National Mineral Exploration Trust (NMET) is providing significant funding support for mineral exploration projects in the Country and also performing exploration of Critical mineral through increased allocation. The Committee note that ₹ 250, 400 and 400 crores were allocated to NMET at RE stage and out of these allocations, significant amounts of ₹ 90, 104 and ₹173 crore only could be utilized in 2022-2023, 2023-2024 and 2024-25 (till 14.02.25) respectively. The Committee taking a serious note of under spending and consequent surrendering of huge amounts of money year of years, suggest that responsibility may be fixed for recurring surrendering of the funds meant for the crucial purpose.

Reply of the Government

Since inception, NMET has approved 539 projects pertaining to baseline geoscientific data generation, mineral exploration, Research & development and financial assistance with an approved cost of Rs. 2915.92 Cr. Out of the 539 projects sanctioned by NMET, 183 are of critical and strategic minerals amounting to ₹537.86 Cr. In the FY 2024-25, 127 mineral exploration projects amounting to ₹305.01 Crores including 70 projects of critical minerals have been approved by NMET.

The status of Revised Estimate and expenditure incurred by NMET during last three years including current year is as follows:

(₹ in Cr.)

Year	Revised Estimate	Expenditure during the year	Budget utilization % to allocation
2022-23	160.00	159.86	99.91%
2023-24	296.50	296.27	99.92%
2024-25	400.00	398.95	99.74%

From the above table it is evident that NMET had utilized almost full budget allocation during FY 2022-23 and 2023-24. During current financial year i.e FY 2024-25, NMET has utilized 99.74% of the budget allocation.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

Hindustan Copper Limited (HCL): Expansion Projects and Green Field Exploration

(Recommendation No.8)

The Committee while appreciating the attainment of Capital expenditure (CAPEX) targets for the year 2024-25 in January 2025 itself by HCL, express concern at the slow pace of actual expenditure incurred for 'Expansion Projects' and 'Green Field Exploration' which stood at around 50% and 61% respectively in 2024-25 (till January, 2025). They are hopeful that the amounts will be spent before the end of the year itself and they may be communicated about the same to the Committee.

Reply of the Government

The actual expenditure incurred by HCL for 'Expansion Projects' and 'Green field exploration' till March 2025 has been 78.81% and 76.92% respectively. The shortfall is primarily due to non-finalization/ retendering of certain contracts.

It is also to inform that, Administrative approval for some of the contracts has already been obtained from the Board of Directors and is currently under process. Certain contracts have already been awarded, and work has already commenced.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

HCL- Stage- I Forest Clearances for Kendadih and Rakha Mines

(Recommendation No.9)

As regards Kendadih and Rakha Mines the Committee note that request of HCL for Stage-I forest clearances for an area of 413 hectares of forest area presently within Kendadih mining lease and 99 hectares of forest land presently within Rakha Mining lease are still lying with State and Central Governments which was already highlighted in the 2nd Report (18th Lok Sabha) of the Committee. The Committee would therefore, like to reiterate their earlier recommendation made in their 2nd report that the matter may be taken up at regular intervals with the authorities concerned to ensure that requisite forest clearances are accorded at the earliest.

Reply of the Government

Hindustan Copper Limited is continuously following up the proposals with concerned officials of State as well Central Government.

a. Present Status of Kendadih 413.477 ha FC Proposal.

After forwarding by Govt. of Jharkhand to MoEF&CC, New Delhi, proposal of 413.477 ha Stage-I FC (PARIVESH Proposal No. FP/JH/MIN/QRY/428609/2023) was discussed as an agenda item in FAC (Forest Advisory Committee) meeting held on 26.05.2025. Vide minutes of meeting dtd. 26.05.2025 uploaded in PARIVESH portal on 09.06.2025, FAC has recommended the grant of Stage-I FC.

After grant of 413.477 ha Stage-I FC and subsequent amendment in existing EC over total 1139.60 ha ML area, both the clearances will be submitted to Govt. of Jharkhand for execution of lease deed upto extended period i.e. 02.06.2043.

b. Present Status of Rakha 98.932 ha FC Proposal.

After forwarding by Govt. of Jharkhand to MoEF&CC, New Delhi, proposal of 98.932 ha Stage-I FC (PARIVESH Proposal No. FP/JH/MIN/QRY/450038/2023) was discussed as an agenda item in FAC (Forest Advisory Committee) meeting held on 26.05.2025. Vide minutes of meeting dated. 26.05.2025 uploaded in PARIVESH portal on 09.06.2025, FAC has recommended the grant of Stage-I FC Stage-I FC letter is expected shortly from MoEF&CC, New Delhi.

After grant of 98.932 ha Stage-I FC and subsequent amendment in existing EC over total 785.091 ha ML area, both the clearances will be submitted to Govt. of Jharkhand for execution of lease deed upto extended period i.e. 28.08.2041.

Support extended by Ministry of Mines:

- A number of DO letters have also been written by Secretary (Mines), Govt. of India to Chief Secretary, Jharkhand dated 08.04.2022, 02.09.2022, 29.11.2023, 17.01.2024, 26.02.2024 addressed to Chief Secretary, Govt. of Jharkhand regarding lease extension and Stage-I FC issue.
- The issue of lease extension and Stage-I FC were discussed by Secretary (Mines) with Chief Secretary, Jharkhand during meeting on 15.12.2023.
- Further, under the able guidance of Ministry of Mines, the issue of pending lease extension and Stage-I Forest Clearance were successfully registered and raised in PMG Portal. Lease extension issue resolved by constant support of Ministry of Mines.
- The issue of Stage-I FC of Kendadih and Rakha were also followed up constantly by Ministry of Mines with MoEF&CC, New Delhi.
- Recently, the issue of Stage-I FC of Kendadih and Rakha were reviewed by Secretary (Coordination) as an agenda item during Project Monitoring Group (PMG) review meeting held on 11.06.2025. In the meeting, Ministry of Mines apprised the issue of Hindustan Copper Limited to Secretary (Coordination).
- After discussion, MoEF&CC, New Delhi has intimated that grant of Stage-I FC letter is under process and will be issued shortly.
- With the constant support of Ministry of Mines and State Govt., Hindustan Copper Limited envisage to restart both Kendadih and Rakha mines by year end.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

Bharat Gold Mines Limited (BGML)
(Recommendation No.10)

The Committee note that operations of BGML were closed *w.e.f.* 01.03.2001 as it is economically unviable and the Cabinet in 2006 has decided to dispose of the assets and liabilities of the Company through an open global tender. Ministry of Mines is currently seeking possible ways for monetization of assets of BGML. The Committee while noting the efforts made by the Ministry to auction certain assets (tailing dumps) of BGML and the legal complications encountered in the process resulting in underutilization of the funds meant for the purpose, as mentioned at para 6.12 of the report would like to be apprised of.

- (i) Why even after almost 19 years since the decision of the cabinet in 2006 to dispose off the assets and liabilities of the Company, the process is yet to be completed?
- (ii) The amount spent, since 2006 on maintenance of the assets of BGML.

(iii) The timelines for disposal of the assets & liabilities of BGML, if any and the details there off.

Reply of the Government

As per the approval of the Cabinet dated 27.07.2006, an Inter-Ministerial Group (IMG) was constituted on 27.12.2006 to oversee the tendering process of the assets of BGML. After examination by Sub-Group and IMG, the Global tender documents were submitted to Hon'ble High Court of Karnataka for approval. The Hon'ble Single Judge vide order dated 03.07.2009 approved the draft bid documents and floating of bids with certain modifications sought by employees' society. The same was challenged before the Hon'ble Division Bench of the Hon'ble High Court. The Hon'ble Division Bench vide order dated 01.02.2010 set aside the Single Judge judgment with certain observations which were against the decision of the Cabinet dated 27.07.2006. The Gol vide SLP No. 10023/2011 challenged the order of Hon'ble Division Bench dated 01.02.2010. Finally, the Hon'ble Supreme Court vide order dated 09.07.2013 permitted Gol to proceed with the Global Tender in accordance with the decision taken by the Cabinet in 2006.

Thereafter, M/s MECON was appointed in 2013 to update the tender document prepared in 2008. Meanwhile, MMDR Amendment Act 2015 was passed in 2015. As per the latest amendment Section 12 (A) 6, mines, which are not acquired through auction route, cannot be transferred. Lease of BGML at Kolar Gold Fields, Karnataka expired in 2013. Despite applying for renewal of lease the Govt. of Karnataka (GoK) has not renewed the lease. The GoK had made it clear that "Renewal of mining lease of BGML can only be considered if the mines are exploited by the Company itself. The mining lease cannot be part of any auction and State Government will not be transferring mining lease if the BGML is being auctioned to private party.

The efforts of the Ministry to handover BGML to GoK did not succeed as the GoK categorically refused to take over BGML due to huge liability on BGML.

The matter was discussed in the Ministry and it was decided that the possibility of revival of BGML may be explored. This was needed to be preceded by exploration of dumps and the mining area to assess the resources and Techno-Economic Feasibility Study (TEFS) of the same. A Committee consisting of MECL, GSI and OSD, BGML was formed in November, 2018 for assessment of resources of BGML leasehold areas including tailing dumps. As per the Committee's report, BGML is having total resources of 32.26 million tonnes of tailings with 0.75 Gram/Tonne Au. Nearly 24,279 Kg of Gold

is available in tailing dumps of BGML. Besides, the Non Ferrous Materials Technology Development Centre (NFTDC) had also conducted a study on Gold Ore Tailings of BGML. NFTDC in its pilot plant was able to extract other mineral like Palladium and Rhodium in addition to Gold and suggested value of all minerals to be approx. Rs.30000 crores.

M/o Mines constituted a Monitoring Committee in April, 2019 to study and recommend an action plan for possible way forward for BGML through engagement of a Management Consultant. This Committee hired a Management Consultant in February, 2021 to do legal status review, valuation of assets, financial diligence based on the TEFR, examination of various options including Special Purpose Vehicle (SPV) route, auction of dumps and to recommend a way forward and action plan. The assessment report of BGML resources and the NFTDC's report were given to Management Consultant. The Management Consultant after perusal of reports submitted its report in July 2021 and suggested that BGML does not look for operationalization on its own. On the basis of Management Consultant's report, the Monitoring Committee has also recommended that the mines were closed due to unviable and uneconomic mining of Gold. It is prudent not to pursue the mining activities by BGML, which is closed since long and more so the Mining Lease has not been renewed since 2013 and has lapsed as per section 4A (4) of MMDR Amendment Act. Thereafter, the issue of BGML was discussed in PMO and it was agreed that Ministry will first move forward in selling of tailings of BGML. Accordingly, the monetization of tailing dumps of BGML is underway.

b. The amount spent, since 2006 on maintenance of assets of BGML.

Reply: As per the financial statement, from 2006 to March 2025 an amount of Rs. 58.87 crore has been spent towards maintenance of assets of BGML. Maintenance of assets includes amount paid to outsourced security personnel and repair & maintenance of buildings etc.

c. Timelines for disposal of the assets & liabilities of BGML, if any and the details thereof.

Reply: BGML is having around 33 million tonne gold tailing dumps and as per available reports, these dumps having gold & other precious metals like Palladium and Rhodium worth of approx. Rs. 30000 crore. As per discussion held in PMO, presently Ministry is actively pursuing monetization of tailing dumps of BGML.

The Central Government vide notification dated 31.07.2024 has reserved 1003.4 acres of land covering the tailing dumps in the expired KGF mining lease, for undertaking mining operations by the Central Government under section 17 of the MMDR Act.

The SBICAPS has been appointed in August, 2024 as 'Transaction Advisor (TA)' for assisting in monetization of tailing dumps of BGML. Ministry has initiated process to appoint a CPSE as the Project Manager, which will be responsible for selecting an MDO. The MDO will undertake prospecting, mining and processing of the said mine tailing dumps in KGF, Karnataka. It was decided that a detailed Techno-Economic Feasibility Study (TEFS) will be undertaken and a comprehensive report (TEFR) will be prepared.

Accordingly, Engineers India Limited has been appointed in November, 2024 for preparing the TEFR for the monetization of tailing dumps. Preparation of TEFR is underway.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

(For Comments of the Committee, please see para 7 of Chapter I)

NALCO - Capital Expenditure (Capex)

(Recommendation No.11)

The Committee note that against targeted capex of 2000 crore by NALCO for the year 2024-25, at the end of January, 2025, the capex stood at, 879 crore i.e. less than 50 % of the targeted amount. The Committee would like to be apprised of the slow pace of capex in the first 10 months of the year and also whether the Company would be able spent the rest of the targeted amount in the next months of the financial year.

Reply of the Government

The Capex achievement of the Company for FY 2024-25 is Rs 1,300 Crore. The reasons for slow progress of Capex is provided project wise in the table below:

S.NO.	Project	Capex 2024-25 (BE)	CAPEX Achievement (FY 2024-25) Provisional	Remarks on slow progress of Capex
1	5 th Stream Alumina Refinery	1144.8	701.68	The Capex progress is low due to below-par performance by major contractors such as B&R, MECON,

				Zetwerk, Thermosystem, and Tuaman, SRC etc. Other packages dependent on above did not get the requisite front, leading to low Capex.
2	Pottangi Mines	13.82	5.19	As MDO mode of mining operation has been adopted, Capex planned for EPCM consultancy was not required.
3	Bauxite Transportation System South Block	65.00	80.79	Capex achievement exceeded the targets.
4	Utkal-D&E Coal Mines	60.00	76.36	Capex achievement exceeded the targets.
5	AMR (Addition, Modification, Replacement) and other Projects	716.51	436.43	The AMR projects consists of many small numbers of projects. The Capex progress is low due to various tendering issues like less participation of bidders, single party, change in packaging philosophy etc.
	GRAND TOTAL	2000.13	1,300.45	

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

National Critical Mineral Mission (NCMM)

(Recommendation No.12)

The Committee have been informed that Ministry of Mines are in the process of preparing the guidelines for various components and sub-compounds of the National Critical Mineral Mission (NCMM) w.r.t. Critical Mineral Recycling, setting up of Skill Development Centres, Critical Minerals Processing Parks and stockpiling of Critical Minerals. The Union Cabinet, on 29 Jan 2025 approved the establishment of National Critical Mineral Mission (NCMM) with an expenditure of ₹16,300 crore and expected an investment of ₹8,000 crore by PSUs, etc. The Committee desire that the guidelines for

various components and subcomponents of the NCMM be finalized at the earliest so that the objectives of NCMM can be achieved on time.

Reply of the Government

- i. The Union Cabinet on 29 January, 2025 has approved the setting up of the National Critical Mineral Mission (NCMM) to secure a long-term sustainable supply of critical minerals and strengthen India's critical mineral value chains encompassing all stages from mineral exploration and mining to beneficiation, processing, and recovery from end-of-life products.
- ii. The Mission components include specific action agendas of the Mission, with dedicated initiatives and financial outlay.
- iii. Various action points have been finalized across seven components of the Mission. Ministry is working on the various action items and currently in the process of formulating guidelines/schemes/ policies for different components/ sub-components of the Mission.
- iv. Guidelines for establishing the Centre of Excellence under the NCMM has been approved and is now available on the Ministry's website.
- v. Formulation of various other schemes under the National Critical Minerals Mission is under process.

(M/o Mines F.No.5/1/2025-IF(583) dtd. 20.06.2025)

CHAPTER-III

**OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

-NIL-

CHAPTER-IV

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE
GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE**

-NIL-

CHAPTER-V

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES
OF THE GOVERNMENT ARE STILL AWAITED**

-NIL-

**NEW DELHI;
02 December, 2025
11 Agrahayana, 1947 (Saka)**

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

ANNEXURE-I

MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2025-26) HELD ON 02 DECEMBER, 2025 FROM 1500 HRS TO 1540 HRS IN COMMITTEE ROOM NO. 1, PARLIAMENT HOUSE ANNEXE EXTENSION BUILDING, NEW DELHI

PRESENT

Shri Anurag Singh Thakur - **Chairperson**

Lok Sabha

2. Dr. Raj Kumar Chabbewal
3. Shri Vijay Kumar Hansdak
4. Shri Govind Makthappa Karjol
5. Shri Selvaganapathi T.M.
6. Smt. Jyotsna Charandas Mahant
7. Shri Bidyut Baran Mahato
8. Shri Ananta Nayak
9. Dr. Manna Lal Rawat
10. Dr. Rajkumar Sangwan
11. Shri Kali Charan Singh
12. Shri Shatrughan Prasad Sinha

Rajya Sabha

13. Dr. Sarfraz Ahmad
14. Smt. Mahua Maji
15. Shri Anil Kumar Yadav Mandadi
16. Shri Pradip Kumar Varma
17. Shri Milind Murli Deora

SECRETARIAT

1. Shri Harish Chandra Bist - Joint Secretary
2. Smt. Reena Gopalakrishnan - Director
3. Smt. Sunanda Chatterjee - Deputy Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee, thereafter, considered and adopted the following draft Reports without any amendments:-

(i) **** **** **** **** ****

(ii) Action Taken by the Government on the Observations/ Recommendations contained in the 5th Report (18th Lok Sabha) on Demands for Grants (2025-26) relating to the Ministry of Mines.

(iii) **** **** **** **** ****

3. The Committee then authorized the Chairperson to finalise the Reports and present/lay the same in both the Houses of Parliament.

The Committee, then, adjourned.

*Not related to the Report.

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE FIFTH REPORT OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL

Total No. of Recommendations made: 12

Observations / Recommendations that have been accepted by the Government

Sl. Nos. 1,2,3,4,5,6,7,8,9,10,11 & 12

12

Percentage of Total: 100%

Observations / Recommendations which the Committee do not desire to pursue in view of the Government's replies

NIL

Percentage of Total : 0%

Observations / Recommendations in respect of which replies of the Government have not been accepted by the Committee

NIL

Percentage of Total : 0%

Observations / Recommendations in respect of which final replies of the Government are still awaited

NIL

Percentage of Total : 0%

