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

EIGHTEENTH LOK SABHA

MINISTRY OF MINES

**DEMANDS FOR GRANTS
(2026-27)**

NINETEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

MARCH, 2026/PHALGUNA, 1947 (SAKA)

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MINES AND STEEL**
(2025-2026)

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MINISTRY OF MINES

DEMANDS FOR GRANTS
(2026-27)

Presented to Lok Sabha on 12.03.2026

Laid in Rajya Sabha on 12.03.2026



LOK SABHA SECRETARIAT
NEW DELHI

MARCH, 2026/PHALGUNA, 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. Shri Sajjad Ahmad Kichloo#

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

nominated w.e.f. 05.12.2025 *vide* Bulletin – Part-II, Para No. 3767 dated 08.12.2025

SECRETARIAT

- | | |
|------------------------------|-------------------|
| 1. Shri Harish Chandra Bist | Joint Secretary |
| 2. Smt. Reena Gopalakrishnan | Director |
| 3. Shri Abhishek Sharma | Executive Officer |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel having been authorized by the Committee to present the Report on their behalf, present this Nineteenth Report (Eighteenth Lok Sabha) on Demands for Grants (2026-27) relating to the Ministry of Mines.

2. The Demands for Grants of the Ministry of Mines were laid on the Table of the House on 11.02.2026. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Coal, Mines and Steel are required to consider the Demands for Grants of Ministries under their jurisdiction and make Report on the same to both the Houses of Parliament.

3. The Committee took evidence of the representatives of the Ministry of Mines on 18.02.2026.

4. The Report was considered and adopted by the Committee at their sitting held on 09.03.2026.

5. The Committee wish to express their gratitude to the Ministry of Mines for placing material information as well as tendering evidence and views before the Committee.

6. The Committee place on record their profound appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;
09 March, 2026
18 Phalgun, 1947 (Saka)

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

REPORT PART – I

CHAPTER - I INTRODUCTORY

Ministry of Mines is responsible for the legislation and regulation of mines and development of minerals within the territory of India, including mines and minerals underlying the ocean within the territorial waters or the continental shelf, or the exclusive economic zone and other maritime zones of India. The Ministry is also responsible for the regulation of mines and development of minerals other than coal, lignite and sand for stowing and any other mineral declared as prescribed substances for the purpose of the Atomic Energy Act, 1962 (33 of 1962) under the control of the Union as declared by law. The Ministry is allocated all metals and minerals not specifically allotted to any other Ministry/Department, such as, Aluminium, zinc, copper, gold, diamond, lead, nickel, etc. and planning, development and control of and assistance to, all industries related thereto.

1.2 The Ministry administers the Mines and Minerals (Development and Regulation) Act, 1957 ('MMDR Act, 1957') and rules made there under in respect of all mines and minerals other than coal, natural gas and petroleum. The Ministry also administers the Offshore Areas Mineral (Development and Regulation) Act, 2002 and rules made there under.

a) A list of attached offices/ subordinate offices of the Ministry of Mines.

Attached office	Geological Survey of India	Headquarters: Kolkata
Subordinate office	Indian Bureau of Mines	Headquarters: Nagpur

b) A list of Public Sector Undertakings under the Ministry of Mines- There are three Public Sector Undertakings under the Ministry of Mines, namely:

- i. National Aluminium Company Limited (NALCO), Bhubaneswar
- ii. Hindustan Copper Limited (HCL), Kolkata
- iii. Mineral Exploration and Consultancy Limited (MECL), Nagpur

c) A list of Autonomous Bodies under the Ministry of Mines-

- i. Jawaharlal Nehru Aluminium Research Development and Design Centre (JNARDDC), Nagpur
- ii. National Institute of Rock Mechanics (NIRM), Bengaluru

1.3 Brief overview of CPSEs under Ministry of Mines:

- **National Aluminium Company Limited (NALCO):**

NALCO, a Schedule 'A' 'Navratna' CPSE under Ministry of Mines, was founded

on 7th January, 1981 with its registered office in Bhubaneswar. It is one of the country's largest bauxite, alumina, aluminium and power complex. Currently, the Indian Government owns 51.28% of NALCO's equity capital.

The Company has two Bauxite Mines Leases of Panchpatmali Mines (North-Central Block: 68.25 lakh TPA), (South Block: 31.5 lakh TPA) & 21.00 lakh TPA (normative capacity) Alumina Refinery located at Damanjodi in Koraput District of Odisha and 4.60 lakh TPA Aluminium Smelter, 1200MW Captive Power Plant & 40.00 lakh TPA Coal Mines located at Angul, Odisha.

The Company has regional sales offices in Delhi, Kolkata, Mumbai and Chennai and 7 operating stockyards at various locations in the country to facilitate domestic consumers. In addition, NALCO has its own bulk shipment facility for export of alumina at Visakhapatnam, Andhra Pradesh.

As a part of green initiative, NALCO has installed 198 MW Wind Power Plants at various locations in India and 1060 kWp roof top Solar Power Plants at its premises to join hands for carbon neutrality. From the days of its first commercial operation in 1987, the Company has continuously earned profits for last 38 years. NALCO is one of the leading foreign exchange earning CPSEs of the Country. The Company continues to retain its position of lowest cost producer in Bauxite and Alumina production in the World (*M/s Wood Mackenzie Report-2025*).

NALCO is the first Public Sector Company in the Country to venture into international metal market in a big way with its registration with London Metal Exchange (LME) since May'89. The Company is listed on the Bombay Stock Exchange (BSE) since 1992 and on the National Stock Exchange (NSE) since 1999. The company has multiple ISO certifications, including ISO 9001, ISO 14001, ISO 45001, ISO 50001, and SA 8000. The Data Centre at NALCO's Corporate Office and the Disaster Recovery Site at the Alumina Refinery have been awarded the ISO 27001:2013 Certification for Information Security Management System, accredited by International Accreditation Services, USA.

- **Hindustan Copper Limited (HCL):** HCL, a Mini-ratna Category-I, Government of India (GoI) Enterprise under the administrative control of the Ministry of Mines, was incorporated on 9th November 1967 under the Companies Act., 1956. It was established as a Govt. of India Enterprise to take over all plants, projects, schemes and studies pertaining to the exploration and exploitation of copper deposits from National Mineral Development Corporation Ltd. It is the only company in India engaged in mining of copper ore and owns all the operating mining lease of Copper ore. Major activities of HCL include mining, ore beneficiation and tolling of refined copper metal into continuous cast rod (CCR) as downstream product. HCL has five units - one each in the states of Madhya Pradesh, Rajasthan, Jharkhand, Maharashtra and Gujarat. HCL is a

listed company on BSE and NSE, with 66.14 % equity owned by the Government of India.

- **Mineral Exploration and Consultancy Limited (MECL):** MECL is mandated to undertake systematic mineral exploration and resource evaluation across India. MECL provides advanced geophysical, geological, drilling, analytical and consultancy services, supporting the identification and development of metallic, non-metallic and critical mineral blocks. With a strong track record of completed national-level projects and technical expertise, MECL contributes significantly to the national mineral inventory, strategic mineral security and informed policy-making in the mineral sector.

1.4 The detailed Demands for Grants (2026-27) of the Ministry of Mines were presented to Lok Sabha 11th February, 2026 and are given in Demand No. 69. While analysing the detailed Demands for Grants of the Ministry of Mines, the Committee in the present Report have examined various schemes/programmes of the Ministry and the PSUs under its administrative control. The detailed analysis along with observations/recommendations of the Committee on various issues are being dealt in the succeeding chapters of the Report.

CHAPTER - II OVERVIEW OF DEMANDS FOR GRANTS

A Plan Outlay for 2026-27

The total net allocation of Ministry of Mines for FY 2026-27 is Rs.3806.45 cr (Revenue= Rs.3642.80 cr + Capital = Rs.163.65 cr).

2.2 Out of the total net allocation, Rs.1234.13 cr has been allocated under Establishment, Rs.440.00 cr allocated under Central Sector Schemes and Rs.2132.32 cr has been allocated for Other Central Sector Expenditure.

2.3 The budget allocation for the Ministry of Mines for FY 2026-27 is as under:

		(Rs. In crores)
Sl. No.	Name of the Organisation/scheme/programme	BE 2026-27
1	Secretariat (Proper)	84.50
2	Geological Survey of India	1587.64
3	Indian Bureau of Mines	148.00
4	Bharat Gold Mines Limited	8.75
5	National Institute of Rock Mechanics (NIRM)	4.50
6	Jawaharlal Nehru Aluminium Research Development and Design Centre (JNARDDC)	12.00
7	International Cooperation (IC)	0.66
8	National Geoscience Awards (NGA)	0.40
9	Other Research Programme	20.00
10	NMEDT Programme Component	410.00
11	NMEDT Inter Account Transfer	1500.00
12	National Critical Mineral Mission (NCMM) (Budgetary Support)	440.00
13	NCMM activities funded through NMEDT	500.00
	Gross Total Budget	4716.45
14	Deduct amount met from NMEDT	-910.00*
	Net Total Budget	3806.45

*Rs.500.00 cr met from NMEDT for NCMM activities and Rs.410.00 cr met from NMEDT for NMEDT activities.

2.4 When asked about the reasons for increase in the BE 2026-27 compared to the previous year, the Ministry stated as under:

“Increase in NMEDT Inter-Account Transfers due to change in rate of NMEDT contribution from 2% to 3% through MMDR Amendment Act, 2025.

Further, in FY 26-27, Rs.500.00 cr has been allocated for NCMM activities funded/performed through NMEDT. Moreover, Preparation of guidelines / schemes for various scheme component under National Critical Mineral Mission is under process and it is expected that work in all of these schemes will start from FY 2026-27, therefore, the budget allocation has increased in FY 2026-27.

There is some increase in establishment expenditure of GSI. This is primarily due to enhancement in ‘Salary’ and ‘Allowances’ keeping in view annual increments, promotions, NFU/DPCs being done in organised/un-organised cadre of GSI, payment of arrears, increase in DA and other allowances, and anticipated recruitment for filling up of vacant process and other establishment expenditure. In addition to this, increase under GSI activities is for making milestone payment for procurement of 02 coastal research vessels of GSI.”

2.5 On the concrete initiatives to ensure optimum utilization of enhanced funds allocated for this year for Central Sector Schemes as well as other schemes and programmes, the Committee were Apprised as under:

“Over the years, the Ministry has ensured that enhanced allocated funds are utilized optimally. During FY 2026-27, funds have been substantially increased under GSI on account of enhanced activities, with marginal increase under IBM, Sectt. Proper, Other Research Programmes, BGML, JNARDDC and NIRM. All organisations/divisions have consistently incurred expenditure at an appropriate pace and ensured maximum or full utilisation. In addition, funds have been enhanced under NCMM and NMEDT. For past years, NMEDT has almost fully utilized the budget allocation at revised estimate stage. Further, NMEDT is conducting monthly meetings of the Project Sanctioning Committee to sanction new project proposals. Further, review of ongoing projects is also being carried out to ensure full utilization of the budget requirements submitted by the agencies.

Ministry of Mines is in the process of finalizing the modalities of various components of NCMM and it is expected that work in all of these schemes will start from FY 2026-27.”

“NIRM has effectively utilized the Ministry of Mines capital grant funded instruments (procured during 2022-23 to 2024-25) to deliver high-impact geotechnical, geophysical, blasting and numerical modelling services across mining, hydropower, nuclear power, ports, mining, urban infrastructure and environmental projects directly supporting national infrastructure creation while also strengthening NIRM’s service portfolio and revenue generation capability.”

B Performance Review of 2025-26

2.6 The details of BE, RE and Actuals for FY (2025-26) along with BE for FY (2026-27) are as under:

(Rs. In crores)

Sl. No.	Name of the Organization/ scheme/programme	FY 2025-26					FY 2026-27
		BE	RE	Actuals as on 16.01.2026	% utilization w.r.t. RE	% utilization w.r.t. BE	BE
1	Secretariat (Proper)	81.85	80.85	65.69	81.25	80.26	84.50
2	Geological Survey of India	1447.45	1564.24	1302.09	83.24	89.96	1587.64
3	Indian Bureau of Mines	135.00	132.66	106.93	80.60	79.21	148.00
4	Bharat Gold Mines Limited	8.00	9.70	6.20	63.92	77.50	8.75
5	NIRM	3.50	3.50	3.50	100.00	100.00	4.50
6	JNARDDC	11.00	11.00	11.00	100.00	100.00	12.00
7	Int. Cooperation	0.50	0.79	0.19	24.05	38.00	0.66
8	National Geoscience Awards	0.70	0.40	0.17	42.50	24.29	0.40
9	Other Research Programme	15.00	22.00	14.95	67.95	99.67	20.00
10	NMEDT programme component	500.00	350.00	213.00	60.86	42.50	410.00
11	NMEDT Inter Account Transfer	925.00	1250.00	500.00	40.00	54.05	1500.00
12	NCMM (Budgetary Support)	410.00	90.00	0.00	0.00	0.00	440.00
13	NCMM activities funded through NMEDT						500.00
	Gross Total Budget	3538.00	3515.14	2223.72	63.26	62.85	4716.45
14	Amount met from NMEDT	-500.00	-350.00	-213.00	60.86	42.50	910.00*
	Net Total Budget	3038.00	3165.14	2010.72	63.53	66.19	3806.45

*Rs.500.00 cr met from NMEDT for NCMM activities and Rs.410.00 cr met from NMEDT for NMEDT activities.

C Performance during the last Five Years

2.7 The BE, RE and actuals during the last Five Years and BE for FY 2026-27 are as under:

Financial Year	Budget Estimates	Revised Estimates	Actuals	(Rs. In crores)	
				% utilization w.r.t. RE	% utilization w.r.t. BE
2021-22	1466.82	4278.39	4237.53	99.04	288.89
2022-23	1508.00	1599.95	1585.22	99.08	105.12
2023-24	1911.60	2836.52	2823.54	99.54	147.71
2024-25	1941.06	3133.00	3108.32	99.21	160.14
2025-26	3038.00	3165.14	2010.72*	63.53*	66.19*
2026-27	3806.45				

* as on 16.01.2026

2.8 From the above table, it is evident that during FY 2021-22 to FY 2024-25, there has been almost full utilization of funds w.r.t. RE allocation. However, in FY 2025-26, the utilization w.r.t. RE till 16.01.2026 has been just 63.53%. The remaining 36.47% of the funds have to be utilized by March 2026.

2.9 When asked whether any funds have been surrendered by the Ministry during the FY 2025-26 and the steps taken by the Ministry to avoid rush in the last quarter and last month of the FY 2025-26, the Ministry informed as under:

“No funds have yet been surrendered by Ministry during FY 2025-26. However, MoF has overall reduced the gross budget of Ministry by Rs.22.86 cr. The pace of expenditure is within prescribed limit as on 16.01.2026 and there will be no rush in last quarter and month of FY. “

CHAPTER – III

DETAILED ANALYSIS OF DEMANDS FOR GRANTS

A. Establishment Expenditure of the Centre

The details of proposed allocation, Budget Estimates, Revised Estimates and Actual Utilization year-wise are as under:-

(in Rs crore)

Financial Year (FY)	Proposed	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	1062.65	983.01	1030.08	1020.71	99.09	103.84
2024-25	1194.69	1147.75	1162.81	1143.01	98.30	99.59
2025-26	1305.59	1210.76	1233.22	1019.81*	82.70	84.23
2026-27	1351.25	1293.23	NA	NA	NA	NA

*as on 16.01.2026

3.2 When asked about the components of the Establishment Expenditure i.e. the Secretariat, the Indian Bureau of Mines and the Geological Survey of India , the Ministry submitted as under:

a) Secretariat:

Financial Year (FY)	Proposed BE	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	105.03	45.00	46.20	44.15	95.56	98.11
2024-25	72.66	70.48	77.35	73.78	95.38	104.68
2025-26	96.47	81.85	80.85	65.69*	81.25	80.26
2026-27	99.44	84.50	NA	NA	NA	NA

*As on 16.01.2026

b) Geological Survey of India:

Financial Year (FY)	Proposed BE	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	849.01	836.50	888.37	884.25	99.54	105.71
2024-25	1000.55	967.60	979.49	968.59	98.89	100.10
2025-26	1085.50	1012.49	1032.95	859.64*	83.22	84.90
2026-27	1114.35	1077.39	NA	NA	NA	NA

* as on 16.01.2026

c) Indian Bureau of Mines:

Financial Year (FY)	Proposed BE	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	108.01	101.51	95.51	92.31	96.65	90.94
2024-25	121.48	109.67	105.97	100.64	94.97	91.77
2025-26	123.62	116.42	119.42	94.48*	79.11	81.15
2026-27	137.46	131.34	NA	NA	NA	NA

* as on 16.01.2026

3.3 Regarding the major reasons for BE vs RE variances in Secretariat, GSI, and IBM establishment expenditure over the last three years, the Ministry informed as under:

“Major reasons for BE vs RE variances:

a) Secretariat: There are minor variations in establishment expenditure of Sectt. Proper over the last three years owing to increase in Salary on account of hike in DA and annual increments. During FY 2024-25, Rs.6.87 cr was increased at RE stage under head “Professional Services” for making payment to agencies involved in assisting central government in conducting auction of mineral and offshore mineral blocks, for making payment to legal counsels in legal/arbitration matters of the ministry and for PMU for DMF and operationalisation of mines.

b) Geological Survey of India: The BE vs RE variances in GSI Establishment expenditure over the last three years from 2023-24 to 2025-26 is mainly due to increase in DA; recruitment, payment of NFUs; promotions; revision in minimum wages of hired housekeeping and security staff, increase in medical bills etc.

c) Indian Bureau of Mines:

FY 2023-24 and FY 2024-25:

Amount of Rs. 101.51 crores allocated under Establishment at BE 2023-24 and of Rs. 109.67 crore at BE 2024-25 was reduced to Rs.95.51 crore and to Rs.105.97 at RE 2023-24 and RE 2024-25 stage, respectively. The reduction was mainly due to funds under object Head “Salary” remained unutilized due to (i) non-filling up of vacant posts as the various recruitment requisitions were pending/not materialized at UPSC and SSC, (ii) decrease in claim of leave encashment on LTC and (iii) due to tendering of resignation by newly recruited Group 'C' officials to join other departments

2025-26: An amount of Rs.116.42 crore has been allocated to IBM under Establishment at BE 2025-26. It was increased to Rs.119.42 crore at RE stage due to increase in filling up of vacant posts as new entrants joined IBM and also in other heads to meet the day-to-day requirement of the establishment.”

3.4 When asked whether there is any gap between sanctioned posts and filled posts at GSI/IBM and the financial provisions planned in BE 2026-27 to address the same, the Committee were apprised as under:

“The filled in position in GSI is 6241 against total sanctioned strength of 8648 across all grades as on 01.01.2026 and the sanctioned strength of IBM is 1477,

against which 860 persons are in position as on 01.02.2026. Necessary budgetary provisions have been taken into account while proposing BE 2026-27 against the anticipated recruitments/joining of new entrants.”

3.5 The Indian Bureau of Mines has not shown proportionate growth in allocations compared with its expanding mandate for inspection, enforcement, and research support. When asked whether the Ministry plan to enhance IBM’s financial resources to match its increased regulatory role, the Ministry stated as under:

“Consequent to the Review and Restructuring of Indian Bureau of Mines, considerable recruitment of man power through SSC/UPSC has been done in last two years. The recruitment for remaining vacant posts is under process. Due to the increase in manpower, the allocation has also been increased by Ministry to meet the expanding mandate for inspection, enforcement, research support, etc.”

3.6 Regarding the reasons for recurrent under-utilisation of IBM funds at RE stage, and the steps being taken to improve fund absorption for planned activities, the Committee were informed as under:

“(i) The underutilization of funds was mainly in Object Head – Salary & Allowances which was due to non-filing of vacant posts and resignation of newly recruited employees.

(ii) With the concerted efforts of the Department/Ministry and recruitment agencies, there was considerable increase in filling up of vacant post (by DR/Promotion etc.) in the year 2025-26 and as a result in increase of strength of the department, additional funds were also re-appropriated under the salaries head to cater for the increased demand under Salaries and allowances.

(iii) Also, to ensure timely and full utilization of funds, all concerned offices of IBM have been directed to take appropriate action in the matter by the competent authorities from time to time. The expenditure made by IBM offices is being regularly monitored at appropriate level of the Department so that the underutilization can be addressed.”

3.7 When asked about the measures to address manpower shortage at both GSI and IBM, the Ministry informed as under:

“GSI: The filled in position of GSI as on 01.01.2026 is 6241 against total sanctioned strength of 8648. Recently, a Committee was constituted by the Ministry of Mines to review the structure and functioning of GSI whereby it has been recommended to further rationalize and reduce the sanctioned strength by around 1000 posts by abolishing posts which have become redundant due to technical advancement in the field. The action plan for implementation is presently under progress. GSI is in the process of filling up its vacant posts, out of total DR vacancies, 629 vacancies have already been reported to the UPSC/SSC. Out of which, filling up of 73 posts (51 S&T & 22 Non-S&T) are in very advance stage and expected to be filled up during FY 2026-27. Rest of the reported vacancies will be filled up as and when the recruiting agencies (UPSC/ SSC) will provide the dossiers. DPC vacancies are being filled up as per availability of eligible feeder

grade officials and also adhering to the DoP&T Model Calendar.

IBM: It is submitted that as on 01.02.2026, out of 1,477 sanctioned posts, 860 posts are filled up. The present strength has improved to 860 officials against the sanctioned strength of 1,477 posts, reflecting an improvement in the overall filled strength from around 50% in earlier years to approximately 59% at present. The enhancement in manpower position has been achieved through continuous and concerted efforts undertaken to fill vacancies by way of both direct recruitment and promotions. These measures have directly contributed to strengthening the manpower position and enhancing the functional capacity of IBM. Further, during 2026–27, it is tentatively proposed to fill approximately 192 posts through direct recruitment, subject to timely completion of recruitment processes by the concerned agencies. Further, the vacancies to be filled up by promotion shall also be filled up as per availability of eligible officers for promotion. IBM is continuing to rigorously pursue timely recruitment and promotion processes, including close follow-up with recruiting agencies like UPSC and SSC, expediting verification procedures and convening DPCs as per the Model Calendar, so as to further improve the manpower position and ensure uninterrupted discharge of its statutory and regulatory responsibilities. Regarding HR issues diagnosed and reforms to be pursued, it is to inform that maximum newly recruits have resigned for better career progression. Efforts have been taken for filling up the vacancies so created by sending DR requisitions to the recruiting agencies.”

B. Geological Survey of India (GSI)

3.8 The proposed allocation, Budget Estimates, Revised Estimates and Actual Utilization year-wise is as under:

(in Rs crore)

Financial Year (FY)	Proposed	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	586.25	472.10	458.08	457.09	99.78	96.82
2024-25	732.35	332.40	445.02	445.04	100.00	133.88
2025-26	790.45	434.96	531.29	438.32*	82.50	100.77

*as on 14.01.2026

3.9 An overview of activities of Geological Survey of India is as under:

Activities of GSI		
Sl	Name of Activity / Budget head	Work Components /Overview of Activities
1	Survey & Mapping	Major work components include (i) Ground Surveys: [Geological, Geophysical and Geochemical surveys.], (ii) Marine & Coastal Surveys: [Marine Survey within Territorial Water and Exclusive Economic Zone; Coastal survey], (iii) Remote Sensing and Aerial Surveys: [Geomorphological Survey; Hyperspectral Survey; Airborne Mineral Survey; Photo Geology & Remote Sensing]

2	Mineral Exploration	Mineral Resource Assessment following UNFC guidelines for exploration of Ferrous, Non-Ferrous, Precious, Strategic & Critical, Industrial, Fertilizer minerals etc., Exploration for natural energy resources (coal, lignite and shale gas), Geothermal energy, Marine exploration, RP Projects, RMT, CMAP programmes etc.
3	Information Dissemination	The work component includes Publishing geological maps of various themes, publications of journals, archival and dissemination of data generated by GSI through GSI OCBIS Portal, Data integration, Information Technology, I.T Infrastructure & Connectivity, NGDR portal.
4	Specialised Investigation & Other Exploration (Antarctica)	The work components include Geotechnical, Geo-hazard Management, environmental, landslide studies, earthquake geology and seismology, climate change, glacial geological studies, Research work in Antarctica and Arctic regions.
5	Research & Development	Research & Development activity is mainly carried out in the fields of petrology, palaeontology, geochronology, meteorite, gemology, Himalayan geology, volcanology, Quaternary geology etc. R&D activities also involve studies undertaken to support all other missions, as well as fundamental research aimed at addressing and resolving geological problems.
6	Human Resource Development (Mission V)	GSITI conducts various orientation courses at entry level, basic and refresher thematic course for skill upgradation, workshop on various field projects, promotion linked training, management and administrative courses etc. Trainees / participants from GSI, State Government Departments, and Public Sector Institutions as well as from foreign countries participated in various thematic courses.
7	Tribal Sub Plan (TSP)	The activities include execution of projects through the mandated field and training activities of GSI under Mission I to V in the tribal areas of the country.
8	Scheduled Cast Sub Plan (SCSP)	The activities include execution of projects through the mandated field and training activities of GSI under Mission I to V in scheduled cast dominated areas of the country.
9	Administrative Support Activity+ Other exp.+ Establishment expenditure	ASA and other expenditure include expenditure for domestic and foreign travel, office expenditure, payment of rent, Procurement of office furniture, Advertisement & Publicity, Minor Works, Clothing & Tentages etc. The major components in establishment budget include salaries, leave travel concession, wages, rewards, medical treatment, domestic travel expenses, Swachhta Action Plan etc.
10	Modernisation and Replacement (Capital Head)	The major work components include procurement of (i) machinery and equipment to improve the capabilities in the field as well as GSI laboratories; (ii) information, computer, telecommunication (ICT) equipment's for digital transformation of GSI's activities, (iii) Infrastructural Assets; and (iv) furniture and fixtures.

3.10 When asked about the new exploration projects which have been taken up by GSI for the upcoming financial year 2025-26, the Ministry stated as under:

“A total of 463 mineral exploration projects have been taken up by GSI during Field Season 2025-26 out of which 230 exploration projects are for critical and strategic minerals.”

3.11 Regarding the steps being taken to expand Advancing Exploration Technologies such as satellite imaging, drone-based surveys, automated seismic studies and Artificial Intelligence and Machine Learning applications for geological data analysis, the Committee were apprised as under:

“GSI has adopted innovative strategies, in addition to conventional exploration techniques, to intensify mineral target delineation using frontier technologies such as AI/ML, drone-based surveys, remote sensing, and advanced geospatial analytics. The details are as follows;

- Launched the National Aero-Geophysical Mapping Programme (NAGMP) to generate uniform aero-magnetic and radiometric data over prospective mineralized areas for identification of deep-seated and concealed mineral targets.
- Introduced Regional Mineral Targeting (RMT) to integrate multi-disciplinary geoscience datasets at regional scale for identifying gap areas and potential mineralized domains, leading to several follow-up exploration programmes.
- Implemented Mineral Prospectivity Mapping (MPM) using GIS-based data integration, statistical analysis, and AI/ML-based predictive modelling for identification of future exploration targets.
- GSI has launched Magneto -Telluric (MT) Survey in parts of Jharkhand and Andhra Pradesh.
- GSI is also carrying out Spectral Geological Mapping using latest ASTER multispectral remote sensing data to generate alteration zone /mineral mapping.
- GSI has initiated Magneto Telluric Survey and is in the process of initiating Deep Seismic Reflection Surveys (Northern Transect) under the theme Project Uncover to enhance exploration of deep-seated and concealed mineral resources, including critical minerals.
- GSI has adopted satellite-based remote sensing and AI-driven mineral targeting in collaboration with SAC–ISRO. Introduced a two-year ML, Hyperspectral Remote sensing and Aero-geophysical datasets-based gold prospectivity project in the Hutti–Muski Schist Belt, Karnataka.
- GSI has deployed drone-based magnetic surveys in Rajasthan Odisha, and Uttar Pradesh for targeting deep-seated mineral prospects in concealed terrains and utilized drone technologies for topographic mapping in G3 stage mineral exploration projects in Madhya Pradesh and Odisha.
- Introduced modern technologies in both field and laboratory settings, including the use of handheld XRF devices, and high-end analytical facilities viz. HR-SIMS, LA-MC-ICPMS, SEM etc. for more efficient and speedy execution of the exploration programmes.
- GSI has consolidated and made large volume multi parametric of geoscientific data publicly accessible through the Bhukosh portal and the National Geoscience Data Repository (NGDR) free of cost, enabling stakeholders both private and public to use this information for enhancing mineral exploration activities in the country.
- GSI conducted Hackathon 2024-“Innovative Mineral Hunt Techniques,” and Hackathon 2025- “Mineral Targeting Using AI/ML” in collaboration with India AI

- Mission and Digital India Corporation, MeitY, which explored AI/ML applications and advanced data integration for identifying deep-seated mineral targets.
- GSI is setting up a state-of-the-art “Data Processing, Integration, and Interpretation Centre (DPIIC)” at Bangalore to leverage AI/ML for advanced geoscience data modelling and interpretation.

C. Indian Bureau of Mines (IBM)

3.12 The main activities of Indian Bureau of Mines (IBM) are as under:

1. Inspection of Mines for scientific and systematic mining, mineral conservation and mine environment.

Scheme aims at ensuring the systematic and sustainable development of mineral resources, promotion of conservation of minerals, and protection of mine environment through enforcement of provisions of subordinate legislations as made under MMDR Act 1957 for Strengthening of regulatory and monitoring System to achieve sustainable mining. IBM mainly enforces the provisions of MCDR 2017 and some of the provisions of M(OAHCEM) CR, 2016.

2. Mineral Beneficiation Studies, utilization of low grade and sub grade ores and analysis of environmental samples.

Scheme aims at optimum utilization of finite mineral resources through beneficiation studies, Utilization of low-grade minerals /recovery from waste dumps and tailings by developing the process flow sheets for such minerals; to achieve Zero Waste Mining, Conservation of minerals and for, Resource Augmentation.

3. Technological Up gradation and Modernization.

Scheme aims at Capacity building of various Stakeholders such as IBM personnel, Industry & State DGMs through training of its Human resources, Skill and infrastructure development, as well as application of modern technologies for addressing the issues of illegal mining through mining surveillance, & environmental aspect. Scheme also aims to provide Consultancy services & undertake mining research assignments for mining industry on promotional/charge basis.

4. Collection, processing, dissemination of data of mines and minerals through various Publications.

Scheme aims at collection of Data on Mines and Minerals through statutory returns and other sources, Statistical analysis and dissemination of data through periodic technical publications, calculating and publishing Average Sale Price (ASP).

5. Mining Tenements System (MTS)

The scheme on "Mining Tenements System (MTS)" is included as Scheme No.5. The objective of the Scheme is to develop an online National Mineral Information System. As a part of the MTS application all the fourteen modules have been developed, deployed and rolled out in a phased manner since May 2022 to 20.1.2025. These modules of Mining Tenement System have been developed by NIC-Nagpur & NIC Mines Informatics, New Delhi.

3.13 When asked about the proposed allocation, Budget Estimates, Revised Estimates and Actual Utilization year-wise along with reasons for variations, the Ministry submitted as under:

(in Rs crore)

Financial Year (FY)	Proposed	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	27.84	20.97	18.33	15.36	83.80	73.25
2024-25	39.03	25.33	23.28	18.94	81.36	74.77
2025-26	26.38	18.58	13.24	8.31	62.76	44.73
2026-27	19.54	16.66	-	-	-	-

There are minor variations at RE stage during the last three years, which is mainly due to re-appropriation of funds under the object head 'Special Component Plan for Scheduled Caste (ORE)' and 'Tribal Area Sub Plan (ORE)' (being mandatory allocation), to GSI since IBM does not have any scheme for utilization of funds for the welfare of SCs & STs owing to the scientific and technical regulatory nature of the Department which is engaged in promotion of scientific/sustainable development of mineral resources, conservation of minerals, protection of environment in mines.

D. National Critical Mineral Mission (NCMM)

3.14 An overview of National Critical Mineral Mission (NCMM) including its background, scope and objectives to be achieved is as under:

- The Union Cabinet, on 29 Jan 2025, has approved 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.
- This multi-pronged approach is aimed at developing a comprehensive strategy for achieving self-reliance in the critical minerals sector, which is crucial for India's strategic industries, viz., electronics, telecommunications, transport, agriculture, defense, medical and critical emerging technologies for clean energy transition.
- The NCMM is being implemented under the Ministry of Mines for a period of seven years from FY 2024-25 to 2030-31. The expenditure on the Mission will be ₹16,300 crore out of which ₹2600 crore will be budgetary support. In addition, ₹18,000 crore investment is expected by PSUs, etc.
- During the Independence Day speech on August 15, 2025, Hon'ble Prime Minister, Shri. Narendra Modi highlighted that- "to secure resources essential for energy, industry, and defense, India has launched the National Critical Minerals Mission (NCMM), exploring 1,200 sites to ensure access to minerals essential for energy, industry, and defense."

Objectives:

- i. To secure India's critical mineral supply chain by ensuring mineral availability from domestic and foreign sources.

- ii. Strengthening the value chains by enhancing technological, regulatory, and financial ecosystems to foster innovation, skill development, and global competitiveness in mineral exploration, mining, beneficiation, processing, and recycling.

Mission Components:

The NCMM comprises following seven components-

- i. Increasing Domestic Critical Minerals Production
- ii. Acquisition of Critical Mineral Assets Abroad
- iii. Recycling of Critical Minerals
- iv. Trade and Markets
- v. Scientific Research & Technological Advancement for Critical Minerals
- vi. Human Resource Development
- vii. Developing Effective Funding, Financing and Fiscal Incentives

Financial Outlay:

Finance Heads	Source of Allocation	Total Allocation (INR crore) (FY 2024-25 to 2030-31)
Domestic Critical Mineral Exploration	NMEDT	3000
	GSI	4000
Risk Coverage for foreign sourcing	NMEDT	4000
Support for exploration activities outside India	NMEDT	1600
Incentive scheme for Mineral Recycling	Budget	1500
Pilot Projects- Mineral Recovery	NMEDT	100
R&D and Human Resource Development	ANRF & other R & D schemes	500
International R&D Support	ANRF & other R & D schemes	500
Skill Development Centres	Budget	100
Critical Minerals Processing Parks	Budget	500
Stockpiling of Critical Minerals	Budget	500
Grand Total		16300
Expected Investments by PSUs, etc.		18000

Mission Output/Outcome:

Key heads	Total (2024-25 to 2030-31)
Domestic Critical Mineral Exploration Projects	1200
Foreign Critical Mineral Mines	50
Incentive scheme for recycling – total materials recycled (kt)	400
Patents in critical mineral value chain	1000
Skill development	10000
Mineral Processing Parks	4
Centre of Excellence	3
Mineral Stockpile (cumulative)	5

Mission Governance

The Ministry of Mines is the administrative Ministry of the NCMM. The Mission's activities are being coordinated by an Empowered Committee, chaired by the Cabinet Secretary including members from relevant stakeholder Ministries/Departments.

The Empowered Committee consists of the following members-

- i. Cabinet Secretary-Chairperson
- ii. CEO, NITI Aayog-Member
- iii. Secretary, Department of Expenditure-Member
- iv. Secretary, Department of Atomic Energy-Member
- v. Secretary, Ministry of Coal-Member
- vi. Secretary, Department of Commerce-Member
- vii. Secretary, Ministry of Heavy Industries-Member
- viii. Secretary, Ministry of External Affairs-Member
- ix. Secretary, Ministry of New and Renewable Energy (MNRE)-Member
- x. Deputy National Security Advisor (Dy. NSA)-Member
- xi. Secretary, Department of Scientific and Industrial Research (DSIR)-Member
- xii. Secretary, Department of Science and Technology-Member
- xiii. Secretary, Petroleum and Natural Gas-Member
- xiv. Secretary, Ministry of Power-Member
- xv. Secretary, Department of Public Enterprises-Member
- xvi. Secretary, Ministry of Steel-Member
- xvii. Secretary, Ministry of Mines-Convener/Member Secretary
- xviii. Five Technical Experts nominated by the Chairperson.

3.15 The proposed allocation, Budget Estimates, Revised Estimates and Actual Utilization, year-wise in NCMM along with reasons for variations is as under:

(in Rs crore)

Financial Year (FY)	Proposed	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2025-26	410.00	410.00	90.00	0.00*	0.00	0.00
2026-27 (Budgetary Support)	880.00	440.00	NA	NA	NA	NA
2026-27 (NCMM Activities Funded/performed through NMEDT)	1000.00	500.00	NA	NA	NA	NA

* till 16.01.2026

3.16 Regarding the funds allocated/utilized for NCMM during the last three years, the Ministry informed as under:

"Till FY 2023-24, Ministry of Mines had no Central Sector/Centrally sponsored scheme. Presently, there is only one Central Sector Scheme under Ministry of Mines i.e. National Critical Mineral Mission (NCMM), approved by Union Cabinet

on 29 Jan, 2025. Preparation of guidelines / schemes for various components of National Critical Mineral Mission is under process and it is expected that work in these schemes will start from FY 2026-27, therefore, the budget allocation has increased in FY 2026-27.”

3.17 When asked about actual utilization during FY 2025-26 under the NCMM scheme, the Ministry stated as under:

“As on date no fund has been utilized from the budget allocation of ₹ 410 Crore allocated in FY 2025-26. However, work is going on w.r.t various components of NCMM and expenditure is likely to take place in FY 2026-27.”

3.18 On the measurable outcomes or milestones which have been achieved so far under the NCMM scheme, the Committee were apprised as under:

“Since the establishment of the Mission, the Ministry of Mines is working in mission mode, and significant progress has been made so far, which inter-alia includes:

a. Enhancing Domestic Production:

- Geological Survey of India (GSI) has intensified the exploration of critical and strategic minerals. GSI has carried out 195 critical mineral exploration projects in 2024–25. During 2025-26, GSI has taken up 230 projects for various critical minerals across the country.
- NMEDT has funded/sanctioned 62 projects for exploration of critical minerals during 2024-25 and 60 during 2025-26 to NEAs (Central PSUs, State PSUs, State DGMs) and NPEAs (Pvt Companies).
- The Central Government has successfully auctioned 46 blocks under 06 tranches.
- For easier environment and forest clearances for critical mineral projects, a Separate window is made in PARIVESH Portal on recommendation of Ministry of Mines, and also, the following initiatives have been taken-
 - i) The Van (Sanrakshan Evam Samvardhan) Rules, 2023 has been amended w.e.f. 31.08.2025 to allow raising compensatory afforestation over degraded forest land, minimum double in extent, in case of mining of Critical and Strategic Minerals.
 - ii) Critical Mineral Mining Projects have been included as projects of Security and strategic importance and exempted from public hearing. Further, these projects will now be appraised at Central level irrespective of lease area involved.
 - iii) In December 2025, the MoEFCC directed to conduct joint surveys at the pre-auction or post-auction stage by teams comprising representatives from the Revenue, Forest and Mining Departments of the concerned State in respect of mining leases, to avoid duplication and reduce procedural delays.
- State Governments of selected states have been requested to explore the possibility of establishing the processing park in existing Industrial Regions/ Parks.

b. Acquisition of Critical Mineral Assets Abroad:

The MMDR Act has been amended in 2025 for expanding the scope of NMEDT to support critical mineral exploration and mining in other countries.

- c. Recycling:
- On 3rd Sep 2025, the Union Cabinet approved a ₹1,500 crore Incentive Scheme to develop recycling capacity in the country for the separation and production of critical minerals from secondary sources.
 - The Scheme Guidelines have been issued and scheme rolled out on 02.10.2025.
 - Eligible feedstock is e-waste, Lithium Ion Battery (LIB) scrap, and scrap other than e-waste & LIB scrap e.g. catalytic convertors in end-of-life vehicles.
- d. Trade and Market:
- During 2025-26 Budget, Gol eliminated duties on cobalt powder and waste, the scrap of lithium-ion battery, scrap of copper, Lead & Zinc and some critical minerals.
 - Government has eliminated customs duties for most of the critical minerals and reduced Basic Customs Duties (BCD) on two minerals during budget 2024-25.
- e. Scientific Research & Technological Advancement for Critical Minerals:
- Ministry of Mines has recognized 9 institutes – 4 IITs, IISc and 4 R&D Labs – as Centres of Excellence (CoE) under NCMM.
 - Guidelines for funding Pilot Projects for Recovery of Critical Minerals from overburden/tailings/fly ash/ Red mud etc. issued on 14.11.2025. One project has been approved under this scheme.
 - As per the recommendation of Ministry of Mines, ANRF has identified “Critical Raw Materials (CRM)” as a research priority area to include under the Mission for Advancement in High Impact Areas (MAHA) with ₹210 Crore funding for critical resource material projects of recognized CoEs. The CRM Research Program will help channel funding for R&D through ANRF, utilizing a hub-and-spoke model, where nine COEs, recognized by the Ministry of Mines, would submit their research proposals. The call for proposals under Critical Raw Materials Research Program is opened on ANRF website.
 - From January 2025 to October 2025, a total 955 patent have been filed and 249 patents are granted in India for critical mineral value chain.
- f. Human Resource Development:
- Under NCMM, ₹ 100 Crore has been earmarked for Skill Development.
 - More than 1000 persons provided training in critical mineral related fields by GSI etc.”

3.19 When asked about the targets set for FY 2026-27 under NCMM, the Ministry informed as under:

“The NCMM will be implemented for a period of seven years from FY 2024-25 to 2030-31. Anticipated output of the Mission during the Mission period is furnished in the table below:

Key heads	Total (FY 2024-25 to 2030-31)
Domestic Critical Mineral Exploration Projects	1200
Foreign Critical Mineral Mines	50
Incentive scheme for recycling - total materials recycled (kt)	400
Patents in critical mineral value chain	1000

Skill development	10000
Mineral Processing Parks	4
Centre of Excellence	3
Mineral Stockpile (cumulative)	5

3.20 On whether the present allocation pattern of ₹410 crore/year for initial years is adequate to meet the Mission’s targets, especially considering that the highest cost components—processing technology, commercial-scale pilot plants and international sourcing—are inherently capital-intensive, the Ministry stated as under:

“The budget estimate for FY 2025-26 for the NCMM stands at ₹410 crore and for FY 2026-27 the BE stands at ₹ 440 crore. This allocation will be utilized for anticipated expenditure across the various activities proposed under the NCMM. Work is going on w.r.t. various components of NCMM and expenditure is likely to take place in FY 2026-27.

The allocation pattern provides for initial support in the early years and higher funding in subsequent years for capital-intensive activities and may be considered adequate for achieving the Mission objectives in a phased manner.”

E. Bharat Gold Mines Limited (BGML)

3.21 During the oral evidence of representatives of Ministry of Mines on 18.02.2026, when asked for how many years Bharat Gold Mines Limited has been closed, Secretary, Ministry of Mines informed as under:

“Sir, it is closed since the year 2001.”

3.22 During the oral evidence of representatives of Ministry of Mines on 18.02.2026, a representative of the PSU stated as under:

“Sir, this year we have planned an allocation of ₹8.75 crore. This expenditure is primarily for the security and safety of our assets there.”

3.23 When asked about the scope for revival of BGML or any plans to repurpose it toward national mineral objectives or resource monetisation, the Committee were apprised as under:

“The Monitoring Committee constituted by Ministry in 2019 to study and recommend an action plan for revival of BGML had concluded not to pursue the mining activity because the underground mining activities have been abandoned since closure of BGML and mines are flooded with subsurface ground water.

However, the Mining operations of BGML generated 33 million tonnes of tailings dumps located on BGML owned land in KGF, Karnataka. As per studies conducted through different government organizations, the tailing dumps contain gold and other precious metals at recovering grades. This matter was discussed at the highest level and it was decided that Ministry will first move forward with monetization of these tailing dumps. Accordingly, Ministry of Mines has

appointed SBICAPS as 'Transaction Advisor' and the Engineers India Limited (EIL) for preparing a Techno Economic Feasibility Report (TEFR). It has been decided that a CPSE will be appointed as the Project Manager (PM), which will then select a Mine Developer and Operator (MDO) for prospecting, mining and processing of tailing dumps of BGML on open global tender basis. Final TEFR has been received and accordingly the Ministry is moving ahead with monetization of tailing dumps.”

3.24 Regarding the current status of Karnataka Government’s approval in 2024 of the Union government's proposal to restart mining operations in 13 tailing dumps at Kolar Gold Fields, the Ministry informed as under:

“Mining lease of BGML at KGF, Karnataka expired in 2023. Therefore, this Ministry after seeking consent of Government of Karnataka reserved 1003.4 acres’ area covering the tailing dumps of BGML vide gazette notification dated 31.07.2024 (under Section 17 of the MMDR Act) to undertake mining operations for recovering gold and other precious metal.”

3.25 When asked why we are still giving funds every year for a company closed in the year 2001, the Ministry replied as under:

“The operations of Bharat Gold Mines Limited (BGML) are closed since 2001. However, the company possesses substantial assets, including approximately 12,109 acres of land along with shafts, mills, buildings, 33 million tonnes of gold tailing dumps and residential houses. For handling post-closure winding-up matters and routine affairs (technical & administrative) of the company, three officers are deployed at BGML from Geological survey of India (GSI) and one officer of deputy commander rank from Central Reserve Police Force (CRPF) as Chief Security Officer cum Estate Officer to monitor the functions of the security agency and estate matters. These officers look after the work of the Company i.e. administration, financial matters and security & estate matters for securing 12,109 acres of land from encroachment, illegal construction, theft etc. Besides, several court cases of BGML are presently pending in the KGF Court, Kolar Court, and the High Court of Karnataka, for which legal expenditure occurs. Therefore, the Ministry provides grant-in-aid to BGML for managing its day-to-day affairs and expenses, such as office expenses, payments to private security services, legal expenses, and other related expenditures.

F. Exploration activities under National Mineral Exploration and Development Trust (NMEDT)

3.26 The proposed allocation, Budget Estimates, Revised Estimates and Actual Utilization year-wise are as under:

(in Rs crore)

Financial Year (FY)	Proposed	BE	RE	Actual Utilization	Percentage Utilization w.r.t. RE	Percentage Utilization w.r.t. BE
2023-24	400.00	400.00	296.50	296.27	99.92	74.07
2024-25	400.00	400.00	400.00	398.95	99.74	99.74
2025-26	500.00	500.00	350.00	213.00	60.86	42.60
2026-27	1660.00*	910.00**				

* Rs.660.00 cr for NMEDT Activities+ Rs.1000.00 cr for NCMM Activities funded/performed through NMEDT

** Rs.410.00 cr for NMEDT Activities+ Rs.500.00 cr for NCMM Activities funded/performed through NMEDT

3.27 When asked about the significant volatility in allocations under NMEDT across BE and RE stages and the manner in which it affects the continuity of exploration projects, the Ministry informed as under:

Preparation of Budget Estimates in the NMEDT is undertaken on the basis of projected expenditures anticipated by exploration agencies for both sanctioned projects and new proposals. This exercise is carried out continuously throughout the year to ensure that, at the Revised Estimate stage, the actual requirement of funds can be closely assessed. Accordingly, sufficient budgetary provision is secured to facilitate the smooth and uninterrupted execution of exploration projects.”

3.28 Regarding the funds which have been allocated under the National Mineral Exploration Trust (NMEDT) for funding start-ups and MSMEs under the S&T PRISM scheme, the Committee were apprised as under:

“Since FY 2023–24, the National Mineral Exploration and Development Trust (NMEDT) has sanctioned 28 projects under the S&T PRISM Scheme with a total outlay of ₹36.02 crore. For FY 2025–26, a fund allocation of ₹18.50 crore has been earmarked, while ₹37 crore has been earmarked for FY 2026–27. It is further submitted that depending on additional requirements under the S&T PRISM Scheme, NMEDT undertakes necessary budgetary provisions through appropriation at the Revised Estimate (RE) and Budget Estimate (BE) stages, thereby ensuring sufficient availability of funds for effective implementation of projects.”

3.29 Given NMEDT’s importance in the National Critical Mineral Mission for funding risk-bearing exploration and critical block auctions, when asked whether the current budget framework is adequate to meet projected targets through FY 2026-27, the Ministry stated as under:

“The current budget framework is adequate to meet projected targets of National Critical Mineral Mission Activities through National Mineral Exploration and Development Trust Fund through FY 2026-27. If additional funds are required, the necessary budget provision will be made at Revised Estimate and Budget Estimate Stage during FY 2026-27.”

3.30 On the allocation for FY 2026-27 and plans for utilization of NMEDT funds, the Ministry informed as under:

“The National Mineral Exploration and Development Trust (NMEDT) has been allocated ₹910 crore as budget estimate for FY 2026-27 to meet the anticipated expenditure upon its activities through the programme component as well as NCMM activities funded through the NMEDT Fund. BE allocation of ₹1500 Crore under NMEDT inter-account transfer is the amount of NMEDT contribution collected and deposited by State Governments into the Consolidated Fund of India. Through this transfer entry, the amount of NMEDT contribution gets transferred from CFI to the NMEDT Public Fund. NMEDT sanctioned 62 projects for critical mineral exploration during FY 2024-25 and 60 projects till 31.01.2026, during FY 2025-26. NMEDT provides funding support for various activities such as exploration of minerals, including critical minerals, baseline surveys, research and innovation, and capacity building of the state agencies involved in mineral exploration.”

3.31 When asked about details of utilization of total funding under the District Mineral Foundation (DMF) during the last three years, the Committee were apprised as under:

“The total fund collection and utilization under DMF during last three years is as follows:

(Rs. In Crore)			
Financial Year	Collection	Allocation	Utilization
2022-2023	15,402.74	13,931.95	9,898.99
2023-2024	13,459.41	14,019.02	8,733.44
2024-2025	16,663.23	8,216.02	7,105.70

3.32 On the primary purpose for which the District Mineral Foundation (DMF) was utilized during the last three years, the Ministry stated as under:

“DMF funds are utilized for the welfare and development of mining-affected areas in accordance with the criteria specified in the prescribed guidelines issued by the Central Government. This includes addressing the negative impacts of mining and ensuring sustainable development in mining-affected regions, as prescribed by the respective State Governments. So far, DMFs have been set up in 656 districts in 23 States in the country which have framed DMF rules.

In line with the PMKKKY guidelines, DMF funds are utilized across High priority sectors namely Drinking water supply, Environment preservation and pollution control measures, Health care, Education, Welfare of Women and Children, Welfare of aged and differently abled, Skill development and Livelihood generation, Sanitation, Housing, Agriculture, Animal Husbandry, and Other Priority Sector such as Physical infrastructure, Irrigation, Energy and Watershed Development and any other measures for enhancing environmental quality in the mining affected districts.”

3.33 Regarding the basis for selection of welfare activities which utilize funds from the District Mineral Foundation (DMF), the Committee were apprised as under:

“It is pertinent to mention that under the MMDR Act, 1957, the role of the Central Government relates to issuing the PMKKKY Guidelines, which become

operative only after they are incorporated into the respective State DMF Rules. Accordingly, the Central Government issued PMKKKY guidelines 2024, which stipulate that the approval of expenditure of funds from DMF lies solely with the Governing Council (GC) of DMF, chaired by the District Collector with elected representatives such as MPs, MLAs and MLCs as members. Further, PMKKKY Guidelines, 2024 also mandate that at least 70% of DMF Funds shall be utilized under high priority sectors, which includes Drinking Water Supply, Environment Preservation, Healthcare, Education, Welfare of women and children, skill development and livelihood generation, Sanitation, etc. These guidelines also stipulate that Districts shall conduct baseline survey or may use the baseline survey undertaken by any department for perspective plan formulation. Based on the findings and gaps as identified through the baseline survey or any such survey/ assessment, the DMF shall prepare a strategy for five-year perspective plan.

3.34 On the mechanism in place for audit of the DMF funds, the Ministry replied as under:

“For proper monitoring of the DMF fund expenditure, PMKKKY guidelines 2024 mandated that the accounts of the District Mineral Foundation (DMF) shall be audited annually by Chartered Accountants empanelled by the Comptroller and Auditor General of India (CAG), and the audit report shall be placed in the public domain along with the Annual Report. In addition, the accounts of the DMF are subject to audit by the CAG as per the schedule decided by the CAG.”

G. Miscellaneous

(i) Policy Reforms and State Cooperation

3.35 The 2025-26 budget announced the institution of a new index i.e. State Mining Readiness Index (SMRI). Regarding its purpose and role in state mining reforms, the Ministry informed as under:

“As announced under the Union Budget 2025-26, Ministry of Mines has released the State Mining Readiness Index (SMRI) and State rankings, which is a significant step to encourage mining sector reforms in States. The purpose of the SMRI is to capture a State’s relative contribution in developing the country’s mining sector, assess effectiveness in mining regulation & administration and instill competitive spirit among States.”

3.36 Regarding the manner in which the budget encourage States to adopt best practices in the mining sector, including for minor minerals, the Committee were apprised as under:

“The Union Budget 2025-26 made the announcement – “Mining sector reforms, including those for minor minerals, will be encouraged through sharing of best practices and institution of a State Mining Index.” Accordingly, Ministry of Mines has released the study report on States’ Best Practices in Mining sector to promote peer learning among the States and contribute to the overall growth of mining sector, including minor minerals, through reforms.”

3.37 When asked about the customs duties which were eliminated or reduced in the 2025-26 budget to benefit the domestic recycling industry and secure critical mineral availability, the Ministry stated as under:

“The Union Budget 2025-26 had announced the elimination of customs duty on scraps of copper, brass, lead and zinc, and scraps of some critical minerals, cobalt powder and lithium-ion battery scrap to benefit the domestic recycling industry and secure critical mineral availability.”

3.38 Regarding the initiatives which were announced to address logistical bottlenecks and improve efficiency in the transportation of minerals like iron ore, manganese, bauxite etc., the Committee were informed as under:

“The Ministry of Railways had sought the comments of Ministry of Mines on the Draft Cabinet Note for approval of the Cabinet Committee on Economic Affairs (CCEA) for increasing capacity of high traffic density routes and Draft Cabinet Note for approval of the CCEA for augmenting rail connectivity to Ports. The Ministry of Mines vide O.M. Nos. 16/49/2023-Mines VI dated 25.09.2023 had requested the Ministry of Railways that the final alignment of the rail corridors may be done after reconciling with the data in the PM Gatishakti portal for mining projects. Further, it was suggested that finalization of rail routes may be done in consultation with the concerned State Governments to minimize the blockage of precious mineral resources in the State. Reconciling with the data in the PM Gatishakti portal would ensure that the rail route will cater for evacuation of minerals from the mining leases.”

(ii) Performance and Outcomes

3.39 Regarding the total value of mineral production (excluding atomic, fuel, and minor minerals) in 2024-25, and how much of an increase did it represent over the previous year, the Ministry informed as under:

“In FY 2024-25, the total value of mineral production (excluding atomic, fuel, and minor minerals) was ₹1.48 lakh crore, representing a growth of 4.4% over FY 2023-24. Odisha was the leading producer of minerals by value in 2024-25 with ₹64785 crore, accounting for around 44% of the total mineral production value.”

3.40 When asked about the developments made by the Ministry, its PSUs and other bodies with respect to minerals underlying the ocean within the territorial waters of India, the Ministry informed as under:

“Article 297 of the Constitution of India states that “all lands, minerals and other things of value underlying ocean within the Territorial waters, Exclusive Economic Zone and continental Shelf vests in the Union of India”. The Parliament has enacted the Offshore Areas Mineral (Development and Regulation) Act, 2002 and amended in 2023.

Accordingly, the Ministry of Mines framed the rules under the amendment Act in 2023. The rules framed under the Amended Act are as under:

- (i). The Offshore Areas (Existence of Mineral Resources) Rules, 2024.
- (ii). The Offshore Areas Mineral Trust Rules, 2024.
- (iii). The Offshore Areas Mineral Auction Rules, 2024.
- (iv). The Offshore Areas Operating Rights Rules, 2024.
- (v). The Offshore Areas Mineral Conservation and Development Rules, 2024.
- (vi). The Offshore Areas Atomic Minerals Operating Right Rules, 2025.

Further, the Central Government had launched the first tranche of auction of 13 offshore blocks on 28.11.2024 for grant of composite license i.e. exploration license cum production lease which falls beyond territorial water (12 nautical miles).

However, the NIT issued for the above offshore blocks did not receive desired response from bidders and had to be annulled. The main reason for lukewarm response from industry was substantial capital investment and high extraction cost making the operation economically unviable.”

3.41 When asked about the reason for the absence of an Output–Outcome Monitoring Framework for the Ministry of Mines, when most other Ministries have adopted the OOMF mechanism for performance monitoring, the Committee were apprised as under:

“We have adopted performance indicators to monitor the working of the ministry. Each month, the Ministry’s performance is communicated to the Cabinet Secretariat through a Monthly D.O. letter from the Secretary (Mines) to the Cabinet Secretary. This letter outlines key performance indicators across a broad spectrum of parameters, including the number of mines operationalized, blocks auctioned, mineral production levels, and expenditure incurred under the DMF and NMET funds, among others. Therefore, it is felt that this is serving the purpose of measuring the output of the ministry and hence separate OOMF may not be necessary.”

(iii) Research & Development and Innovation

3.42 When asked about the Thematic areas wise number of projects/proposals of R&D sanctioned during the last five years under Other Research Programme (ORP) head of Science & Technology (S&T) programme, the Ministry informed as under:

“During the financial years 2021-22 to 2025-26, a total of 87 R&D projects were considered under the R&D Component of the Science & Technology Programme of the Ministry of Mines, covering multiple identified thrust areas. These include Mining (8 projects), Beneficiation, Ore Dressing, Mineral Processing & Recovery from Waste (16 projects), Metal Extraction (6 projects), Alloys, Rare Earths, Speciality Materials and Products (24 projects), Geoscience and Exploration (5 projects), Circular Economy and Recycling of Non-Ferrous Metals (11 projects) and Extraction of Strategic and Critical Minerals, including Rare Earth Elements (17 projects).”

3.43 About other Research Programmes, the Ministry further submitted as under:

“During the last five financial years (FY 2019–20 to FY 2023–24), a total of 69 projects were completed under the R&D component of the Science & Technology (S&T) Programme. Out of these, 16 technologies were developed,

adopted, or identified as worthy of adoption by industry, of which 3 technologies have already been adopted by industry. From the 69 completed projects, 21 patents were generated, out of which 14 patents have been granted. Among these, 5 patents relate specifically to critical minerals. Of the remaining projects, 9 projects focused on exploration, survey, or data generation; 13 projects addressed mine safety and health issues arising from mining activities, and their outcomes are being applied by the mining industry; 12 projects successfully developed proof-of-concept results, which may be further upgraded for process or material development; and 19 projects did not yield encouraging results and were therefore considered unsuccessful.”

3.44 When asked about the achievements of JNARDDC (Jawaharlal Nehru Aluminium Research Development and Design Centre), the Committee were apprised as under:

“JNARDDC has elevated itself as one of the self-sustaining R&D labs with no salary support since 2024-25. Till date, 28 patents have been filed, out of which 21 have been granted along with grant of 02 copyrights. Revenue generation for FY 22-23, 23-24 and 24-25 is Rs.15.91 cr., Rs.23.69 cr and Rs.21.44 cr respectively. JNARDDC has been recognized among the Top Five Innovative Research Institutions in the country for the year 2025 by the Confederation of Indian Industry (CII), New Delhi.”

3.45 Regarding the achievements under S&T-PRISM, the Ministry further informed as under:

“The early experience under S&T-PRISM has been encouraging, with a clear progression from pilot validation to commercialization.

- Ashvini Magnets has successfully established Nd-Pr production in bracker form and transitioned to commercial operations, strengthening domestic rare earth value addition.
- Saru Smelting has completed the development and commercialization of Pb-Li alloy, demonstrating capability in strategic and advanced alloy materials.
- PG Tech has commercialized Nd-Pr magnet production, contributing to indigenous permanent magnet manufacturing.

Projects by LOHUM, RESEAPRO, and ISHITA International are at an advanced stage and nearing completion, particularly in battery recycling and critical material recovery, while the remaining newly sanctioned projects are progressing toward milestone achievements.”

Part-II

OBSERVATIONS / RECOMMENDATIONS

BUDGET ALLOCATION FOR FY 2026-27

1. The Committee note that the annual plan outlay of the Ministry of Mines at BE 2026-27 is Rs.3806.45 crore, with a Revenue component of Rs.3642.80 crore and Rs.163.65 crore for Capital expenditure, reflecting a substantial increase over the BE 2025-26 of Rs.3038.00 crore. The Committee also note that of the total net allocation, Rs.1234.13 crore is earmarked for Establishment expenditure, Rs.440.00 crore under Central Sector Schemes and Rs. 2,132.32 crore for Other Central Sector Expenditure. The Committee also note that the National Critical Mineral Mission (NCMM) is allocated Rs.440 crore. The Committee appreciates the enhanced allocation and call upon the Ministry to take concrete steps to fully utilize the allocated funds during the year in order to achieve the desired objectives in the mining sector, particularly given the strategic importance of critical minerals for India's energy transition and advanced manufacturing.

(Recommendation No.1)

UTILIZATION OF BUDGET ALLOCATION

2. The Committee note that during FY 2025-26, the annual plan outlay of the Ministry of Mines was Rs. 3038.00 crore at BE, which was enhanced to Rs. 3165.14 crore at RE stage. The actual expenditure as on 16.01.2026, stood at Rs. 2010.72 crore representing 63.53% of the RE allocation. The Committee further note that from FY 2021-22 onwards, the Ministry is consistently achieving near-full utilisation (over 99%) of funds at the RE stage. The Committee, while appreciating the consistent budget utilisation performance, call upon the Ministry to take adequate measures to utilize the remaining 36.47% of RE allocation by the end of the FY 2025-26.

(Recommendation No.2)

GEOLOGICAL SURVEY OF INDIA (GSI)

3. The Committee note that the Geological Survey of India (GSI) is given an allocation of Rs. 1587.64 crore. The Committee also note that the GSI has been nearly fully utilising the funds allocated under RE from FY2021-22 to FY2024-25 and hope that it will continue to fully utilise the funds allocated for FY2025-26 and FY2026-27. The Committee are informed that to keep pace with increased focus on exploration, the GSI has introduced latest technologies like Magneto-Telluric surveys, National Aero-geophysical Mapping Programme (NAGMP), drone based magnetic surveys, marine surveys and AI-ML technologies in the mining sector. The Committee further note that the GSI proposes to initiate more than 300 projects concerning critical minerals during FY2026-27 and has handed over 16 blocks of rare-earth elements through NMEDT. The Committee desire that these physical and financial targets may be well ensured and tangible outcomes in terms of conversion of identified anomalies into auctionable blocks may be achieved. The Committee are also informed about the GSI facing personnel deficit. The Committee are of the view that an assessment as per needs of the day may be done in this regard and the Committee may be apprised of the same.

(Recommendation No.3)

INDIAN BUREAU OF MINES (IBM)

4. The Committee note that the Indian Bureau of Mines is allocated Rs. 148.00 crore in BE 2026-27. The Committee also note that the utilisation of funds by the IBM during the last five years from RE of FY2021-22 to FY 2025-26 has achieved financial targets of 87.37%, 91.02%, 94.58%, 92.52% and 80.60% (*up to 16.1.2026*) respectively and hope that it will ensure full utilisation of the Budget of FY 2025-26 and FY 2026-27. The Committee also note that a deficit of personnel is reported in IBM. The Committee are of the view that an assessment as per needs of the day may be done in this regard and the Committee may be apprised of the same.

(Recommendation No.4)

NATIONAL CRITICAL MINERAL MISSION (NCMM)

5. National Critical Mineral Mission (NCMM) was approved by the Union Cabinet on January 29, 2025, to ensure a sustainable supply of critical minerals in India. The mission aims to create a strategy for self-reliance in critical minerals. The Committee note that NCMM is allocated an outlay of Rs.16,300 crore for the scheme for the period FY 2024-25 to FY 2030-31, including Rs.2,600 crore as budgetary support. In addition, Rs.18,000 crore of investment is expected from PSUs, etc. The Committee also note that an allocation of Rs. 410 crore at BE stage in FY 2025-26 was reduced to Rs.90 crore at RE stage, but no expenditure was incurred till 16.01.2026 as the Ministry were formulating the Scheme Incentive Guidelines under the NCMM. The Committee are informed that the Incentive Scheme for Promotion of Critical Minerals Recycling was rolled out on 02.10.2025 with applications open till 01.04.2026, and 29 applications have been received as on 20.02.2026. The Committee appreciate that the preparatory groundwork including finalization of guidelines and institutional mechanisms has been completed and urge the Ministry for time-bound operationalisation of various components of National Critical Mineral Mission during FY 2026-27, so that the enhanced allocation is fully utilised and tangible milestones towards the Mission's seven-year targets are achieved. The Committee may be kept apprised of the quarterly progress of NCMM in terms of key outputs such as exploration projects sanctioned, overseas mine acquisitions, recycling capacity created, processing parks established, and skill development undertaken.

(Recommendation No.5)

BHARAT GOLD MINES LIMITED

6. The Committee note that the Bharat Gold Mines Limited (BGML) is a PSU under the Ministry of Mines which has remained closed since 2001. During FY 2026-27, a budget provision of Rs. 8.75 crore is made for meeting the expenses on maintenance of Bharat Gold Mines Limited. The Committee are informed that approximately 33 million tonnes of tailings dumps at KGF, Karnataka, containing recoverable quantities of gold and other precious metals, have been identified for monetisation and the Ministry are moving ahead in the process of

monetization. The Committee call upon the Ministry to expedite the process of monetisation. The Committee may also be apprised of the latest developments in this regard.

(Recommendation No.6)

NATIONAL INSTITUTE OF ROCK MECHANICS (NIRM)

7. The Committee note that the National Institute of Rock Mechanics is an Institute set up under the Ministry of Mines with a vision to become a self-sustaining Centre of Excellence of International Standard in the areas of rock mechanics, rock engineering and allied fields for the development of mining, construction, petroleum, power and infrastructure sectors. The Committee are informed that the NIRM has effectively utilized the Ministry of Mines capital grant funded instruments (procured during 2022-23 to 2024-25) to deliver high-impact geotechnical, geophysical, blasting and numerical modelling services across mining, hydropower, nuclear power, ports, mining, urban infrastructure and environmental projects directly supporting national infrastructure creation while also strengthening NIRM's service portfolio and revenue generation capability. The Committee appreciate the full utilization of funds by NIRM during FY 2025-26 much before the end of the financial year and observe that support to such institutions provide further impetus to the critical services offered by the Institute which *inter-alia* include high-impact geotechnical, geophysical, blasting and numerical modelling services across mining, hydropower, nuclear power, ports, mining, urban infrastructure and environmental projects.

(Recommendation No.7)

EXPLORATION ACTIVITIES UNDER NMEDT

8. The Committee note that The National Mineral Exploration and Development Trust (NMEDT) has been allocated Rs.910 crore at BE 2026-27 to meet the anticipated expenditure upon its activities through the programme component of Rs. 410 crore as well as NCMM activities funded through the NMEDT Fund of Rs. 500 crore. The Committee also note that NMEDT sanctioned 62 projects for critical mineral exploration during FY 2024-25 and 60 projects till 31.01.2026, during FY 2025-26. The Committee further note that NMEDT provides funding support for various activities such as exploration of minerals, including

critical minerals, baseline surveys, research and innovation, and capacity building of the State agencies involved in mineral exploration. The Committee observe that in FY 2025-26, the allocation of Rs. 500 crore was reduced to Rs. 350 crore at RE stage and the actual utilization was Rs.213 crore *i.e.* about 60.86 % (up to 16.1.2026) of RE allocation. The Committee note the reasons provided by the Ministry for lower utilization, including above-average rainfall, delays in obtaining forest permissions, time taken in administrative approvals by State Governments, local agitations, and procurement-related delays. While appreciating the almost full utilization of revised budget estimates during FY 2021-22 to FY 2024-25, the Committee call upon the Ministry to work in close coordination with State Governments and other stakeholders to address the systemic bottlenecks and ensure optimum utilization of the allocated funds during FY 2026-27. The Committee also desire that with NMEDT now empowered to support exploration activities abroad, adequate risk management frameworks may be put in place for overseas investments. While appreciating almost full utilization of the revised budget estimates during the last three years, the Committee desire that the Ministry continue with optimum utilization of the allocated funds.

(Recommendation No.8)

POLICY REFORMS AND STATE COOPERATION

9. The Committee note that under the Union Budget 2025-26, Ministry of Mines has released the State Mining Readiness Index (SMRI) and State rankings, which is a significant step to encourage mining sector reforms in States. The purpose of the SMRI is to capture a State's relative contribution in developing the country's mining sector, assess effectiveness in mining regulation & administration and instill competitive spirit among States. The Committee note that the SMRI framework already incorporates outcome-oriented metrics such as number of blocks auctioned and operationalized, time taken for grant of Composite Licence, and execution of Mining Lease Deeds. The Committee are informed that lower-ranked States have initiated reform actions such as introduction of waste utilization policies, operationalization of environmental mitigation frameworks, and uploading of geo-science data on the National

Geoscience Data Repository (NGDR). The Committee further note that policy measures have been announced in the Budget 2026-27 for elimination of customs duty on scrap of copper, brass, lead, zinc and certain critical minerals, cobalt powder and lithium-ion battery scrap to strengthen domestic recycling and critical mineral availability. The Ministry has also taken steps to coordinate with the Ministry of Railways to align rail corridors with the PM GatiShakti portal in consultation with States to facilitate mineral evacuation. The Committee, while appreciating these initiatives aimed at strengthening sectoral reforms, logistics planning and resource efficiency, hope that such coordinated and reform-oriented measures be continued and further escalated to enhance the overall growth and competitiveness of the mining sector.

(Recommendation No.9)

OUTPUT-OUTCOME MONITORING FRAMEWORK (OOMF)

10. The Committee note that several Ministries including the Ministry of Coal and the Ministry of Steel have adopted the Output-Outcome Monitoring Framework (OOMF) developed by NITI Aayog to enable systematic tracking of measurable targets and outcomes of schemes and programmes in alignment with the Government's outcome-oriented governance approach. The Committee observe that while the Ministry of Mines regularly communicates its performance to the Cabinet Secretariat through monthly letters from the Secretary (Mines) outlining key performance indicators such as number of mines operationalized, blocks auctioned, mineral production levels, and expenditure under DMF and NMET funds, a formal Output-Outcome Monitoring Framework document does not appear to have been published by the Ministry of Mines. The Committee are of the view that adoption of a structured OOMF would enhance transparency, accountability and evidence-based policy-making by clearly defining output and outcome indicators, baseline values, annual targets, and means of verification for each scheme of the Ministry. The Committee, therefore, recommend that the Ministry may consider developing and publishing a comprehensive Output-Outcome Monitoring Framework for the Ministry of Mines from now onwards, in consultation with NITI Aayog, to enable systematic tracking of outputs and outcomes.

(Recommendation No.10)

DISTRICT MINERAL FOUNDATION (DMF) AND PMKKKY

11. The Committee note that the PMKKKY Guidelines 2024 mandate that at least 70% of DMF funds shall be utilized under high priority sectors such as health care, drinking water supply, environment preservation, education, welfare of women & children, and skill development & livelihood generation. The Committee further note that DMF accounts are required to be audited annually by Chartered Accountants empanelled by the CAG and are also subject to CAG audit. The Committee hope that the Ministry, in consultation with State Governments, may facilitate capacity building of District-level functionaries, encourage baseline surveys for evidence-based planning, and ensure effective functioning of State Level Monitoring Committees to improve the pace and quality of DMF fund utilization.

(Recommendation No.11)

PERFORMANCE AND OUTCOMES

12. The Committee note that in FY 2024-25, the total value of mineral production, excluding atomic, fuel and minor minerals, was Rs.1.48 lakh crore, representing a growth of 4.4% over FY 2023-24. Odisha was the leading producer of minerals by value in 2024-25 with Rs. 64,785 crore, accounting for around 44% of the total mineral production value. The Committee further note that the first tranche of auction of 13 off shore blocks launched on 28.11.2024 for grant of composite license beyond territorial waters had to be annulled due to inadequate response from bidders, primarily owing to high capital investment and extraction costs. While appreciating an year-on-year growth of 4.4% in production of minerals, the Committee suggest that the Ministry may work towards making offshore mining commercially viable through appropriate fiscal incentives, technology partnerships, and risk-sharing mechanisms to attract private sector participation and augment India's mineral resource base from offshore areas in line with the Blue Economy vision.

(Recommendation No.12)

RESEARCH & DEVELOPMENT AND INNOVATION

13. The Committee note that under the Science & Technology Programme, 87 R&D projects have been supported across themes such as beneficiation, circular economy, critical minerals and mine safety, with significant outcomes including 21 patents granted and at least 16 technologies adopted or adoptable by industry. The Committee also note that JNARDDC (Jawaharlal Nehru Aluminium Research Development and Design Centre) has achieved 28 patents filed (21 granted) and has become self-sustaining with no salary support since 2024-25, with revenue generation of Rs.15.91 crore, Rs.23.69 crore and Rs.21.44 crore in FY 2022-23, 2023-24 and 2024-25 respectively. The Committee further note the encouraging progress under the S&T-PRISM (Promotion of Research and Innovation in Startups and MSMEs) scheme, with successful commercialization by entities such as Ashvini Magnets (Nd-Pr production), Saru Smelting (Pb-Li alloy), and PG Tech (Nd-Pr magnets), along with advanced-stage projects in battery recycling and critical mineral recovery. The Committee appreciate these outcomes and hope that the Ministry may continue to prioritize outcome-linked funding, technology transfer, and industry partnerships in R&D initiatives, with particular focus on critical mineral processing, recycling technologies, and mine safety innovations. The Committee also suggest that the Ministry may consider providing enhanced support to autonomous bodies and R&D institutions for creating state-of-the-art testing and certification infrastructure that can serve as a reference facility for industry.

(Recommendation No.13)

NEW DELHI;
09 March, 2026
18 Phalguna, 1947 (Saka)

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

**MINUTES OF THE FIFTEENTH SITTING OF THE COMMITTEE ON COAL, MINES
AND STEEL (2025-26) HELD ON 18 FEBRUARY, 2026.**

The Committee sat on 18 February, 2026 from 1300 hrs to 1430 hrs in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Anurag Singh Thakur-Chairperson

Lok Sabha

2. Smt. Roopkumari Choudhary
3. Shri Vijay Kumar Hansdak
4. Smt. Kamlesh Jangde
5. Shri Harish Chandra Meena
6. Shri Ananta Nayak
7. Smt. Bharti Pardhi
8. Dr. Manna Lal Rawat
9. Shri Rajkumar Sangwan
10. Smt. Pratibha Suresh Dhanorkar

Rajya Sabha

11. Shri Deepak Prakash
12. Shri Sajjad Ahmad Kichloo

Secretariat

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

WITNESSES

Ministry of Mines

- | | | |
|--------------------------------|---|------------------------------|
| 1. Shri Piyush Goyal | - | Secretary, Ministry of Mines |
| 2. Shri Sanjay Lohiya | - | Additional Secretary |
| 3. Shri Ashim Kumar Modi | - | Joint Secretary & FA |
| 4. Shri Brijendra Pratap Singh | - | CMD, NALCO |
| 5. Shri Sanjiv Kumar Singh | - | CMD, HCL |
| 6. Shri Indra Dev Narayan | - | CMD, MECL |

At the outset, the Chairperson welcomed the Members, the representatives of the Ministry of Mines and its PSUs to the sitting of the Committee convened to take oral evidence on Demands for Grants (2026-27) of Ministry of Mines. The Chairperson outlined in brief the major issues on which the Committee would like to have a discussion and requested the representatives of the Ministry to present their points.

2. The representatives of the Ministry made a presentation covering various aspects such as the mandate and structure of Ministry of Mines, role of the mining sector in the economy, recent initiatives taken by the Ministry, overview of the National

Critical Mineral Mission (NCMM), financial outlay and initiatives under NCMM, achievements in auction and operationalization of mineral blocks with emphasis on critical minerals, allocation and salient features of budget 2026-27, organization-wise budget and expenditure for FY 2025-26 and performance of PSUs under the Ministry of Mines etc.

3. Thereafter, the Chairperson and the Members raised various queries based on the testimonies given by the Ministry. The key points of discussion included high utilization of funds during the past years but the reasons for low absorption of funds under NMEDT (programme component) during 2025-26 and no expenditure so far under the flagship National Critical Minerals Mission (NCMM), the reasons for delay in finalization of guidelines and institutional mechanism under NCMM, critical manpower gaps in Geological Survey of India (GSI) and Indian Bureau of Mines (IBM), measures for monetization of assets of Bharat Gold Mines Limited (BGML), utilization of DMF funds and Output-Outcome Monitoring Framework (OOMF) of the Ministry etc.

4. The representatives of the Ministry responded to some of the queries raised by the Members. The Chairperson then directed the representatives of the Ministry of Mines to furnish written replies to the queries which remained unanswered during the sitting to the Committee secretariat within a week.

5. Hon'ble Chairperson thanked the Members of the Committee and officials of the Ministry for their active participation in the sitting of the Committee.

(The witnesses then withdrew)

A verbatim record of the proceedings has been kept.

6. Thereafter, the Committee decided to undertake a Study Tour during the month of April, 2026.

The Committee then adjourned

