

GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
UNSTARRED QUESTION NO. 1879
ANSWERED ON 09.03.2026

RARE EARTH AND CRITICAL MINERAL DEVELOPMENT IN ODISHA

1879. SMT. MAMATA MOHANTA:

Will the Minister of MINES be pleased to state:

- (a) the present status of critical and rare earth mineral exploration and development in the State of Odisha, including Mayurbhanj;
- (b) whether any processing or manufacturing facilities have been proposed or established in the State;
- (c) whether these initiatives are expected to generate local employment and industrial growth; and
- (d) the steps taken to promote sustainable mining, research and skill development in mineral-bearing districts?

ANSWER

THE MINISTER OF STATE FOR COAL AND MINES
(SHRI SATISH CHANDRA DUBEY)

(a): In the State of Odisha, including Mayurbhanj district, during the period 2021–22 to 2024–25, Geological Survey of India (GSI) had taken up 36 mineral exploration projects of various critical minerals, including 14 projects focusing on Rare Earth Elements–Rare Metals (REE–RM). Further, during FY 2025–26, GSI has taken up 15 mineral exploration projects for critical minerals in the State, including 3 projects on REE-RM (as primary commodity).

Besides, National Mineral Exploration and Development Trust (NMEDT) has sanctioned 29 Critical mineral exploration projects in the State of Odisha, including 03 projects for REE and associated minerals.

Since the amendment to the MMDR Act in 2023, Central Government has successfully auctioned 46 blocks of Critical and Strategic Minerals. Out these 46, seven blocks are in Odisha.

(b) & (c): One processing plant has been established by IREL (India) Limited for processing rare earth minerals (Beach Sand) at Chhatrapur in Ganjam district in Odisha. Five plants for beneficiation of graphite have been established in Bolangir (3), Koraput (1) & Rayagada (1)

districts of Odisha. These plants facilitate value addition and generate direct & indirect employment in the State, while also supporting local industrial growth.

(d): Ministry of Mines has implemented Sustainable Mining Practices by making provisions under Chapter-V of Mineral Conservation and Development Rules (MCDR), 2017. Provisions have been incorporated in the rules for precaution against air pollution, prevention of discharge of toxic liquid, precaution against noise, control of surface subsidence, etc.

Before grant of mineral concessions, it is mandatory to obtain the requisite statutory clearances from various departments of the Central Government and respective State Governments, including Environmental Clearance. As part of grant of Environmental Clearance, the prospective lessees carry out Environment Impact Assessment (EIA) and submit the Environment Management Plan (EMP) based on scientific study by taking into consideration likely impact of project activity on the baseline environment. The mining lease holders implement the environmental mitigation measures as approved during grant of Environmental Clearance.

Rule 35 of MCDR, 2017 provides for star rating of the mining leases based on the sustainable mining practices adopted by the miners. The star rating scheme is designed to have an inbuilt compliance mechanism for environment and forest safeguards and has been helpful in recognizing good performers in the sector while encouraging all mining lease holders to strive for excellence. Further, as per Rule 35 (4) of MCDR, 2017, every holder of a mining lease is mandated to achieve at least three-star rating within a period of four years from the date of commencement of mining operations and thereafter maintain the same on year-on-year basis.

For undertaking Research & Development (R&D) projects in mineral processing, metallurgical technologies, and mineral beneficiation techniques in critical minerals value chain, Ministry of Mines provides financial support under the R&D component and S&T-PRISM (Promotion of Research & Innovation in Startups and MSMEs) component of the Science and Technology (S&T) Programme. To promote skill development in mining sector, 1,313 apprentices were engaged during 2024-25 by the Central Public Sector Undertakings under the Ministry of Mines.
