

GOVERNMENT OF INDIA  
DEPARTMENT OF ATOMIC ENERGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-2301**  
ANSWERED ON 12/03/2026

**RARE EARTH RESERVES IN THE COUNTRY**

2301. DR. LAXMIKANT BAJPAYEE

Will the PRIME MINISTER be pleased to state :-

- (a) whether it is a fact that India holds world's third largest rare earth reserves, around 6.9 million metric tons, but its rare earth sector is currently underdeveloped, accounting for less than 1 percent of global production and the country is heavily dependent on imports for its needs;
- (b) if so, the reasons therefor; and
- (c) the steps taken by Government for the development of this Sector in the last five years and the future roadmap for the development of this sector?

**ANSWER**

THE MINISTER OF STATE FOR PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND PRIME MINISTER'S OFFICE (DR. JITENDRA SINGH)

- (a) & (b) Yes, India holds world's third largest rare earth resources (USGS Mineral Commodity Summaries, January, 2025). Atomic Minerals Directorate for Exploration and Research (AMD), a constituent unit of DAE, has established the following REE resources in the country.
  - i. Approximately 7.23 million tonne REO Equivalent contained in 13.15 million tonne monazite resource, occurring in the coastal beach and teri / red sand in parts of Kerala, Tamil Nadu, Odisha, Andhra Pradesh, Maharashtra and Gujarat and in the inland alluvium in parts of Jharkhand, West Bengal and Tamil Nadu.
  - ii. 1.29 million tonne *in-situ* Rare Earth Oxides (REO) in hard rock terrains of Ambadungar area, Chhota Udepur district, Gujarat and Bhatikhera and Dantala area, Balotra district, Rajasthan.
  - iii. 2,000 tonne of heavy mineral concentrates containing ~2% xenotime (a phosphate mineral of yttrium and heavy rare earth elements) in the riverine placer deposits of Chhattisgarh and Jharkhand.

Indian resource of rare earths is primarily lean with respect to grade and it is tied with radioactivity making the extraction long, complex and expensive. Further Monazite resource predominantly contain light rare earth elements while heavy rare earth elements are not available in economically extractable quantities. While India has existing facilities from mining to separation and refining to oxide form and also developed capability of metal extraction, further industrial scale facilities (intermediate) from alloy, magnet etc. are non-existent. Hence, despite adequate rare-earth resources, the production capacities are at a limited level on account of absence of mid-stream and downstream industries in the RE value chain.

(c) The steps taken by Govt. for the development of RE Sector in the last five years and future roadmap of Govt. for the development of RE sector are as follows:

- i. The Union Cabinet has approved the National Critical Mineral Mission (NCMM) on 29 January, 2025 to secure a long-term sustainable supply of critical minerals (including Rare Earth Elements) and strengthen India's critical mineral value chain encompassing all stages from mineral exploration and mining to beneficiation, processing, and recovery from end-of-life products.
- ii. The Ministry of Mines has successfully auctioned 46 critical mineral blocks, including 7 blocks of rare earth elements (REE). Additionally, the Central Government has also successfully auctioned 7 blocks of Exploration License, which include two blocks of REE.
- iii. Under NCMM, guidelines for funding pilot projects for the recovery of critical minerals from overburden/ tailings/ fly ash/ red mud, etc., were issued on 14.11.2025. Under this scheme, one project of Non-Ferrous Technology Development Centre (NFTDC) related to REE separation from multiple feedstock has already been approved.
- iv. The Union Cabinet has approved a ₹1,500 crore Incentive Scheme to promote critical mineral recycling (including REE) under NCMM. The Scheme Guidelines were issued and the Scheme was launched on 02.10.2025.
- v. Ministry of Mines has also formulated a policy for Exploration of Critical Minerals in New Projects and Recovery of Critical Minerals from Overburden, Dumps and Tailings of Existing Mines in December 2025, which aims to facilitate systematic identification, assessment and recovery of critical and strategic minerals from new exploration projects as well as existing mines.

- vi. Khanij Bidesh India Limited (KABIL), a Joint Venture company, under the aegis of Ministry of Mines, has been created to acquire overseas mineral assets like Lithium, Cobalt, REE etc
- vii. Government has eliminated customs duties on 25 minerals and reduced Basic Customs Duties (BCD) on two minerals during Union Budget 2024-25. During Budget 2025-26, the Government of India exempted cobalt powder and waste, scrap of lithium-ion batteries, lead, zinc, and 12 other critical minerals from Basic Customs Duty. Further, Union Budget 2026–27 has proposed basic customs duty exemption to the import of capital goods required for processing of critical minerals in India.
- viii. The Union Cabinet has approved the 'Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet' on 26th November 2025 and the same was notified on 15th December 2025. This initiative aims to establish 6,000 Metric Tons per Annum (MTPA) of integrated Rare Earth Permanent Magnet (REPM) manufacturing in India, thereby enhancing self-reliance and positioning India as a key player in the global REPM market. The total financial outlay of the scheme is Rs.7,280 crore, comprising a sales-linked incentives of Rs . 6,450 crore on REPM sales for five (5) years and capital subsidy of Rs. 750 crore for setting up an aggregate of 6,000 MTPA of REPM manufacturing facilities.
- ix. Establishing a Rare Earth Permanent Magnet Plant (REPM) at Vizag for indigenous production of permanent magnets viz. Sm-Co magnets for use in Atomic energy and Defence.
- x. Amendments in the MMDR Act 1957 to accelerate mineral exploration, production, increase private investment, and ensure energy security.
- xi. All mining projects of atomic minerals notified in part B and critical and strategic minerals notified in part D of the first Schedule of MMDR Act are exempted from public consultation in terms of sub clause (f) of clause 7(III) (i) of EIA notification 2006.

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