

GOVERNMENT OF INDIA
MINISTRY OF EARTH SCIENCES
RAJYA SABHA
UNSTARRED QUESTION NO. 4370
ANSWERED ON 02/04/2026

RARE EARTH RESERVES AND MAGNET MANUFACTURING

4370. SHRI YERRAM VENKATA SUBBA REDDY:

Will the Minister of **EARTH SCIENCES** be pleased to state:

- (a) whether it is a fact that India has one of the highest reserves of rare earths;
- (b) if so, the reasons for India's continued dependence on other countries instead of emerging as a dominant player in this sector;
- (c) whether Government has recently approved ₹ 7,280 crores rare earth scheme to boost magnet output;
- (d) if so, the details thereof; and
- (e) the roadmap prepared to make India a global leader in magnet production?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR
MINISTRY OF SCIENCE AND TECHNOLOGY
AND EARTH SCIENCES
(DR. JITENDRA SINGH)

- (a) Atomic Minerals Directorate for Exploration and Research (AMD), a constituent unit of the Department of Atomic Energy (DAE), has established the following REE resources in the country:
 - Approximately 7.23 million tonne (Mt) in-situ Total Rare Earth Oxide Equivalent (TREO Eq.) contained in 13.15 Mt monazite [a mineral of thorium and Rare Earths] occurring in teri, beach sands and inland alluvium in parts of Andhra Pradesh, Odisha, Tamil Nadu, Kerala, West Bengal, Jharkhand, Gujarat and Maharashtra.
 - 1.29 Mt in-situ REE resource (TREO Eq.) in hard rock terrains in parts of Gujarat and Rajasthan.
- (b) India is not dependent on other countries for RE minerals. However, India is dependent for RE magnets and other related products. This is on account of:
 - Indian resource being significantly lean w.r.t grade (0.056%-0.058%) and it is tied with radioactivity thus making the extraction long, complex, and expensive.
 - Limited mineable reserves due to CRZ regulations, Mangroves, Forest and uncontrolled inhabitation leading to capping in production quantities.

- Limited industries in midstream RE value chain for manufacturing of metals, alloys, magnets etc from high pure RE Oxides leading to lack of demand for refined rare earths.

(c)-(d) The Union Cabinet 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 sintered 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. 730 crore for setting up an aggregate of 6,000 MTPA of REPM manufacturing facilities.

Rare Earth Permanent Magnets (REPMs) are one of the most powerful magnets available and are essential components in electric vehicles, renewable energy technologies, high-end electronics, aerospace equipment, and defence systems. The scheme seeks to establish end-to-end REPM manufacturing capabilities within the country, from processing rare earth oxides, to producing metals and alloys, and finally manufacturing finished magnets.

(e) To make India a magnet major, the Government of India has undertaken the following initiatives:

- DAE has established a Rare Earth Permanent Magnet (REPM) plant at Vizag in Andhra Pradesh for the production of 3 tons Samarium Cobalt (SmCo) magnets annually which are high-performance rare-earth magnets commonly used in strategic sectors such as defence and atomic energy.
- Complementing the REPM scheme, the Union Budget 2026–27 has also announced dedicated Rare Earth Corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu.
