

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1783
ANSWERED ON 13.12.2023

NICKEL

1783. DR. AMAR SINGH:

Will the Minister of MINES be pleased to state:

- (a) whether the Government has taken note of the fact that the country is not self-sufficient in nickel;
- (b) if so, the details of the steps that are proposed to be taken by the Government to increase the country's domestic supply keeping in mind that the Indian Ocean seabed contains all the nickel to meet India's domestic demand; and
- (c) the efforts made/being made by the Government to make the country a leader in critical minerals globally?

ANSWER

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS
(SHRI PRALHAD JOSHI)

(a): Yes, Sir. The country is not self-sufficient in the production of nickel.

(b) & (c): In order to boost the domestic supply of critical minerals such as nickel, the Central Government has amended the Mines and Minerals (Development and Regulation) Act, 1957 through the MMDR Amendment Act, 2023 with effect from 17.08.2023.

Through the said amendment the Central Government has been empowered to exclusively auction mining lease and composite licence for 24 critical minerals listed in the new Part-D of the First Schedule to the said Act which includes nickel. The objective of the said amendment is to increase exploration and mining of critical minerals and ensure self-sufficiency in supply of critical minerals which are essential for the advancement of many sectors, including high-tech electronics, telecommunications, transport, and defence. They are also vital to power the transition to a low-emission economy, and the renewable technologies that will be required to meet the 'Net Zero' commitment of India by 2070.

The auction of critical and strategic minerals brings several key benefits, including bolstering domestic production, reducing import dependency, promoting sustainable resource management, attracting investments in the mining sector and the development of key industries crucial for India's industrial and technological advancement. This is a step towards creating a reliable supply chain of these mineral and making an 'AtmaNirbhar Bharat' and contribute towards increased economic growth.

The Central Government has launched the first tranche of e-auction of 20 mineral blocks of critical and strategic minerals on 29.11.2023 **which includes three blocks of nickel and associated minerals.**

Besides auction of critical minerals by the Central Government, in order to further boost exploration of critical and deep-seated minerals, a new mineral concession namely, exploration licence has been introduced for 29 critical and deep-seated minerals. Critical and deep-seated minerals such as Cobalt, Lithium, Nickel, Gold, Silver, Copper are difficult to explore and mine as compared to surfacial or bulk minerals. The country is mostly dependent on imports of these minerals. The

exploration licence granted through auction shall permit the licensee to undertake reconnaissance and prospecting operations for critical and deep-seated minerals mentioned in the newly inserted Seventh Schedule to the MMDR Act.

Exploration license is foreseen to create an enabling mechanism wherein the Junior Mining Companies will bring in expertise from across the world in acquisition, processing and interpretation of exploration data and leverage the risk-taking ability in discovery of deep-seated mineral deposits through adoption of expertise and latest technologies.

Further, the Offshore Areas Mineral (Development and Regulation) Act, 2002 has been amended through OAMDR (Amendment) Act, 2023 with effect from 17.08.2023 vide which auction regime has been introduced as the method of allocation of operating rights in the offshore areas to enable early allocation of operating rights through a transparent and non-discretionary process. Also, provisions have been made for establishment of a trust for mining affected persons and encouraging exploration, removed process of discretionary renewals and provided uniform lease period of fifty years, introduced composite licence, provided for area limits and easy transfer of composite licence or production lease.

The said amendment aims to harness and utilize the mineral potential in offshore areas including nickel.
