

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1558
ANSWERED ON 04.12.2024

DOMESTIC MINING OF CRITICAL MINERALS

†1558. SHRI DHARMENDRA YADAV:
SMT. BHARTI PARDHI:
SHRI ARVIND GANPAT SAWANT:
SHRI SHRIRANG APPA CHANDU BARNE:

Will the Minister of MINES be pleased to state:

- (a) whether the country is highly dependent on import of critical minerals in despite having the reserves of several critical minerals which is causing threat to industrial and energy security;
- (b) if so, the reaction of the Government thereto;
- (c) whether the Government has signed any agreement with the International Energy Agency (IEA) to strengthen cooperation in the critical minerals sector and if so, the details and the objectives thereof;
- (d) the manner in which it is likely to enable the country to streamline its policies, regulations and investment strategies in critical minerals sector;
- (e) whether the production has started in domestic mines;
- (f) if so, the State-wise details thereof particularly in Uttar Pradesh and Madhya Pradesh; and
- (g) if not, the time by which production is likely to be started in domestic mines?

ANSWER

THE MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a) & (b): Criticality of minerals is on account of their import reliance, besides economic significance. There are nil or limited reserves and production of most critical minerals in the country, on account of which there is full or partial import reliance in them. However, there is no threat to industrial and energy security of the country, as the industrial and energy sector is very broad-based and depend on a wide array of raw materials and products other than critical minerals, in which India is self-sufficient or has robust supply chains. Critical minerals are required more in energy transition systems like electric vehicles, battery storage, solar and wind. The Government has, *inter-alia*, taken the following steps to enhance domestic capacity and build supply chain resilience in critical minerals:

- Auction of critical and strategic mineral blocks by the Central Government: 24 blocks have been successfully auctioned so far. Moreover, royalty rates of critical minerals have been rationalized to encourage greater participation in auctions.
- Under the aegis of Ministry of Mines, a joint venture company named Khanij Bidesh India Ltd. (KABIL) has been incorporated to acquire critical mineral assets overseas.
- National Mineral Exploration Trust (NMET) has been funding critical mineral exploration projects through various exploration agencies.
- The Government has announced in the Union Budget 2024-25 the setting up of a Critical Mineral Mission for a harmonized approach in areas including domestic production, recycling, overseas acquisition of critical mineral assets, and research & development (R&D).
- As part of the Union Budget 2024-25 announcements, import duties have been eliminated for 25 critical minerals to support their easy evacuation to the country and to encourage domestic processing.
- A framework is being designed to encourage the Indian industry to develop recycling capacity in the country for the separation and production of critical minerals from secondary sources through recycling.
- Under the Science & Technology (S&T) programme of the Ministry of Mines, a component named PRISM (Promotion of Research and Innovation in Start-ups and MSMEs – Micro, Small and Medium Enterprises) has been launched in November 2023 to fund research and innovation in Start-ups and MSMEs working in the field of mining and mineral sector, and to bridge the gap between R&D and commercialization. During 2024-25 (till 28.11.2024), 11 projects of R&D and PRISM related to critical minerals have been approved for a total funding of Rs. 5.79 crore.

(c) & (d): Yes, Sir. Government of India has signed a Memorandum of Understanding (MoU) with International Energy Agency (IEA) on 13.11.2024 to strengthen collaboration in the critical minerals sector. The objective is to promote co-operation in the areas identified by mutual consent on critical minerals taking into the account the expertise and experience of the parties. With its extensive research and analysis, the IEA can provide India with access to reliable data, analysis and policy recommendations in the critical mineral sector and offer valuable insights and recommendations to support India's efforts towards energy security. This collaboration will help India to streamline its policies, regulations, and investment strategies in the critical mineral sector by identifying gaps, optimizing investment priorities, and aligning with global standards and best practices.

(e), (f) & (g): There is production of some critical minerals happening in domestic mines. Details of State-wise production of critical minerals is as under:

Critical mineral	State	Production Quantity 2023-24 (ton)
Graphite	Chhattisgarh	1,007
	Jharkhand	20,756
	Odisha	68,054
	Tamil Nadu	79,263
Phosphorite	Madhya Pradesh	2,36,964
	Rajasthan	13,20,819
Tin Concentrate	Chhattisgarh	22

Moreover, there are 49 auctioned critical & strategic mineral blocks (including 24 by Central Government). The time-frame for operationalization of auctioned blocks is as per applicable rules under the Mineral (Auction) Rules, 2015.
