

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1675
ANSWERED ON 10.12.2025

STRATEGY OF PROCESSING MINERALS

1675. Dr. C M Ramesh:

Will the Minister of MINES be pleased to state:

- (a) whether the Government has formulated any strategy for value addition, beneficiation and downstream processing of minerals within the country;
- (b) if so, the details of industrial clusters or processing facilities established or proposed under Public or Private Partnership thereof;
- (c) whether any measures have been taken by the Government to encourage domestic production of refined metals and alloys to reduce import dependence and if so, the details thereof;
- (d) the status of projects under the National Aluminium Company Limited (NALCO) and other Public Sector Undertakings (PSUs) for promoting mineral-based industries; and
- (e) the steps being taken to promote research and innovation in mineral processing technologies through collaboration with academic and Research and Development (R&D) Institutions?

ANSWER

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

(a) to (c): The National Mineral Policy 2019 provides for encouraging value addition and beneficiation of minerals in the country through various measures. Fiscal incentives like import duty on base metals (7.5 percent in Primary Aluminium, and 5.0 percent each in Refined Copper, Refined Lead and Zinc) provide incentive for industrial investment in mineral value addition. Due to above measures, the country is self-sufficient or close to self-sufficient in the production of many of these base metals, thereby reducing import dependence. Installed capacity in base metals (4.2 million tons (MT) in Primary Aluminium, 1.3 MT in refined copper, 0.84 MT in zinc and 0.2 MT in lead) reflects the high value addition of minerals - bauxite, copper, lead & zinc- in the country. National Aluminium Company Limited (NALCO) and Odisha Industrial Infrastructure Development Corporation have set up Angul Aluminium Park.

(d): The major projects taken up in Public Sector Undertakings (PSUs) under Ministry of Mines i.e. National Aluminium Company Limited (NALCO) and Hindustan Copper Limited (HCL) for promoting mineral based industries are as under:

- 3.5 million tons per annum (MTPA) Pottangi bauxite mine to increase bauxite production capacity
- 1.0 MTPA 5th stream refinery project to increase alumina production capacity
- 0.5 MTPA smelter expansion project to increase aluminium production capacity
- Mine expansion projects in Madhya Pradesh, Jharkhand and Rajasthan to increase copper ore production capacity from 4.4 MTPA to 12.2 MTPA

(e): The Ministry of Mines provides financial support under the Research & Development (R&D) component and S&T-PRISM (Promotion of Research & Innovation in Startups and MSMEs) component of the Science and Technology Programme for undertaking R&D projects in mineral processing, metallurgical technologies, and mineral beneficiation techniques. The funding is extended to academic institutions, universities, R&D institutions recognized by the Department of Scientific and Industrial Research, start-ups and MSMEs. Under the R&D component, a total of 161 projects amounting to ₹87.19 crore have been sanctioned since FY 2019-20. Since inception, under the S&T-PRISM component, 32 projects with a total funding of ₹40.8 crore have been sanctioned, for start-ups and MSMEs.

Additionally, Ministry of Mines has recognized 9 premier institutes as Centres of Excellence (CoEs) under National Critical Mineral Mission to conduct focused R&D and strengthen domestic capabilities in critical mineral value chain. Each CoE operates as a consortium, on a hub & spoke model, to leverage the core competence of constituent industry and academic spokes.
