

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1738
ANSWERED ON 29.07.2026

INCENTIVE SCHEME FOR PROMOTION OF CRITICAL MINERAL RECYCLING

1738. SHRI SAUMITRA KHAN:
SHRI ANURAG SHARMA:
SMT. D K ARUNA:
DR. PRASHANT YADAORAO PADOLE:

Will the Minister of MINES be pleased to state:

- (a) the details of features, objectives, financial outlay and present status of the Incentive Scheme for Promotion of Critical Mineral Recycling under the National Critical Mineral Mission including the incentives provided for recovery and recycling of critical minerals;
- (b) the details of the number of companies approved or selected under the said Scheme so far, indicating the details of proposed recycling capacity, estimated investment and employment generation, State-wise, particularly in West Bengal;
- (c) the timelines prescribed for processing applications, approval of projects and release of incentives along with the progress made so far in the country especially in West Bengal;
- (d) whether the Government has taken measures to encourage participation of Micro, Small and Medium Enterprises (MSMEs), start-ups and technology providers in the critical mineral recycling eco-system and if so, the details thereof; and
- (e) the details of the steps being taken by the Government to strengthen domestic recycling capacity, reduce import dependence on critical minerals and support India's clean energy, electric mobility and Atmanirbhar Bharat objectives?

ANSWER

THE MINISTER OF STATE FOR COAL AND MINES
(SHRI SATISH CHANDRA DUBEY)

(a) to (c): The ₹1,500 crore Incentive Scheme for Critical Mineral Recycling was launched under the National Critical Mineral Mission on 02.10.2025. The Scheme incentivizes creation of recycling capacity for the extraction of critical minerals from secondary sources like e-waste, spent Lithium-ion batteries (LiBs) and other scrap to build supply chain resilience and reduce import dependence in critical minerals.

The Scheme incentives include capex subsidy on plant & machinery, equipment and associated utilities, as well as opex subsidy upon achievement of specified incremental sales threshold. The Scheme is applicable across the country, including the State of West Bengal.

The last date for applications under the Scheme was 01.04.2026. The processing of applications received has been completed and 58 recycling entities have been declared eligible, with pledged capacity of around 850 kilo tons per annum (KTPA) against 270 KTPA target capacity. Incentive under the Scheme is linked to the commencement of commercial production. The State-wise number of eligible entities along with details of pledged recycling capacity and investment are at Annexure.

(d) The Scheme encourages participation of small recyclers including Micro, Small and Medium Enterprises (MSMEs) and start-ups by keeping low requirement of minimum threshold capacity and investment along with reduced application fees for them.

(e) To strengthen domestic recycling capacity, the Government has introduced the ₹1,500 crore Incentive Scheme for Critical Mineral Recycling, as detailed above.

Further, with a view to reduce import dependence on critical minerals and supporting India's clean energy, electric mobility and Atmanirbhar Bharat objectives, the Government has amended the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 in 2023 to empower the Central Government to auction mineral blocks pertaining to critical and strategic minerals and 56 critical mineral blocks have been successfully auctioned so far.

Further, the MMDR Amendment Act, 2025 widened the scope of the National Mineral Exploration and Development Trust (NMEDT) to facilitate exploration and development of minerals within India, including in offshore areas, and outside India. NMEDT has issued guidelines to fund Indian entities to explore critical mineral assets in foreign jurisdictions for securing long-term mineral supply chains and reducing import dependence, and also to explore in offshore areas.

Annexure

Annexure referred to in reply to part (a) to (c) of LS USQ 1738 answered on 29.07.2026 regarding 'Incentive Scheme for Promotion of Critical Mineral Recycling'

State/ UT	No of entities	Pledged Capacity (KTPA)	Investment pledged (₹ Crores)
Andhra Pradesh	5	81.0	1308.7
Chhattisgarh	1	5.0	27.0
Goa	1	10.5	27.5
Gujarat	6	104.0	718.3
Haryana	5	43.5	228.1
Jammu and Kashmir	1	5.0	25.1
Karnataka	5	31.1	404.3
Madhya Pradesh	4	36.0	377.8
Maharashtra	10	71.9	607.3
Rajasthan	2	16.0	54.6
Tamil Nadu	3	26.0	234.9
Telangana	3	37.2	182.6
Uttar Pradesh	8	205.5	680.7
Uttarakhand	3	180.4	330.9
West Bengal	1	5.0	53.5
Grand Total	58	858	5261