

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1810
ANSWERED ON 13.12.2023

STRATEGY TO SECURE ESSENTIAL MINERALS

†1810. SHRI DHARMENDRA KASHYAP:
SHRI VIVEK NARAYAN SHEJWALKAR:
SHRI SUDARSHAN BHAGAT:
SHRI SUNIL KUMAR SINGH:

Will the Minister of MINES be pleased to state:

- (a) whether the Government is formulating any action plan to conserve the essential minerals for advanced technology sectors; and
(b) if so, the details of the reforms initiated in the sector?

ANSWER

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

(a) & (b): Yes, Sir. Considering that at present the availability of the critical minerals or technologies for their extraction and processing are concentrated in a few geographical locations which may lead to supply chain vulnerabilities and even disruption of supplies, the Central Government has amended the Mines and Minerals (Development and Regulation) Act, 1957 through the MMDR Amendment Act, 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 minerals such as Cobalt, Graphite, Lithium, Nickel, Tantalum, Titanium etc. 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 a step towards making an 'AtmaNirbhar Bharat' and contribute towards increased economic growth.

The Central Government has launched the first tranche of e-auction of 20 blocks of critical and strategic minerals on 29.11.2023 which include blocks of Lithium, Rare Earth Elements, Platinum Group of Minerals, Nickel, Potash etc. The auction of these blocks aims to provide a steady supply of these minerals, thus reducing our reliance on imports and ensuring a more secure and resilient supply chain.

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.
