

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1734
ANSWERED ON 13.12.2023

CRITICAL MINERALS

1734. SHRI VISHNU DATT SHARMA:

Will the Minister of MINES be pleased to state:

- (a) whether India lags far behind China (most dominant player of the world) in refining and processing capacity of even those critical minerals that are not being mined indigenously;
- (b) if so, whether the Government is actively taking measures to go beyond just signed minerals security partnership, to build critical mineral bilateral partnerships with key countries such as Japan, US and Australia;
- (c) whether India is one among the few countries in the world where private sector participation in exploration and extraction of critical minerals is miniscule due to over-regulations;
- (d) if so, whether the Government is taking measures to come out with a critical mineral policy for India's energy security; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) to (e): Though India has not been a dominant player in the global supply chain for various critical minerals like Lithium, cobalt etc., India has been working to strengthen its position in the mining and processing of critical minerals.

The Ministry of Mines has actively engaged with resource-rich countries for access to critical minerals as well as domestic exploration and auction of critical mineral blocks.

A joint venture company namely Khanij Bidesh India Ltd. (**KABIL**) has been incorporated with the equity contribution from three Central Public Sector Enterprises namely, National Aluminium Company Ltd, Hindustan Copper Ltd and Mineral Exploration and Consultancy Ltd with the objective to acquire critical mineral assets abroad to ensure consistent supply of critical and strategic minerals to Indian domestic market.

KABIL is presently exploring opportunities for acquisition of overseas critical minerals assets like Lithium (Li) and Cobalt (Co) in Australia, Argentina and Chile for securing long term supply of these critical minerals.

The Ministry of Mines has joined Mineral Security Partnership (**MSP**) led by United States of America. This partnership aims to enhance cooperation in securing the supply chain of critical minerals for the member

countries by facilitating investment in identified blocks of these minerals in resource rich countries.

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 MMDR Act which includes minerals such as Cobalt, Graphite, Lithium, Nickel, Tantalum, Titanium etc. The objective of this 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, defence etc. These are also vital to power 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 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 create a steady supply of these minerals, thus reducing our reliance on imports and ensuring a more secure and resilient supply chain. The details of the blocks are at **Annexure**.

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 'Atma Nirbhar Bharat' and contribute towards increased economic growth.

Critical and deep-seated minerals such as Cobalt, Lithium, Nickel, Gold, Silver, and Copper are difficult to explore and mine as compared to surfacial or bulk minerals. The country is mostly dependent on imports of these minerals. In order to boost the exploration for these minerals, a new mineral concession namely Exploration Licence has been introduced for 29 critical and deep-seated 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 the field of exploration and mining sector as well as leverage the risk-taking ability in discovery of deep-seated mineral deposits through adoption of expertise and latest technologies.

Annexure

The details of Critical Mineral Blocks which have been notified for auction are as detailed below:

SI No	Block Name	State	Mineral	ML/CL
1	Chutia-Nauhatta Glauconite Block	Bihar	Glauconite	CL
2	Pipradih-Bhurwa Glauconite Block	Bihar	Glauconite	CL
3	Genjana Nickel, Chromium and PGE Block	Bihar	Nickel, Chromium and PGE	CL
4	Kundol Nickel and Chromium Block	Gujarat	Nickel & Chromium	CL
5	Muskaniya-Gareriatola-Barwari Potash Block	Jharkhand	Potash	CL
6	Dudhiasol East Nickel and Copper Block	Odisha	Nickel and Copper	ML
7	Babja Graphite and Manganese Block	Odisha	Graphite and Manganese	ML
8	Biarapalli Graphite and Manganese Block	Odisha	Graphite and Manganese	ML
9	Akharkata Graphite Block	Odisha	Graphite	CL
10	Vellakal Central (Segment-A) Molybdenum Block	Tamil Nadu	Molybdenum	CL
11	Nochchipatti Molybednum Block	Tamil Nadu	Molybdenum	CL
12	Velampatti North A & B Molybdenum Block	Tamil Nadu	Molybdenum	CL
13	Kurunjakulam Graphite Block	Tamil Nadu	Graphite	CL
14	Iluppakudi Graphite Block	Tamil Nadu	Graphite	CL
15	Mannadipatti Central Molybdenum Block	Tamil Nadu	Molybdenum	CL
16	Marudipatti (Central) Molybdenum Block	Tamil Nadu	Molybdenum	ML
17	Kurchha Glauconite Block	Uttar Pradesh	Glauconite	CL
18	Pahadi Kalan - Gora Kalan Phosphorite Block	Uttar Pradesh	Phosphorite	CL
19	Salal-Haimna Lithium, Titanium and Bauxite (Aluminous Laterite) Block	UT: Jammu and Kashmir	Lithium, Titanium and Bauxite(Aluminous Laterite)	CL
20	Katghora Lithium and REE Block	Chhattisgarh	Lithium and REE	CL
