

CIL to set up Chile, Singapore units in critical minerals push

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State-run Coal India Ltd (CIL) plans to set up subsidiaries in Chile and Singapore during the current financial year to pursue overseas opportunities in lithium, rare earths, copper and coking coal as part of its broader diversification beyond thermal coal.

CIL Chairman and Managing Director B Sairam told *Business Standard* that the miner has already identified a lithium block in Chile and completed due diligence, while final approval from the Chilean government is awaited.

“If approvals from the Chilean government come through, we may be able to start the mining processes there within two-three years,” Sairam said.

The Singapore subsidiary will serve as CIL’s platform for Australia-focused collaborations in critical minerals, rare-earth



elements, copper and coking coal.

“We are trying to collaborate with some of the good mining operators in Australia in the field of critical minerals, rare earths, coking coal and copper. All these things are presently at the due diligence stage,” he said.

According to Sairam, the subsidiaries are being structured not only for mining

Scaling up

- Government approval awaited for lithium block in Chile
- Singapore arm to anchor Australian mining partnerships
- Graphite-vanadium block in Chhattisgarh to start production in 3-4 years
- CIL to explore opportunities in rare-earth corridor in Andhra Pradesh, Kerala, Odisha

operations but also for processing, beneficiation, logistics, regulatory clearances and market linkages across the critical minerals value chain.

“Mining is one thing and processing is an entirely different ball game. These subsidiaries will take care of the complete value chain, including processing, logistics

and market identification,” he said. The subsidiaries will also help CIL identify local partners and manage licensing, permissions and regulatory processes in overseas jurisdictions. CIL expects both subsidiaries to come into existence this fiscal, with the Singapore entity likely to be operational first, followed by Chile.

The overseas expansion comes alongside CIL’s domestic push into critical minerals and rare earths. The company has secured four mineral blocks through Ministry of Mines auctions, including two critical-mineral blocks and two rare-earth element blocks.

Among them, the Oranga-Revatipur graphite and vanadium-bearing block in Chhattisgarh has moved to an advanced stage, with mining expected to begin within three to four years, Sairam said.

“The investment requirement is around ₹430 crore, while projected rev-

enue potential over the 10-year mine life is estimated at around ₹2,500 crore,” he said.

“This will effectively be Coal India’s first mining activity outside coal, and that too in critical minerals,” he added.

CIL is also exploring opportunities in beach sand minerals under the Centre’s proposed rare-earth corridor spanning Andhra Pradesh, Kerala, Odisha and Tamil Nadu. The company is in discussions with Odisha, Andhra Pradesh and Kerala regarding beach sand mineral blocks containing rare earth and critical minerals.

Sairam said CIL would evaluate each rare earth and critical-mineral project individually based on financial viability and expected returns before committing investments. “We are not putting any blanket capex expansion or expenditure. Every project will be considered individually based on economic viability and Internal Rate of Returns,” he said.