

# Auto delegation secures China visas, awaits appointment for key meeting on rare earths

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A delegation of the Indian auto industry has secured visas for China but is awaiting a crucial appointment with the Chinese Commerce Ministry to resolve pressing issues surrounding rare earth magnet imports.

These magnets are vital for various sectors, especially for electric vehicles (EVs), and a shortage intensified by Chinese export curbs since early April is impacting Indian companies, with current stocks expected to last only until next month.

Sources from a recent meeting co-chaired by the Ministry of Heavy Industries and Steel and the Ministry of Mines and Coal revealed that most members of the Society of Indian Automobile Manufacturers (SIAM) have received their Chinese visas.

However, they are awaiting the Commerce Ministry's approval for a meeting. "Representatives from Tata Motors, Mahindra & Mahindra, Royal Enfield, Ashok Leyland, Sona Comstar, and Uno Minda were among those who confirmed receiving their visas, but are now waiting on the Chinese Commerce Ministry for an appointment," a source privy to the developments told



**SUPPLY WOES.** A shortage intensified by Chinese export curbs on rare earth magnets is impacting Indian companies BLOOMBERG

*businessline.* The source added that the Chinese suppliers of rare earth magnets are willing to meet the Indian delegation, but the Chinese Commerce Ministry is currently holding the applications. Clarifying earlier reports, the source also addressed the supposed rejection of Sona Comstar's application by the Chinese embassy.

## THE CONFUSION

It was explained that the confusion arose from filing multiple types of magnets on a single purchase order, rather than separate applications for each type. Sona Comstar has since rectified this, making separate applications for each purchase order, which have now been accepted by the Chinese embassy and sent to China

for further approval. "It's not that they were rejected and told 'we are shutting the door on you'," the source clarified.

## 35 FIRMS

Over 35 Indian companies, including Sona Comstar, source rare earth magnets from China, which are supplied to original equipment manufacturers (OEMs) such as Brakes India, Kyocera AVX Components, Hitachi Astemo Chennai Private Ltd, Continental Automotive, Minda Instruments, and Varroc Engineering.

During the recent inter-ministerial meeting, both Ministers assessed the current domestic availability and explored the probability of securing a long-term supply assurance for these critical raw materials.