

# Govt launches critical mineral auction drill

Collective value of these blocks is nearly ₹45k cr

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India on Tuesday initiated the process to auction 20 blocks of critical minerals, including the 5.9-million-tonne (mt) lithium reserves discovered in Jammu & Kashmir's Reasi district.

Speaking at the launch of the auction process in New Delhi, Union Coal, Mines, and Parliamentary Affairs Minister Pralhad Joshi said the collective value of these blocks was estimated at ₹45,000 crore.

Besides Lithium, the critical minerals on offer are titanium, bauxite (aluminous laterite), glauconite, nickel, chromium, potash, copper, graphite, manganese ore, molybdenum ore, phosphorite, platinum group elements (PGE), and rare earth elements (REE). These are used in

sectors like renewable energy, defence, and agriculture.

Through an amendment to the Mines and Minerals (Development and Regulation) Act on August 17 this year, 24 minerals were notified as critical and strategic, and the central government was given the power to grant mineral concessions for these through auction.

"The auction of these mineral blocks aligns with India's objective of securing a critical mineral supply chain for energy transition and attaining its net-zero target by 2070," Joshi said. On extraction of minerals from the auctioned blocks, he said it might take about eight years.

The high demand for critical and strategic minerals is usually met by imports. And the import bill is ₹24,000 crore for lithium alone.

Of the 20 blocks on offer, four have

been specifically earmarked for mining leases, while the others are for composite licences. These blocks are spread across seven states — Bihar, Gujarat, Jharkhand, Odisha, Tamil Nadu, Uttar Pradesh, and Chhattisgarh — and the Union Territory of Jammu & Kashmir.

The auction will be conducted online through a two-stage ascending-forward process, with eligible bidders being selected based on the highest percentage of mineral dispatch value quoted by them.

Besides domestic firms, including battery manufacturers, international mining and other companies from South Korea and Japan have expressed interest in these blocks, a senior official told *Business Standard*.

As many as 23 clearances, including environmental and state ones, are required for operating a mine. The winning bidders will have to obtain these after their successful bids.

## THE FINE PRINT

STATE	STATUS	MINERALS
<b>Bihar</b>	CL	Glauconite, chromium, PGE, nickel
<b>Gujarat</b>	CL	Chromium, nickel
<b>Jharkhand</b>	CL	Glauconite, chromium, PGE, nickel
<b>Odisha</b>	CL ML	Graphite Nickel, copper, graphite, manganese ore
<b>Tamil Nadu</b>	CL ML	Molybdenum ore, graphite, molybdenum Molybdenum
<b>Uttar Pradesh</b>	CL	Glauconite, chromium, PGE, nickel
<b>Jammu &amp; Kashmir</b>	CL	Lithium, titanium, bauxite (aluminous laterites)
<b>Chhattisgarh</b>	CL	Lithium, REE

CL: Composite licence ML: Mining lease

Source: Ministry of Mines

