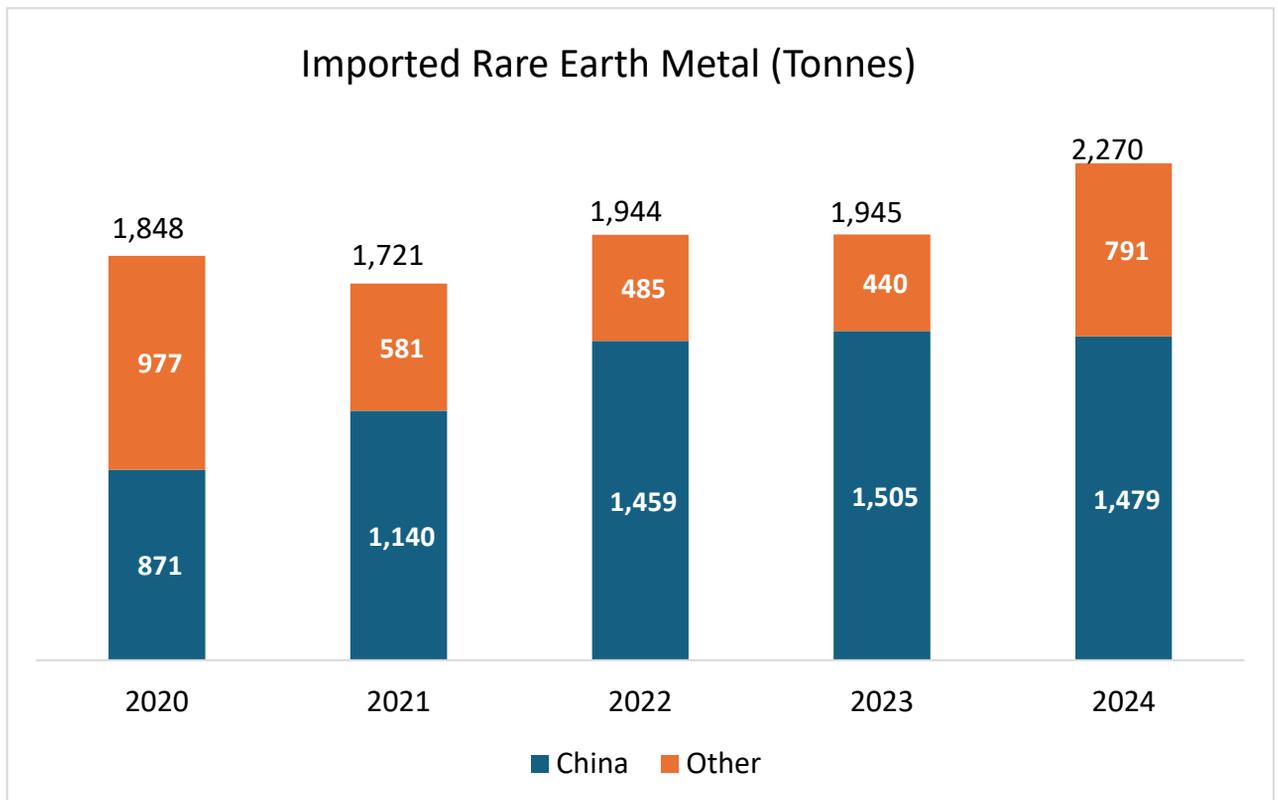


# India's - ₹7,280 Cr Rare Earth Magnet Push

## □ Executive Summary

On November 26, 2025, India's Union Cabinet approved a landmark scheme with a financial outlay of ₹7,280 crore aimed at promoting domestic manufacturing of sintered rare earth permanent magnets (REPM). This initiative plans to establish an integrated manufacturing ecosystem with a capacity of 6,000 metric tonnes per annum within 2-3 years. The scheme targets reducing India's heavy import dependence on rare earth magnets, vital for electric vehicles (EVs), renewable energy, aerospace, defense, and electronics sectors. It includes capital expenditure support and production-linked incentives, strengthening supply chains and supporting India's green mobility and high-tech ambitions while adhering to environmental standards.



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## □ Key Indian Companies Importing Rare Earth Metals

After months of export curbs by China, approvals for rare earth magnet imports were granted to four major companies:

1. **Hitachi Astemo (Indian operations):** Provides advanced motor technologies for automotive and electronics sectors.
2. **Continental India:** Supplies components critical to the automotive industry.
3. **Jay Ushin Ltd:** Part of JP Minda Group, specializing in automotive parts manufacturing.
4. **DE Diamond Electric India Pvt. Ltd:** Subsidiary of Japan's Diamond Electric Manufacturing focused on electric motor components.

These companies received licenses with specific restrictions that the imported magnets cannot be re-exported to the US or used for military purposes, easing supply bottlenecks for Indian manufacturers dependent on rare earth magnets from China.

**HITACHI Astemo**

**DC DIAMOND  
ELECTRIC**

**Ju-shin**



**JAY USHIN LIMITED**

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## ❑ Other Prominent Rare Earth Metal Related

- 1. Sona Comstar:** India's largest rare earth magnet importer is moving aggressively to reduce reliance on China by developing domestic rare earth magnet manufacturing capacity. The company uses rare earth elements like neodymium and cerium in its motors for EVs, heavy vehicles, and two/three wheelers.
- 2. Gujarat Mineral Development Corporation Limited (GMDC):** Backed by the Gujarat government, GMDC is venturing into rare earth mining and processing, aligning with India's mineral self-reliance goals.
- 3. Hindustan Copper Limited (HCL):** A government-owned miner expanding its operations with plans to enhance production capacity, including for metals used in advanced tech applications.
- 4. Indian Metals & Ferro Alloys Limited (IMFA):** Primarily a ferro chrome producer now exploring rare earth opportunities, it benefits from integrated mining operations and export markets.

This scheme and the involvement of these companies mark a strong push by India to build strategic independence in rare earth permanent magnet manufacturing and secure supply chains for critical technologies amid global geopolitical uncertainties.



**SONA COMSTAR**



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## ❑ Metal Specifications

**1. Monazite** – It's the India's principal source for RRE, used in nuclear applications. India has ~13 million tonnes of monazite resources and derived REE from this are mostly used in magnets, catalysts & electronics.

**2. Bastnaesite** – It's the source for light REE and mostly in exploratory and under development. Used for high power magnet required in EVs & wind turbines .

**3. Loparite** – It is critical for electronics & superalloys and used in aerospace and electronic applications.

**4. Ilmenite** – It's the primary ore for titanium which is crucial for aerospace, chemical & pigment industry.

India is one of the world's leading producers. Most output is used for producing titanium dioxide pigment, welding rods, and metal for defense and space

**5. Zircon** – It is used in ceramics, refractories, foundries and as an opacifier in tiles and sanitaryware.

India produced ~11,700 tonnes zircon annually in recent years.

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