

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2603
ANSWERED ON 16.12.2025

**PROMOTION OF MANUFACTURING OF SINTERED RARE EARTH PERMANENT
MAGNETS**

**2603. SHRI JAGDAMBIKA PAL:
SHRI TATKARE SUNIL DATTATREY:**

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) whether the Government has approved a scheme to promote manufacturing of Sintered Rare Earth Permanent Magnets (REPM) with a total outlay of Rs. 7,280 crore;
- (b) if so, the details of the proposed annual integrated manufacturing capacity of REPMs to be established in the country under the scheme;
- (c) the number of beneficiaries proposed to be selected through global competitive bidding and the criteria for such selection;
- (d) the details of the sales-linked incentives and capital subsidy to be provided during the scheme period;
- (e) whether the scheme is expected to reduce India's dependence on imported rare-earth permanent magnets used in sectors such as electric mobility, renewable energy, electronics and defence; and
- (f) if so, the likely impact on domestic value chains, innovation and employment generation?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a) & (b): The Union Cabinet has approved the scheme to promote manufacturing of Sintered Rare Earth Permanent Magnet (REPM) with financial outlay of Rs. 7,280 Crore on 26th November, 2025, to establish 6,000 metric tonnes per annum (MTPA) of integrated REPM manufacturing capacity in the country.

(c): Five beneficiaries are envisaged under the scheme through global competitive bidding. A transparent Least Cost System (LCS), comprising a two-envelope process i.e. technical bid and financial bid is envisaged.

(d): The Sales-Linked Incentive of Rs. 6,450 crore & Capital Subsidy of Rs. 750 crore is allocated for the scheme period.

(e) & (f): The scheme is aimed at promoting domestic manufacturing of REPM in the country, thereby contributing to reduce dependence on imports for critical sectors such as electric mobility, renewable energy, electronics and defence apart from facilitating employment generation and strengthening of domestic value chains.
