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Company also working on R&D to figure out whether it can extract rare earths from its existing mines, says Chairman Anil Agarwal.

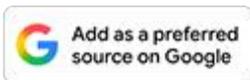
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Anil Agarwal's Vedanta Ltd plans to apply for the govt's scheme to make rare earth magnets in India

Billionaire Anil Agarwal-led mining giant Vedanta Ltd plans to apply for the government's scheme to make rare earth magnets in India.

"Vedanta is one of the few companies in India that have technology to mine rare earths," Agarwal, the chairman of Vedanta, told Business Today. "It's a long-drawn process. We are also doing experiments and R&D to figure out whether we can extract rare earths from our existing mines," he added.

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The ministry of heavy industries has invited bids through a global tender for selection of beneficiaries to set up integrated rare earth permanent magnet (REPM) manufacturing facilities of 6,000 metric tonnes per annum (MTPA) capacity under the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet.

With this bidding process, prospective applicants can submit their bids to establish integrated rare earth magnet manufacturing facilities in India and can be eligible for availing capital subsidy as well as sales-linked incentives under the scheme, the ministry said.

“The bidding will be conducted online through a least cost system (LCS) comprising two-stages (Technical Bid and Financial Bid) through Central Public Procurement (CPP) Portal,” it added.

The tender documents are available from March 20, 2026. Pre-bid conference will be held on April 7. The bid due date is May 28, 2026 and the technical bids will be opened on May 29.

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In November 2025, the Union Cabinet, led by Prime Minister Narendra Modi, sanctioned a scheme aimed at boosting the production of sintered rare earth permanent magnets, with a total financial allocation of ₹7,280 crore. This initiative seeks to create an overall manufacturing capacity of 6,000 metric tons per annum (MTPA) for integrated rare earth permanent magnet facilities within India, strengthening domestic self-sufficiency and positioning the country as a significant participant in the global REPM market.

As part of the scheme, each selected beneficiary will be assigned a production capacity ranging from 600 to 1,200 MTPA, in increments of 100 MTPA. The programme offers a capital subsidy of ₹750 crore along with a sales-linked incentive totaling ₹6,450 crore. Additionally, a limited guaranteed supply of NdPr oxide from state-run IREL



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“There is nothing that can’t be extracted in India. It’s a question of how you do it. Either foreign companies will do it, or public sector firms will do it like it happens in China or Russia or entrepreneurs will do it,” Agarwal told Business Today.

The ministry had reached out to a few auto and auto component companies for the rare earth magnet scheme. A top executive of Gurugram-based auto parts maker Uno Minda recently told Business Today that the company will not be entering the rare earth magnet space.



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