

# Customs duty waived on waste and scrap of 12 critical minerals

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India has scrapped Customs duty on waste and scrap of a dozen critical minerals while a comprehensive tailings policy — to recover such strategically important minerals from byproducts of mining activities — is in the works, Finance Minister Nirmala Sitharaman said in the Budget presentation.

This is the second straight year when a critical mineral security programme — whereby the country looks to secure supplies of minerals that are of strategic importance towards its move towards green tech and clean tech — find mention in the Budget, and there are policy interventions to this end.

## **BOOST TO PROCESSING**

Customs duty on waste and scrap of antimony, cobalt, tungsten and copper scrap, waste and scrap of lithium-ion battery, lead, zinc and co-



balt powder has also been scrapped.

Other critical minerals in the list included waste and scrap of, beryllium, bismuth, cadmium, molybdenum, rhenium, tantalum, tin, and zirconium.

“In the July 2024 Budget, I had fully exempted basic customs duty on 25 critical minerals that are not domestically available.”

“I had also reduced BCD of two other such minerals to provide a major fillip to their processing especially by MSMEs.”

“Now, I propose to fully exempt cobalt powder and

waste, the scrap of lithium-ion battery, lead, zinc and 12 more critical minerals. This will help secure their availability for manufacturing in India,” Sitharaman said during her speech.

Mining sector reforms, including those for minor minerals, will be encouraged through sharing of best practices and institution of a State Mining Index, as per Budget proposals.

## **‘INDIA KEY PLAYER’**

According to Arun Misra, MD and CEO, Hindustan Zinc, the mining reforms position India as a key player in the critical minerals sector. “Institutionalising a State Mining Index for minor minerals along with a policy for recovery of critical minerals from tailings will enable circularity and innovation within the industry,” he said.

India will also be working on a policy for recovery of critical minerals from tailings, the Budget document said.