

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:2495
ANSWERED ON:16.12.2008
ROYALTY RATES OF MINERALS
Acharya Shri Prasanna;Khaire Shri Chandrakant Bhaurao

Will the Minister of MINES be pleased to state:

- (a) whether the Government has any policy under which royalty rates on minerals are determined;
- (b) if so, the details thereof and the details of last revision of royalty rates on all the minerals;
- (c) whether the suggestions received from the mineral producing States have been considered/ accepted while framing the National Mineral Policy (NMP), 2008;
- (d) if so, the details thereof;
- (e) whether the Government proposes to compensate for the loss incurred by the State Governments due to non-revision of royalty rates;
- (f) if not, the reasons therefore; and
- (g) the time by which the royalty rates on all the minerals are likely to be reconsidered/ fixed?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTRY OF MINES(SHRI B.K. HANDIQUE)

- (a) &(b) As per the Section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) the Central Government may determine and notify royalty rates of major minerals (other than coal, lignite & sand for stowing) only. For this purpose, the Central Government sets up a Study Group with State Government concerned Ministries/departments of Government and industry to revise the royalty rates. The rates of royalty on major minerals (other than coal, lignite & sand for stowing) were last revised on 14th October 2004 and the details are available on the website of Ministry of Mines (www.mines.nic.in).
- (c) & (d) Yes, Sir.These issues had been considered and appropriately addressed by the Government before the enunciation of National Mineral Policy, 2008.
- (e) & (f) No, Sir.Revised rates of royalty are effective prospectively only.
- (g) The matter is under consideration of Government.