

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:4095
ANSWERED ON:26.08.2011
ROYALTY RATES OF NON-PRIME MINERALS
Jakhar Shri Badri Ram

Will the Minister of MINES be pleased to state:

- (a) whether there is any provision for revision of royalty rates of non-prime minerals after every five years;
- (b) if so, the number of non-prime minerals whose royalty rates have been increased during the last ten years;
- (c) whether the Government proposes to revive/lower the period for revision of royalty rates from five years to three years; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINES (SHRI DINSHA PATEL)

(a) and (b): There is no classification of minerals as non-prime minerals in the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) and Rules framed thereunder. However, Section 9 of the MMDR Act provides that a mining lease holder shall pay royalty in respect of any mineral removed or consumed from the leased area at the rate for the time being specified in the Second Schedule of the MMDR Act and the royalty rates of minerals may be revised upwards only once in three years. During the last ten years, the royalty rates in respect of major minerals (other than coal, lignite and sand for stowing), have been revised in the years 2000, 2004 and 2009.

(c) and (d): Does not arise.