

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:1241

ANSWERED ON:17.08.2012

REVISION IN ROYALTY RATES OF MINERALS

Laguri Shri Yashbant Narayan Singh;Vasava Shri Mansukhbhai D.

Will the Minister of MINES be pleased to state:

- (a) whether the Government proposes to revise/increase the royalty being paid to the States for minerals and has constituted a Study Group on revision of rates of royalty and dead rent for major minerals;
- (b) if so, the details thereof along with the progress made by the Study Group; and
- (c) the time by which the royalty rates for minerals is likely to be revised/increased?

Answer

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

(a) to (c): In terms of Section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), royalty rates for minerals can be revised upward only once in three years. Accordingly, royalty rates in respect of major minerals (excluding coal, lignite and sand for stowing) were last revised on 13.8.2009. The Ministry has set up a Study Group on revision of rates of royalty and dead rent for major minerals (other than coal, lignite and sand for stowing) on 13.9.2011 to review the rates of royalty. The Study Group has held 3 meeting so far on 4.11.2011, 17.4.2012 and 19.7.2012 and prepared a draft Report. The Government will consider any revision in rates of royalty only after considering the final report of the Study Group on revision of rates of royalty and dead rent for major minerals (other than coal, lignite and sand for stowing).