

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

STARRED QUESTION NO:35
ANSWERED ON:23.11.2012
ROYALTY RATES OF MINERALS
Semmalai Shri S. ;Vardhan Shri Harsh

Will the Minister of MINES be pleased to state:

- (a) the existing rate of royalty in respect of various minerals and the year in which the same was revised on the last occasion;
- (b) the details of royalty, dead rent and other taxes for various minerals collected by the State Governments from mining companies or mining lease holders during each of the last three years and the current year, State-wise;
- (c) the details of mining companies or mining lease holders found defaulting in paying these taxes to the Government and the action taken against them along with the mechanism put in place to ensure that these companies or lease holders pay their dues to the Government in time;
- (d) whether the Study Group constituted to review the rates of royalty and dead rent for minerals has submitted its report to the Government and if so, the details thereof and the follow-up action taken by the Government thereon; and
- (e) if not, the time by which the Study Group is likely to submit its report to the Government?

Answer

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO LOK SABHA STARRED QUESTION NO. 35 FOR REPLY ON 23.11.2012 REGARDING ROYALTY RATES OF MINERALS ASKED BY SHRI HARSH VARDHAN AND SHRI S. SEMMALAI

(a): The rates of royalty in respect of major minerals (excluding coal, lignite and sand for stowing) were last revised vide gazette notification number G.S.R. 574(E) dated 13.8.2009. The rates of royalty in respect of Coal including Lignite were revised vide notification number G.S.R. 349 (E), dated the 10th May, 2012 by the Ministry of Coal. The rates of royalty in respect of Sand for Stowing were revised vide notification number G.S.R. 214(E) dated the 11th April, 1997 by the Ministry of Coal. The rates of royalty are given at Annexure – I.

(b):Details of royalty collected by the State Governments for major minerals are given in Annexure – II.

Data on collection by State Governments on dead rent on minerals, royalty on minor minerals, and other taxes on mining and minerals like cess, stamp duty, land tax etc. are not centrally maintained.

(c):In terms of section 25(1) of the Mines and Minerals (Development and Regulation) Act, 1957, State Governments are empowered to recover any rent, royalty, tax, fee or other sum due to the Government under the said Act or the rules made thereunder or under the terms and conditions of any reconnaissance permit, prospecting licence or mining lease in the same manner as an arrear of land revenue. Details of mining companies or mining lease holders found defaulting paying these taxes to the State Government and the action taken against them are not centrally maintained.

(d) and (e):The Ministry has set up a Study Group on 13.9.2011 for review and revision of rates of royalty and dead rent for major minerals (other than coal, lignite and sand for stowing). The final Report of the Study Group is still awaited.