

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3112

ANSWERED ON:16.03.2015

REVISION OF ROYALTY RATES

Choudhary Shri Ram Tahal;Giluwa Shri Laxman;Shetti Shri Raju alias Devappa Anna

Will the Minister of MINES be pleased to state:

- (a) whether the Government has finalised raising of royalty rates of minerals including bauxite, chrome and manganese and if so, the details thereof, mineral-wise;
- (b) whether the increase in royalty rates would benefit mineral rich States like Karnataka, Andhra Pradesh, Odisha and Jharkhand;
- (c) if so, the details thereof including estimated amount of the gains to be paid to the States, State-wise; and
- (d) the period in which the above arrears likely to be disbursed to these States including Karnataka?

Answer

THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)

(a): Yes, Madam. The Government has revised the rates of royalty of minerals, including bauxite, chrome and manganese on 1st September, 2014. The revised rates of royalty of minerals (excluding coal, lignite and sand for stowing) are given in ANNEXURE-I.

(b) & (c): As a result of the revised rates of royalty, the revenue from royalty from non-coal minerals to state governments (including the states of Karnataka, Andhra Pradesh, Odisha and Jharkhand) is likely to increase from Rs. 9406.45 crore (at the year 2011-12 production level) to Rs. 13274.18 crore, an increase of 41%. The estimated state-wise increase in royalty collections is given at ANNEXURE-II.

(d): Since the revised rates of royalty are effective from 1st September, 2014, there will be no arrears on account of royalty due to state governments for the period prior to 01.09.2014. Realization of increased royalty as a result of the revised rates of royalty will accrue to state governments only after 01.09.2014.