

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**LOK SABHA**  
**UNSTARRED QUESTION NO.3090**  
TO BE ANSWERED ON 03.08.2017

**ROYALTY ON MINERALS**

3090. SHRI P. KUMAR

Will the Minister of MINES be pleased to state:

- (a) whether the Government provides royalty on minerals for mineral producing States in the country;
- (b) if so, the details thereof along with the royalty paid during each of the last two years and the current year, State-wise;
- (c) whether the Government proposes to increase royalty on minerals and if so, the details thereof; and
- (d) whether the Government proposes to handover this responsibility to the concerned States and if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES (SHRI PIYUSH GOYAL)

(a) & (b): Section 9 of the Mines and Minerals (Development and Regulation) (**MMDR**) Act, 1957 prescribes payment of royalty at the rate specified in the Second Schedule to the MMDR Act, 1957. Royalty is fixed by the Central Government but it is collected and appropriated completely by the State Governments; and details in this regard are not maintained centrally.

(c): As per section 9 of the MMDR Act, 1957, the Central Government shall not enhance the rate of royalty in respect of any mineral more than once during any period of three years. No decision in this regard has been taken by the Ministry of Mines.

(d): As per section 9 of the MMDR Act, 1957, the Central Government has been empowered to prescribe the rates of royalty in respect of minerals other than minerals notified as minor minerals. However, as per section 15 of the MMDR Act, State Governments are empowered to frame rules for regulation of grant of mineral concessions for minor minerals and for purposes connected therewith, including rates of royalty leviable on minor minerals.

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