

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO.687
TO BE ANSWERED ON 13.12.2018

ROYALTY RATES OF MINERALS

†687. SHRIMATI KAMLA DEVI PAATLE:

Will the Minister of MINES be pleased to state:

- (a) the details of royalty rates of various minerals at present and the year in which these rates were last revised;
- (b) whether several mineral rich States including Chhattisgarh have requested the Government to increase the existing royalty rates;
- (c) if so, the details thereof along with the reaction of the Government thereto;
- (d) the reasons for delay in revision of royalty rates; and
- (e) the time by which these rates are likely to be revised and made effective?

ANSWER

THE MINISTER OF STATE FOR MINES AND COAL
(SHRI HARIBHAI PARTHIBHAI CHAUDHARY)

(a):The extant royalty rates of minerals (other than coal, lignite, sand for stowing) notified vide Gazette Notification No. G.S.R. 630 (E) dated 01.09.2014, are given in **Annexure**.

(b) to (e): Proviso to Section 9(3) of the Mines and Minerals (Development and Regulation) (MMDR) Act 1957 stipulates that the Central Government shall not enhance the rates of royalty more than once during any period of three years. The last revision of royalty rates for major minerals was done in September, 2014. The Ministry of Mines, accordingly, vide order no. 9/1/2018-M.V dated 09.02.2018 has constituted a Study Group to revise the rates of royalty and dead rent for minerals (other than coal, lignite, sand for stowing, and minor minerals). Three meetings of the Study Group, constituted for revision of rates of royalty and dead rent, have been held so far.

Twelve mineral rich States including Chhattisgarh are also member of the present Study Group.

Annexure mentioned in reply to Lok Sabha unstarred question number 687 for 13.12.2018 regarding 'Royalty Rates Of Minerals' asked by Shrimati Kamla Devi Paatle

Schedule – II

The extraneous rates of royalty in respect of minerals (excluding coal, lignite and sand for stowing)

1.	Apatite and Rock Phosphate: (i) Apatite (ii) Rock Phosphate (a) Above 25% P ₂ O ₅ (b) Upto 25% P ₂ O ₅	Five per cent. of average sale price on <i>ad valorem</i> basis. Twelve and half per cent. of average sale price on <i>ad valorem</i> basis. Six per cent. of average sale price on <i>ad valorem</i> basis.
2.	Asbestos: (i) Chrysotile (ii) Amphibole	Eight Hundred and Eighty rupees per tonne. Fifteen per cent. of average sale price on <i>ad valorem</i> basis.
3.	Barytes:	Six and half per cent. of average sale price on <i>ad valorem</i> basis.
4.	Bauxite and Laterite:	(a) Metallurgical Grade: Zero point six zero per cent. of London Metal Exchange Aluminium metal price chargeable on the contained aluminum metal in ore produced for those dispatched for use in alumina and aluminium metal extraction. (b) Non Metallurgical Grade: Twenty five per cent. of average sale price on <i>ad valorem</i> basis for those dispatched for use other than alumina & aluminium metal extraction.
5.	Brown Ilmenite (Leucosene), Ilmenite, Rutile and Zircon:	Two per cent. of average sale price on <i>ad valorem</i> basis.
6.	Cadmium:	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.
7.	Calcite:	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.
8.	China clay or Kaolin: (including ball clay and white shale, white clay) (i) Crude (ii) Processed (including washed)	Eight per cent. of average sale price on <i>ad valorem</i> basis. Twelve per cent. of average sale price on <i>ad valorem</i> basis.
9.	Clay others:	Twenty rupees per tonne.
10.	Coal (including Lignite):	-
11.	Chromite:	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.

12.	Columbite-tantalite:	Ten per cent. of average sale price on <i>ad valorem</i> basis.
13.	Copper:	Four point six two per cent. of London Metal Exchange Copper metal price chargeable on the contained copper metal in ore produced.
14.	Diamond:	Eleven point five per cent. of average sale price on <i>ad valorem</i> basis.
15.	Dolomite:	Seventy-five rupees per tonne.
16.	Dunite:	Thirty rupees per tonne.
17.	Felspar:	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.
18.	Fire Clay: (including plastic, pipe, lithomargic and natural pozzolanic clay)	Twelve per cent. of average sale price on <i>ad valorem</i> basis.
19.	Fluorspar: (also called fluorite)	Eight per cent. of average sale price on <i>ad valorem</i> basis.
20.	Garnet: (i) Abrasive (ii) Gem	Four per cent. of average sale price on <i>ad valorem</i> basis. Ten per cent. of average sale price on <i>ad valorem</i> basis.
21.	Gold: (i) Primary (ii) By-product gold	Four per cent. of London Bullion Market Association Price (commonly referred to as London Price) chargeable on the gold metal in ore produced. Three point three per cent. of London Bullion Market Association Price (commonly referred to as London Price) chargeable on the by-product gold metal actually produced.
22.	Graphite: (i) With 80 per cent. or more fixed carbon (ii) With 40 per cent. or more fixed carbon but less than 80 per cent. fixed carbon (iii) With 20 per cent. or more fixed carbon but less than 40 per cent. fixed carbon (iv) With less than 20 per cent. fixed carbon	Two hundred and twenty-five rupees per tonne. One hundred and fifty rupees per tonne. Sixty-five rupees per tonne. Twenty-five rupees per tonne.
23.	Gypsum:	Twenty per cent. of average sale price on <i>ad valorem</i> basis.
24.	Iron Ore: (CLO, Lumps, fines and concentrates all grades)	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.

25.	Lead:	(a) Eight point five per cent. of London Metal Exchange Lead metal price chargeable on the contained lead metal in ore produced. (b) Fourteen point five per cent. of London Metal Exchange Lead metal price chargeable on the contained lead metal in the concentrate produced.
26.	Limestone: (i) L. D. Grade (less than 1.5 per cent. silica content) (ii) Others	Ninety rupees per tonne. Eighty rupees per tonne.
27.	Lime kankar:	Eighty rupees per tonne.
28.	Limeshell:	Eighty rupees per tonne.
29.	Magnesite:	Three per cent. of average sale price on <i>ad valorem</i> basis.
30.	Manganese Ore: (i) Ore of all grade (ii) Concentrates	Five per cent. of average sale price on <i>ad valorem</i> basis. One point seven per cent. of average sale price on <i>ad valorem</i> basis.
31.	Marl:	Sixty rupees per tonne.
32.	Crude Mica, waste mica and scrap mica:	Four per cent. of average sale price on <i>ad valorem</i> basis.
33.	Monazite:	One hundred and twenty-five rupees per tonne.
34.	Nickel:	Zero point one two per cent. of London Metal Exchange Nickel metal price chargeable on the contained nickel metal in ore produced.
35.	Ochre:	Twenty-four rupees per tonne.
36.	Pyrites:	Two per cent. of average sale price on <i>ad valorem</i> basis.
37.	Pyrophyllite:	Twenty per cent. of average sale price on <i>ad valorem</i> basis.
38.	Quartz:	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.
39.	Ruby:	Ten per cent. of average sale price on <i>ad valorem</i> basis.
40.	Sand (others):	Twenty rupees per tonne.
41.	Sand for stowing:	-
42.	Shale:	Sixty rupees per tonne.
43.	Silica sand and moulding sand and Quartzite:	Ten per cent. of average sale price on <i>ad valorem</i> basis.
44.	Sillimanite:	Two point five per cent. of average sale price on <i>ad valorem</i> basis.
45.	Silver: (i) By-product (ii) Primary Silver	Seven per cent. of London Metal Exchange Price chargeable on by-product silver metal actually produced. Five per cent. of London Metal Exchange Silver Metal Price chargeable on the contained silver metal in ore produced.
46.	Slate:	Forty-five rupees per tonne.

47.	Talc, Steatite and Soapstone:	Eighteen per cent. of average sale price on <i>ad valorem</i> basis.
48.	Tin:	Seven point five per cent. of London Metal Exchange Tin metal price chargeable on the contained tin metal in ore produced.
49.	Tungsten:	Twenty rupees per unit per cent. of contained WO ₃ per tonne of ore and on pro rata basis.
50.	Uranium:	Two per cent. of annual compensation amount received by M/s. Uranium Corporation of India Ltd., to be apportioned among the States on the basis of data provided by Department of Atomic Energy.
51.	Vanadium:	Twenty per cent. of average sale price on <i>ad valorem</i> basis.
52.	Vermiculite:	Five per cent. of average sale price on <i>ad valorem</i> basis.
53.	Wollastonite:	Fifteen per cent. of average sale price on <i>ad valorem</i> basis.
54.	Zinc:	(a) Nine point five per cent. of London Metal Exchange Zinc metal price on <i>ad valorem</i> basis chargeable on contained zinc metal in ore produced. (b) Ten per cent. of London Metal Exchange Zinc metal price on <i>ad valorem</i> basis chargeable on contained zinc metal in concentrate produced.
55.	All other minerals not herein before specified (Agate, Corundum, Diaspore, Felsite, Fuschite-Quartzite, Jasper, Kyanite, Perlite, Pyroxenite, Rock Salt, Selenite etc.)	Twelve per cent. of average sale price on <i>ad valorem</i> basis.