

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 2335
ANSWERED ON 15.03.2023

RATES OF ROYALTY AND DEAD RENTS

†2335. SHRI RAMDAS C. TADAS:

Will the Minister of MINES be pleased to state:

- (a) whether the Government has reviewed and revised the rates of royalty and dead rents of the mines;
- (b) if so, whether there is any effect on the revenue generation in the country due to difference in the rates of royalty and dead rent;
- (c) if so, the details thereof; and
- (d) the corrective measures proposed to be taken by the Government in this regard?

ANSWER

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS
(SHRI PRALHAD JOSHI)

(a) to (d): The rates of royalty and dead rent on minerals are revised from time to time under sub-section (3) of Section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act, 1957). Royalty rates and dead rents were last revised on 01.09.2014.

The State wise royalty accrual of major minerals from 2016-17 to 2019-20 shows that the royalty accrual to the State Governments has increased over the years.

Year	2016-17	2017-18	2018-19	2019-20
Royalty accrual (in Rs. Crore)	9,695.88	12,386.16	17,169.92	16,677.04

Further, through amendment in the MMDR Act on 12.01.2015, auction regime was introduced for grant of mineral concessions to improve transparency and to ensure that State Governments get a fair share of revenue in terms of auction premium in addition to royalty revenue in allocation of natural resources.

Due to operationalization of auctioned mines, the revenue to the State Governments has increased considerably. For the States where auctioned mines have been operationalized, the comparison between royalty collection from all working mines and auction premium from the auctioned mines for FY 2021-22 is given below:

State	Total Number of Working Mines	Out of (a), number of auctioned Working Mines	Total Royalty collection from all the Working Mines (in Rs. Crore)	Total Auction premium from the Auctioned Mines (in Rs. Crore)
	(a)	(b)	(c)	(d)
Odisha	140	23	20606.84	19258.57
Karnataka	131	11	649.48	1883.88
Andhra Pradesh	134	2	11.32	5.59
