

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 486
ANSWERED ON 20.07.2022

AMENDMENT IN ROYALTY RATES FOR MINERALS

486. SHRI MAHESH SAHOO:

Will the Minister of MINES be pleased to state:

- (a) whether the Government proposes to amend the percentage of royalty being paid to States for minerals;
- (b) if so, the details thereof;
- (c) whether the Government has constituted a committee to amend the royalty rate for minerals;
- (d) if so, the details in this regard;
- (e) whether a time frame has been decided within which the royalty rates for minerals are likely to be revised; and
- (f) if so, the details thereof?

ANSWER

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

(a) to (d): The rates of royalty 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. Royalty rates were last revised on 01.09.2014.

Ministry of Mines vide Order dated 27.10.2021 has constituted a committee for reviewing of rates of royalty of those minerals where royalty is calculated on per tonne basis and the committee has submitted its report on 07.03.2022.

(e) & (f): No, Sir. No such time frame has been decided. In terms of Section 9(1) of the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957, every mining lease holder needs to pay royalty for major minerals removed or consumed as per the royalty rates specified in the Second Schedule of the MMDR Act, 1957. As per Section 9 (3) of the MMDR Act Central Government shall notify the rate of royalty payable in respect of a mineral. Royalty is collected and retained by the State Governments concerned.
