

GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
UNSTARRED QUESTION NO. 753
ANSWERED ON 26.07.2021

ROYALTY FOR MINERALS

753 SHRI BINOY VISWAM:

Will the Minister of MINES be pleased to state:

- (a) whether Government proposes to amend the amount of royalty being paid to States for minerals;
- (b) whether Government has constituted a study group for the purpose of amending the rate of dead rent for major minerals;
- (c) if so, the details thereof and the progress made in this direction by the said group;
- (d) the time by which the royalty rates for minerals are likely to be amended / increased; and
- (e) the total amount of royalty paid to States in the last three years for minerals?

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 as per the provisions of the MMDR Act, 1957.

In order to evaluate the revision of royalty rates and dead rent for minerals (other than coal, lignite, sand for stowing and minor minerals), the Ministry of Mines vide order dated 09.02.2018 constituted a Study Group consisting of representatives from mineral rich states & representatives of Mining Industry /Associations /Federations. The Study Group has submitted its final recommendation on 25.07.2019. In the meantime, Union Cabinet on 13th January 2021 has approved the proposal of Ministry of Mines to introduce an index based mechanism by developing a National Mineral Index (NMI) for various statutory payments and others for future auctions. Accordingly, Ministry of Mines vide order dated 06.04.2021 has constituted a committee for developing NMI of individual minerals.

(e) As per information provided by Indian Bureau of Mines, the royalty accrual data for last three years for Minerals (Other than Minor, Coal, Lignite, Sand for Stowing, Petroleum Minerals) from 2017-18 to 2019-20 is at Annexure:

State wise Royalty accrual data for the Minerals (Other than Minor, Coal, Lignite, Sand for Stowing, Petroleum Minerals) for last three years i.e. from 2017-18 to 2019-20

State	2017-18	2018-19	2019-20 (R)
Andhra Pradesh	33492	41813	36008
Assam	464	503	710
Bihar	153	589	NA
Chhattisgarh	165130	221167	218472
Goa	23961	2231	510
Gujarat	26366	27041	21832
Himachal Pradesh	13175	NA	NA
Jharkhand	125559	NA	NA
J & K	1544	928	NA
Karnataka	127140	128324	142483
Kerala	851	535	864
Madhya Pradesh	46166	53880	NA
Maharashtra	17146	19598	18273
Meghalaya	5592	8639	NA
Odisha	347041	759144	785661
Rajasthan	264897	304515	248565
Telangana	22927	23578	20743
Tamil Nadu	15067	NA	NA
Uttarkhand	26	40	NA
Uttar Pradesh	1919	NA	NA

(Unit: Lakhs Rupees)

Source: Data received from concerned State Government/DGM offices

R: Revised;

NA: Not Available (Data not received from concerned State Government)