

**Press Information Bureau**  
**Government of India**  
**Ministry of Mines**  
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**Revision of Royalty Rates of Minerals**

The rates of royalty in respect of major minerals (excluding coal, lignite and sand for stowing) were last revised vide gazette notification number G.S.R. 574(E) dated 13.8.2009. The rates of royalty in respect of Coal including Lignite were revised vide notification number G.S.R. 349 (E), dated the 10<sup>th</sup> May, 2012 by the Ministry of Coal. The rates of royalty in respect of Sand for Stowing were revised vide notification number G.S.R. 214(E) dated the 11<sup>th</sup> April, 1997 by the Ministry of Coal. The rates of royalty are:

| <b>Name of mineral with grade</b>                       |   | <b>Rate of Royalty<br/>(In Rs. per tonne or as<br/>a percentage of sale<br/>price on<br/>ad valorem basis)</b> |
|---|---|--|
| i) Apatite:   |   | 5%   |
| ii) Rock Phosphate                                      |   |  |
| a) Above 25% P <sub>2</sub> O <sub>5</sub>              |   | 11%  |
| b) Upto 25% P <sub>2</sub> O <sub>5</sub>               |   | 6%   |
| Asbestos  |   |  |
| a) Chrysotile   |   | Rs.880   |
| b) Amphibole  |   | 15%  |
| Barytes   |   | 5.5%   |
| a) Bauxite and Laterite                                 | Despatched for use in alumina and aluminium metal extraction                              | 0.50% of London Metal Exchange aluminium metal price chargeable on the contained metal in ore produced         |
| b) Bauxite erite  | Despatched for use other than alumina and aluminium metaextraction and for export and Lat |  |
| Brown Ilmenite (Leucoxene), Ilmenite, Rutile and Zircon |   | 2%   |
| Cadmium   |   | 15%  |
| Calcite   |   | 15%  |

|   |   |
|---|---|
| China clay/Kaolin (including ball clay and white shale, white clay)             |   |
| a) Crude  | 8%  |
| b) Processed (including washed)   | 10%   |
| Chromite  | 10%   |
| Columbite-tantalite   | 10%   |
| Copper  | 4.2% of London Metal Exchange copper metal price chargeable on the contained copper metal in ore produced |
| Diamond   | 11.5%   |
| Dolomite  | Rs.63   |
| Felspar   | 12%   |
| Fire Clay<br>(Including plastic, pipe, lithomargic and natural pozzolanic clay) | 12%   |
| Fluorspar (also called fluorite)  | 6.5%  |
| Garnet  |   |
| a) Abrasive   | 3%  |
| b) Gem  | 10%   |
| Gold  |   |
| a) Primary  | 2% of `London Price' of primary gold metal contained in gold ore produced.                                |
| b) By-product gold  | 3.3% of `London Price' on by-product gold metal actually produced.  |
| Graphite  |   |
| a) with 40% or more fixed carbon  | 2%  |
| b) with less than 40% fixed carbon  | 12%   |
| Gypsum  | 20%   |
| Iron Ore: Lumps, fines and concentrates all grade                               | 10%   |

|  |  |
|--|--|
| Lead   |  |
| (a) Contained lead metal in ore produced             | 7% of London Metal Exchange lead metal price chargeable on the contained lead metal in ore produced.           |
| (b) Contained lead metal in concentrate produced     | 12.7% of London Metal Exchange lead metal price chargeable on the contained lead metal in concentrate produced |
| Limestone  |  |
| a) L.D.Grade (less than 1.5 per cent silica content) | Rs.72  |
| b) Others  | Rs.63  |
| Lime Kankar  | Rs.63  |
| Limeshell  | Rs.63  |
| Magnesite  | 3%   |
| Manganese Ore  |  |
| a) Ore of all grade                                  | 4.2%   |
| b) Concentrates                                      | 1.4%   |
| Mica (crude, waste and scrap)                        | 4%   |
| Monazite   | Rs.125   |
| Nickel   | 0.12% of London Metal Exchange nickel metal price chargeable on the contained nickel metal in ore produced     |
| Ochre  | Rs.20  |
| Pyrites  | 2%   |
| Pyrophyllite   | 20%  |
| Quartz   | 15%  |
| Ruby   | 10%  |
| Silica sand, Moulding sand and Quartzite             | 8%   |
| Sand for Stowing                                     | Rs.3   |
| Selenite   | 10%  |
| Sillimanite  | 2.5%   |

|   |  |
|---|--|
| Silver  |  |
| a) By-product                                       | 7% of London price on by product silver metal actually produced  |
| b) Primary Silver                                   | 5% of London price chargeable on the contained silver metal in ore produced  |
| Slate   | Rs.45  |
| Talc, Steatite and Soapstone                        | 18%  |
| Tin   | 7.5% of London Metal Exchange tin metal price chargeable on the contained tin metal in ore produced  |
| Tungsten  | Rs.20 (per unit per cent of contained $WO_3$ per tonne of ore and on pro-rata basis)   |
| Uranium   | 2% of annual compensation amount received by M/s. Uranium Corporation of India Limited, to be apportioned among the States on the basis of data provided by DAE. |
| Vanadium  | 20%  |
| Vermiculite   | 3%   |
| Wollastonite  | 12%  |
| Zinc  |  |
| (a) contained zinc metal in ore produced            | 8% of London Metal Exchange zinc metal price on ad valorem basis chargeable on contained zinc metal in ore produced  |
| (b) contained as zinc metal in concentrate produced | 8.4% of London Metal Exchange zinc metal price on ad valorem basis chargeable on contained zinc metal in concentrate produced                                    |

|   |     |
|---|-----|
| All other major minerals including Agate, Clay(Others), Chalk, Corundum, Diaspore, Dunite, Felsite, Fuschite, Kyanite, Quartzite, Jasper, Perlite, Rock Salt, Shale, Pyroxenite, etc. | 10% |
|---|-----|

#### Royalty for Coal (including Lignite)

##### A. Coal produced in all the States and Union territories except the State of West Bengal.

###### (1) Royalty on Coal:

The rate of royalty on coal shall be @ 14% (Fourteen percent) ad-valorem on price of coal, as reflected in the invoice, excluding taxes, levies and other charges.

###### (2) Royalty on Lignite:

The rate of royalty on lignite shall be @ 6% (Six percent) ad-valorem on transfer price of lignite, as ratified by the Central Electricity Regulatory Commission (CERC) and for lignite sold to other consumers, the royalty shall be @ 6% (Six percent) ad valorem on the price of lignite as reflected in the invoice, excluding taxes, levies and other charges.

###### (3) Royalty on coal and lignite produced from captive mines:

For calculating royalty on coal and lignite produced from captive mines, the price of coal and lignite shall mean the basic pithead price of Run of Mine (ROM) coal and lignite, as notified by the Coal India Ltd. / Singareni Collieries Company Ltd. / Neyveli Lignite Corporation, for similar Gross Calorific Value (GCV) of coal or lignite for the mines, nearest to that captive mine;

Provided that for the coal and lignite produced from the coal and lignite blocks, allocated under the Government dispensation route for commercial use, the respective ad-valorem royalty shall be applicable on the price notified by the respective State Governments.

###### (4) Adjustment of royalty against levying of cess:

For the States other than West Bengal, for the levy of cess or other taxes specific to coal bearing lands, the royalty allowed shall be adjusted for the local cesses or such taxes, so as to limit the overall revenue yield.

##### B. Coal produced in the State of West Bengal.

| Group      | Quality of Coal  | Royalty on coal in Rupees per tonne       |
|------------|------------------|---|
| Group – I  | Steel Gr-I       | Seven rupees only per tonne               |
|            | Steel Gr.II      |   |
|            | Washery-I        |   |
|            | Direct Feed      |   |
| Group – II | Washery-II       | Six rupees and fifty paise only per tonne |
|            | Washery-III      |   |
|            | Semi Coking Gr-I |   |

|           |   |   |
|-----------|---|---|
|           | Semi Coking Gr-II   |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 6701 and above |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 6401-6700)     |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 6101-6400      |   |
| Group-III | Washery-IV  | Five rupees and fifty paise only per tonne  |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 5801-6100      |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 5501-5800      |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 5201-5500      |   |
| Group-IV  | Non-Coking Coal having GCV(Kcal/kg) range of 4901-5200      | Four rupees and thirty paise only per tonne |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 4601-4900      |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 4301-4600      |   |
| Group-V   | Non-Coking Coal having GCV(Kcal/kg) range of 4001-4300      | Two rupees and fifty paise only per tonne   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 3701-4000      |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 3401-3700      |   |
|           | Non-Coking Coal having GCV(Kcal/kg) range of 3101-3400      |   |
|           | Non-Coking Coal having GCV =<3100                           |   |

Some of the mineral rich States like Chhattisgarh, Jharkhand, Karnataka, Odisha, Rajasthan have requested to enhance the rates of royalty for major minerals. The Government has set up a Study Group on revision of rates of royalty and dead rent for major minerals (other than coal, lignite and sand for stowing) on 13.9.2011. The Study Group has to undertake detailed consultations with all stakeholders. The Study Group is likely to submit its final report shortly.

This information was given by the Minister of Mines, Shri Dinsha Patel in a written reply to a question in Rajya Sabha today.

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