

THE OILFIELDS (REGULATION AND DEVELOPMENT)
AMENDMENT ACT, 1969

No. 39 OF 1969

[20th December, 1969]

An Act further to amend the Oilfields (Regulation and Development) Act, 1948.

BE it enacted by Parliament in the Twentieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Oilfields (Regulation and Development) Amendment Act, 1969.

Short title and commencement.

(2) It shall be deemed to have come into force on the 1st day of January, 1968.

2. In sub-section (2) of section 6 of the Oilfields (Regulation and Development) Act, 1948 (hereinafter referred to as the principal Act), for clause (i), the following clause shall be substituted, namely:—

53 of 1948.

Amendment of section 6.

“(i) the collection of royalties, and the levy and collection of fees or taxes, in respect of mineral oils mined, quarried, excavated or collected;”

3. After section 6 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 6A.

“6A. (1) The holder of a mining lease granted before the commencement of the Oilfields (Regulation and Development) Amendment Act, 1969, shall, notwithstanding anything contained in the instrument of lease or in any law in force at such commencement, pay royalty in respect of any mineral oil mined, quarried, excavated or collected by him from the leased area after such commencement, at the rate for the time being specified in the Schedule in respect of that mineral oil.

Royalties in respect of mineral oils.

39 of 1969.

(2) The holder of a mining lease granted on or after the commencement of the Oilfields (Regulation and Development) Amendment Act, 1969, shall pay royalty in respect of any mineral oil mined, quarried, excavated or collected by him from the leased area at the rate for the time being specified in the Schedule in respect of that mineral oil.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), no royalty shall be payable in respect of any crude oil, casing-head condensate or natural gas which is unavoidably lost or is returned to the reservoir or is used for drilling or other operations relating to the production of petroleum, or natural gas, or both.

REPEALED

(4) The Central Government may, by notification in the Official Gazette, amend the Schedule so as to enhance or reduce the rate at which royalty shall be payable in respect of any mineral oil with effect from such date as may be specified in the notification:

Provided that the Central Government shall not—

(a) fix the rate of royalty in respect of any mineral oil so as to exceed twenty per cent. of the sale price of the mineral oil at the oilfields or the oil well-head, as the case may be, or

(b) enhance the rate of royalty in respect of any mineral oil more than once during any period of four years.”

Insertion
of new
Schedule.

4. After section 14 of the principal Act, the following Schedule shall be inserted, namely:—

“THE SCHEDULE

(See section 6A)

RATES OF ROYALTY

- | | |
|----------------------------|---|
| 1. Crude oil: | Rupees ten per metric tonne. |
| 2. Casing-head condensate: | Rupees ten per metric tonne. |
| 3. Natural gas: | Ten per cent. of the value of the natural gas obtained at well-head.” |