

Q ① Define the term Minimum or dead rent?

Ans ② It is the amount that has to be paid by the Lessee to the Lessor whether or not he has derived benefit from the asset. Hence, it is also called Dead Rent or Minimum Rent.

Minimum Rent can be a fixed sum for every year or may change every year as per the terms of the agreement.

③ Draw the analytical table of Royalty with all columns?

Ans ④

year	output	(Lessee) fixed		(Loss)		(Owner) Payment
		Royalty	Minimum Rent	Short Working	SW Recup	
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(Profit & Loss)

Un-Recup Short working