

(c) and (d) No coal block has been allocated for trading in coal during the last five years.

#### Royalty on coals

3225. SHRI MANGALA KISAN: Will the Minister of COAL be pleased to state:

- (a) what are the principles for fixation of royalty on coal;
- (b) what are the rates of royalty for different kinds of coals; and
- (c) whether Government would like to revise the royalty rates this year?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL):  
 (a) Section 9(3) of the MMDR Act, 1957 empowers the Central Government to enhance or reduce the royalty rates in respect of any minerals. For fixing the rate of royalty on coal/lignite a very transparent and objective principal is adopted, wherein, normally a Study Group headed by the Additional Secretary, Ministry of Coal is established to interact and obtain views of all the Stake-holders viz. the producing States, the consuming States and the consumer sector like power, iron and steel, cement etc. The said Study Group makes its recommendations to the Department on the basis of the views of all the Stake-holders and after due consideration in the Department, a proposal is sent to Cabinet Committee on Economic Affairs (CCEA) for Government decision on the rates of royalty on coal and lignite.

The rates of royalty on coal and lignite was last revised *w.e.f.* 1.8.2007 based on the formula containing a combination of specific and ad valorem rates of royalty.

(b) The royalty rates are charged on the basis of grades of coal. The royalty rates revised *w.e.f.* 01.8.2007 are as under:—

(In Rupees per tonne)		
Group	Grade of Coal	Royalty rates revised on 01.08.2007
1	2	3
Group-I	Steel Group-I, Steel Group-II Washery-I, Direct Feed	Rs. 180.00 plus 5% of the price of coal.
Group-II	Washery-II, Washery-III, Semi Coking Group-I, Semi Coking Group-II, Grade A, Grade B	Rs. 130.00 plus 5% of the price of coal
Group-III	Washery-IV, Grade C	Rs. 90.00 plus 5% of the price of coal
Group-IV	Grade D, Grade E	Rs. 70.00 plus 5% of the price of coal
Group-V	Grade F, Grade G	Rs. 55.00 plus 5% of the price of coal

1	2	3
Group-VI	Coal produced in Andhra Pradesh	The formula based on a combination of fixed and <i>ad-valorem</i> components would also be applicable to Andhra Pradesh as per the grades of coal.

The revised royalty rate of lignite is Rs. 45+2% of lignite price per tonne.

(c) The Government has constituted a new Study Group under the Chairmanship of Additional Secretary (Coal) on 04.02.2010 for considering the issue of next revision of royalty rates of coal and lignite.

#### Allocation of coal block to GIPCL

3226. SHRI KANJIBHAI PATEL : Will the Minister of COAL be pleased to state:

(a) whether Gujarat Government has recommended the proposal of Gujarat Industries Power Company Limited (GIPCL) for allocation of South of Rajpardi Block in Gujarat for its Underground Coal Gasification Project with ONGC, under State PSU's dispensation;

(b) if so, by when the proposal would be considered by the Central Government;

(c) if not, the reasons therefor;

(d) whether it is a fact that GIPCL has already completed major critical parameters involved in the project for early implementation; and

(e) if so, the reasons for the delay in according approval thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL):

(a) Government has received a request of M/s Gujarat Industries Power Company Limited (GIPCL) for allocation of South of Rajpardi Block in Gujarat for Underground Coal Gasification project with ONGC.

(b) and (c) Allocation of coal blocks for specified end uses is an on-going process and as and when the coal blocks are identified and earmarked for allocation, the same are considered for allocation. At present no coal/lignite blocks are on offer for allocation for Underground Coal Gasification.

(d) As per the representation received from the Government of Gujarat, GIPCL has made certain developments at their own.

(e) Does not arise in view of reply given at (b) and (c) above.

#### Illegal mining in Asansol-Raniganj-Jharia coal belt

3227. SHRI SHYAMAL CHAKRABORTY: Will the Minister of COAL be pleased to state:

(a) whether Government's attention has been drawn to the on going large-scale illegal mining in Asansol-Raniganj-Jharia coal belt areas;