

[25 July, 2006]

RAJYA SABHA

**\*WRITTEN ANSWER TO STARRED AND UNSTARRED QUESTIONS  
SET FOR THE 24TH JULY, 2006  
Royalty on Minerals**

†\*1. SHRI SHREEGOPAL VYAS: Will the Minister of MINES be pleased to state:

(a) whether Government of Chhattisgarh have requested that royalty on minerals be fixed on the basis of percentage of its market value;

(b) whether Planning Commission have also opined on the same lines;

(c) if so, the reasons for non-implementation of the same; and

(d) the reasons for non-representation of the producer-States in the Committee constituted for this purpose?

THE MINISTER OF MINES (SHRI SIS RAM OLA): (a) Yes, Sir.

(b) The High Level Committee constituted in the Planning Commission has recommended that method of fixation of rates of royalty should move forward on the basis of ad-valorem rates.

(c) As per provisions of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), royalty rates can be revised. Enhancement can only be done once in three years. Royalty rates for 39 minerals are already under ad-valorem basis. The royalty rates were last revised on 14.10.2004 and therefore any upward revision as per the provisions of the MMDR Act cannot be done before 14.10.2007.

(d) Representatives of the major mineral producing States of Chhattisgarh, Orissa, Jharkhand, Karnataka and Rajasthan were the members of the High Level Committee constituted in the Planning Commission.

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† Original notice of the question was received in Hindi.

\*The Sitting of the Rajya Sabha on Monday, the 24th July was adjourned as a mark of respect to the memory of Shri Vasant Chavan, a sitting member. Answer to Questions put down in the list for that day were laid on the Table of the House on Tuesday, the 25th July, 2006