

Revision of coal and non-coal mineral royalty

2886. SHRI MANGALA KISAN: Will the Minister of MINES be pleased to state:

(a) whether the rates of royalty in case of coal and non-coal minerals have been revised at regular intervals during the last three years and if not, the reasons therefor;

(b) the reasons for not compensating the loss of Rs. 126.31 crores sustained by Orissa due to late revision of royalty; and

(c) by when the compensation would be paid?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI DINSHA J. PATEL): (a) In terms of Section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), royalty rates for minerals can be revised upward only once in three years. Accordingly, the royalty rates for coal minerals were last revised on 1.8.2007, and in case of non-coal major minerals (excluding coal, lignite and sand for stowing) the royalty rates were revised on 13.8.2009. In case of coal minerals, the Ministry of Coal has constituted a Study Group for further revision of rates of royalty for coal minerals.

(b) Revision of rates of royalty for minerals have been undertaken after due process of consultation with stakeholders and the revised rates of royalty are applicable only from the date of notification by which the States are benefitting from the revised royalty collections. There is no provision in the MMDR Act for compensation to State Governments in matters pertaining royalty.

(c) Does not arise in view of (b) above.

Royalty on mining

2887. SHRI P. RAJEEVE: Will the Minister of MINES be pleased to state:

(a) whether Government has decided on the policy to share 26 per cent of profits in coal mining and 100 per cent of royalty in other minerals; and

(b) if so, what are the royalty rates per tonne for different minerals?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI DINSHA J. PATEL): (a) The National Mineral Policy, 2008 enunciates that special care will be taken to protect the interest of host and indigenous population through developing models of stakeholder interest based on international best practice. Based on the policy, suitable legislation is under consideration of Government.

(b) Does not arise in view of (a) above. However, royalty rates for coal minerals were last notified on 1.8.2007 and for non-coal major minerals the royalty rates have been notified on 13.8.2009 by amending Second Schedule to the Mines and Minerals (Development and Regulation) Act, 1957.