

Mineral rent resource tax

4898. SHRI PYARIMOHAN MOHAPATRA: Will the Minister of MINES be pleased to state:

- (a) whether Government has received a proposal from Odisha suggesting levy of Mineral Rent Resource Tax on super normal profits earned by the lessees;
- (b) if so, the details thereof; and
- (c) the stage of consideration of the proposal?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI DINSHA J. PATEL): (a) to (c) Yes Sir, Chief Minister of Government of Odisha has sought imposition of Mineral Resource Tax on supernormal profits made by iron ore mining companies. The request was examined and Government of Odisha has been advised that it is necessary to closely study the profits earned by various types of miners in iron ore mining, including the small and medium scale miners and captive miners in the light of the various incidences of taxes and levies on the mining sector particularly when royalty is levied on ad-valorem basis at pit-mouth value of mineral and not on the FOB value. Further, it was also suggested that in the new Mines and Minerals (Development and Regulation) Bill, 2011 the District Mineral Foundation is proposed wherein every miner would be required to pay an equivalent amount of royalty and also there are provisions for State Mineral Funds which can serve as a substitute to the suggested Mineral Resource Tax. It is further stated that the State Government of Odisha is a part of the Study Group for review of royalty rates and dead rent constituted in the Ministry, and therefore has sufficient opportunity to effectively contribute in developing a mechanism to work-out a rational rate of royalty on iron ore, which would adequately ensure fair compensation to the State Government.

Rehabilitation Plan for Mines

4899. SHRI T.M. SELVAGANAPATHI: Will the Minister of MINES be pleased to state:

- (a) whether it is a fact that Government is considering to implement reclamation and rehabilitation plans for miners;
- (b) if so, the details thereof;
- (c) whether it is also a fact that Government is considering to implement the above under the supervision of the Central Empowered Committee; and
- (d) if so, the details thereof?