

(d) the details of losses occurred to the State Governments for not carrying out the amendments in the rate of royalty;

(e) whether Government propose to compensate State Governments for this loss; and

(f) if so, the details thereof, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO) : (a) and (b) A Committee has been constituted on 2.6.2005 to consider revision of rates on royalty on coal and lignite. The Committee has been holding consultations with the stakeholders concerned. Keeping in view the complexities involved, the issue of payment of royalty on coal on *ad-valorem* basis vs. tonnage basis has been examined by the Economic Advisory Council (EAC) to the Prime Minister. The recommendations of the Council have been received and the Committee shall take them into consideration before finalizing its report.

(c) The tenure of the Committee is upto 31.12.2005. The Government would be able to take a view in the matter when the report is received.

(d) The Mines and Minerals (Development & Regulation) Act, 1957 provides that the Central Government can enhance the royalty in respect of any mineral not more than once during any period of three years. It is not obligatory on the part of the Central Government to increase the rate of royalty on coal after every three years. The royalty on coal is increased only after taking into consideration the overall economy of the country. Therefore, there is no question of incurring any loss by the State Governments due to non-revision of rate of royalty on coal.

(e) and (f) Do not arise in view of answer given in part (d) of the question.

E-auction for coal

900. SHRIMATI N.P. DURGA : Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government propose to introduce e-auctions for coal consumers in the core sectors, other than power;

(b) whether it is also a fact that Tariff Commission under the Ministry of Finance, is working out modalities such as pricing mechanisms, etc.;

(c) whether any target has been set by the Ministry of Coal for 2005-06 for e-auctioning; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO) : (a) The concept of e-auction has been implemented on a trial basis after taking into account the concerns of small coal consumers who were not getting adequate coal or did not have coal linkage, from official channel of coal supply. These consumers can now participate in the bidding process, through e-auction to draw coal from the preferred sources. A final decision on continuation or otherwise will be taken after independent evaluation of e-auction on trial basis.

(b) Yes, Sir. The Tariff Commission under the Ministry of Commerce and Industry is yet to work out modalities in respect of pricing mechanism etc.

(c) and (d) Ten million tonnes of coal has been earmarked for sale under e-auction trials during the year 2005-06.

Dis-satisfaction among persons displaced by land acquisition

901. SHRI PYARIMOHAN MOHAPATRA: Will the PRIME MINISTER be pleased to state:

(a) whether Government are aware of the wide spread dis-satisfaction among the population displaced by acquisition of land for coal mines at the announcement by authorities in Government and Coal India Ltd. to the effect that jobs would not be provided against displacement as was done earlier and the attempts by subsidiaries of Coal India to acquire agricultural lands of villages in coal bearing areas by leaving out the homesteads of populous villages within acquisition to avoid giving rehabilitation benefits like employment; and

(b) if so, the measures being considered by Government to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO) : (a) No decision has been taken by the Governments so far to change the existing Resettlement and Rehabilitation Policy of Coal India Limited, where there is, among other things, provision for employment in exceptional cases against land acquired, to fill up vacancies subject to the land losers meeting the eligibility criteria.

(b) Does not arise.