

GOVERNMENT OF INDIA

MINISTRY OF MINES

RAJYA SABHA

QUESTION NO 30.11.2009

ANSWERED ON

NATIONAL FUND FOR DEVELOPMENT OF MINING SECTOR .

1139

SHRI GIREESH KUMAR SANGHI

Will the Minister of COAL/MINES be pleased to state :-

- (a) whether his Ministry has proposed creation of a national fund by levying a cess of 10 per cent on royalties on all mine leases and the proceeds would be utilized to detect and prevent illegal mining besides developing awareness on mining in mining zones;
- (b) whether Government would be able to mobilize nearly 2000 crores as a result thereof and the money would be pooled into the National Minerals Fund that would be utilized to assist the Indian Bureau of Mines in enforcement of the provisions of the MMDR Act; and
- (c) if so, by when a final decision is likely to be taken?

ANSWER

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION

(SHRI B.K. HANDIQUE)

(a) to (c) : The Central Government has initiated a process to introduce legislative changes in terms of the National Mineral Policy, 2008, which enunciates setting up of fund for mineral development through levy of separate cess. The amount of revenue likely to be generated cannot be estimated at present since it is dependent on the finalisation of rate of cess by Government.