

GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
QUESTION NO 21.12.2009
ANSWERED ON
ROYALTY ON MINERALS .

3485

SHRI N.K. SINGH

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

- (a) whether the Federation of Indian Minerals Industries (FIMI) has opposed the proposed market linked royalty on minerals including iron ore;
- (b) if so, whether the Federation has also urged Government to hike the levy in the existing production linked system;
- (c) if so, the criteria laid down on providing royalty to the States on minerals;
- (d) whether Government proposes to revise the criteria; and
- (e) if so, the details thereof?

ANSWER

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

(SHRI B.K. HANDIQUE)

(a) to (e): The Central Government constituted a Study Group for revision of rates of royalty and dead rent, which included State Governments, concerned Ministries/Departments of Central Government and Federation of Indian Minerals Industries (FIMI). The views of FIMI were considered by the Study Group and rates of royalty and dead rent recommended to Central Government taking into account the dynamics of market and provides buoyancy in revenues without interference of Government. The Report of the Study Group is available on the website of Ministry of Mines (<http://www.mines.gov.in>). Based on the recommendations of Study Group, Government has revised rates of royalty and dead rent vide Official Gazette Notification No. G. S. R. 574(E) dated 13.8.2009 and G. S. R. 575(E) dated 13.8.2009 respectively.