

**GOVERNMENT OF INDIA
MINISTRY OF COAL
RAJYA SABHA**

**UNSTARRED QUESTION NO. 1478
TO BE ANSWERED ON 05.08.2024**

Coal royalty rate in Odisha

1478. Shri Debashish Samantaray:

Will the Minister of Coal be pleased to state:

- (a) the current rate of royalty on coal in Odisha, and manner in which they compare with neighboring States or other coal-rich regions in the country, and the details thereof;
- (b) the quantum of revenue the State of Odisha currently derives from coal royalties, and manner in which the lack of increase in royalty rates affected this revenue stream over the past decade; and
- (c) whether there is any provision to increase the rate of royalty, if so, the details thereof?

ANSWER

**MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)**

- (a) The rates of royalty as per notification dated 10.05.2012 have been fixed @ 14% ad-valorem on the price of coal for all the States in India except the State of West Bengal, where royalty ranges from Rs.7.00 to Rs.2.50 per tonne depending on grade of coal.
- (b) The State of Odisha has received royalty of Rs. 3881.796 cr (provisional) in the year 2023-24 being paid @ 14% ad-valorem on the price of coal, which is commensurate with the production of coal over the past decade.
- (c) The section 9(3) of the Mines and Minerals (Development and Regulation) Act provides that Central Government may, by notification in the Official Gazette, amend the Second Schedule so as to enhance or reduce the rate at which royalty shall be payable in respect of any mineral with effect from such date as may be specified in the notification. It has been further provided that the Central Government shall not enhance the rate of royalty in respect of any mineral more than once during any period of three years.