

GOVERNMENT OF INDIA
MINISTRY OF COAL

LOK SABHA
STARRED QUESTION NO.239
TO BE ANSWERED ON 03.01.2018

Coal Royalty

***239. SHRI PRATAPRAO JADHAV:**

Will the Minister of COAL be pleased to state:

- (a) the amount of royalty being received by the Vidarbha region of Maharashtra due to ongoing coal projects in this region;
- (b) whether the Government proposes to earmark this royalty for cent per cent development of the said region;
- (c) whether the Government proposes to increase the percentage of this royalty; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF RAILWAYS AND COAL

(SHRI PIYUSH GOYAL)

(a) to (d): A statement is laid on the Table of the House.

**Statement referred to in reply to Lok Sabha Starred Question no. 239 for
03.01.2018**

- (a) As informed by the Government of Maharashtra, there are 11 districts in Vidarbha region, out of which only 3 districts have coal bearing areas. Further, during the financial year 2016-17, Rs 770.95 crores of royalty from coal was received by the State Government from the Vidarbha region of Maharashtra.
- (b)to (d) Rate of royalty on coal is currently @14% ad-valorem, which is collected by the State Government. In addition, 30% of the royalty in respect of mining lease granted before 12th January, 2015 and 10% of the royalty in respect of mining lease granted on or after 12th January, 2015, is being collected by the State Governments as District Mineral Fund (DMF).

Royalty funds received by a state can be spent anywhere in the state, whereas DMF money received by a district can be spent only in that district. Till 30.11.2017, an amount of Rs. 318.64 crores was collected by the State Government towards DMF from Vidarbha region , which will be fully utilized for the development of these districts.

As regards revision of the rates of royalty on coal , a Study Group was constituted on 21.07.2014 for the purpose of examining the issue of revision of present royalty rates on coal and lignite. The Study Group had earlier submitted its recommendation on 27.04.2016, however, pursuant to the change in scenario due to implementation of GST and other factors, the matter was again referred to the Study Group for reconsideration of its recommendation. The final recommendation of the Study Group is awaited.
