

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:1250

ANSWERED ON:21.03.2012

REVISION OF ROYALTY ON COAL

Dashmuni Deepa ;Gowda Shri D.B. Chandre;Kodikunnil Shri Suresh

**Will the Minister of COAL be pleased to state:**

- (a) whether the mineral rich States have been demanding revision of royalty on coal and lignite for a long time;
- (b) if so, the details thereof and the action taken/being taken by the Government in this regard;
- (c) the amount of royalty paid to the various State Governments by the Coal India Limited (CIL) and its subsidiaries during each of the last three years and the current year and the total amount of royalty outstanding at present, subsidiary-wise and State-wise;
- (d) whether some State Governments have requested the Union Government for early payment of outstanding amount of royalty;
- (e) if so, the details thereof and the action taken/being taken in this regard;
- (f) the details of recommendations made by the study group set up by the Government on royalty related issue; and
- (g) the action taken by the Government to implement those recommendations?

**Answer**

MINISTER OF STATE FOR COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a)&(b): Yes, Sir. As the royalty rates on coal and lignite have not been revised since 2007, the coal/lignite producing States have been demanding for an enhancement in the royalty rates. Similar demands were raised by these States in the Parliament as well as in other fora. Therefore, Ministry of Coal constituted a Study Group on 04.02.2010 under the Chairmanship of the then Addl. Secretary (Coal), to examine the issue of revision of royalty rates on coal and lignite. The Committee held extensive deliberations on the issues involved and also held consultations with all the stakeholders, which included the State Governments (both coal/ lignite producing as well as consuming States), the concerned Ministries/Departments/ Organisations of the Central Govt., major coal consumers e.g. NTPC, SAIL, cement manufacturers, Industry Associations such as FICCI, FIMI and coal producing companies. A report of the Study Group has since been submitted.

(c)to(e): As there is no outstanding amount of royalty to be paid to any of the coal producing States by the Coal India Limited (CIL) and its subsidiaries, the question of action taken for early payment does not arise. However, the details of royalty paid by the CIL and its subsidiaries to the coal producing State Governments, during last three years and the current year is furnished as Annexure- A.

(f)&(g): As stated above, the Study Group on revision of royalty on coal and lignite has submitted its reports to the Government for its consideration. The new royalty rates would be announced by the Government after examining and accepting the recommendations of the said Study Group.