

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:3934  
ANSWERED ON:18.12.2012  
ENHANCEMENT OF ROYALTY ON COAL  
Pakkirappa Shri S.

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

- (a) whether the Union Government is considering to increase the royalty on Coal to the States for enhancing the security and productivity of coal mines ;
- (b) if so, the details thereof;
- (c) whether the Union Government has received requests from some States to increase the amount of royalty; and
- (d) if so, the details thereof and the response of the Union Government thereon?

**Answer**

MINISTER OF STATE FOR COAL (SHRI PRATIK PRAKASH BAPU PATIL)

(a) to (d) The major coal producing States had requested for increase of royalty @ 20% on ad-valorem basis. A study Group constituted by the Ministry of Coal for revision of royalty rates on coal and lignite had recommended for adoption of ad-valorem regime after consultation with the various stake holders including State Governments. The recommendations of the Study Group have been accepted by the Government and royalty rate on coal and lignite have been revised at the rate of 14% and 6% ad-valorem respectively with effect from 10.05.2012