

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:1316  
ANSWERED ON:13.08.2013  
MECHANISM FOR PROFIT SHARING  
Venugopal Shri P.

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

- (a) whether the Government has received any proposal for the removal of the provision of 26 per cent profit sharing by coal and lignite miners with project affected people and replacing it with a system based on royalty payments by the firms concerned;
- (b) if so, the details thereof;
- (c) whether the Government has accepted the said proposal; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a) to (d):The Government has introduced the Mines and Minerals (Development and Regulation) Bill, 2011 (MMDR) in the Lok Sabha on 12th December, 2011 which provides that in case of coal minerals, a mining lease holder shall pay a sum equivalent to 26% of profit to the District Mineral Foundation to be set up at District level. The Bill was referred to the Standing Committee on Coal and Steel by the Lok Sabha. The Standing Committee submitted its 36th Report on the MMDR Bill, 2011 on 7th May, 2013. The recommendations of the Standing Committee are under consideration with the Government.