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Title: Requested the Central Government to revise the royalty on coal produced by the State Government of Orissa.

SHRI TRILOCHAN KANUNGO (JAGATSINGHPUR): Orissa is facing very grave financial problem. Continuous withdrawal of Ways and Means Advance and overdraft is a sign of fiscal ill health. At this juncture the Central Government has delayed revising the royalty on coal upward for more than three years. The coal prices, particularly the sale prices of power grade coal have gone up by sixty per cent since 1994 the year in which upward revision of royalty on coal was done last. The royalty rate has not gone up one paisa even after that. The due time for upward revision of royalty on coal was 1997. It has been delayed inordinately.

Orissa did not receive a fair deal from the Eleventh Finance Commission. Upward royalty revision is being deliberately delayed and Orissa suffers acutely under financial crunch.

There has been deliberate and motivated discrimination in the revision of royalty rates between the highest grade coal and the power grade coal. In 1971 royalty rate on select grade coal was only 11.8 per cent higher than that of power grade coal. In 1994, it was raised to 290 per cent over the royalty rate on the power grade coal. This discrimination was deliberate and motivated.

MR. SPEAKER: Shri Kanungo, in the 'Zero Hour', you should not read. You are not aware of the rules. Yesterday, you tore the Rule Book also.

SHRI TRILOCHAN KANUNGO : I have read the rules and I am following them hundred per cent. I am only quoting certain figures from the paper.

Orissa demands an immediate revision of royalty on coal. Instead of the present basis, it should be revised upward on *ad valorem* basis. This is our demand. It should be 25 per cent of the pit-mouth value of the coal sold. The Eleventh Finance Commission had recommended to pay compensation to the coal and mineral producing States. In case the upward revision is not done timely, it should be done immediately. The Sarkaria Commission has also told that the royalty on coal and mineral should be positively revised every two years. It has not been adhered to. Sir, through you, I request the hon. Minister to give a reply as to when he is going to make the upward revision of royalty on coal.