

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) The total area of Defence land which was available on Command-wise basis is being recalculated State-wise. Final figures are awaited.

(b) The total Defence land sold or leased out during the last three years is 221.77 hectares.

(c) and (d) The State Government of Andhra Pradesh have forwarded some proposals to Ministry of Defence requesting for allotment of defence land. However, at present there is no surplus defence land available.

[Translation]

Rate of Royalty on Diamond

2321. SHRI DADA BABURAO PARANJPE: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the State Government of Madhya Pradesh has strongly opposed the reduction of the rate of royalty on diamond from 20 per cent to 10 per cent by the Union Government;

(b) if so, the objective of the Government in this regard;

(c) whether the Government have reduced the rate of royalty on itself without consulting the State Government; and

(d) is so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (d) The rate of royalty on diamond was reduced from 20 percent of the sale price at the pit's mouth value to 10 percent of sale price on ad valorem basis vide Government Gazette Notification GSR No. 214(E) dated 11.4.1997 for Revision of Royalty Rates, copy of which has been laid on the Table of the House on 8.5.1997. Such revision was based on the recommendations of the Study Group constituted by the Government of India in 1995 for revision of royalty on major minerals (other than Coal & Lignite).

2. The aforesaid Study Group comprised of, *inter-alia*, representatives of the State Governments of Gujarat, Karnataka and Rajasthan at the level of Secretary to the State Govt. as members. As per convention, the State Govts. are represented in such Study Group constituted for recommendations on royalty rates on different occasions by rotation. In the previous Study Group constituted on 30.3.1989 whose recommendations formed the basis of the revision of royalty rates in 1992, the

Govt. Of Madhya Pradesh was represented by its Secretary in the Mineral Resources Department as a member of the Study Group.

3. The Study Group constituted in 1995 had detailed consultation with the State Governments including the Government of Madhya Pradesh before finalising its recommendations. Based on the recommendations of the Study Group, Government decided to reduce the royalty rates on diamond keeping in view the facts that the royalty rates on diamond in many of the major diamond producing countries are 10% or less; diamond being the second largest mineral import in value terms, there is urgent need to locate new diamond resources in the country; potential resources of diamond in India are grossly under-explored on account of inadequacy of capital and suitable high technology input and lowering of the rate of royalty is expected to encourage larger capital investment and state-of-the-art technology.

4. The Government of Madhya Pradesh had favoured increase in the then existing royalty rates on minerals in varying degrees during the consultations of the Study Group and after the revision of royalty rates in April, 1997, taken up the issue of reduction of royalty rates on diamond with the Union Government but it was not found feasible to accede to their request.

[English]

Induction of Combat aircraft

2322. SHRI K.P. NAIDU: Will the Minister of DEFENCE be pleased to state the reasons for delay in induction of the second batch of the combat aircraft SU-30s in the Indian Air Force?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): There has been a delay, the reasons for which are being ascertained. In the meanwhile efforts are being made to expedite the delivery.

[Translation]

Lounge Facilities at Patna Airport

2323. SHRI PRABHASH CHANDRA TIWARI: will the Minister of CIVIL AVIATION be pleased to state:

(a) whether proper arrival and departure lounge facility is not available at Patna Airport in comparison to the other airports;

(b) if so, the details thereof alongwith the reasons therefor; and