

(Interruptions)\*\*

MR. SPEAKER : How can only show his concern. He cannot cast aspersions. I have taken note of it.

**Royalty payable to States on Coal, Iron ore and Steel**

\*414. SHRIMATI BIBHA GHOSH

GOSWAMI :

SHRI SAIFUDDIN CHOWDHURY :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have decided to increase the royalty on items such as coal, iron ore and steel;

(b) if so, the rate etc. of the royalty to be paid to States on account of coal, iron ore and steel; and

(c) if not, the reasons therefor ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) to (c). A statement is laid on the Table of the House.

**Statement**

(a) to (c). Under Section 9 of Mines and Minerals (Regulation and Development) Act, 1957, royalty is payable by a holder of a mining lease in respect of any mineral removed or consumed by him or by his agent, manager, employee, contractor or sub-lessee from the leased area at the rate, for the time being specified, in the Second Schedule of the aforesaid Act in respect of that mineral. Section 9 (3) of the said Act empowers the Central Government to enhance or reduce the rate of royalty in respect of any mineral once during a period of 4 years.

The rate of royalty on coal was last revised with effect from 13-2-1981. To consider the question of further revision of royalty rate on coal, a Study Group was constituted in November, 1984. The Study Group will be submitting its report shortly and after considering the recommendations of the Study Group, the royalty rate on coal will be suitable revised.

The rate of royalty in respect of iron ore was last revised with effect from 12-6-1978. A Study Group was constituted to consider

the revision of royalty rate on most of the major minerals, including iron ore in November, 1984 and the Study Group is likely to submit its report by August, 1985 after which the royalty rate on iron ore will be revised, if necessary, after taking into consideration the recommendations made by the Study Group.

Steel is a ferro-alloy and final product of iron ore. This, being a metal, is not specified in the Second Schedule of the MM (R and D) Act, 1957 which covers only minerals. No royalty is, therefore, payable on Steel and, therefore, the question of revision of rate of royalty on steel does not arise.

SHRIMATI BIBHA GHOSH

GOSWAMI : The question of royalty is a big bone of contention between the States and the Centre and in view of that it has come in the Press that royalty on crude oil has already been trebled—from Rs. 61 it has gone up to Rs. 185—I would like to know from the Minister whether in view of the feeling in some States of being deprived and being discriminated against, in view of these feelings prevalent in some States, whether the Government will come forward and consider, at a very early time, the question of increasing the royalty on these items commensurate with the prices.

MR. SPEAKER : Question Hour is over.

**WRITTEN ANSWERS TO QUESTIONS**

[English]

**Production Cost of different kinds of Steel**

\*405. SHRI SRIBALLAV PANIGRAHI : Will the Minister of STEEL, MINES AND COAL be pleased to lay a statement showing :

(a) the production cost of different kinds of steel, plant-wise just before the announcement of recent price hike;

(b) the reasons for difference, if any, between the production cost of steel plants in private and public sectors; and

(c) the steps Government are taking to minimise such difference and also to reduce

the production cost so as to make steel available to consumers at cheaper rates ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). The production costs differ from plant to plant due to differences in raw material costs and different product-mix, working conditions and capital related costs.

Steps beina taken to reduce the production costs of public sector steel plants include higher capacity utilisation, improvement in technological processes and better maintenance and economy in expenditure.

**Pilferages from warehouse of Collectorate of Customs, Bombay**

\*407. SHRI NATAVARSINGH SOLANKI : Will the Minister of FINANCE be pleased to state :

(a) whether some cases of pilferage have been reported from the warehouse of Collectorate of Customs, Bombay located at 400, Veer Savarkar Marg, Bombay;

(b) if so, the total value of goods pilfered so far;

(c) whether this warehouse is located in a residential locality and the warehouse has since been declared "Residential area" from "General Industrial area" by Government; and

(d) if so, the reasons for not shifting the goods from the warehouse to some industrial/commercial area ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

(c) The State Government had notified sometime back its sanction for the change in use from "General Industrial" to "Residential"; but the Municipal Corporation of Greater Bombay is reported to have not taken cognizance of the change so far.

(d) Collector of Customs, Bombay is making efforts to locate suitable alternative accommodation,

**Insurance Claims for Damages caused during Riots in Delhi**

\*408. SHRI PRIYA RANJAN DAS MUNSI : SHRI MANORANJAN BHAKTA :

Will the Minister of FINANCE be pleased to state :

(a) the particulars of parties which got more than one crore as insurance claim for the damages caused due to November, 1984 riots in Delhi; and

(b) whether the damages have been scrutinised properly ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to information furnished by the General Insurance Corporation, no party in Delhi has been paid by any of the 4 subsidiaries of G.I.C., more than Rs. 1 crore by way of insurance claims for the damages caused due to November, 1984 disturbances.

However, it has been reported that the fire claims of M/s. Mohan Machines Ltd. had been assessed by the duly licensed surveyors and loss assessors for an aggregate amount of Rs. 1.21 crores (against an insurance cover of Rs. 4 crores) out of which Rs. 79.50 lakhs has been paid 'on account' by the National Insurance Company Ltd. Further processing of these claims is under way for the balance amount involved.

(b) The claim was duly scrutinised by the company and 'on account' payments made after securing the requisite approval of the Board of Directors of the National Insurance Company.

**Steps to Check Clandestine Trade in Narcotics at Cochin and Trivandrum**

\*411. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Cochin and Trivandrum have been identified as two major transit ports for clandestine trade in narcotics;

(b) if so, the details thereof stating the quantity of the drugs with value seized at these and other transit ports in the country during the last one year till date and how