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EXTRAORDINARY

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STEEL & MINES DEPARTMENT

NOTIFICATION

The 27th September, 2013

Sub: Constitution of Study Group on revision of rates of Royalty and dead rent etc. for Minor Minerals.

No.9492-IV(DS)SM-25/2013(Pt.)/SM.—Whereas, Rules 24 and 28 of Odisha Minor Mineral Concession (OMMC) Rules 2004 provide that in case of mining lease for decorative stones and quarry lease for minor minerals, the Lessee shall be liable to pay dead rent, surface rent, royalty and fees etc. at the rates specified in Schedule-I and Schedule-II of the said Rules.

Whereas, proviso to aforesaid rules provides that the State Government may, by notification in the official Gazette, amend the said Schedules to enhance or reduce the rates of dead rent, surface rent, royalty etc. but no enhancement shall be made before expiry of three years from the date when the rates were last fixed.

Whereas, proviso to aforesaid rules further provides that in case the rates specified in the Schedules are not revised after expiry of three years from the date when the rates were last fixed due to any reason; an automatic increase of forty per cent thereon shall be effective from the fourth year.

Whereas, the Schedule I and Schedule II specifying the rates of dead rent, surface rent, royalty etc. for minor minerals have not been amended since the date of inception of the Odisha Minor Mineral Concession (OMMC) Rules with effect from 31st August, 2004. Accordingly, in order to review for revision of the rates of royalty, dead rent and surface rent for minor minerals and to make recommendations to the Government it has been decided to constitute a Study Group under the Chairmanship of the Special Secretary to Government, Steel & Mines Department. The composition of the said Study Group is as follows:

1. Special Secretary to Government, Steel & .. Chairman
Mines Department.
2. Director of Mines, Odisha ... Member

3. Additional Secretary to Government, Steel & ... Member
Mines Department.
4. Representatives of Revenue & Disaster ... Member
Management Department (Not below the rank of
Additional Secretary).
5. Representatives of Finance Department ... Member
(Not below the rank of Additional Secretary).
6. Representatives of Industries Department ... Member
(Not below the rank of Additional Secretary).
7. Representative of Odisha Granites' Association ... Member
8. Representative of Ganjam Gajapati Granite ... Member
Association.
9. Expert members to be co-opted for giving inputs ... Member
on the prices, demand, supply etc.

The Terms of Reference for the Study Group will be—

- (i) To review the existing royalty on minor minerals and recommend the revision of rates and the need to move the rates decisively for fixation on ad-valorem price of the minerals.
- (ii) Proposed steps for the smooth implementation of decision on the revision of rates of royalty.
- (iii) The mechanism for fixation of royalty prevailing in other States and comparison in Odisha.
- (iv) To suggest steps for suitable royalty administration.
- (v) Incentivisation of Royalty for such minor mineral where exploration need to be encouraged.

The Study Group will submit its report within three months.

By Order of the Governor

G. SRINIVAS

Commissioner-cum- Secretary to Government