
Orissa seeks change in royalty policy on minerals

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Express News Service reported that Mr Naveen Patnaik CM of Orissa demanded a change in the center's policy on royalties of mineral resources.

In a letter to Dr Manmohan Singh PM of India, Mr Naveen said that even though 24% of iron ore reserves are in Orissa, the State does not get the expected revenue from it due to center's policy. Demanding that royalty on iron ore should be fixed on ad valorem basis, he requested the PM to take into account the recommendations of the group of secretaries on the matter.

The group of secretaries on iron ore had recommended that royalty on the mineral should be fixed on ad valorem basis.

Mr Naveen added that the existing policy of the Centre only favored the mine owners and businessmen.

He said that while the local people near the mines are facing problems like displacement and pollution, the State Government is also not getting adequate revenue from the royalty due to center's faulty policy.

He added that "Fixing of iron ore royalty rate on ad valorem basis was kept on hold because of the growing inflation. Now that inflation is under control, recommendation of the group of secretaries should be implemented immediately."

Mr Naveen has also demanded that information published by Indian Bureau of Mines on iron ore sale should be changed suitably so that mineral rich states can benefit after the revision of royalty on ad valorem basis.

He further added that a policy should be formulated so that mineral bearing states can get their due share from export revenue of iron and chromite ores.

(Sourced from Express News Service)

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