



'One State One Royalty' Policy of Mining

Why In News?

On November 6, 2022, Principal Secretary of Uttarakhand Forest and Environment Department R.K. Sundhashu said that the 'One State, Forest Royalty' policy will be implemented in the state to bring uniformity in the royalty rates of mining, one of the major sources of income of the state. The Forest Development Corporation has prepared and submitted its proposal. A final decision is yet to be taken.

Key Points

- With the uniform implementation of the rates of royalty of mining, while the cases of illegal mining will be reduced, while the construction material being cheaper will provide relief to the people in building houses etc.
- In pursuance of the directions of the Supreme Court in the state, the sub-mineral (mining) in the reserved forest areas has been handed over to the Forest Development Corporation by the Forest Department and apart from this, mining is done under the supervision of the Mining Department in the rivers of the revenue area. At the same time, mining is also done on private leases after the permission of the government-administration.
- It is noteworthy that the rates of royalty in all three types of mining in the state are different. The rates of RBM in various rivers of reserved forest areas have been fixed at Rs 20 to 25 per quintal by the Forest Development Corporation. While in revenue and private mining leases, these rates are fixed at Rs 15 to 18.
- It is to be noted that 65 to 70 percent of the sub-minerals released in the state are collected from the rivers originating from the reserved forest areas and mining in the rivers located in the reserved forest areas is done according to the guidelines issued by the Ministry of Environment, Forest and Climate Change.
- According to the guideline, along with the rates of royalty, all the formalities like demarcation and security compensation, plantation, stamp duty, wildlife mitigation, labor welfare fund, Dharmakanta, computerized weighing, CCTV camera, operating expenses have to be completed, due to which the forest development corporation's royalty. The rates are higher than the revenue and private mining leases and now brainstorming is being done to reduce the cost of these expenses, so as to bring uniformity in mining royalties.
- Suggestions given by the Forest Development Corporation-
- The basic royalty of minerals originating from all sites across the state can be increased to Rs 7 per quintal.
- The contribution royalty in the District Mineral Trust can be increased to 15 percent.
- Contribution royalty in compensatory plantation can be increased to 10 per cent.
- The forest department's contribution to demarcation and protection can be Rs 0.25 per quintal.
- The Forest Development Corporation has agreed to reduce the operating expenses by Rs 0.25 per quintal.
- The forest department may consider reducing road fees by 25 percent.
- Principal Secretary RK Sundhashu said that the sale rates of sub-minerals are determined by adding items of revenue, items of forest department, items of Forest Development Corporation, GST and income tax. This is how the rates of the Forest Development Corporation go up with the fulfilment of the conditions of the Forest Act. All aspects of how to reduce these rates are being considered. A decision in this regard will be taken soon.
- Mining Secretary Pankaj Kumar Pandey said that in order to bring uniformity in the royalty of

mining, continuous meetings are being held with the Forest Department at the government level, in which the revision of the rates of Forest Development Corporation from the Forest Department is being discussed. With uniformity in royalty, the common people will benefit from it and revenue is also expected to increase.

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