

GOVERNMENT OF ODISHA  
DEPARTMENT OF STEEL AND MINES

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No. 9948 /SM, Bhubaneswar, dated the 01.12.2016  
IV(Misc)SM-105/2015

OFFICE MEMORANDUM

**Sub: Guidelines for computing the amount of royalty eligible for reimbursement in pursuance of the direction of Hon'ble High Court passed in WP(C) NO-11830/2013 filed by Rohit Das Construction Pvt. Ltd.**


Hon'ble High Court in their common order dated 18.03.2015 passed in a batch of cases including W.P (C) No.11830/2013 filed by Rohit Kumar Das Construction Pvt. Ltd. – Vrs. – State and Others, have declared the automatic enhancement of royalty on minor minerals with effect from 01.09.2010 and 01.09.2013 as unlawful and issued certain directives regarding reimbursement/adjustment/refund of the excess royalty. The SLP filed by State Government against the said decision has been dismissed by Hon'ble Apex Court. In order to comply with the orders of Hon'ble High Court, the State Government vide Steel & Mines Department Office Order No.2042 dated 09.12.2015 and No.2270 dated 17.12.2015 constituted a committee under the Chairmanship of Chief Engineer, Roads, Works Department, Odisha to prepare detailed guidelines on the verification procedure to be followed for computing the amount of royalty of minor minerals eligible for reimbursement which were collected at an enhanced rate under the provisions of OMMC Rules 2004. The recommendations of the Committee were further examined in the Finance Department.

After careful consideration of the recommendations, Government have been pleased to issue the following guidelines for refund/adjustment of excess royalty:

1. The Executive Engineers of the division will compute the amount of deductions made during the payment of running Bills, (in the event of Contractor's failure to produce this documentary evidence in support of the payment of royalty to the Government on the minor minerals used in the relevant work), towards the royalty in respect of the contractor's (agreement wise) and assess the amount of deductions made in excess of the rate fixed in Schedule- II plus 40% increase, if so made, w.e.f.01.09.2007, and issue a certificate to such contractor indicating as to whether such excess amount of royalty has been refunded to such contractors or not.

2. The contractors who obtain a certificate to the effect that excess amount of royalty has not been refunded shall produce the same before the respective Tahasildars along with the application for refund, who in turn shall consider such refund on the basis of the certificate.
3. The executive Engineers shall be required to furnish particulars of remittance of royalty recovered i.e. Cheque, Draft, Challan or by any other Means to the Tahasildar / Assessing Authority as specified in rule- 67 of the Odisha Minor Minerals Concession Rules, 2004 so as to enable the latter (Tahasildar / Assessing Authority ) to trace the receipt and keep a note of the refund against the original receipt.
4. The contractors, having running works for on-going projects, on whose behalf recovery of royalty is made and are entitled to refund of excess royalty as per the modality of calculation under para- 1 above, (in respect of a particular work) may opt for adjustment of the refundable amount. The contractors, in such cases have to give an undertaking to the effect that they opt for such adjustment in subsequent work bills of the said work only.
5. The adjustment carried out by the Executive Engineers against excess royalty paid may also be reported to the concerned Tahasildar or Assessing Authority as prescribed under rule-67 of the Odisha Minor Minerals Concession Rules, 2004 so as to enable the latter (Tahasildar / Assessing Authority) to trace the receipt and keep a note of the excess recovery and subsequent adjustment against the original receipt.
6. The claims on the refund of royalty which are received within six months from the date of issue of these guidelines only shall be entertained and any claim beyond that dead line shall be rejected.
7. Only the claim of the contractors who approach the employer for refund of royalty as per the above process shall be taken into consideration.
8. The refund is to be regulated under Rule 166-169 of Odisha General Financial Rules (Volume-I) read with Subsidiary Rules 345-349 of the Odisha Treasury Code Volume-I.

By order of the Governor


  
1.12.16  
Additional Secretary to Government

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Memo No. 9949 /SM, Bhubaneswar, dated the 01.12.2016

Copy forwarded to the P.S. to Hon'ble Minister, Steel & Mines, L & ESI/P.S. to Chief Secretary, Odisha/P.S. to Principal Secretary to Government, Steel & Mines Department/P.S. to Special Secretary to Government, Steel & Mines Department for kind information of Hon'ble Minister, Steel & Mines, L & ESI/Chief Secretary, Odisha/Principal Secretary to Government, Steel & Mines Department/ Special Secretary to Government, Steel & Mines Department.


SP  
3/12

  
1.12.16  
Additional Secretary to Government

Memo No. 9950 /SM, Bhubaneswar, dated the 01.12.2016

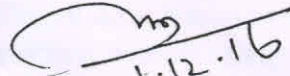
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KP  
3/12/16

  
1.12.16  
Additional Secretary to Government


Memo No. 9951 /SM, Bhubaneswar, dated the 01.12.2016

Copy forwarded to the Chief Engineer, roads, Works Department/Chief Engineer, RW- I, RD Department/ Chief Engineer, Lower Mahanadi Basin, WR Department for information and necessary action.

  
1.12.16  
Additional Secretary to Government

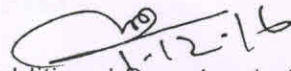
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Copy forwarded to the Director of Mines, Odisha/All DDMS/M.O.s for information and necessary action.

  
1.12.16  
Additional Secretary to Government

Memo No. 9953 /SM, Bhubaneswar, dated the 01.12.2016

Copy forwarded to All Collectors for information and necessary action.

  
1.12.16  
Additional Secretary to Government