

legislation. The Working Group submitted its Report alongwith draft Offshore Areas Mineral (Development & Regulation) Bill in December, 1995. The report of the Working Group has been processed and further follow-up action in the matter has been initiated.

(c) The Government of India have adopted a number of measures for the development of the mining sector. These include: Announcement of the National Mineral Policy, 1993, opening up the mineral sector fully for private initiatives, both domestic and foreign; encouragement for induction of state-of-the-art technology; amendments to the Mines and Minerals (Regulation and Development) Act, 1957., in 1994; devolving more powers to the State Governments for the grant of Prospecting Licences and Mining Leases; issue of guidelines for grant of prospecting licences over large areas for aerial survey; delegation of powers to the State Governments for renewal of Prospecting Licences and for first renewal of Mining leases; liberalisation of the policy for foreign investment with automatic approval of investment proposals with foreign equity upto 50% (except for gold, silver, diamond and precious stones) and also case by case approval through Foreign Investment Promotion Board for foreign equity above 50% and for gold, silver, diamond and precious stones projects irrespective of foreign equity; rationalisation of royalty rates of minerals making it comparable with international rates; and setting up of a Committee under the chairmanship of Secretary (Mines) in February, 1997 to review the existing laws and procedures for regulation and development of minerals, which has since submitted its report and follow-up action on which has been initiated.

#### **Irregularities in recruitments in NALCO**

1665. SHRI SHIBU SOREN: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that CBI was entrusted with the responsibility to enquire into the irregularities committed in the matter of recruitments in National Aluminium Company Limited (NALCO);

(b) if so, the details in this regard;

(c) whether it is also a fact that CBI had discontinued the said enquiry due to involvement of relative of senior officers of CBI in the matter of recruitments in NALCO;

(d) if so, the reasons therefor together with the details thereof; and

(e) the action taken by Government in his regard?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) to (e) Government have not entrusted any investigation into alleged irregularities in recruitment in National Aluminium Co. Ltd. (NALCO) to CBI. CBI Bhubaneswar has informed that a source complaint had been examined by them and closed at their and since it did not warrant a C.B.I. probe. Government have also investigated the allegations about irregularities in recruitment in NALCO and have closed the case in consultation with Central Vigilance Commission after issuing 'warning' to one Director level officer in the company. Further on instructions issued by the Government NALCO has reviewed its Recruitment and Promotion Rules and has made suitable amendments to eliminate the scope for ad-hoc appointments in various cadres.

#### **Financial Crisis in RSP**

1666. MISS FRIDA TOPNO: Will the Minister of STEEL AND MINES be pleased to state

(a) whether Government are aware of the fact that Rourkela Steel Plant (RSP) after modernisation at the cost of Rs. 5000 crores is facing acute financial crisis and huge loss;

(b) if so, whether some of the officials of RSP in charge of modernisation have been found involved in corruption to the tune of crores;

(c) what steps Government are proposing to take against such officials;

(d) whether any MD of RSP at the time of modernisation is found involved in any such a deal;

(e) if so, the steps taken against the MD; and

(f) the reasons for the failure of RSP after spending such a huge amount in modernisation?

THE MINISTER OF STEEL AND MINES (SHRI NAVEEN PATNAIK): (a) and (f) Modernisation schemes in Rourkela Steel Plant (RSP) are at an advanced stage of completion. The modernised units are under stabilisation and thereafter the performance of RSP is expected to improve. However, Rourkela Steel Plant (RSP) has suffered losses during the last three years.

The main reasons for decline in profits in RSP (SAIL) include slow down in demand for steel, greater competition from imports, and enhancement in supplies in domestic market etc.. Further, the profits were adversely affected due to increase in input prices and higher interest & depreciation burden which could not be fully neutralised by better techno-economic Parameters, cost reduction measures and increase in the prices of steel etc..

(b) to (e) The allegations regarding modernisation in RSP were examined by SAIL Corporate Vigilance but none of the allegations was proved.

#### **Pilferage of chromite ores in Orissa**

1667. SHRI RAHASBIHARI BARIK: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government are aware of the large scale pilferage of chromite ores from Sukinda Valley in Orissa;

(b) if so, the steps to ensure adequate measures to check the pilferage of chromite ores; and

(c) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) to (c) Information is being collected and will be laid on the Table of the House.

#### **Survey for minerals in Gujarat**

1666. SHRI BRAHMAKUMAR BHATT: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether a survey has been undertaken by the Geological Department to locate various minerals in Gujarat;

(b) if so, the details thereof; and

(c) if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) Yes, Sir.

(b) Geological Survey of India,

Mineral Exploration Corporation Ltd. and State Directorate of Geology and Mining, Gujarat are the main agencies engaged in mineral surveys/investigations in Gujarat. The surveys have been carried out for basemetal, bauxite, lignite, limestone, industrial clay, *mmb*, graphite rock phosphate, dimension stone, silica sand and wollastonite etc. The surveys have established reserves of minerals in the State which are furnished in the Statement (*See below*).

(c) Question does not arise.

#### **Statement**

##### *Survey for Minerals in Gujarat*

Mineral	Unit	Recoverable Reserves
Ball Clay	000t	50
Bauxite	„	117323
Bentonite	„	89572
Calcite	Tonne	6890