

(b) the new market abroad explored for export of steel?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) After decontrol and deregulation of the steel sector every steel making company is subjected to the free market forces and has to be viable and competitive in order to survive and progress.

Since substantial, public- money is invested in the public sector steel plants, efforts are made to provide them the necessary support and a level playing field within the free market framework.

(b) Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL), the two major Iron & Steel producing PSUs, are exploring new markets for export. The new markets include United States of America (USA), Mexico, Latin America, United Arab Emirates (USE), Mauritius, Australia, Nepal, South-East Asia, South & East Africa, etc.

Appointment of a Contract Mining Agent

2864. SHRI RAJNATH SINGH 'SURYA': Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the Orissa Government has appointed a contract mining agent for the chrome mines in Sukinda against the recommendation of the Central Government;

(b) if so, the reasons therefor; and

(c) whether the Central Government are helpless in the matter?

THE MINISTER OF STEEL AND MINES (SHRI NAVEEN PATNAIK): (a) to (c) A proposal dated 30.3.98 was received from the State Govt, of Orissa seeking the views of the Central Govt, on their proposal to undertake mining operations of Chrome Ore over an area of 190.80 hect. (the same area which was earlier recommended by the State Govt for grant of mining lease in favour of

M/s. IMFA/ICCL) in Sukinda Valley under Section 4(3) of the Mines and Minerals (Regulation and Development) Act, 1957) and to engage M/s. IMFA/ ICCL as agent of the State Govt, to undertake mining operation in the aforesaid area under Rule 75(2) of the Mineral Concession Rules, 1960. Since the proposal of the State Govt, was not found to be consistent with the provisions of the Mines and Minerals (Regulation and Development) Act, 1957 (MMR&D Act), particularly Section 4(3) of the Act *ibid*, which allows only the State Govt, to undertake mining and does not recognise mining operation by the State Govt, through an agent, the aforesaid proposal of the State Govt, was returned to them on 23rd April, 1998 conveying Central Government's views to the effect that the proposal is not consistent with the provisions of the MMR&D Act.

.Subsequently, the State Govt, of Orissa vide Notification dated 17.6.98, has notified under Rule 75(1) of Mineral Concession Rules, 1960 that the State Govt, proposed to undertake mining operations for chromite over an area of 119.08 hect. in village Kaliapani, Distt. Jajpur in Sukinda Valley. The State Govt, of Orissa vide its Order dated 17.6.98 has also granted working permission to M/s. ICCL to undertake mining of chromite over the above

mentioned area as an agent of the State Govt, under the provision of sub-rule (2) of Rule 75 of the Mineral Concession Rules, 1960 for a period of 2 years or approval of lease in their favour by the Central Govt, whichever is earlier.

M/s. FACOR has filed a writ petition before the Hon'ble High Court of Orissa, challenging the above mentioned Order of the State Govt, dated 17.6.1998 regarding grant of working permission to M/s. ICCL. The writ petition has been posted for hearing on 4th August, 1998 and thus the matter is subjudice.