

- (iii) Mining Companies allot at-least one share at par to each person of the family affected by mining so as to give a sense of ownership in the enterprise.
- (iv) Mining Companies provide employment or other compensation as stipulated under the R & R policy.
- (v) After mining is complete, mining companies need to pay for damages, if any, to affected persons as part of the mine closure and restoration process.

False declaration in transportation of iron ore

4120. SHRI UPENDRA KUSHWAHA:

DR. K. P. RAMALINGAM:

Will the Minister of MINES be pleased to state:

(a) whether CBI has registered two cases against unknown officials of Ministry of Railways and Central Excise of Haldia Commissionerate and two private companies for allegedly causing a loss of over Rs. 1,000 crore to Government exchequer by making false declarations in transportation of iron ore and its end use;

(b) if so, the details thereof;

(c) whether CBI has identified the officials involved in the fraud and arrested them and if so, the details thereof; and

(d) the measures taken to check recurrence of such frauds in the future?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI DINSHA J. PATEL): (a) and (b) Yes, Sir. CBI has registered 02 cases in respect of false declaration in transportation of iron ore and its end use *viz* Case No. RC0102012A0002-Kolkata, dated 10.01.2012 and case No. RC0102011A0035-Kolkata, dated 30.12.2011. The details are given in the Statement (*See* below).

(c) During investigation of both the above mentioned cases the role of the officials of Railways, Central Excise and other Public Servants are being looked into. Based on the recovery of cash and investments, a separate case for possession of Disproportionate assets *vide* Case No. RC0102012A0006 has been registered against an official of Railways. No one has been arrested in these cases till date.

(d) As per available information from Ministry Finance, the concerned field formations have been instructed to be constantly on the vigil. Meeting has been held with Railway Authorities wherein possibilities to have on-line sharing of desired information between the two departments has been discussed. Meanwhile, all the information as desired by Railway Authorities have been provided to them from time to time by the Haldia Commissionerate.

Statement

*Cases registered in respect of false declarations
in transportation of Iron Ore*

(i) Case No. RC0102012A0002-Kolkata

The above mentioned case has been registered on 10-01-2012 u/s. 120B, 420, 467, 468, 471 and 477A of IPC and 12(2) r/w 13(1)(d) of PC Act against Shri Ramesh Saran Rai, the then Dy. COM (Project & Planning), S. E. Railway, Gardenreach, Kolkata; unknown officials of Railway Department; unknown officials of Central Excise, Midnapore Division, Range-II, West Bengal; M/s. Rashmi Metaliks (Pvt.) Ltd., Gokulpur, PO: Shyamraipur, West Midnapore, West Bengal through its MD, Directors, Addl. Director & Co. Secretary and unknown others.

It is alleged that the above mentioned accused persons entered into a criminal conspiracy during the period, 2006 to 2011 to cheat Railway Department, Central Excise & Customs Department and other Govt. Departments/authorities by constructing a private Railway siding in Belkundi area (near Barbil, Distt. Keonjhar, Orissa) in illegal manner by diverting a line from the rail track of Thakurani Railway Siding of a Govt. of India company namely Orissa Mineral Development Co., Kolkata (OMDC) for taking preference/priority from Railway in the transportation of iron ore and fraudulently transporting huge quantity of iron ore under concessional freight rates meant only for domestic consumption and using the said transported iron ore for export purpose by submitting/using fake/forged monthly excise returns to the Railway Department and thereby causing a wrongful loss to S. E. Railway to the tune of about 660 crores with corresponding wrongful gain to themselves.

(ii) Case No. RC-0102011A0035-Kolkata

The above mentioned case has been registered on 30-12-2011 u/s. 120 B, 420, 467, 468, 471 & 477A of IPC and Section 13(2) r/w 13(1)(d) of the PC Act, 1988

against Shri Hiresh Meena, the then Director of Railway Movement, Railway Board, Eastern Railway House, Fairlee Place, Kolkata; Shri Satyaki Nath, Director of Railway Movement, Railway Board, Kolkata; Shri Sushanta Dasgupta, the then Office Superintendent, O/o - Director of Railway Movement, Kolkata; unknown officials of Central Excise, Midnapore Division, Range-III, West Bengal; M/s. Rashmi Cement Ltd., Jhargram, West Midnapore, West Bengal through its Managing Director/Directors and unknown others.

It is alleged that the above mentioned accused persons entered into a criminal conspiracy during the period, 2007 to 2011 to cheat Railway Department, Central Excise & Customs Department and other Govt. Departments/authorities by fraudulently transporting huge quantity of iron ore under Priority 'C Category and at the concessional freight rates meant only for "Domestic Consumption" and using the said transported iron ore for "Other than Domestic use" and for the purpose of export by submitting/using fake/forged monthly excise returns to the Railway causing thereby a wrongful loss of about Rs. 355 crores to S. E. Railway with corresponding wrongful gain to themselves.

Both the aforesaid cases are under investigation.

Illegal mining

4121. DR. K. P. RAMALINGAM: Will the Minister of MINES be pleased to state:

- (a) whether the Supreme Court's Central Empowered Committee has informed that massive illegal mining and transportation are increasing unabatedly in the country;
- (b) whether the Committee has also informed that only few illegal miners are imposed meagre fines; and
- (c) if so, the details thereof and the actions taken by Government to prevent increasing number of illegal mining?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI DINSHA J. PATEL): (a) to (c) The Central Empowered Committee (CEC) in its Report on mining in Karnataka submitted to the Hon'ble Supreme Court has observed instances of massive illegal mining and transportation irregularities in violation of Environment and Forest Laws and has recommended that the persons found to be involved in