

Utilisation of Fire-clay Resources

4601. SHRI C. P. THAKUR : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether coal mining operations are being carried on in Bihar by subsidiaries of the Coal India Ltd;

(b) whether together with coal, fire-clay is found and when coal is mined this fire-clay is removed as overburden and thrown away; and

(c) the action being taken to stop this wasteful mining of fire-clay and to properly utilise the fire-clay resources with which Bihar is endowed for encouraging re-fractory industries ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Yes, Sir.

(b) The information in respect of three subsidiary coal companies viz. BCCL, CCL and ECL who carry out mining operation in Bihar is given below :

CCL : Sporadic occurrence of fire-clay has been noticed in the overburden of a few opencast coal mines. These deposits occur in small and isolated pockets or as thin impersistent and lenticular bands confined to local patches. When coal is mined, the fire-clay which is in thin layers, is removed along with overburden. The opencast mines are highly mechanised where heavy blasting is resorted to and under such circumstances, it is very difficult to win thin layers of fire-clay separately without adversely affecting the coal mining operation.

BCCL : While removing overburden/digging a new mines, fire-clay is not always found at all the places and when found it is not always sufficient in quantity and quality for commercial use.

ECL : Together with coal, fire-clay is also found at certain places and whenever coal is mined by opencast method this fire-clay is removed as overburden. Since the thickness of the fire-clay is not much and the quality of fire-clay is inferior, no separate

arrangement is being made to mine this inferior quality of fire-clay.

(c) Fire-clay and coal generally occur together and have been described as associated minerals. Certain instructions have already been issued to State Governments for their consideration, while considering application for grant of prospecting licenses/mining leases for fire-clay. These are :

- (1) If a fire-clay area is on top of a coal bearing area which is already being worked by a coal company, no lease to a private person should be granted. If, however, extraction of fire-clay is necessary in order to feed some industry based on this mineral, the coal company doing the underground mining should be asked to extract the fire-clay and meet the requirements of the industry.
- (2) If a fire-clay area is on top of a coal bearing area but the coal is not being mined, then also, the mining lease should ordinarily be given to the coal company concerned. Whether a particular area is coal bearing area or not, can be ascertained by the State Government by making a reference to the Geological Survey of India, Calcutta, Mineral Exploration Corporation, Nagpur, Central Mine Planning and Design Institute, Ranchi, concerned coal company and the Geology Department of the State Government. It should be possible for these agencies to indicate whether a particular area has coal underneath or not.

However, the State and Mining Corporation could undertake the mining of fireclay with the concurrence of the coal company, subject to terms and conditions as may be agreed to by Coal India Ltd. and an agreement with the concerned coal company incorporating these terms and conditions.

The Bharat Coking Coal Ltd., Eastern Coalfields Ltd. and Central Coalfields Ltd. who carry out mining operations in Bihar have stated that :

- (i) No private party has approached

them for meeting their fireclay requirements; and

- (ii) No State Government agency or State Mining Corporation has asked for permission from these companies for fire-clay mining in coal bearing areas.

Utilisation of Services of Practising Cost Accountants by Financial Institutions

4602. SHRI VISHNU MODI :
SHRI SHANTI DHARIWAL :

Will the Minister of FINANCE be pleased to state :

(a) whether all the financial institutions like Industrial Development Bank of India, Industrial Credit and Investment Corporation of India, Industrial Finance Corporation of India and Industrial Reconstruction Corporation of India have agreed in principle to utilise the services of practising cost accountants for diagnosing the causes of sickness and suggest remedial measures, working out rehabilitation plans for their assisted sick industrial units, and for concurrent cost audit of loanee industries; and

(b) if so, when this measure will be put into practice to the required extent and whether nationalised banks will also consider to follow suit in their own way in respect of their assisted private ventures ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) On a representation received from the Institute of Cost and Works Accountant of India, the all India financial institutions like Industrial Development Bank of India, Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India, etc. have indicated their willingness to consider using the services of Cost Accountants for undertaking work relating to diagnostic studies and rehabilitation of sick units as and when considered necessary.

(b) Reserve Bank of India has no proposal, at this stage, to issue any instructions to the commercial banks in this regard.

However, commercial banks can, in their discretion and if they so consider it necessary, also utilise the services of Cost Accountants.

Diversion of Funds by Sethia Firm

4603. SHRI BHOLA NATH SEN : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news-item captioned "Assam Government fears diversion of funds by Sethia firms" appeared in 'The Times of India' of 26 March, 1985;

(b) if so, the details thereof;

(c) whether Government have received any report of diversion of funds by Sethia firms and/or of attempts to sell Rajendra Sethia's shares in Jokhai India, which are held as collateral security for one segment of the multimillion pound sterling loan taken by him from the London Branch of Punjab National Bank;

(d) if so, the details thereof;

(e) the steps taken/proposed to prevent diversion of funds by Sethia firms; and

(f) the suggestions of Government of Assam in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir, Government has seen the news-item.

(b) to (e). The Reserve Bank of India has reported that 100% shares of Jokai Holdings Limited, which holds 74% of the share in the Jokai India Limited, an Indian Company, are held as collateral security by the London Branch of Punjab National Bank in respect of some of its advances to the ESAL Commodity Ltd. (now under liquidation). Since the borrowing companies have been ordered to be wound up in November, 1984, the bank would like to take steps to recover its secured advances by disposing of the available securities. A few parties in India are interested in buying the Jokai India's shares under pledge to Punjab National Bank. However, the Punjab National