

[English]

*211. SHRI K.T. VANDAYAR : Will the Minister of MINES be pleased to state :

- (a) the number of projects in the mining industry that had been given to the private sector;
- (b) the number out of them given to the foreign mining companies;
- (c) the modalities adopted for giving the mining rights;
- (d) the overall benefits of such leasing of mining rights to private parties;
- (e) whether the Government have identified any new areas for mining of precious metals in the country; and
- (f) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI GIRIDHAR GAMANG) : (a) to (f) Mining rights are granted by the concerned State Governments in accordance with the provisions of the Mines and Minerals (Regulation and Development) Act, 1957 (MMRD ACT 1957) and the rules made thereunder. Mining activity in the country has historically been undertaken both by the public sector as well as private sector companies. At the end of year 1994-95, of the total 3083 (provisional) mines reporting production and given for non-atomic and non-fuel minerals other than minor minerals, only 316 were in the public sector. As per the MMRD Act 1957, mining rights can be given only to a company defined in sub-section (1) of section (3) of the Companies Act, 1956. The relevant section is as follows:-

"Section 5(1): A State Govt. shall not grant a prospecting licence or mining lease to any person unless such person-

(a) is an Indian national, or a company as defined in sub-section (1) of section 3 of the Companies Act, 1956; and

(b) satisfies such conditions as may be prescribed;

Provided that in respect of any mineral specified in the First Schedule no prospecting licence or mining lease shall be granted except with the previous approval of the Central Government. Hence, the question of granting such rights to a foreign company does not arise. The Central Govt. has not identified any special area for mining of precious metals in the country. Apart from the normal benefits like employment and revenue generation of any economic activity, mining activity also involves payment of royalty and related charges to the concerned State Government.

Heavy Fuel Oil based Power Projects

*212. SHRIMATI MAHENDRA KUMARI :
SHRI PRAMOTHES MUKERJEE :

Will the Minister of POWER be pleased to state :

(a) whether the Government have decided to allow setting up of power units based on heavy fuel oils;

(b) if so, the details thereof, including the number of proposals under consideration and the number of proposal already cleared;

(c) whether the Government have considered the likely impact of the projects on environment so far pollution aspect is concerned;

(d) if so, the details thereof;

(e) Whether State Governments have urged the Union Government to permit setting up of liquid fuel based power plants in the private sector; and

(f) if so, the reaction of the Union Government thereto ?

THE MINISTER OF POWER (SHRI N.K.P. SALVE):
(a) and (b). Government has permitted using heavy fuel oils such as, Heavy Petroleum Stock (HPS), Low Sulphur Heavy Stock (LSHS), Heavy Furnace Oil (HFO), Furnace Oil (FO), Naphtha and Natural Gas, wherever available, as primary fuel. No HSD (diesel) will be permitted as fuel. As on date expression of interests have been shown for setting up 72 power projects envisaging use of liquid fuel and out of them five have been cleared by the Central Electricity Authority from techno-economic angles.

(c) and (d). The pollution aspects of the liquid fuel based power plants has also been considered while formulating the policy and such projects could be set up only after they obtain necessary clearance from the concerned State Pollution Control Board and Ministry of Environment and Forests.

(e). Yes, Sir.

(f). As already replied in the parts (a) & (b) above.

P.F.C. Finance to Private Power Sector

*213. DR. RAMESH CHAND TOMAR :
SHRI AMAR PAL SINGH :

Will the Minister of POWER be pleased to State:-

(a) whether Power Finance Corporation has decided to finance power firms in private sector;

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

(c) the details of terms and conditions thereof; and

(d) the percentage of total funds of Power Finance Corporation earmarked for the purpose?

THE MINISTER OF POWER (SHRI N.K.P. SALVE):
(a) Yes, sir.

(b) and (c). The details of the terms and conditions for eligibility of private sector borrowers from PFC are given in the enclosed statement.

(d). There is no specific percentage earmarked by PFC for private sector power projects.