

establishment of an integrated steel plant on a Turn-key basis with complete financing by the Collaborators; and

(b) if so, which are the foreign collaborators and what are their terms and conditions and the places they have proposed for location?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b) Government have been exploring the possibilities of setting up a new steel plant with technical and financial assistance from some of the developed countries. As a result of the discussions held in this regard, concrete proposals have been received from M/s. Davy International of U.K. and M/s. Mannesmann Demag of West Germany. For the purpose of preparing the offers, Paradip has been assumed by both the parties as the tentative location. However, these proposals including the question of final location as well as other terms and conditions require technical and financial evaluation and will have to be negotiated further with the parties concerned before a final decision can be taken. In view of these considerations, it will be premature to give any further details thereof at this stage.

Availability of rich bauxite ores in Gandhamaidan hills, Orissa

2257. **DR. KRUPASINDHU BHOI:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Government of India are aware of the availability of rich bauxite ores in Gandhamaidan hill range in Sambalpur District of Orissa; and

(b) if so, what steps are being contemplated to ensure the utilisation of these ore reserves?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b) Yes, Sir.

Large bauxite deposits have been located in Gandhamaidan Plateau in Bolangir-Sambalpur districts of Orissa. M/s. Bharat Aluminium Company (a Government of India Undertaking) and M/s. Orissa Mining Corporation (a State Government Undertaking) have already applied for mining leases in the area for exploitation of these deposits.

Establishment of a concentrator in Sargipali, Orissa

2258. **DR. KRUPASINDHU BHOI:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Hindustan Zinc Limited has sought clearance of the Public Investment Board for establishment of a concentrator with a feed capacity of 750 tonnes per day in Sargipali in Sundergarh District of Orissa; and

(b) if so, when the decision of the Central Government is expected to be announced?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b) Examination by the Government of the Project Report submitted by Hindustan Zinc Ltd. in 1975 to develop a mine for production of 750 tonnes of ore per day with matching beneficiation facilities, indicated that the project was not commercially viable on the international price of lead then prevailing and was marginally viable on domestic prices. Subsequent feasibility study, however, revealed that the project at an operating level of 500 tonnes per day may be viable. Accordingly, based on the additional exploration data, a revised Project Report prepared by Hindustan Zinc Ltd. was submitted to Government in April, 1978. The revised Project Report envisaged production of 500 tonnes of ore per day with matching beneficiation facilities. The project has been approved by Government on the recommendations of the Public Invest-