

Exploitation of Gold in Kolar Gold Mines

2688. SHRI JANARDHANA

POOJARY:

SHRI S. B. SIDNAL:

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether in view of high price of gold in international market, Government have mooted any plan to exploit every bit of gold in Kolar Gold Mines and other gold mines in the country; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). In view of the change in economics of gold production on account of world price of gold, Government have taken up further exploration of gold in the Kolar Gold Field area in Karnataka besides other places. The Bharat Gold Mines Limited (A Government of India Undertaking) is studying the economic feasibility of re-opening the Yeppamana Mines in Ramgiri Gold Field in Andhra Pradesh abandoned in 1927. Hutti Gold Mines Limited (A Government of Karnataka Undertaking) has started reclamation work in the Mangalur Mine in Gulbarg District abandoned since 1910 and is yet to determine the resources available there.

Representation about Anomaly in Investment Patterns of Provident Fund by Trusts

2689. SHRI N. E. HORO: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received representations from Private Sector Industries and different Chambers of Commerce regarding the anomaly in the investment patterns of Provident Fund moneys of exempted Provident Fund Trusts up to the period 31-12-78 as laid down by the Labour

Ministry under the Employees Provident Fund & Miscellaneous Provisions Act, 1952 and its Regulations, and that of the Finance Ministry under the Income-Tax Regulations;

(b) if so, the nature and gist of its contents;

(c) whether efforts have been made to sort out this issue, so as to avoid derecognition of such Trusts by the Commissioners of Income-Tax and consequent serious hardships to the Trusts, without any fault of their Members; and

(d) if so, the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH SISODIA): (a) Some representations have been received by the Government pointing out the anomaly that existed prior to 1st January, 1979 in the investment patterns of provident fund moneys of exempted establishments under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and that laid down under the Income-tax Rules, 1962.

(b) It has been pointed out that the provident fund of exempted establishments have to comply with the provisions of the notification issued under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 as also that laid down under rule 67(2) of the Income-tax Rules, 1962 which were not uniform. This has resulted in the withdrawal of recognition of the provident fund by the Commissioners of Income-tax.

(c) and (d). A uniform pattern of investment had been made operative with effect from 1st January, 1979 under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and under the Income-tax Rules, 1962. The question of avoiding hardship to the provident fund in this behalf is under consideration of the Government.