

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:296  
ANSWERED ON:23.11.2012  
VIOLATION OF NORMS/GUIDELINES BY NALCO  
Gowda Shri D.B. Chandre;Jeyadural Shri S. R.

**Will the Minister of MINES be pleased to state:**

- (a) whether National Aluminium Company Limited (NALCO) has put in place norms/guidelines for peripheral development fund and Corporate Social Responsibility Fund;
- (b) if so, the details thereof;
- (c) whether NALCO has extended financial assistance to a private university from the said funds in gross violation of laid down norms/guidelines;
- (d) if so, the details thereof; and
- (e) the action taken by the Government against officials found guilty in this regard?

**Answer**

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a) & (b): Yes, Madam. For periphery development activities, National Aluminium Company Limited (NALCO) Board has approved allocation of 1% of the net profit of the Company of the preceding year for such activities in the succeeding year. Out of the allocable amount, 40% each is allocated to mines & refinery (M&R) Complex, Damanjodi, smelter & power (S&P) Complex, Angul and balance 20% is retained for Corporate level activities.

The decision on the expenditure of various peripheral development activities at Damanjodi and Angul is taken by the Rehabilitation and Periphery Development Advisory Committee (RPDAC) constituted by the Govt. of Odisha for respective units.

The corporate level activities covers areas like repair and construction of rural roads, culverts, tube wells, community halls, school building, bathing ghats, tanks and water harvesting facilities. The non constructional activities include social forestry, encouragements to agriculture, animal husbandry, poultry, pisciculture, health care, sanitation, assistance to educational institutions, rural sports and cultural events. For corporate level peripheral development activities funds are sanctioned based on the request received and through internal assessment after due examination at various levels and approval of Competent Authority.

(c) to (e) :Financial assistance from Peripheral Development Fund has been provided by NALCO to many educational institutions, trusts, etc. over the years. Financial assistance has not been provided to any Private University.

However, During 2008-09, financial assistance of Rs. 10.00 lakhs and during 2009-10 financial assistance of Rs. 20.00 lakhs was provided to Centurion School of Rural Enterprise Management for purchase of aluminium fabrication machines and computers for the benefit of their students. When the funds were released, Centurion School of Rural Enterprise Management was not a Private University but an Engineering and Management Institution.