

With regard to his second supplementary regarding Krishnapatnam, we have not yet received the detailed project report from the State Government and as such I cannot comment on it. As and when it comes, it will be duly examined by the Central Electricity Authority and we will take appropriate action.

[*Translation*]

SHRI NITISH KUMAR: Mr. Speaker, Sir, in his reply the Hon. Minister has rightly mentioned that problems relating to environmental clearance, land acquisition, rehabilitation and resettlement come in the way of hydro-power generation. All these things of the Government and owing to these reasons many hydro-power projects are delayed for long time. Due to this many projects are lying pending. What measures Government propose to take to avoid delay in the execution of these projects?

There is one vital point in it that the ratio of the hydro-power and thermal power generation should be 70:30. But from the figures given here it appears that the hydro-power generation has constantly been coming down after the Sixth Five Year Plan and it has fallen to 26 per cent. Taking this position into consideration, what measures Government propose to take to avoid this delay? Many environmentalists have suggested to set up mini hydel projects in place of big ones. Does the Government propose to set up mini hydro-power plants to increase the hydro-power generation?

[*English*]

SHRI P.V. RANGAYYA NAIDU: Mr. Speaker, Sir, it is a fact that some of the projects are held up for want of various types of clearances particularly Environmental and Forest clearance. It is, as you all know very

well, the policy of the Government to see that whenever any project is constructed, it does not affect the environment in that area adversely. It is a very important factor and we cannot overlook that. So, the Ministry of Environment is examining these projects very carefully and they are suggesting certain corrective steps also. So, it is not as though this has reached an impasse. The State Governments have to take such steps as the Environment Ministry would like them to take to avoid subsequent adverse effects. Even the World Bank and other funding agencies also sometimes will not fund the projects unless the environment clearance is given to the project. Most of them are State projects. We are also pursuing the matter with the Ministry of Environment and Forests to expedite the clearance.

The other thing is rehabilitation and relief. That also is being tackled by the State Governments and that will also be solved soon and the projects will be started. Some of the projects are also on-going projects. It is not as though they have not taken care off but some of the problems are persisting.

Bailadila Mines

*384. SHRI INDRAJIT GUPTA:
SHRI V. SREENIVASA
PRASAD:

Will the Minister of STEEL be pleased to state:

(a) whether attention of the Government has been drawn to the news-report appearing in the 'Business Standard', New Delhi, dated July 23, 1994 under the caption "Bailadila mine to be sold to Essar or Nippon Denro";

(b) if so, the details of the proposed joint sector project for the development of the

Bailadila mines;

(c) whether such a venture is contrary to the interests of the NMDC employees;

(d) if so, the steps taken by the Government to protect the interests of the workers; and

(e) the reasons for the privatisation of the Bailadila mines?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) to (e). A **Statement** is laid on the Table of the House.

STATEMENT

(a) Yes, Sir.

(b) The National Mineral Development Corporation Limited (NMDC) is presently operating two iron ore mining projects in the Bailadila sector of Madhya Pradesh. The current production of iron ore from these mines is around 9 million tonnes. A number of new iron & steel units are under implementation and the demand for iron ore, particularly from the sponge iron sector, is expected to increase rapidly. NMDC therefore identified two new iron ore mining projects for development in the Bailadila sector, one of which is Deposit 11-B.

The Iron ore available at Bailadila Iron Ore Deposit 11-B is reportedly best suited for production of sponge iron in gas-based plants. It is therefore proposed to take up development of Deposit 11-B as a joint venture of the National Mineral Development Corporation Limited (NMDC), with one of the private sector entrepreneurs who are operating or setting up a gas-based sponge iron plant in the country and who already have an assurance from NMDC to meet a

substantial part of the plant's requirement of iron ore.

(c) and (d). Development of Deposit 11-B through a Joint Venture company would not result in any reduction in the existing strength of NMDC employees or in any way affect the terms and conditions of their employment.

(e) The reasons why development of Deposit 11-B is proposed to be taken up through a Joint Venture company have been explained in answer to part (b) above.

SHRI INDRAJIT GUPTA: I have gone through the statement which has been laid very carefully. It creates a confusion between the proposed new gas-based steel plants to be set up and the iron-ore mines which are to supply the ore for these plants.

My question relates to what the Government is proposing to do in the NMDC mines at Bailadila. Mines Deposit 11B which is proposed to be privatised and which is under the NMDC at the moment is reputedly having the best quality, the highest quality iron-ore which is available and I think the hon. Minister will not deny the fact that the NMDC, among the public sector projects, has been one of the most successful. It is giving an annual dividend of about 20 per cent to the Government. Its performance has been excellent. It is generally exceeding the targets of production which have been fixed for it and the NMDC is in a position to supply them extra iron-ore which is required to feed these new private sector plants which the hon. Minister has talked about.

If they are setting up private sector sponge iron plants, that is a different matter. My question does not relate to that at the moment. My question is why the iron-ore which is going to be required by those plants, cannot be supplied by these Bailadila

mines which are having plenty of ore, plenty of good production, very good performance and all that. Why do they propose to privatise the mines also along with the plants which are to be set up?

SHRI SONTOSH MOHANDEV: I agree with whatever the hon. Member has said about NMDC that it is one of the best public sector organisations and it earning profit and giving dividend. Of course, this year the profit has gone down because the international price in iron has gone down and, that is why, it has made a profit of Rs. 70 crores this year against a profit last year of Rs. 84 crores. NMDC is now running three iron-ore mines, Nos. 5, 11C and 14. We are now thinking to have three more mines, 11B, 11A and 10. So, keeping the commitment of the NMDC and the funds available, we have decided to give 11A and 10 to NMDC and to bring in 11B, a joint sector partner along with NMDC, from the private sector. The Government's new industrial policy now is that the captive mines should be given to those who are starting new industries. There is nothing to cast aspersion on NMDC. NMDC has got, according to its position of funds, more than its commitment.

There is a commitment of Rs. 1024 crores for NMDC. For the Bailadila 10/11A Project, they need Rs. 447 crores and for the ARKI Limestone Project, they will need Rs. 280 crores and like that there are various projects. All these projects are there totalling about Rs. 1024 crores.

A question was asked as to why it is given to the joint sector. In the past also — before the new Industrial Policy — in the case of IISCO, Sir Biren Mukherjee was given a captive mine. In respect of TISCO, a coal and iron-ore mine was given. It is not due to the new Policy. In the past also, the Government has given the coal mines to

private sector. I fully agree with you. I assure the hon. Member one thing. We are not, at any point of time, starving the NMDC of their work. According to the funds available with them, they will be fully absorbed to take up the various mines. They are also taking up a mine in Karnataka where there is a demand from Chinese Government for iron-ore. In the joint sector, with a Chinese firm, they are trying to explore it. A fear has been expressed by the trade union. I have already assured the hon. Member Shri Indrajit Gupta that whatever points the hon. Members have raised, I will go into them. I will call them before a final decision is taken. I shall also see that their grievances are also met. I give the assurance that they will not be starved of any work. The tribal people are already working in the projects. The 10/11A, mining project will give a scope for more employment. The private sector will go with the joint sector and will also give appointment to the local people. I will give that assurance.

MR. SPEAKER: Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Indian Fishermen in Pak Jails

*385. **SHRI MOHAN RAWALE:**
SHRI CHHITUBHAI GAMIT:

Will the Minister of EXTERNAL AFFAIRS be pleased to refer to the reply given to Unstarred Question No. 688 on February 28, 1994 and state:

(a) the outcome of the efforts made to secure the release of all the 1013 Indian prisoners in Pakistani jails;

(b) the number of such prisoners who have since been released by Pakistan;

(c) whether the modalities for exchange of Indian and Pakistani fishermen have since