

(b) if so, the name of such countries and the foreign exchange earned thereof in 1971?

THE MINISTER OF STATE (DEFENCE PRODUCTION) IN THE MINISTRY OF DEFENCE (SHRI VIDYA CHARAN SHUKLA): (a) and (b). Yes, Sir. Export of military equipment has been made on a commercial basis to several countries of the world for some years now. An equivalent in foreign exchange of Rs. 1990 lakhs was earned by such sales in 1971. It would not be in the public interest to disclose the names of such countries or the regions in which they are situated.

SHRI RAM BHAGAT PASWAN  
Sir, I would like to know from the Minister what steps have been taken to see that these do not reach the countries which are inimical to us. What is the criterion for exporting arms to Arabian and other countries, and to what extent we have supplied arms and ammunition to them?

SHRI VIDYA CHARAN SHUKLA:  
We weigh all the factors—security, defence, commercial and political before we undertake any export of armaments and defence stores. Hon. Members should also realise that everything that is exported in the field of defence production is not lethal. There are non-lethal exports also like tents and various kinds of other things which could not be directly used for lethal purposes. Whereas we take due precautions about this, I can assure the hon House that this is being done in the larger interests of the country and with a full realisation of the implications of the arms trade.

SHRI JAGANNATH MISHRA. I would like to know from the hon. Minister whether the exports contain tanks to Kuwait.

SHRI VIDYA CHARAN SHUKLA:  
No, Sir.

Funds allocated to NMDU for sampling of Diamonds

\*68 SHRI NARENDRA SINGH Will the Minister of STEEL AND MINES be pleased to state:

(a) whether funds have been made available to the National Mineral Development Corporation Limited, for sampling of diamonds at 300 ft depth level in order to prove more resources;

(b) if so, the total amount thereof;

(c) the progress made and the expenditure incurred thereon so far;

(d) whether Government are aware that the management of N. M. D. C. intends to close the work, and

(e) if so, the reasons therefor and the alternative arrangements made for the employment of the workers presently engaged in the said operations?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI SHAHNAWAZ KHAN) (a) and (b) Yes, Sir Government have sanctioned a total amount of Rs. 24.15 lakhs for the purpose so far.

(c) A detailed Project Report has been prepared for the expansion of Majhgawan diamond mines from 12,000 carats per annum to 43,200 carats per annum. An amount of about Rs. 30 lakhs has been spent up to March, 1972.

(d) and (e). As the investigations are completed, N. M. D. C. has under consideration a proposal to close the investigation work. In the event of the closure, the N. M. D. C. intends to re-deploy the skilled workmen at Majhgawan employed at underground exploration, at other places to the extent possible.

**SHRI NARENDRA SINGH:** Sir, will the hon. Minister of Steel and Mines be pleased to state whether the Government is aware that the crushing plants which are working and are installed in the mines are of old type and that on account of this, the big sizes of diamonds are often found crushed into pieces, with the result that the Corporation has to suffer a lot? What steps are the Government taking for the replacement of the machinery?

**SHRI SHAHNAWAZ KHAN:** It is true that some machinery is old and a new detailed project report has been prepared for expansion which is under examination of the Ministry, and as soon as that is approved, we will take steps to instal modern machinery.

**SHRI NARENDRA SINGH:** On account of the mismanagement that exists in the Corporation, the losses are mounting every year, and in the financial year 1971-72, the losses are said to be high. What steps are the Government taking for improving the conditions? Would an enquiry be ordered to go into the affairs?

**SHRI SHAHNAWAZ KHAN.** As I just said, the detailed project report is already under consideration, for expansion of the mine, which is at present designed for about 22,000 carats, to 43,000 carats, and we hope that with the increased production, the losses would be wiped out.

**SHRI NARENDRA SINGH.** Can I put a third question?

**MR. SPEAKER:** I am sorry. Only two are allowed.

**SHRI NARENDRA SINGH:** These are vital questions.

**MR. SPEAKER:** You can ask a clarification; not a question.

**SHRI NARENDRA SINGH:** I want a clarification. The prices in general are rising in the case of all items, but the sale price of uncut and unfinished

diamonds sold by the NMDC has been tremendously falling, contrary to the rising prices of such diamonds in the international market. What are the reasons for it, and what steps do the Government propose to take to check those faults?

**SHRI SHAHNAWAZ KHAN:** The diamonds recovered from the diamond mines are classified into three categories: one type is the gem stone; the second is off-colour, and the third are the diamonds which are used for industrial purposes. Each one of them has a different value, and it is a mere matter of chance which one we come across. If we come across more gems, then, of course, the prices are very high, and we can give at very good prices, but if we find most of them are off-colour or of the industrial type, then the price realised is much less.

**SHRI R. S. PANDEY:** Although Madhya Pradesh is considered to be a backward State, really it is not so because a good lot of diamonds are available there. Panna is one. So, may I know whether the Ministry has made a complete survey in order to know how much diamond is available? I mean the potentiality of the diamond mines.

**SHRI SHAHNAWAZ KHAN:** The detailed project report, of which I have just spoken, says there is every possibility of increasing the production of diamonds from the Panna diamond mines to about 43,000 carats per annum, and the exploration investigations are going on. It is a continuing process. We are probing for more areas from where we can find diamonds. But it is very difficult to say what is the total quantity of diamonds available in that area. It all depends on the investigations that are in progress. It is a slow process. Drilling and sampling have to be done. All this work has to be done; it is a slow process.

**AN HON. MEMBER:** Will he present a diamond to me?

SHRI SHAHNAWAZ KHAN: The hon. Member is a diamond himself!

SHRI P. VENKATASUBBAIAH: May I know whether next to Madhya Pradesh, Andhra Pradesh has great deposits of diamonds, especially in the Ramallakota area of Kurnool district and also in Vajrakarur, and whether any detailed survey has been made and any work is being done to explore these mines there?

SHRI SHAHNAWAZ KHAN: Yes, Sir. We are aware that there are diamonds in Andhra Pradesh. The Geological Survey is investigating these areas.

SHRI R. V. BADE: What is the expected date of closing by the management of NMDC and what is the number of workers who will be affected thereby?

SHRI SHAHNAWAZ KHAN: There is no question of closing down the management.

SHRI R. V. BADE: In reply to part (c) he said that the NMDC are closing the management. I want to know the expected date.

SHRI SHAHNAWAZ KHAN: The investigations were in progress to find out how to expand this mine. The work was supposed to take 18 months to 2 years. That work has been completed. Now the detailed project report is being studied and if it is approved, it would be implemented. The persons who were engaged in this exploratory work will be employed in other duties in other areas.

SHRI K. RAMAKRISHNA REDDY: May I know whether in Mahbubnagar district of Telengana in Andhra Pradesh, there are diamond deposits?

MR. SPEAKER: It is a good information. He may note it down.

### A.I.T.U.C. Disagreement to a Clause in Bonus Formula

\*69. SHRI B. S. BHAURA: Will the Minister of LABOUR AND REHABILITATION be pleased to state:

(a) whether All-India Trade Union Congress has drawn the attention of Government to a clause in the new bonus formula known as Khadilkar Formula, to which they disagree;

(b) if so, the nature thereof; and

(c) the steps Government intend to take to change it?

THE DEPUTY MINISTER IN THE MINISTRY OF LABOUR AND REHABILITATION (SHRI BALGOVIND VERMA): (a) to (c). The formula represented an *ad hoc* interim arrangement for the settlement of the bonus claims for the year 1970-71 through the payment of graded advances, pending the report of the Bonus Review Committee set up by Government. Representations were received by Government that the advances should not be recovered from the workers. The latest position about the payment of bonus is embodied in the Payment of Bonus (Amendment) Ordinance, 1972. Government have requested the Central Organisations of Employers to consider advising their constituents not to insist on the recovery of advances made to the workers in terms of the *ad hoc* formula.

SHRI B. S. BHAURA: What are the reasons of writing to the organisations that they should advise their constituents not to insist on the recovery of advances? Why did they not write to the employers?

THE MINISTER OF LABOUR AND REHABILITATION (SHRI R. K. KHADILKAR): One of the parts of this new Resolution is that old advances made under the *ad hoc* formula may not be recovered. So, it is not a question of mere wish now. It is more of an advice or a directive.