

# LOK SABHA DEBATES

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## LOK SABHA

Thursday, April 8, 1976/Chaitra 19,  
1898 (Saka)

The Lok Sabha met at Eleven of the  
Clock

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Kali Hydrel Project

\*441. SHRI B. V. NAIK: Will the Minister of STEEL AND MINES be pleased to state

(a) whether State Government of Karnataka have submitted any proposals for the exploitation of iron and manganese ores in the submergible area of the Kali Hydrel Project; and

(b) if so, the reaction of the Union Government?

THE MINISTER OF STEEL AND MINES (SHRI CHANDRAJIT YADAV): (a) and (b). A statement is laid on the Table of the House.

#### Statement

(a) and (b). The main proposals made by the State Government of Karnataka in this regard and the action taken by the Union Government thereon are indicated below:—

(1) grant of mining leases for iron and manganese ore over an area of 19000 acres in the Kaimnsdi submer-sion zone to M/s. Mysore Minerals Limited. The Union Government have agreed to the proposal;

(ii) permission to M/s. Mysore Minerals Limited to directly export the iron, manganese ore produced from this area and remission of export duty. Since exports of these minerals are canalised through the MMTC, the proposal could not be agreed to. However, an assurance has been given to the State Government that the MMTC would take over the entire production programmed by M/s MML from this area, for exports;

(iii) relaxation of the existing restrictions on exports of manganese ore for the production from this area. The State Government requested for permission for exports of 70,000 tonnes of manganese ore during 1975-76, produced from this area. This was agreed to.

SHRI B. V. NAIK: May I know from the Minister as to what will be the value of the iron-ore and the manganese ore that is going to be extracted? What is the value of the deposit of this ore and how many years will be taken for its full extraction?

SHRI CHANDRAJIT YADAV: It is difficult to say about the value because the value depends on the price prevailing at that time. To give an idea to the hon. Member I can say that this area which is likely to be submerged because of the construction of the dam, the quantity of manganese ore will be 1.3 million tonnes and iron ore about 1 million tonnes. This lease has been granted to the Mysore Mineral Corporation for ten years but they have tentatively worked out a programme for five years to exploit this area.

**SHRI B. V. NAIK:** I had requested for the value only for this reason that the Kali Hydro-electric project which is going to generate approximately 1230 MW would be costing in the neighbourhood of 700 to 800 crores and the value of this iron-ore—the project itself will generate as a consequence of digging it up and being submerged in due course of time—will go a long way in financing the cost of Kali hydro-electric project. Under the circumstances whether the Government intends to plough back the earnings from the export of these minerals back into the Kali hydro-electric project?

**SHRI CHANDRAJIT YADAV:** This is entirely a different question. Whatever be the value of the mineral it is not necessary that that will be ploughed back. The Government of India and the State Government have worked out their own budget. They have to take into account the other sources because the construction is taking place. Therefore, the money will be available for the construction of this important project whether it comes from the sale of that mineral or from other sources. Our main concern is that because of the construction of the dam this important and rich mineral should not be submerged and lost to the nation. Therefore, we are giving priority to its exploitation.

**SHRI K. LAKKAPPA:** According to the statement, they have granted mining leases for iron and manganese ore in the Kalinadi submersion area to Messrs. Mysore Minerals Limited. This is a State organisation of Karnataka and is doing excellent work. They have been asking the Government of India for special permission to export the iron ore deposits because otherwise inordinate delay would be caused in the construction of the Kalinadi project. Therefore, it is very advisable that MML directly export this ore so that the Kalinadi project can be immediately pushed through. Instead of agreeing to that,

the Government is coming in the way of giving permission for export by MML. Would the hon. Minister change his mind and see that MML, which is a well-organised State organisation, takes up this function and is also given financial assistance in order to see that there is more export and immediate export of iron ore deposits in order that the Kalinadi project is expedited?

**SHRI CHANDRAJIT YADAV:** I am sorry the hon. Member is not right. The Government of India are giving every possible assistance to exploit these minerals. I myself have permitted the export of 70,000 tonnes of low grade manganese ore from this area even in anticipation of Cabinet sanction, seeing the importance and urgency of this area to be exploited. So far as export is concerned a meeting has already been held between MMTC, the Steel Ministry and MML. They have agreed on certain schemes and certain programmes. MMTC has also assured that top priority would be given to export the mineral ore from this area. Therefore, there is no delay, there is no hindrance from the Government of India; on the other hand, every possible assistance is being given to MML.

**SHRI P. VENKATASUBBAIAH:** Is the completion of this project linked up with the full exploitation of the iron and manganese ore from this area? Should this completion wait till the iron ore is taken out? If it should, what expeditious steps do Government propose to take out this iron ore so that the project may be completed in time?

**SHRI CHANDRAJIT YADAV:** I think the hon. Member is right. We have to see that the project is also completed in time. Therefore, MML was asked to prepare a scheme. They have already prepared a scheme to exploit these minerals. It was a Rs. 9 crore scheme. Later on, it was thought that the most economic ore from that should be given priority for exploitation. Really speaking, they

have given leases to certain private parties who have the resources and technology to expedite the work. Therefore, all possible steps are being taken in consultation with the Government of India, the Karnataka Government and the Mysore Minerals Limited.

**Increase in Allowance under Death Relief Scheme**

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\*442. SHRI K. LAKKAPPA:  
SHRI M. RAM GOPAL  
REDDY:

Will the Minister of LABOUR be pleased to state:

(a) whether Government have recently enhanced the allowance payable to Coal miner's widow under death relief scheme; and

(b) if so, the broad features of that Scheme?

THE MINISTER OF LABOUR (SHRI RAGHUNATHA REDDY): (a) Yes, under the Coal Mines Fatal and Serious Accident Benefit Scheme, with effect from 1st December, 1975.

(b) The allowance has been increased from Rs. 25/- to Rs. 75/- per month in case the dependant of deceased miner is a widow and Rs 50/- per month if he is other than a widow. This allowance is payable for a period of five years.

SHRI K. LAKKAPPA: Of course, this has come about because of the Chasnala tragedy. Even the enhanced allowance that has now been allowed to a miner's widow in such tragic accidents is very meagre. They cannot sustain their family and they cannot even prosecute the education of their children and so on. Therefore, what further steps have Government taken to enhance further the *ex gratia* payment on the basis of the situation that sometimes arises, because this is the second tragedy that has happened in Chasnala, and this sort of situation arises in mining operations elsewhere also. So I

would like to know whether the scheme would be extended to the whole country and whether, considering the tragic nature and seriousness of the situation, the allowance would be further enhanced.

SHRI RAGHUNATHA REDDY: The relief provided by the Coal Mines Fatal and Serious Accident Benefit Scheme is not on the only scheme available for this purpose. Provident fund, workmen's compensation, *ex gratia* payments and other things are also available. When myself and my colleague, Shri Chandrajit Yadav, visited the Chasnala area after the accident, this problem was presented to us that Rs 25 was very meagre. Having regard to the finances available with the mine welfare organisation, we were in a position to revise it to Rs. 75.

SHRI K. LAKKAPPA: Is it not a fact that after the serious accident at Chasnala, certain representations were made and expert opinion also recommended that further enhancement is very necessary in view of the serious situations developing in such coalmine areas?

SHRI RAGHUNATHA REDDY: That is why the Workmen's Compensation Act is being amended. The Rajya Sabha has already passed the legislation and it is awaiting consideration by this House. In that the compensation has been substantially increased.

SHRI D. B. CHANDRA GOWDA: Would this concession apply to the victims of the second accident at Chasnala also?

SHRI RAGHUNATHA REDDY: This would apply to all the mining areas.

SHRI INDRAJIT GUPTA: May I know whether the enhanced rates of compensation under the proposed