

Action is being taken to complete the re-building of the coke-oven battery as quickly as possible.

### Faulty Mining of Iron Ore by Private Parties

\*143. DR. RANEN SEN: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Iron Ore Board has discovered faulty mining of iron ore by private parties; and

(b) if so, the steps being taken to rectify the situation?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL AND MINES (SHRI SUKHDEV PRASAD). (a) In the course of some studies based on available data, the Iron Ore Board have observed that mining in some areas in the private sector mines is not carried on in a proper and scientific manner.

(b) The Iron Ore Board, therefore, constituted two committees to study and suggest the integrated development of iron ore deposits in Barajamda sector and Bellary-Hospet sector. The report of Barajamda Committee has been received and action is being taken to implement its recommendations. The report of Bellary-Hospet Committee has yet to be received.

DR. RANEN SEN. Last year in reply to question by Shri P. M. Sayeed in November 1974 the setting up of the two committees was mentioned. Later on, we learnt that one of the committees of the Iron Ore Board has expressed serious concern at the misuse of iron ore leases by private parties. The report goes on to state that the Board has come out with the finding that the private sector, which was earlier contributing a substantial portion of the iron ore, was now only cornering them without exploiting them

further. Since this iron ore is very necessary for our steel production and for export purposes, may I know what particular steps the Government of India is going to take, or has taken, to see that there is control over the private companies who are cornering and misusing the iron ore, if not completely taking over all the iron ore mines held by the private companies?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI CHANDRAJIT YADAV): It has been stated in the main answer that certain deficiencies in the exploration of these mines were brought to our notice and we felt that certain steps are necessary for the improvement of the iron ore mines. Therefore, the Iron Ore Board was formed, which is making a study of these problems. It had appointed two committees. The report of one committee has already been received. That committee has made certain suggestions. To implement one suggestion a certain investment is necessary in the Barajamda area—about Rs. 12 crores for developmental works and about Rs 3 crores for the central screening and crushing plant. The private mine owners have also agreed for the investment. But they want an assurance that whatever iron ore they will mine will be exported and that the MMTC should be able to export that iron ore. It should not lie on the pit-head. These questions are being examined very carefully.

While granting lease to private mine-owners, the Government is always very careful to see that only those mines are given to private mine-owners which are not amenable to large-scale mechanised mining or which are export-oriented. For example, Goa has its history. Goa is the main area where private mine-owners exist. It has a history. They have been doing business for quite a few years. We do not at the moment feel any necessity to take over those private mines. Effective steps are being taken and will be taken when

we get the second report also to improve and making mining more scientific and see that the iron ore, as the hon Member said rightly, which is the most important natural mineral of our country does not go waste

**DR RANEN SEN** It is admitted on all hands and there is a newspaper report—being a long one, I do not want to read it—of 4th February in which it is stated that the Board has come to a conclusion that there is not only mis-utilisation but serious mischief is being perpetrated by private mine-owners. In view of that, I want to know what stands in the way of the Government to take over management from the private hands when it is admitted that it is a very important industry for the development of our country and to earn more foreign exchange. I want a specific answer to that, whether this has been examined or it is being examined.

**SHRI CHANDRAJIT YADAV** I have replied to this question. These things have been brought to our knowledge. The Government is very seriously considering how to develop iron ore mines scientifically and private mine-owners should also not be permitted to do mining in an unscientific way. Only in those areas where mechanisation is not possible that they are working there. We have also asked the Iron Ore Board to take a total picture of the iron ore mineral resources, see what effective steps should be taken to improve the mining and to see that mis-utilisation does not take place in future.

**SHRI PURUSHOTAM KAKODKAR** There are big mine-owners in Goa and there are also small mine-owners in Goa. On account of those small mine-owners I think the M.M.T.C. office was opened in Goa. But I learn that these small mine-owners have not yet been able to export iron ore and iron ore is accumulated. May I know from the hon Minister whether it is on account of any such fault that they have not

been able to export their iron ore and the M.M.T.C. has not undertaken export of iron ore of small mine-owners?

**SHRI CHANDRAJIT YADAV** I will look into it. The hon Member may give me specific cases of those small mine-owners whose iron ore has not been exported and care has not been taken of them.

**SHRI NAWAL KISHORE SINHA:** May I know, firstly, what are the important defects in mining detected by the Board and enumerated in its report secondly, whether it has come to the notice of the Government that private mine-owners are doing mere scrapping and not deep mining which is destroying and wasting national wealth and thirdly whether the Government have decided to set up beneficiation plants in those areas?

**SHRI CHANDRAJIT YADAV** The main problems of these mines are that in some areas, there are transport problems, we have not been able to invest on transport and, the more, transport problems are there. Some of the mine areas are not accessible and the transport cost is very high. In certain mines enough investment has not been made, therefore, there is lack of proper investment. Steps are being taken to make proper investments so that scientific mining is done and the mines are properly developed. As I said earlier, the Board has found that there should be a central screening and crushing plant which will help in the speedy production and also better quality, of iron ore. That proposal is under our consideration. These are the main problems which have been identified. It is a fact that some of the small mine owners have not been able to do proper mining, foolproof mining has not been done and there has been wastage. Effective steps are being taken, so that wastage does not take place in future.