

In the beginning that Government was agreeable to appoint an Indian as a Vice-Chairman of the Bank. But later on they changed their mind and now they have agreed to appoint an Indian as the Managing Director.

As far as the staff is concerned, I do not think we have reached that stage of having details. But I have no doubt that when they give compensation, it will be fair and just.

SHRI A. D. MANI : And equivalent.

SHRI Y. B. CHAVAN : Of course, fair and just is all right. Equivalent of what? Ultimately we will have to take care of it.

IRON ORE DEPOSITS AT BAILADILLA

*211. SHRI K. C. PANDA :
SHRI M. K. MOHTA :

Will the Minister of PETROLEUM AND CHEMICALS AND MINES AND METALS be pleased to state :

(a) whether it is a fact that on reassessment of iron ore deposits at Bailadilla the reserves are estimated to be 600 million tonnes as against 3,000 million tonnes originally estimated ;

(b) if so, the basis on which the original estimate of iron ore reserves at Bailadilla was arrived at;

(c) the consequential effect on the export commitments to Japan on the steel plant contemplated at Visakhapatnam; and

(d) the steps proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND MINES AND METALS (SHRI NITI RAJ SINGH CHAUDHARY) : (a) to (d) A statement is laid on the Table[†] of the House.

STATEMENT

(a) and (b). A preliminary estimate of reserves made in 1946 on surface indications for sixteen deposits of Bailadilla area, was 3,600 million tonnes of iron ore. Subsequent intensive exploration by drilling and aditting has established 671 million tonnes of iron ore in five of the deposits. Two more deposits explored in detail are

expected to contain 82 million tonnes of ore. The remaining nine deposits are yet to be explored in detail.

(c) and (d) The questions do not arise as the reserves available in Bailadilla area are more than adequate to meet present export commitments and also future requirements of indigenous steel plants.

SHRI NITI RAJ SINGH CHAUDHARY : Sir, in the statement one mistake has crept in. For 3,600 millions tonnes, it should read 3,063 million tonnes.

SHRI K. C. PANDA : It appears from the statement that 3,600 million tonnes were estimated and 753 million tonnes we are sure of getting. May I know whether the Government has got any proposal for revising the export policy? If not, what is the transport cost of iron ore from Bailadilla to Visakhapatnam, what is the cost of extraction of iron ore in Bailadilla and what is the amount that we are getting from Japan from that export per tonne, and what is the content of slag in the iron ore from Bailadilla?

SHRI NITI RAJ SINGH CHAUDHARY : There are 16 deposits in the area. There was one Dr. Heron who was the Geological Adviser to Government. In the year 1946 by visual survey he estimated the total iron ore present in the area as 3,063 million tonnes. Thereafter the GSI has undertaken detailed investigations. Seven of the deposits have been investigated in detail; and we have found that five of them have 671 million tonnes and two of them 82 million tonnes.

A detailed survey of nine deposits is yet to be made. Therefore, it is wrong to say that the total iron now found there is only a little over 700 million tonnes; it may be many thousand million tonnes. But we cannot say what it is likely to be. Out of 16, 7 had been explored in detail. The total iron ore, as I said, found there is a little over 700 million tonnes. Investigation about 9 is going on. About the expenses for exporting I would require notice because this supplementary does not arise out of this.

SHRI K. C. PANDA : Sir, even in spite of what has happened just now, may I know whether the Government is sure of getting supply from Bailadilla for the proposed Vizag steel plant after exporting ore to Japan? May I know if shortage will still remain there? They have proposed to take iron ore from Orissa as they have been doing for the Bhilai plant.

[†]The question was actually asked on the floor of the House by Shri K.C. Panda.

SHRI NITI RAJ SINGH CHAUDHARY : The demand for Vizag would be met from Bailadilla, there is no doubt about it. As to its exports to Japan we have made commitments and we are going to fulfill them.

SHRI M. K. MOHTA : Sir, I am very sorry to say that the hon'ble Minister is not giving my specific reply to this question. How can we ask supplementaries when specific replies are not coming from him? We have made commitments to Japan and we are going to fulfill them, according to him. What is the commitment? What is the scale and so many other things?

MR. CHAIRMAN : The question does not specifically relate to transactions with Japan.

SHRI M. K. MOHTA : The extent of commitment is not known. The point is ...

MR. CHAIRMAN : You please ask your question if you like."

SHRI M. K. MOHTA : Supplementaries arise from the answers given by the Minister.

MR. CHAIRMAN : The question does not specifically relate to transactions with Japan and, therefore, the Minister might not be able to reply.

SHRI M. K. MOHTA : I beg to respectfully submit that it does relate to Japan.

MR. CHAIRMAN : He says he does not have the details. Is that so, Mr. Minister?

SHRI NITI RAJ SINGH CHAUDHARY : Yes, Sir. About the export trade with Japan I have got details and I will just give them. In 1970-71 we are committed to supply 3.9 million tonnes. In 1971-72 it is 4.70 million tonnes. In 1972-73 it is 5 million tonnes. In 1973-74 it is 5 million tonnes. In 1974-75 it is 7.2 million tonnes and in 1975-76 it is 7.7 million tonnes.

SHRI M. K. MOHTA : He said that a commitment has been made for the export of iron ore to Japan to such a great extent on the basis of a visual survey made by some officer of the Nizam Government who estimated that the reserves might be as many as 3,000 million tonnes, whereas up till now the proved results are, according to the Government's own estimates, only 750 million tonnes. What I want to say is unless the present ruling party remains in power, we in India expect to manufacture a hundred

million tonnes by the end of the century. Therefore, we have to conserve the area that is available to us. Why should we pursue a suicidal policy of sending all our iron ore to Japan and be denuded of our deposits so that when we do manufacture a sizeable quantity of steel we will be without sufficient quantity of good grade iron ore.

SHRI NITI RAJ SINGH CHAUDHARY : Sir, the iron ore deposits in this region are much more. Besides Bailadilla there is the Rowghat iron ore deposit. And for the information of the House I may state that the total iron ore deposits, as proved so far, are 8,543 million tonnes. Besides in the other areas which are under survey we estimate that they might give us a little over 20,000 million tonnes of iron ore in our country.

SHRI ARJUN ARORA : Sir, he has not replied to the question.

MR. CHAIRMAN : All right, I will put the question now. The question was : Why is it that you are exporting iron ore in such large quantities when there is likelihood of iron ore being needed for our purposes in India?

SHRI NITI RAJ SINGH CHAUDHARY : Sir, the deposits are much more. By this agreement with Japan we feel that we are not going to affect the interests of our country.

SHRI SWAISINGH SISODIA : May I know from the hon. Minister whether the actual work towards extensive exploration of the remaining nine deposits has started, and, if not, what is the difficulty in not starting extensive exploration work so far, and when is the work likely to be started?

SHRI NITI RAJ SINGH CHAUDHARY : Sir, exploration of the nine deposits in Bailadilla is going on.

SHRI S. D. MISRA : Sir, I would like the hon. Minister to either confirm or deny the information which I have got that since the last two or three years, the working of the deposits in Bailadilla is only up to 20 per cent of the annual capacity because of strikes, "gheraos" and many other things there. I would like to know the actual position from the hon. Minister.

DR. TRIGUNA SEN : Sir, it is not due to strikes and "gheraos" that the production in Bailadilla is suffering. I must admit, I must take the House into confidence, that it suffers from some defects both in planning

and operation, which we are now rectifying. It is not because of strikes or "gheraos"; there were initial defects in the planning itself which had to be rectified.

SHRI S. D. MISRA : What percentage of it is being worked now? If the figure for this year is not available, let him give the figure for the last year.

DR. TRIGUNA SEN : I think my colleague has given the figures already. In 1967-68 it was .37 million tonnes; in 1968-69, 1.6 million tonnes; in 1969-70, 2.92 million tonnes; and during this year, up to April, 0.589 million tonnes. So far as the commitment is concerned, it is all right. But we want to improve upon it. As I have mentioned, there was some defect in planning which is being rectified right now.

SHRI M. M. DHARIA : May I know from the Government whether it has assessed the total iron ore deposits in the country to see for how many years to come we shall be in a position to satisfy our own needs? Without assessing the total deposits in the country, will it not be incorrect on the part of the Government to export iron ore from this country? What is the perspective planning, if any, of the Government?

DR. TRIGUNA SEN : This very question which my friend has asked was uppermost in my mind and I asked also the G.S.I. the same question, that before we decide to export our mineral wealth, we must satisfy ourselves that the needs of our country are met not only for the present but for a hundred years to come. There was a seminar on this which I attended and I was given to understand that the deposits that we have will meet our present demand and will also meet the future demands of additional steel mills not only in Orissa but also in Hospet. And it was calculated that it would last for another hundred years. Till then we can export a quantity of iron ore which is being done.

SHRI KRISHAN KANT : What is the quantity that India will require and what is the quantity that is available?

DR. TRIGUNA SEN : I do not remember the exact figure.

SHRI M. V. BHADRAM : Sir, I would like to know the total commitment to Japan now and, the total commitment after the construction of the Outer Harbour in Visakhapatnam, and the balance that would be left in the Bailadilla mines.

SHRI NITI RAJ SINGH CHAU-DHARY : The total commitment for export to Japan is 61 million tons upto the end of April, 1980.

SHRI M. V. BHADRAM : We have committed to Japan to export 12 million tons per year from 1974. Taking that into consideration please tell me the total figure.

SHRI D. R. CHAVAN : You calculate it yourself.

*212. [The questioners (Sarvashri Srikant Mishra, Sunder Singh Bhandari, Man Singh Varma, Prem Manohar, J. P. Yadav and N. K. Shejwalkar) were absent. For answer, vide col. 28 infra.]

CENTRAL BANK OF INDIA, LONDON BRANCH, FRAUD CASE

*213. SHRI LAL K. ADVANI :

SHRI K. CHANDRASEKHARAN :

SHRI S. A. KHAJA MOHI-DEEN :

SARDAR GURCHARAN SINGH TOHRA :

SHRI SWAISINGH SISODIA :

SHRI N. G. GORAY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Central Bank of India, has recently offered a rich reward to any person giving information regarding the whereabouts of Shri Sami Jamshed Patel, former Manager of the London office of the Bank; and

(b) if so, the success achieved to date in tracing him ?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) : (a) The Central Bank of India offered a reward to any person giving information regarding the whereabouts of Shri Sami Jamshed Patel, former Manager of the London office of the Bank, but no specific amount was mentioned.

(b) Shri Sami Jamshed Patel was arrested at the London Airport on 23rd July, 1970 and later produced before a magistrate who remanded him to custody in jail upto 31st July, 1970. It is understood that he has been remanded again for a further period of a week.

†The question was actually asked on the floor of the House by Shri Lal K. Advani.