

BIFURCATION OF NDMC

259. SHRI P. K. KUMARAN: Will the Minister of STEEL, MINES AND METALS be pleased to state:

(a) whether it is a fact that NMDC is being bifurcated into two different Corporations;

(b) if so, what are the reasons therefor; and

(c) what is the estimated extra expenditure which will be incurred due to this bifurcation?

THE MINISTER OF STEEL, MINES AND METALS (DR. M. CHANNA REDDY): (a) and (b) The National Mineral Development Corporation was set up in 1958 with an authorised capital of Rs. 15 crores for promoting the exploitation of minerals (other than coal, lignite, oil and natural gas) reserved for exploitation in the public sector in terms of the Industrial Policy Resolution, 1956, e.g., Iron Ore, Copper, Diamond, etc.

The Corporation has already built a mechanised iron ore mine in Kiri-buru for production of 2 million tonnes of ore for export to Japan. Expansion of this project is being undertaken in order to meet the requirements of Bokaro and other domestic steel plants. In addition, the Corporation is constructing two other iron ore projects with a total capacity of 6 million tonnes in Bailadila area of Madhya Pradesh. Besides, the Corporation will also have to play an important part in producing the additional quantities of iron ore required to reach the export target of 25 million tonnes by 1970-71.

In the field of copper production, the National Mineral Development Corporation is developing the copper deposits in Khetri and Kolihan in Rajasthan for the production of 31,000 tonnes of copper metal and 2,29,500 tonnes of fertilizers (TSP). The Corporation is also planning to develop Rakha copper deposits in Bihar and Agnigundala deposits in Andhra Pradesh.

As the responsibilities of the National Mineral Development Corporation, both in respect of copper mining, smelting and refining, and iron ore production for domestic steel plants and exports, have increased considerably and are likely to increase further, Government has come to the conclusion that the nature of operations has become too diversified to be handled with efficiency and despatch, by one Corporation meant for all minerals (other than coal, lignite, oil and natural gas). It has, therefore, been decided to constitute a separate company to construct and manage all projects for the production of copper metal involving development of underground mines, extraction of metals from concentrates and other related process of by-product recovery. For the present the new company to be formed out of the National Mineral Development Corporation will take up the development and mining of Khetri, Agnigundala and Rakha copper deposits.

(c) The costs of the Board of Directors and the Head Office of the New Company and other related expenditure has not yet been worked out.

PEN DOWN STRIKE AT NATIONAL SMALL INDUSTRIES CORPORATION LTD.

260. SHRI M. P. BHARGAVA: Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that nearly 700 employees of the National Small Industries Corporation and the Prototype Production and Training Centre at Okhla observed a pen down strike on the 16th March, 1967;

(b) if so, what were the reasons for this pen down strike; and