

SHRI LOKANATH MISRA : I think the hon. Minister knows that there is a lot of black-marketing in scooter tyres because of the paucity of manufacture of such tyres. Therefore I would like to ask a basic question.

SHRI A. D. MANI : A fundamental question.

SHRI LOKANATH MISRA: What is the percentage of foreign exchange involved in tyre-manufacture ? And if it is insignificant, what is the difficulty in liberally giving licences to different manufacturers in the country instead of making it too rigid and too difficult for anybody to get licence for manufacture of tyres ?

SHRI FAKHRUDDIN ALI AHMED : There is no question of being too rigid and, as I pointed out, we have been very liberal in granting licences for the manufacture of tyres. And now, from one of the questions it was evident that the present programme is likely to result in the production of tyres which will be over our requirements. So the hon. Member can very well realize that we are not rigid so far as the question of granting licence for the manufacture of tyres is concerned.

\*501. [The Questioner (Shri B. D. Khobargade) was absent. For answer, Vide Col. 3434 infra]

#### SALEM STEEL PLANT

\*502. SHRI THILLAI VILLALAN: Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) whether the Salem Steel Plant is proposed to be included in the Fourth Five Year Plan ;

(b) if so, what is the estimated cost of the proposal; and

(c) if the answer to part (a) above be in the negative, whether Government propose to allow the State Government to set up the plant on its own ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI P. C. SETHI) : (a) The Government have yet to finalise its Fourth Five Year Plan for iron and steel.

(b) and (c) Do not arise.

SHRI THILLAI VILLALAN : Mr. Chairman, Sir, the Salem steel plant became a long and wearied story. Two

decades have been passed. Four Ministers came and went. One after another gave assurance and then disappointment. I am not worried about the answer, whether it is "No" or "Yes". I would like to know from the hon. Minister on what date, month and year the final decision will be taken so far as this Salem steel plant is concerned.

SHRI P. C. SETHI : It is neither 'yes' nor 'no'. We are still on the study of the NCAER Report about the demand of steel during the Fourth Plan period, and after the Steel Ministry completes the study we will be formulating our proposals for the Planning Commission. Then only we shall be able to see the picture that emerges.

SHRI THILLAI VILLALAN : Sir, we had two major schemes. One is Tuticorin and the other is Salem. So far as the Tuticorin project is concerned, we were knocking at the door. Then the people. . .

MR. CHAIRMAN : How does Tuticorin arise here ?

SHRI THILLAI VILLALAN : I am connecting up Tuticorin with Salem and I am presently coming to the question. To get the Tuticorin project the people were not only knocking at the door but also breaking the door. Then we were given the Tuticorin project. I would like to know from the hon. Minister whether, if only the people begin to break the door, this Government would say "Yes" so far as the Salem steel plant is concerned. Then my another supplementary question is this. I would like to know from the hon. Minister whether this Government will allow at least the State Government to have its own.

SHRI P. C. SETHI : Sir, we did receive an application for an industrial licence from the State Government. But, as I have just now said, the main question is what will be the demand for steel during the Fourth Plan period. It is a very complex one. It is a question of what type of steel plant shall we have. After devaluation the value of a steel plant has gone up. All these questions will have to be gone into.

श्री नेकी राम : सभापति जी, मैं आपके द्वारा आदरणीय मंत्री जी से जानना चाहता हूँ कि हरियाणा प्रदेश में हिसार के लिए एक स्कीम थी लोहे के कारखाने की, वह कब तक बन कर तैयार हो जायगा ?

SHRI P. C. SETHI : This is about Salem.

MR. CHAIRMAN : Next question.

PROFITABILITY OF TEXTILE INDUSTRY

\*503. SHRI SITARAM JAIPURIA :

SHRI R. P. KHAITAN :†

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the profitability of the textile industry has been on the decline since the year 1965-66 as compared to the year 1960-61 ;

(b) if so, what are the figures of profitability shown by the industry during the above years separately ;

(c) whether the profitability figures include interest charges and managing agency commission; and if so, to what extent in each case; and

(d) the manner in which the profitability of the industry is calculated ?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Based on a study by the Reserve Bank of India, up to 1965-66 the profitability of the textile industry has been on the decline since 1962-63. Information regarding the profitability of the industry after 1965-66 is not yet available.

(b) A statement containing the required information is placed on the Table of the House.

(c) No, Sir.

(d) Profitability has been worked out both as percentage of gross profit to equity capital and total capital employed.

STATEMENT

Profits in Textile Industry

1. Percentage of gross profits to equity capital—

1960-61 . . . . .	52'5
1961-62 . . . . .	59
1962-63 . . . . .	40
1963-64 . . . . .	44
1964-65 . . . . .	47
1965-66 . . . . .	40

† The question was actually asked on the floor of the House by Shri R. P. Khaitan.

2. Percentage of gross profit to total capital employed—

	Per cent
1960-61 . . . . .	12'2
1961-62 . . . . .	13'2
1962-63 . . . . .	8'1
1963-64 . . . . .	9'0
1964-65 . . . . .	8'8
1965-66 . . . . .	5'9

श्री आर० पी० खैतान : ये जो परसेटेज दिए हैं ग्राम प्राफिट के, एक तो ईक्विटी कैपिटल के साथ दिया गया है, दूसरा टोटल कैपिटल एम्प्लायड के साथ दिया गया है। इसके देखने से पता चलेगा कि 1965-66 में 5.9 है। यह जो प्राफिट हुआ है वह सुपर-फाइंड की मिलों और रेयन की मिलों को मिला कर है या अलग अलग है ? जो मिले कोर्न, मीडियम बनाती है उनकी क्या पोजीशन है, इसके बारे में कुछ प्रकाश डालें तो अच्छा होगा।

श्री दिनेश सिंह : सभापति महोदय, यहाँ काटन टेक्सटाइल कम्पनीज के मुनाफे की बात मैं ने कही है। इसमें सिन्थेटिक्स नहीं आए हैं। जहाँ तक इस तरह की मिलों की बात है, यह सेम्पल मर्वे था रिजर्व बैंक का जिसमें उन्होंने 256 काटन टेक्सटाइल कम्पनीज की जाच की थी, करीब 80 फीसदी की। उसी के हिसाब से यह बना है।

श्री आर० पी० खैतान : क्या मंत्री जी यह बतलाएंगे कि यह जो दिन प्रति दिन प्रोडक्टिविटी घटती जा रही है उसके लिए आगे के लिए क्या सोचा जा रहा है ताकि उनको लाभ हो और वह रुपया माडर्नाइजेशन करने में लगा सकें।

श्री दिनेश सिंह : यह बात तो यहाँ बहुत मर्नबा हो चुकी है और मदन को पूरा हाल मालूम है।

SHRI BABUBHAI M. CHINAI : May I know, Sir, in view of the fact that the hon. Minister has said that the profitability of this particular industry has been declining since 1960-61 and it has come down to 5.9,