

single industry where total import 'substitution' has been achieved.

**EFFECT OF DEVALUATION ON EXPORT OF
TEA TO RUSSIA**

140. SHRI RAM SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been any fall in the sale of tea to Russia consequent on the devaluation of the rupee; and

(b) if so, the extent to which the normal sale of tea to foreign countries including Russia has been affected ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI M. SHAFI QURESHI) : (a) and (b) There was a temporary lull in purchases of tea by Russia at the Calcutta auctions immediately following devaluation. Russia has, however, resumed her purchases on the normal scale. It is expected that to the extent of availability of tea for export, the export sales to all countries will catch up in due course.

IDA LOAN FOR RAILWAYS

141. SHRI RAM SINGH:
RAJA SHANKAR PRATAP
SINGH :

Will the Minister of RAILWAYS be pleased to state :

(a) whether it is a fact that IDA have agreed to advance loan for the manufacture of Railway engines, coaches etc., in India;

(b) if so, the amount of loan sanctioned; and

(c) the work heads for which the loan is likely to be used ?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI SHAM NATH) : (a) Yes.

(b) The Credit is for equivalent of U.S. Dollars 68 million (Rs. 51 crores).

(c) The Credit is for covering the foreign exchange payments necessary for the Railway programme shown in the budget papers, principally covering the import of component parts of Rolling stocks and Electrification, Signalling, Work shop machinery etc. after taking into

account oilier (bilateral) finance available or expected to become available.

**RAW MATERIAL FOR HANDLOOM INDUSTRY
IN MADRAS**

142. SHRIMATI LALITHA (RAIA-GOPALAN) : Will the Minister of COMMERCE be pleased to state:

(a) whether the Madras State Hand-loom Industry and Trade Association has urged the Government of India to supply raw materials like yarn, dyes and chemicals at rates prevailing before June 5th, 1966; and

(b) if so, what measures the Government are taking in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI M. SHAFI QURESHI) : (a) Yes, Sir.

(b) There are ample supplies of yarn, dyes and chemicals available at reasonable rates and as such no special arrangements are necessary.

**PEGGING THE PRODUCTION OF DHOTIES AND
SAREES**

143. SHRI K. SUNDARAM : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Government have decided to peg the production of dhoties and sarees in the mill sector at the 1963 level, contrary to the Report of K. K. Shah Committee; and

(b) if so, what is the quota of dhoties fixed for the year 1966 and what was the actual production in the years 1963, 1964 and 1965?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI M. SHAFI QURESHI) : (a) and (b) : A statement is attached.

STATEMENT

Though the K. K. Shah Committee has recommended the discontinuance of the system of allocation of dhoti quota in the mill sector, the Powerloom Enquiry Committee under the Chairmanship of Shri Asoka Mehta which had examined the question earlier had recommended the pegging of production of dhoties and sarees

by textile mills at the 1963 level with a view to affording protection to the hand-loom industry. Government had accepted the recommendation of the Powerloom Enquiry Committee.

No dhoti quota has so far been fixed for the mills for 1966; the Textile Commissioner will issue orders so as to ensure that in future dhoti production by the mills does not exceed the 1963 level. In the meantime the dhoti quota fixed under the Dhories (Additional Excise Duty) Act, 1953 (*i.e.* 60% of the mill's packing in 1951-52), however, continues. The actual production of dhories in the years 1963, 1964 and 1965 was 331 million metres, 334 million metres and 319 million metres respectively.

**DISALLOWANCE OF SALES TAX ON COAL
PURCHASED BY RAILWAYS**

144. SHRI SURJIT SINGH ATWAL : Will the Minister of RAILWAYS be pleased to state :

(a) whether it is a fact that the Railway Board have decided to disallow sales tax on coal purchased since 1962;

(b) whether the State Governments, which are affected by the decision, have asked for reconsideration of the decision; and

<c) if so, the action taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (DR. RAM SUBHAG SINGH) : (a) Yes, on coal dispatched under the Colliery Control Order.

(b) The State Governments of West Bengal and Bihar have made certain representations in the matter.

(c) The recovery of sales tax on coal already paid on past transactions is pending for the time being. The legal opinion obtained by the State Government is being considered in consultation with the Ministry of Law.

**FOREIGN EXCHANGE FOR IMPORT OF ESSEN-
TIAL RAW MATERIALS**

145. RAJA SHANKAR PRATAP SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal under Government's consideration to allocate

additional foreign exchange for import of essential raw materials for the current financial year in view of the liberalisation of import policy; and

(b) if so, what are the details thereof?

THE MINISTER OF COMMERCE (SHRI MANUBHAI SHAH) : (a) and

(b) The liberalised import policy, recently announced by Government, provides for the grant of special import licences on a liberal basis for the import of essential items of raw materials, components and spares for meeting the requirements of Actual Users both in the scheduled and non-scheduled sectors for the period April 1966—March 1967. The details of this liberalised import policy have been published in the Gazettes of India Extraordinary dated the 23rd June, 1966, 28th June, 1966 and 12th July, 1966.

**PRODUCTION OF PIG IRON IN MADHYA
PRADESH**

146. RAJA SHANKAR PRATAP SINGH : Will the Minister of IRON AND STEEL be pleased to refer to the reply given to Unstarred Question No. 925 in the Lok Sabha on 25th February, 1966 and state :

(a) whether any decision has since been taken in respect of the grant of industrial licence to Madhya Pradesh Government for production of 300,000 tonnes of pig iron per annum; and

(b) if not, what are the reasons for the delay ?

THE MINISTER OF IRON AND STEEL (SHRI T. N. SINGH) : (a) and (b) Since adequate capacity has already been licensed to meet the anticipated demand for pig iron by the end of the Fourth Five-Year Plan, it has not been possible to grant an industrial licence to the Madhya Pradesh Government. Should it, however, be found later that some of the capacity licensed is not likely to fructify, the application of the Madhya Pradesh Government could be reconsidered.

फर्रुद्द रेलवे स्टेशन पर टिकटों का उपलब्ध
न होना

147. श्रीमती सरलामद्रीरिया : क्या रेल
मंत्री यह बताने की कृपा करेंगे कि :