

STATEMENT

(a) No, Sir.

(b) Variety-wise production of mill-made cloth during each of the years of the Second Five Year Plan is given below:—

(In million Yards)

Year	Coarse	Medium	Fine	Super fine	Total
1956-57	878	3,776	441	335	5,420
1957-58	1,106	3,451	363	259	5,179
1958-59	961	3,415	282	262	4,920
1959-60	821	3,566	238	303	4,928

(c) Does not arise.

(d) Target of production of cloth for the Second Five Year Plan period has been placed at 5100 million yards and the following steps have been taken for achieving the target figure:

(i) Provision for installation of 3,000 automatic looms has been made in the Cotton Textiles Export Incentive Scheme with a view to promote exports.

(ii) 9,000 automatic looms would be allowed to be installed for replacement purposes; out of which licences have already been given for 7,500 automatic looms.

(iii) Some of the mills have started working in the 3rd shift recently. Out of 38 closed mills at the beginning of this year, 7 mills have already reopened. Attempts are being made to reopen more closed mills.

(iv) Adequate loans are being given through various Government Agencies such as N. I. D. C., IFC, etc for rehabilitation, modernisation; and expansion of the existing plant.

SHRI MAHESWAR NAIK: From the statement, I find that the reply to part (a) of the question is "No." But as far as I can find from the figures that have been given in the statement,

the production of cloth in 1956-57 is 5,420 million yards; in 1957-58 it is 5,179 million yards; in 1958-59, it is 4,920 million yards and in 1959-60, it is 4,928 million yards.

MR. CHAIRMAN: He knows all that.

SHRI MAHESWAR NAIK: May I know how these two statements are reconciled?

SHRI N. KANUNGO: The fact is that, if the figures for 1959-60 are compared with those for 1958-59, it will show an increase. The figures for 1956-57 and 1957-58 are not realistic in the sense that because of certain special factors, there was a distorted range of production resulting in large gluts.

SHRI MAHESWAR NAIK: What are those special factors which were responsible for the decline in production in these years?

SHRI N. KANUNGO: It is not a question of any decline. In 1957-58 and 1956-57, there was an unusual production which led to a large accumulation of stocks due to a certain lacuna in the excise duty structure which tempted people to go in for production of cloth which was not saleable.

SHRI MAHESWAR NAIK: May I know whether the Government is expecting to complete the target of production set out in the Plan?

SHRI N. KANUNGO: Yes, Sir.

PLANNING COMMISSION'S CONTROL OVER THE EXECUTION OF SCHEMES

*438. SHRI HARIHAR PATEL: Will the Minister of PLANNING be pleased to state:

(a) the nature of control at present exercised by the Planning Commission over the execution of schemes included in the Five Year Plans;

(b) whether Government propose to invest the Planning Commission with better control; and

(c) if so, in what manner?

THE DEPUTY MINISTER OF LABOUR, EMPLOYMENT AND PLANNING (SHRI L. N. MISHRA): (a) to (c) Attention is invited to the functions and terms of reference of the Planning Commission as set out in Government of India Resolution No. I-P(C)/50 dated March 15, 1950. No change is contemplated in these.

DEVELOPMENT OF ANCILLARY INDUSTRIES

*439. SHRI M. S. GURUPADASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state whether any positive steps have been taken by Government for the development of ancillary industries and if so, what are those steps?

THE MINISTER OF INDUSTRY (SHRI MANUBHAI SHAH): A statement is laid on the Table of the House.

STATEMENT

Yes, Sir. The following steps have been taken for development of ancillary industries:

(i) Development of a number of small units around large units to serve as perpetual feeders of components and parts to large manufacturing units in the public as well as private sectors. This is achieved by prior agreement of the large units to enter into long term contracts with ancillaries assuring them a minimum annual off-take at pre-determined prices. So far, negotiations have been completed with 9 public sector projects and 14 firms in the private sector;

(ii) Supply of machinery on more liberal terms to ancillary units under the Hire Purchase Scheme of the National Small Industries Corporation.

(iii) Relaxation of capital investment of units manufacturing ancillaries. It has been decided that certain facilities at present available to small scale industries should be extended to small scale units engaged in

the production of ancillaries and components required by large industries, even if their capital investment is upto Rs. 10.0 lakhs. These facilities will be (a) technical assistance through the Small Industries Service Institutes, (b) Supply of machinery under the hire-purchase scheme and (c) allotment of factories in Industrial Estates. To begin with, the relaxation in capital ceiling shall apply to industrial units manufacturing ancillaries and components for certain specified industries.

(iv) A survey in each State is being undertaken to find out the extent of purchase being made by large scale units from small scale units and how to give greater impetus to this trend of ancillary development.

SHRI M. S. GURUPADASWAMY: Sir, I find from the statement that negotiations have been completed with nine public sector projects and fourteen firms in the private sector. May I know why up to now no ancillary industry has been started and what accounts for this delay?

SHRI MANUBHAI SHAH: No, Sir. The Hindustan Machine Tools has already started this and other public sector projects will also take it up.

*440. [Transferred to the 31st August, 1960].

†STANDARDS FOR WORSTED HOSIERY YARN

*307. SHRI P. N. RAJABHOJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the *ad hoc* Committee set up to consider the problems facing the hosiery industry has recommended the setting up of a branch of the Indian Standards Institution for evolving standards for the worsted hosiery yarns; and

(b) if so, what action Government propose to take in this regard?

THE MINISTER OF COMMERCE (SHRI N. KANUNGO): (a) The *Ad Hoc*

†Postponed from the 19th August, 1960.