

(b) what portion of the requirements is met from indigenous manufacture and what portion is imported from abroad and at what cost; and

(c) what steps are being taken to make the country self-sufficient in this regard?

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

STATEMENT

(a) The present annual requirements of rims and wheels for automobiles are estimated to be of the order of 2 lakhs Nos., both for original fitment and for replacements.

(b) At present, the entire requirements are met by imports, the cost of which is not known as the import statistics for wheels and rims are not maintained separately.

(c) One firm is licensed under the Ind (D&R) Act, 1951 for the manufacture of wheels for cars with an annual capacity of 50,000 Nos. It is scheduled to go into production before June, 1960. Another firm has recently been granted a licence for the manufacture of 1.8 lakh wheels per annum on single shift both for cars and commercial vehicles. It is expected to commence production by the end of next year. In addition, Government propose to examine whether there is scope for licensing an additional unit to meet the increase in demand when the targets for production of automobiles during the 3rd Five Year Plan period have been fixed.

SHRI MAHESWAR NAIK: From the statement I find that one firm had been licensed for the manufacture of wheels as far back as 1951. Why is it that the firm has not so far gone into production?

SHRI MANUBHAI SHAH: It is licensed under the Act of 1951; not that it was licensed in 1951. It was licensed only two years back and it is scheduled to go into production before June next.

SHRI MAHESWAR NAIK: What will be the total capacity of this firm as well as of the new firm which is contemplated?

SHRI MANUBHAI SHAH: Both are given in the statement. The capacity of one is 50,000 units and that of the other is 1.8 lakh units.

SHRI MAHESWAR NAIK: What will be the approximate value of the imports which we are having in so far as wheels are concerned?

SHRI MANUBHAI SHAH: About Rs. 2 crores a year.

COTTON CRISIS IN THE COUNTRY

*550. SHRI MAHESWAR NAIK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the country is facing a cotton crisis and the mill-owners and cotton interests have approached Government with concrete proposals to avert the impending crisis; and

(b) if so, what steps are being taken by Government to meet the situation?

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

STATEMENT

By 'cotton crisis' the hon'ble Member is presumably referring to the tight supply position of cotton in the country and the high prices ruling for it. It is a fact that due to successive failure of the cotton crop during 1958-59 season and the current season as a result of excessive rains in certain cotton growing tracts, the

textile industry has been facing difficulties both on account of high prices of indigenous cotton as well as inadequate supplies. Various representations had been received in this regard from mill-owners etc. urging Government to import sufficient quantities of foreign cotton to augment available supplies in the country. Government are fully seized of the situation and are taking necessary remedial measures to meet the maximum possible requirements of the industry.

SHRI MAHESWAR NAIK: May I know whether cotton production in the country has gone down, and if so, whether it is in respect of long staple cotton or short staple cotton also?

SHRI MANUBHAI SHAH: That is true. As given in the statement this year's forecast of the crop estimate is low and that is why we are trying to see that more is imported. It is not at all in the sphere of long staple cotton, because that is not grown in India. It is all below 1 and 1½.

SHRI MAHESWAR NAIK: May I know whether it is a fact that some time back there was some offer from Egypt as well as from Sudan for the supply of long staple cotton at a cheap and concessional rate and whether that opportunity was availed of?

SHRI MANUBHAI SHAH: No such offer was made. It is always available, because Egypt grows far more cotton than it can consume but we have to look at our own foreign exchange position when we think of importing.

SHRI MAHESWAR NAIK: What are the reasons for scarcity conditions prevailing in the country now?

SHRI MANUBHAI SHAH: Failure of crop as mentioned in the statement.

SHRIMATI SAVITRY DEVI NIGAM: May I know if this estimate of low production has brought about any effect on the price?

SHRI MANUBHAI SHAH: Obviously, there has been high pressure selling and, therefore, the Forward Market Commission has imposed heavy margins and several other controls.

SHRI MAHESWAR NAIK: Is it a fact that some millowners have contended that because of this reduction in import quota for cotton scarcity conditions are prevailing in the country?

SHRI MANUBHAI SHAH: Quotas have been on the contrary liberalised. As against 600,000 bales in the normal year, we are contemplating to import this year about 7.5 lakhs bales.

†SETTING UP OF A SODA ASH MANUFACTURING PLANT AT SAMBHAR, RAJASTHAN

*384. **SHRI M. P. BHARGAVA:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any decision has been taken by Government to set up a soda ash manufacturing plant at Sambhar in Rajasthan; and

(b) if so, whether the plant will be in the private sector or in the public sector?

THE MINISTER OF INDUSTRY (SHRI MANUBHAI SHAH): (a) and (b). A scheme has been submitted by a party for the establishment of a plant at Sambhar to manufacture soda ash etc. and it is under examination.

SHRI M. P. BHARGAVA: May I know whether it is a fact that proposals were made to set up a factory in the public sector?

SHRI MANUBHAI SHAH: No, Sir.

SHRI M. P. BHARGAVA: May I know the estimated cost of the plant which is to be set up at Sambhar?

SHRI MANUBHAI SHAH: About Rs. 4 crores.

†Postponed from the 9th December, 1959.