

EXPORT OF IRON ORE WITH THE ASSISTANCE OF STATE TRADING CORPORATION

***591. SHRI BABUBHAI CHINAI:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the arrangements arrived at by the State Trading Corporation for financing the export of iron ore; and

(b) whether the mine owners are given any advance by the State Trading Corporation against orders booked by the Corporation?

THE DEPUTY MINISTER OF COMMERCE AND INDUSTRY (SHRI SATISH CHANDRA): (a) A statement is laid on the Table of the House.

(b) Yes, Sir.

STATEMENT

Financing facilities for export of Iron Ore are required by the suppliers at three stages, viz. (a) against stocks lying at ports awaiting shipment, (b) against stocks lying at rail-heads pending movement to ports and shipment thereafter; or (c) against stocks lying at mine-heads or finance for working the mines of Iron Ore.

The State Trading Corporation has so far been making advances to shippers/mine-owners to meet the expenses on account of railway freight, shipping and port charges etc. The advances are adjusted on completion of shipment etc.

Now the Corporation has made arrangements with the State Bank of India to extend cash credit facilities to suppliers against stocks lying at ports and to finance mining operations even by giving clean advances to the extent determined by them in each case.

In the case of credit facilities against stocks at rail-heads and pit-heads the Corporation has made arrangements with the following commercial banks for necessary financing facilities:—

1. The Punjab National Bank Ltd.
2. The United Commercial Bank Ltd.
3. The Central Bank of India. Ltd.
4. The Indian Overseas Bank.
5. The Bank of India Ltd.
6. The Bank of Baroda Ltd.
7. The Indian Bank Ltd.
8. The State Bank of Hyderabad.

SHRI BABUBHAI CHINAI: May I know whether the State Trading Corporation has recently changed its own terms of purchase from private parties from f.o.b. to f.o.r. and, if so, has any hardship been created on account of that and has Government thought of giving any relief on that?

SHRI SATISH CHANDRA: Sir, it hardly arises out of this question which relates to advances and financial facilities for export of iron ore. If the hon. Member wants that information, he may table a separate question.

SHRI BABUBHAI CHINAI: There are three stages mentioned in the statement and in the statement it has been mentioned that facilities have been extended for cases under (a) and (b). But no credit facility is extended against stocks lying at mine-heads. Has the Government's attention been drawn to that and is Government thinking of extending this facility also?

SHRI SATISH CHANDRA: Arrangements have been made with the State Bank of India to extend credit facilities to suppliers against stocks lying at ports and also for mining operations. Credit facilities against stocks at rail-heads and pit-heads will be extended by other commercial banks.

SHRI BABUBHAI CHINAI: But in the statement it has been said that they require facilities against stocks lying at mine-heads which have not been granted. Other facilities have been granted. Is Government thinking of extending this facility also?

SHRI SATISH CHANDRA: As I said, facilities at mine-heads will be extended by the commercial banks.

SHRI MAHESWAR NAIK: May I know whether it is a question of giving assistance to the mine owners or whether it is a question of outright purchase by the State Trading Corporation for export?

SHRI SATISH CHANDRA: This is to give credit facilities both to shippers and mine-owners for their mining operations and against their stocks lying at pit-heads or at ports, wherever they may be. It is a temporary credit accommodation which is being arranged by the State Trading Corporation with the help of the State Bank and other commercial banks.

SHRI MAHESWAR NAIK: Is it not a fact that the State Trading Corporation is making exports direct by itself after outright purchase from mine-owners?

SHRI SATISH CHANDRA: Yes; it is purchasing the Ore from mine-owners and exporting it but there is a time lag between the mining and actual export and therefore this credit facility is being afforded to the miners as well as to the shippers so that they can carry on their operations smoothly.

JUTE MILLS MANAGED BY EUROPEAN AND INDIAN MANAGING AGENCY HOUSES

*592. SHRI BABUBHAI CHINAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of jute mills in the country managed by (i) European and (ii) Indian Managing Agency Houses;

(b) the total number of looms in those two categories of jute mills;

(c) how many mills in the first and second categories showed profit and loss in the years 1956-57, 1957-58 and 1958-59; and

(d) the total amount of net profit or loss incurred by them during the same years?

THE MINISTER OF COMMERCE (SHRI N. KANUNGO): (a) to (d). A statement is laid on the Table of the House.

STATEMENT

(a) and (b). A statement showing the number of jute mills managed by Indian and non-Indian Managing Agency Houses and their loomage is given below:—

	No. of Jute Mills	Loomage
Indian	59	35,435
Non-Indian	37	33,518
TOTAL	96	68,953

(c) and (d). Information is available only for the years, 1956-57 and 1957-58 and in respect of 30 Indian mills and 27 non-Indian mills. The financial results of these mills for these years are given below:—

	No.	Profit Rs. (ooo)	Loss Rs. (ooo)	Net results Rs. (ooo)
1956-57				
Indian	(a) 18 (b) 12	6,799 ..	4,622	2,177 (Profit)
Non-Indian	(a) 2 (b) 25	659 ..	29,865	29,206 (Loss)
1957-58				
Indian	(a) 22 (b) 8	12,231 ..	3,564	8,667 (Profit)
Non-Indian	(a) 8 (b) 19	8,683 ..	9,986	1,303 (Loss)