

**SHRI N. KANUNGO:** Yes, there have been complaints off and on. But as a matter of fact the production in 'B' Class factories is showing an increase.

**SHRI BHUPESH GUPTA:** May I know, Sir, if it is a fact that at least in some cases small companies had been weeded out as a result of this competition?

**SHRI N. KANUNGO:** Small establishments have not been weeded out as far as our information goes.

**SHRI BHUPESH GUPTA:** May I know, Sir, whether the Government has made any estimate of the production by small concerns?

**SHRI N. KANUNGO:** The capacity is very elastic and we have a rough idea of the capacity; and the production figures we tried to get because of the excise duty.

### कपड़े के मूल्य में वृद्धि

\*४३६. श्री नवाब सिंह चौहान : क्या बाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार को ज्ञात है कि कपड़े के मूल्यों में वृद्धि हो रही है और व्यापारियों ने कपड़े को छिपा कर इकट्ठा करना शुरू कर दिया है ;

(ख) यदि हां, तो मूल्यों की वृद्धि का क्या कारण है; और

(ग) मूल्यों की वृद्धि को रोकने के लिये सरकार क्या कार्यवाही करने का विचार रखती है ?

†[RISE IN PRICES OF CLOTH

\*436. SHRI NAWAB SINGH CHAUHAN: Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that the prices of cloth are rising and the traders have started hoarding cloth;

(b) if so, what are the reasons for the rise in prices; and

(c) what steps Government propose to take to check the rise in prices?]

उद्योग मंत्री (श्री नित्यानन्द कानूनगी) :

(क) सरकार को ज्ञात है कि कपड़े के मूल्यों में वृद्धि हो रही है, लेकिन उसे ऐसे समाचार नहीं मिले हैं कि व्यापारियों ने कपड़े को छिपा कर इकट्ठा करना शुरू कर दिया है ।

(ख) अन्य कारणों के साथ मूल्यों में वृद्धि होने के कारण हैं, रुई के भाव में वृद्धि होना जो सूत और कपड़े के उत्पादन लागत में एक बहुत महत्वपूर्ण तथा प्रमुख बात होती है और देश में कपड़े की मांग जो जितना माल आता है उस से भी अधिक हो गयी प्रतीत होती है ।

(ग) यह प्रश्न सक्रिय रूप से सरकार के विचाराधीन है ।

†[THE MINISTER FOR INDUSTRIES (SHRI N. KANUNGO): (a) Government are aware that a steady rise in prices of cloth is taking place but have had no reports of holding of cloth by traders.

(b) The reason for the rise *inter alia* are, the price of cotton which forms a very important and major factor in the cost of production of both yarn and cloth has increased and the demand for cloth in the country looks like outstripping the supply.

(c) This question is under active consideration of the Government.]

श्री नवाब सिंह चौहान : इन कीमतों को नीचे लाने के लिये सरकार क्या उपाय कर रही है ?

श्री नित्यानन्द कानूनगी : इस पर विचार हो रहा है और अभी कोई रास्ता नहीं निकला है ।

श्री नवाब सिंह चौहान : सस्ता होने का सवाल नहीं है। सवाल यह है कि सरकार क्या क्या प्रयत्न कर रही है या क्या क्या प्रयत्न करने के लिये सोच रही है जिससे कीमतेँ नीची हों और लोगों को कपड़ा मिल सके।

श्री नित्यानन्द कानूनगी : इस पर सोच विचार हो रहा है और बाद में निर्णय होगा।

डा० रघुनाथ प्रसाद दुबे : रुपया लोगों का खर्च हो जायगा उस के बाद सोचेंगे ?

श्री नित्यानन्द कानूनगी : ऐसी बुरी हालत नहीं हुई है।

SHRI GOVINDA REDDY: Is it not a fact that on festival occasions when people use new cloth, the market is being starved of cloth and it goes into the black market?

SHRI N. KANUNGO: No, Sir.

SHRI B. C. GHOSE: In view of the fact that the Government must have an estimate of the requirements, because they have been planning, I should like to know as to whether this shortage has been due in any measure to the controversy which has been going on about the Ambar Charkha and the fact that to a certain extent mill production has been pagged?

SHRI T. T. KRISHNAMACHARI: The question presumes decisions on a number of matters and all that I can say is that Government are not in a position to enlighten the hon. Member.

MR. DEPUTY CHAIRMAN: He says he is not in a position to enlighten the hon. Member.

SHRI B. C. GHOSE: May I know, Sir, in view of the fact that the Government have admitted that there is a shortage, if they would expedite a

decision either in regard to the Ambar Charkha or in expanding mill production?

SHRI T. T. KRISHNAMACHARI: It is easier said than done. Whatever Government can do now, the results can only be seen over a period of time. The matter is, of course, very serious, because we do not know what will happen between now and the next twelve or eighteen months. It is only then that we can increase production visibly. All these matters are being considered by the Government at the present moment.

SHRI B. C. GHOSE: In reference to answer to part (a) of the question may I know if the action taken by the Reserve Bank in restricting credit and the information that the Reserve Bank might have collected in that connection has shown that there has been no increase in advances against cloth?

SHRI T. T. KRISHNAMACHARI: I do not know what information the Reserve Bank has collected in this connection. But such information as I have collected has shown that there is not any appreciable increase in the stocks held by retailers and wholesalers.

SHRI B. B. SHARMA: What is the relation of the rise in the price of cloth to the price of foodgrains?

SHRI T. T. KRISHNAMACHARI: The material for arriving at an answer is as much in the hands of the hon. Member as in mine. The figures are available and percentages can be worked out by the hon. Member.

DR. P. C. MITRA: Is it not a fact that the great demand for Indian textiles in foreign countries is one of the causes?

SHRI T. T. KRISHNAMACHARI: On the other hand, exports have fallen and to that extent there has been

an increase in the consumption inter-nally.

**SHRI B. C. GHOSE:** The hon. Minister stated that one of the reasons has been the rise in the price of cotton. But has he any information as to the proportion of the rise that is justified by the rise in the price of cotton?

**SHRI T. T. KRISHNAMACHARI:** The normal price of cotton about this time is about Rs. 700 to Rs. 720, taking Jarilla as the base. There has been an increase of Rs. 80 to Rs. 90 in that particular type of cotton. So, the hon. Member can understand that there has been an increase of about 12½ to 15 per cent. in the price of raw materials, which provides some justification for the increase in price, but it is only one of the causes and not the main cause.

**SHRI BHUPESH GUPTA:** The hon. Minister has given the impression in his reply that the price of cloth went up on account of the rise in the cost of production. May I know, Sir, if it is not a fact that immediately after the budget proposals were made known the prices began to soar high and that these price increases were made in respect of the stocks already in the godowns?

**SHRI T. T. KRISHNAMACHARI:** The hon. Member has got a very fertile imagination. All these might be facts later on. But at the present moment, there is no justification for assuming them to be correct.

**SHRI H. P. SAKSENA:** Well, the Government admit that there has been a rise in prices. If so, what effective steps have they taken or propose to take and what guarantee do Government give for seeing that the steps that they take bring about the desired result?

**SHRI T. T. KRISHNAMACHARI:** Well, Sir, there is no need for Government to admit anything which is a fact. The facts are known. Government cannot deny the facts. What

steps Government propose to take in this connection are still under consideration and it would not be wise to divulge at the present stage what proposals are to be formulated. Finally, there will be the issue of a notification by Government.

In regard to the question of guarantee, well, Sir, the hon. Member, as a Member of this House and as a member of the ruling party can always demand guarantees from Government. If the guarantees are not forthcoming, the remedy lies in his hands.

#### PRODUCTION AND IMPORT OF MEDIUM STAPLE COTTON

\*437. **SHRI M. VALIULLA:** Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) the quantity of medium staple cotton produced in India at present and that in 1948-49; and

(b) how much of this type of cotton is being imported at present and how much was imported in 1948-49?

**THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR):** (a) and (b). A statement is laid on the Table of the House.

#### STATEMENT

(a) *Production of medium staple cotton (i.e. cotton of staple length above 11/16" but below 7/8").*

(Figures in '000' bales)

	Cotton season	
	1948-49	1955-56
1. As estimated by the Ministry of Food & Agriculture.	904	1702
2. As estimated by the Textile Commissioner, Bombay.	1120	2300

(b) *Import of medium staple cotton.*

No import of medium staple cotton has been permitted during the season 1955-56 as India is already self sufficient in this cotton.