

SHRI D. P. KARMARKAR: Because people did not buy.

SHRI B. C. GHOSE: Because there was less consumption?

SHRI D. P. KARMARKAR: Less of consumption and less of exports.

SHRI B. C. GHOSE: Was the reduction in the internal or the external market? If both, have the Government found out the reasons?

SHRI D. P. KARMARKAR: I should have liked to give exact figures. We have got exact figures for production and for consumption. As my hon. friend just now said, the decrease in consumption was both internal as well as external.

SHRI B. C. GHOSE: Have the Government found out the reasons as to why there should be reduction in consumption internally?

SHRI D. P. KARMARKAR: It is only a question of opinion. Whenever there is greater production there is a little easing of the situation and the buyers become conservative. They do not then show panic to buy as much as before. When there is a shortage people are in a hurry to buy more and the shortage becomes greater. But as supplies become liberal the buyers also become conservative. They wait for their purchases.

SHRI B. C. GHOSE: Is it the Government's opinion that this year has been very much more than last year?

SHRI D. P. KARMARKAR: It is not a question of opinion; it is a fact.

SHRI B. C. GHOSE: By how much?

SHRI D. P. KARMARKAR: I have not got the figures now, but I think mill production is round about 5,000 million yards.

SHRI V. K. DHAGE: In the statement supplied by the Minister it is

found that generally the mills closed down their shifts within a period of one month. May I know as to why that happened?

SHRI D. P. KARMARKAR: As I said, the justification given to us by the mills was accumulation of stocks, but that did not justify the closures. In some cases, as my hon. friend will notice, only some shifts have been closed. In the case of the Ahmedabad New Textiles, the third shift has been closed. In others the second shift has been closed. In the New Raj pur Mills only one shift has been closed. So the closure differs from mill to mill. They were rather afraid of accumulation of stocks.

SHRI C. G. K. REDDY: Is it not a fact that the textile industry in India with surprising regularity and with certain periodicity has been holding out threats regarding closure of mills from time to time during the last two to three years?

SHRI D. P. KARMARKAR: That is too general a question. They hold out different types of threats from time to time.

SHRI C. G. K. REDDY: Closure on the plea of accumulation of stocks— has it not happened during the last two to three years?

SHRI D. P. KARMARKAR: I would say that this is the first time that closure on such a large scale has taken place.

RESTRICTION ON INDIAN TOBACCO

•82. SHRI S. M. HEMROM: Will the Minister for COMMERCE AND INDUSTRY be pleased to state whether there is any restriction imposed on the import of Indian tobacco into Germany?

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): No, Sir.

SHRI M. VALIULLA: What is the total amount that is being exported to Germany?

SHRI D. P. KARMARKAR: In pounds the quantity exported during 1952 is 675,245, worth Rs. 10,62,050.

PROF. G. RANGA: Are any steps being taken to promote export of Indian tobacco to Germany and other countries?

SHRI D. P. KARMARKAR: My hon. friend knows we are taking active steps by way of exporting our products and so on but in places like, Germany there are some inherent difficulties. In Germany, for instance, our principal difficulty has been that Western Germany has been the traditional market for Balkan and Turkish tobacco and secondly during the postwar period they rather developed a liking for the imports of tobacco from the United States for the taste of it. These are the difficulties we are having. We are taking all possible steps.

PROF. G. RANGA: Is it not a fact that during the whole of last year there have been huge stocks—unsold stocks—in our country and the Government has taken so far no special steps in order to promote exports and help the industry?

SHRI D. P. KARMARKAR: As for the first part, there were unsold stocks, and as for the second part the hon. Member will appreciate that our efforts have their own limitations.

PROF. G. RANGA: Have the Government appointed any special officer or officers who can be considered to be experts in the matter of finding markets and who could go to these various countries and promote exports?

SHRI D. P. KARMARKAR: We have under contemplation the appointment of two capable and competent officers—one for Asia and one for Europe—to promote tobacco exports.

SHRI M. VALIULLA: Are we not getting about 12 crores every year?

SHRI D. P. KARMARKAR: It is a substantial item of our exports.

KHWAJA INAIT ULLAH: To which Germany is our tobacco being exported, East or West?

SHRI D. P. KARMARKAR: I am; speaking of the West. Regarding East Germany I understand there is an agency in Bombay for purchasing tobacco. But I have no information at this moment. My information, was with regard to West Germany.

KHWAJA INAIT ULLAH: There is an agency in Bombay, but is that agency exporting tobacco or not?

SHRI D. P. KARMARKAR: I said I have no information.

RECOVERY OF LOANS FROM DISPLACED PERSONS

*85. SHRI P. C. BHANJ DEO: Will the Minister for REHABILITATION be pleased to refer to the answer given, to my unstarred question No. 117 on the 5th May 1953, and state whether it is a fact that the PEPSU and Rajas-than Governments have disbursed rehabilitation loans but have made no representation about their inability to bear the probable losses on this account?

THE MINISTER FOR REHABILITATION (SHRI A. P. JAIN): Rajasthan Government did make a representation expressing their inability to bear the losses but this information, was received in the Ministry after the reply to Question No. 117 had been drafted. No representation has been received from the Government of PEPSU expressing their inability to bear any portion of the losses. All that the latter Government have represented is that they should not be made to bear any portion of the losses in respect of loans given to displaced persons from Bahawalpur and for the Raj pur a Scheme.

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SHRI P. C. BHANJ DEO: May I know if there are any other States which have made no representation about their inability to bear the losses on account of loans which are not likely to be recovered from displaced persons?

SHRI A. P. JAIN: The States of Madras, Hyderabad and Travancore-Cochin made no representation.

SHRI P. C. BHANJ DEO: May I know, Sir, whether after the issue of instructions to the State Governments to ensure full recovery of Joans disbursed to displaced persons, "the percentage of new loans have increased in the States?

SHRI A. P. JAIN: I am unable to supply the information. If regular notice is given, I hope to supply the information.

SHRI P. C. BHANJ DEO: What is the likely percentage of the recovery of loans in Part C States by the Government and the Rehabilitation Finance Administration?

SHRI A. P. JAIN: The hon. Member knows that I am not dealing with the Rehabilitation Finance Administration. So far as that part of the question is concerned, it has to be put to the hon. the Minister for Finance. So far as the other part of the question is concerned, *i.e.*, the percentage of recovery in Part C States, I am not having the complete figures. If a regular question is tabled, I will supply this information.

SHRI P. C. BHANJ DEO: Is there any rate of interest charged on such loans, and if so, how much?

SHRI A. P. JAIN: The Centre advances loans to the State Governments at varying rates of interest; -formerly it was 3i per cent; of late, it has been increased to 4i per cent.

"POSTPONED QUESTION FOR ORAL ANSWER"

(Postponed from the 23rd November 1953)

AGREEMENT WITH JAPAN FOR SETTING UP OF A STEEL PLANT

♦23. SHRI S. M. HEMROM: Will the Minister for PRODUCTION be pleased to state:

(a) whether Government have entered into an agreement with Japan for the setting up of a half-a-million ton steel plant in India; if so, where it will be located;

(b) whether Government contemplate manufacturing vanadium steel;

(c) if the answer to part (b) above be in the affirmative, when and where the manufacturing will be started; and

(d) if the answer to part (b) above be in the negative, the manner in which Government propose to utilise the vanadium ores of the country?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) No.

(b) to (d). The question of utilisation of vanadium ore and subsequently of the manufacture of vanadium steel will be examined.

SHRI C. G. K. REDDY: Is it not a fact that some months ago, the then Secretary of the Production Ministry did go to Japan to negotiate an agreement which was about to be implemented by the Government?

SHRI K. C. REDDY: This appears to be an altogether different subject. This question is with regard to vanadium steel and not whether an agreement has been entered into with Japan.

SHRI C. G. K. REDDY: Part (a) of the question is just steel plant; and part (b) refers to vanadium.

SHRI K. C. REDDY: What was the question, Sir?