

## COUNCIL OF STATES

Thursday, 27 November 1952

The Council met at a quarter to eleven of the clock, MR. CHAIRMAN in the Chair.

### ORAL ANSWERS TO QUESTIONS

#### INDIAN COTTON—PURCHASE BY INDIAN MILLS

\*62. SHRI M. VALIULLA : Will the Minister for COMMERCE AND INDUSTRY be pleased to state :

(a) whether it is a fact that for some time in 1951 and in 1952 Indian mills refused to buy Indian cotton ; and

(b) if so, what were the reasons for such refusal ?

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

(b) Does not arise.

SHRI M. VALIULLA : Is it not a fact that within those days the superior quality of cotton was imported in India from outside ?

SHRI D. P. KARMARKAR : Sir, for a very brief period—for about a month's time—when we were very anxious to get American cotton. For instance, I can tell my hon. friend in November 1951 the purchase of American cotton was 77,000 bales. Later on it was 362,000 bales and in January 417,000 bales.

KHWAJA INAIT ULLAH : When no Indian company refused to buy the Indian cotton, why was the Indian cotton exported to foreign countries ?

SHRI D. P. KARMARKAR : It mixes up two questions in the one. One is the lifting of Indian cotton by the mills. I said that for a very very brief period there was a slight slackness regarding export. We judge the quantum of exports by the internal requirements and then see how much is the margin and for this year I think

I said a few days ago, the margin was about 350,000 bales.

KHWAJA INAIT ULLAH : The hon. Minister has just said that no Indian mill refused to buy our own cotton. In spite of this, our own cotton is being exported to import the foreign cotton. What is the reason for that ?

SHRI T. T. KRISHNAMACHARI : Sir, the position is this. As my colleague said, the two matters are totally different. What we allow to be exported is what is called short staple cotton. We use a certain quantity and the balance remains unused. And, other countries take short staple cotton from us. Japan has been buying. While we import long staple cotton from the United States, we also export a small quantity of short staple cotton to the United States as well. So we are allowing only that to be exported which is not needed in our country and which is surplus. And the particular question that has been asked by the hon. Member Shri Valiulla is something totally different.

SHRI H. D. RAJAH : In view of the statement made by the Commerce Minister, will the Government consider the desirability of using the entire cotton produced in our own country ?

SHRI D. P. KARMARKAR : We think it advisable that as much of the internally produced cotton as possible be used by our mills.

SHRI O. SOBHANI : Can this cotton not be used for yarns suitable for handloom purposes ?

SHRI D. P. KARMARKAR : A part of it is absolutely unspinnable cotton. That cotton is only to be used for quilts etc. A little part of it that we exported this year was a very short staple cotton which could have been spun but which was surplus to our requirements.

**SHRI B. B. SHARMA :** Is it not possible to grow a very fine variety of cotton in the district of Bundelkhand in U. P. particularly when a large area of black soil land is lying fallow there, for want of irrigation facilities ?

**SHRI D. P. KARMARKAR :** We are making the best possible effort for that.

#### ACCOUNTS OF HIGH COMMISSION AT OTTAWA

**\*63. DR. R. B. GOUR :** (a) Will the PRIME MINISTER be pleased to state whether a proper audit has been conducted of the accounts of expenditure of our Diplomatic Mission at Ottawa ?

(b) If so, will Government place on the Table of the Council a copy of the latest audit report pertaining to the High Commissioner's office at Ottawa ?

**THE PARLIAMENTARY SECRETARY FOR THE PRIME MINISTER (SHRIMATI LAKSHMI MENON) :** (a) Yes.

(b) There is no separate audit report on the High Commission at Ottawa. The High Commissioner for India in Canada submits monthly accounts of his expenditure to the Accountant General, Central Revenues, for current audit. In addition, a local audit is conducted periodically.

The Auditor General's Annual Report is printed along with the Appropriation Accounts of the Government of India and is presented to Parliament.

**DR. R. B. GOUR :** When was the last local audit done ?

**SHRIMATI LAKSHMI MENON :** There is no separate audit for each office.

**DR. R. B. GOUR :** The reply says that there is a local audit conducted. When was it last conducted ?

**SHRI JAWAHARLAL NEHRU :** Last year. It is rather difficult to give an exact date. It is an annual audit.

**SHRI H. D. RAJAH :** Is it not possible to audit the accounts of every High Commissioner's office—not only Ottawa High Commissioner's office ?

**SHRI JAWAHARLAL NEHRU :** Every foreign Mission's accounts are audited—High Commissioner's and Embassies.

#### BYE-PRODUCT CHALK

**\*64. SHRI S. N. MAZUMDAR :** Will the Minister for PRODUCTION be pleased to state :

(a) whether any contract for the sale of bye-product chalk has been entered into between the Sindri Fertilisers & Chemicals Ltd. and any cement company in India ;

(b) if the answer to part (a) be in the affirmative,

(i) what is the name of the cement company ;

(ii) whether it is a foreign or Indian company ;

(iii) what is its authorised and paid-up capital ;

(iv) who are its directors ; and

(v) how long it has been working ;

(c) whether it is a fact that the cement company in question proposes shortly to install cement manufacturing plant at Sindri ; and

(d) (i) if so, when that factory will go into production ;

(ii) what will be its estimated cost ;

(iii) where from the machinery for the plant is to be imported ; and