

LOK SABHA DEBATES

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LOK SABHA

Wednesday, 21st August, 1957.

The Lok Sabha met at Eleven of the Clock

[Mr. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Newsprint Imports

*1605. Shri M. R. Krishna: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that representatives of the Chamber of Commerce have urged the ban of further import of newsprint; and

(b) the annual import of newsprint and the principal countries which export newsprint to India?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra):
(a) No, Sir.

(b) A statement is laid on the Table of Lok Sabha [See Appendix III, annexure No. 48]

Shri M. R. Krishna: May I know what is the total production of newsprint in the factories in our country and by what time the country will be self-sufficient in newsprint?

Shri Satish Chandra: There is only one newsprint factory at present—the Nepa Newsprint Factory in Madhya Pradesh. The production last year was 10,792 tons. This year, from January to March, it was 3,500 tons. The rated capacity of the factory is 30,000 tons though the present demand is about 90,000 tons.

Shri M. R. Krishna: May I know whether any factories under the National Industrial Development Corporation with or without foreign technical assistance to produce newsprint from bagasse were set up in the country and, if so, what is their number and where those factories are situated?

Shri Satish Chandra: There is a proposal to set up a newsprint factory utilising the bagasse at Shakkarnagar near Hyderabad, and the capacity of that factory will be about 30,000 tons per annum.

श्री म० रा० द्विवेदी : क्या मंत्री जी को यह मालूम है कि नेपा नगर में जो न्यूजप्रिंट बनती है उस पर एक्साइज ड्यूटी लगाई जाती है; यदि हा तो क्यों ?

उद्योग मंत्री (श्री मनुभाई शाह) : जैसे और फैक्टरियों पर एक्साइज ड्यूटी लगती है वैसे ही उस पर लगती है ।

श्री म० रा० द्विवेदी । यहां पर तो वित्त मंत्री महोदय ने यह घोषणा की थी कि न्यूजप्रिंट पर एक्साइज ड्यूटी नहीं लगाई जायगी ?

श्री मनुभाई शाह : जब वह लगी थी तब लगाई गई थी, अब निकाल दी गई है ।

Shri C. D. Pande: The Deputy Minister has just now told the House that the rated capacity of the mill is 30,000 tons, whereas the annual production is only 12,000 tons. What are the factors that are handicapping production?

Shri Satish Chandra: The Nepa Newsprint Mills went into production about two years ago. After that there have been some teething troubles.

Recently, the production had been increasing, but there has been a set back again due to short supply of electricity and steam which are supplied by Madhya Pradesh Government from some other plant. As soon as this bottle-neck is got over, production is likely to improve.

Shri E. Ramanathan Chettiar: May I know whether there is a proposal to have a newsprint factory either in the Nilgiris or in Mettur in the Madras State?

Shri Satish Chandra: There is no proposal under consideration at present.

Shri B. S. Murthy: May I know what has happened to the experiments carried on at Vuyyur to convert bagasse into newsprint?

Shri Satish Chandra: Bagasse can undoubtedly be converted into newsprint. We are setting up a factory. The proposal at present under consideration of the National Industrial Development Corporation is to set up a factory at Shakkarnagar, for, a large quantity of bagasse is available from a single factory, one of the biggest in the country. That can be utilised very conveniently. The manufacture can be taken up at any other place if private parties come forward in future to set up factories.

Shri B. S. Murthy: Is it not a fact that in Vuyyur, experiment was first made, and the Madras Government as well as the Andhra Government later on took up the question, and may I know whether the Andhra Government have asked for any financial assistance and, if so, what has happened to that?

Mr. Speaker: Hyderabad also is in Andhra.

Shri Manubhai Shah: The question is slightly misleading. There was no experiment carried out for conversion of bagasse into newsprint in this country. It is a very modern up-to-date invention successfully established

in Germany only last year. There has been no experiment in this country on that conversion. What the hon. Member refers to is perhaps the conversion of bagasse to paper over which there have been almost half a dozen experiments in this country and they were successful. As far as the financial assistance to the Andhra Government is concerned, there is no question of assistance, because this factory is being established by the Government of India, in the public sector, themselves.

Shri Heda: May I know what is the consumption of newsprint in India and whether it is increasing and, if so, whether these two factories—at Shakkarnagar and Nepa Nagar—will be able to cope up with the requirements?

Shri Satish Chandra: The present consumption is about 85,000 to 90,000 tons. The demand is likely to increase to 120,000 tons by 1961. The Nepa factory and the new factory at Shakkarnagar will be able to produce only 80,000 tons. There is scope for further development of newsprint industry in the country, but it cannot be taken up immediately.

Shri Ranga: What special steps are being or have been taken by Government during the last one or two years to step up production from Nepa mills itself to help them to get over their difficulties in view of the fact that they themselves say that the rated capacity is 30,000 tons and that production is only about 15,000 tons in the country which is badly in need of greater production?

The Minister of Finance (Shri T.T. Krishnamachari): May I answer the question? The Nepa mills have been undergoing a lot of teething trouble and just now the mill is on the threshold of stabilising itself. But the question of expansion of the mill has got to be considered at a later stage. All that Government have done during the last one and a half to two years is to find out whether there are other sources from which they could

produce newsprint. Of course, as my colleague mentioned, newsprint could be produced from bagasse, a thing that we knew, but then, bagasse is now used as fuel by the sugar factories and we should provide for them alternate fuel at a cost which will make it possible for us to use the bagasse for the purposes of making newsprint. All these facts have been taken into consideration in the decision that Government have taken to establish a newsprint factory at Shakkarnagar. It is quite possible,—if once the plant is started and it produces 30,000 tons, and if the sugar industry in that area grows which is also likely—that the capacity might grow, but the hon. Member must understand that it is not an easy process, namely, this question of manufacturing of newsprint in this country whether out of bagasse or out of other alternate products, and we have to undergo all these teething troubles before we can establish the industry on a firm basis.

Price Control

*1006. Shri Bibhuti Mishra: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that Government are contemplating to fix relative prices for raw materials and finished goods produced in India and manufactured in Indian factories; and

(b) if so, when it is to be given effect to?

The Minister of Commerce and Industry (Shri Morarji Desai): (a) and (b) [Government have requested industrial units, and in particular those who make products, the import of which has been reduced, to accept three points of principle with regard to prices.] Copies of the letters to the Presidents of the Federation of Indian Chambers of Commerce and Industry and the Associated Chambers of Commerce and to leading industrialists are laid on the Table of the House. [See Appendix III, annexure No. 49.]

2./The response received so far encourages Government to believe that by and large voluntary agreement with industry is helping to hold the price line though in particular cases the possibility of control cannot be ruled out.]

श्री बिभूति मिश्र . अध्यक्ष महोदय, इंडस्ट्रीज मिनिस्टर ने जो जवाब दिया है वह कंज्यूमेंट साइड से दिया है मैं चाहता हूँ कि प्रोड्यूसर साइड से जवाब द्यो। जो प्रोड्यूसर कच्चा माल तैयार करता है उसी कच्चे माल का इंडियन फेक्टरीज में पक्का माल तैयार होता है और दोनों की कीमतों में जमीन भासमान का फर्क हो जाता है, तो क्या सरकार उनकी कीमतों में समता लाने की कोशिश करेगी ?

श्री मुरारजी देसाई जो कच्चा माल प्रोड्यूसर्स बनाते हैं यानी क्या एग्रीकल्चरिस्ट्स का प्राप पूछते हैं या और लोगों का पूछते हैं। जहा तक एग्रीकल्चरिस्ट्स के रा मैटीरियल्स का सम्बन्ध है उनका भाव ऊंचा है और मैनफैक्चरर्स का भाव उस हिसाब से नीचे है और उनके लिए प्राज कुछ करने की जरूरत नहीं है, उनको तो बहुत ज्यादा मिलता है।

श्री बिभूति मिश्र . अध्यक्ष महोदय, मैं बतलाना चाहता हूँ कि माजकल जूट १६ रुपये मन बिकता है और जब जूट का एक मन का बोरा तैयार होता है तो उसकी कीमत ४० रुपये हो जाती है, एक संरजुट के बोरे की कीमत १ रुपया होती है, तो क्या मंत्री महोदय इस सम्बन्ध में कोई समता लाने की कोशिश करेगे।

श्री मुरारजी देसाई : माननीय सदस्य को मालूम होना चाहिए कि जो कच्चे माल का भाव है उस के ऊपर काफी खर्च लग जाता है, काफी पैसे लग जाते हैं। बनाने और बेचने में और Transport में काफी खेरे लगते हैं तब वह भाव २४ व० तक बढ़ जाता है ऐसे ही