

the greater movement of goods, we try to give a regional bias and disperse the industries as much as possible.

**Shri Anthony Pillai:** In view of the fact that the formula now enunciated by the Minister is very elastic, will the Government give some weight to the plea made by the Madras Government that the allocation of the development resources should be on the basis of population?

**Shri Manubhai Shah:** This is a slightly different from the question put on the paper. But, as far as these things also are concerned, the Planning Commission takes everything into consideration.

**Shri T. B. Vittal Rao:** May I know whether the Commission made a specific recommendation framing the industrial location plan and whether Government is contemplating to try the industrial location plan or may I know whether that recommendation has been dropped?

**Shri Manubhai Shah:** As far as the industrial location plan is concerned, the Planning Commission in para 49 of Chapter 29 of the First Five Year Plan and 68 of Chapter 19 of the Second Five Year Plan has given very deliberate views that it is not possible in such a big country to think of a master plan for the whole country. But constant efforts are made that in the shortest possible period, the regional disparities are removed.

**Shri V. P. Nayar:** The hon. Minister mentioned four factors which would determine the location of industries. I want to know whether none of these factors, if not all of them, should have made Government decide upon giving one of the industries in the public sector to the Kerala area which has, added to all these, an unemployment, the magnitude of which is not known in any other State?

**Shri Manubhai Shah:** As far as Kerala is concerned, there are several industries run by the State Government as well as the Central Government in that State. So, it will not be true to say that no public sector factory is run there. As I said in the previous answer, very clear and very precise information is collected in order to see that wherever possible the dispersal takes place in the best interests of the dispersal and the removal of regional disparities.

**Shri H. C. Mathur:** May I know what is the relationship of the States with the Centre in the matter of the location of these major development industries?

**Shri Manubhai Shah:** Practically in every case, we consult the State Governments concerned; and the teams which are visiting, visit all the probable areas which are good for that particular type of industry.

#### Handloom Products

\*6. **Shri S. V. Ramaswamy:** Will the Minister of Commerce and Industry be pleased to state what steps are being taken to supply in sufficient quantity the handloom products which are in demand in the U.S.A.?

**The Minister of Commerce (Shri Kanungo):** An American Expert Team recently toured the important handloom producing centres of India at our request in order to advise us on measures to be adopted to encourage handloom exports to America including the question of ensuring sufficient supply. The Team's final recommendations are awaited.

**Shri S. V. Ramaswamy:** Is it a fact that we have not been able to take full advantage of the sympathetic market in U.S. because we have not geared production to supply in sufficient quantities according to the specifications in sufficient time? If that is so, what steps are being taken to organise production and supply?

**Shri Kanungo:** A part of the question of the hon. Member is correct in the sense that by the very nature of the industry it is not able to produce

large quantities of standardised varieties. But, for specific purposes or specific designs, various steps are being taken by the Handloom Board and we hope that in the near future export requirements in sizable quantities will be met.

**Shri B. S. Murthy:** May I know whether it is under the contemplation of the Ministry to send a team of handloom workers to America to study the different patterns they would like to have?

**Shri Kanungo:** We are getting the consumers down here.

**Shri Supakar:** What is the volume of demand and what is the supply at present?

**Shri Kanungo:** For export purpose or the total?

**Shri Supakar:** For export of handloom products to U.S.A.

**Shri Kanungo:** The export figures show a satisfactory increase. For example, in 1955, the total export was 55 million and odd yards. In 1956, it was 59 million and odd yards.

**Shri Thimmaiah:** May I know the other countries where there is great demand for these products? May I also know whether any emporium had been set up in foreign countries?

**Shri Kanungo:** Yes. We have opened several sales centres—Singapore and Western Asia. We have got a trade centre in New York and another in Geneva. As a matter of fact, the bulk of the export goes to Africa and countries of Europe.

#### **Tungabhadra Shutter Manufacturing Factory**

\*7. **Shri T. B. Vittal Rao:** Will the Minister of Commerce and Industry be pleased to state:

(a) at what stage is the proposal to take over the Shutter Manufacturing Factory at Tungabhadra Dam site; and

(b) when is it likely to be finalised?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). After a full examination of the matter,

Government have come to the conclusion that there is for the present no need to pursue the proposal. The State Government concerned are looking into the aspects of utilisation of this Factory.

**Shri T. B. Vittal Rao:** One of the reasons for mooted the idea of taking over this factory was that the supply of pig iron and steel to this factory was not adequate. So, it was perhaps thought that it could be taken over by the Centre and provided with adequate supplies. May I know whether the supplies are now adequate?

**Shri Manubhai Shah:** That was not the precise reason. At one stage, it was apprehended that when the project was over, perhaps there would be no work left for the factory. But experience has shown that there is enough work now and the Tungabhadra Project is utilising this factory to the fullest. There is no short supply of pig iron or steel. To the extent that every factory in this country is provided for, this factory is also looked after and provided for.

**Shri T. Subramanyam:** Is it a fact that the difficulty arose about the quantum of compensation to be paid for taking over this concern?

**Shri Manubhai Shah:** That was not also the main reason, perhaps. But, there was a difference of opinion regarding the compensation. But, that could have been finally settled by a talk across the table. Actually, I went to Hyderabad the other day to discuss certain matters with the Andhra Government. But really why we have not thought of pursuing the matter is because both the Andhra and Mysore Governments think that they can fully utilise this workshop at least for some time to come.

**Shri Thirumal Rao:** Is it the plan of the Central Government to own this factory as a shutter manufacturing concern to supply other river valley projects after the needs here are met?

**Shri Manubhai Shah:** No, Sir. That is not the intention at all.