

Shri Karmarkar : I think—subject to correction—we have not yet arrived at any decision in the matter. But I should like to have notice.

Shri Heda : In view of the aim and object stated by the hon. Minister, namely, to steady the prices, may I know whether Government have made a comparative study of how the futures market has behaved in the last two years after the passing of the Bill, and before? If so, what are their readings?

Shri Karmarkar : This matter is always under our study. The results seen so far have been encouraging. Shall I go into details of how prices have behaved, how they have gone down and all that? I do not think it necessary.

Mr. Speaker : They may be placed on the Table of the House.

Shri Karmarkar : They are available to the general public in published publications. So there is no need for it.

Shri L. N. Mishra : May I know whether any representation has been made to the Government to the effect that permitting futures trading in raw jute will result in something like a *fadka* market thereby giving a fillip to some people who thrive on speculation?

The Minister of Heavy Industries and Commerce and Consumer Industries (Shri Morarji Desai): There is always danger of speculation in all these matters, but because of the danger, we cannot allow the mechanism, which steadies the market, to go overboard. Therefore, it is necessary that in spite of the danger this should be kept on. We are aware of the danger and try to take steps from time to time whenever speculation takes place.

Textile Mills

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*4981. { **Shri Kajrolkar :**
Shri M. S. Gurupadaswamy :

Will the Minister of Commerce and Consumer Industries be pleased to state:

(a) the reasons which have led to the extension of the concession granted to textile mills in the form of rebate on production of cloth in excess of a specified quantity for a further period;

(b) the reasons for the cancellation of the order restricting stocks of cloth which can be held by wholesale dealers to three months' average stocks;

(c) whether any State Government has issued any restrictive order stipulating the quantity of cloth which can be stocked by a wholesale dealer in pursuance of the delegation of such powers to State Government;

(d) if so, the name of such Government and particulars of such orders issued by it;

(e) whether the rising trend of cloth prices has been effectively checked by the extension of the concession referred to in part (a) above; and

(f) if so, to what extent?

The Minister of Consumer Industries (Shri Kanungo) : (a) As an incentive to the Cotton Textile Mills, to increase production of cloth by working more spindles and looms more intensively, as also on extra third shift production, the rebate was first effective from production for September, 1956. It was urged that as the rebate itself was announced only by the middle of October, 1956, the mills would not be able to take all the necessary steps for working third shift etc. during the short period from September, 1956 to December, 1956. The period during which rebate would be admissible was therefore extended upto March, 1957.

(b) In view of the different situations that prevailed in different parts of the country, it was considered that it would be advantageous to delegate the powers to the State Governments who could then meet their local situations properly.

(c) and (d). Yes, Sir. The Government of West Bengal. A copy of that Government's Notification No. 221-F. Tex dated the 26th November, 1956, is laid on the Table of the Lok Sabha. [See Appendix IV, annexure No. 1]

(e) and (f). It is too early to form a judgement.

Shri A. M. Thomas : May I enquire what has been the effect of the recent increase in excise duty on cloth?

Shri Kanungo : The effect has been that the market has steadied; prices have, steadied, more or less.

Shri Kajrolkar : Is it a fact that some of the textile mills held with them stocks of loose and packed cloth in excess of the permissible limit even after the promulgation of the Government order? If so, what action has been taken against the defaulters of such order?

Shri Kanungo : We have not received any reports about it. It is for the Textile Commissioner to handle such cases.

Shrimati Tarkeshwari Sinha : Apart from granting of rebate to the textile mills to increase production of cloth, what other steps have Government taken to see that they can get facilities to increase textile production?

Shri Kanungo : The rebate itself is a very good incentive, considering the excise duty which has been imposed.

Shri C. D. Pande : In view of the fact that Government are very anxious to increase production, as is evident from the grant of rebate, will Government also take steps to give facilities to renovate mills in spindles and looms?

The Minister of Heavy Industries and Commerce and Consumer Industries (Shri Morarji Desai) : May I say that this is a suggestion for action?

Pandit D. N. Tiwary : May I know how much extra cloth has been produced so far, and what rebate has been earned by these mills?

Shri Morarji Desai : It is very difficult to say because there was absolutely no time. This was done only in the middle of October.

Shri Heda : How is the stock position? If it is adequate, why prices are not coming to normal?

Shri Kanungo : The stock position is normal, in so far as there has not been huge accumulations, and prices have, more or less, steadied in view of the enhanced excise duty.

Shrimati Tarkeshwari Sinha : May I know whether Government is in a position to give us any idea of what will be the increased production of cloth in all the textile mills and if they start double or treble shifts?

Shri Kanungo : As has been said earlier, we will be able to say the effect of this incentive resulting in higher production by about another fortnight or a month.

Shri Bhagwat Jha Azad : May I know whether the order against the stocking of cloth which was for safeguarding against the rise in price of cloth has been taken away as a result of the bullying tactics of Kanpur and other big places or is it as a result of a demand by the public and what are the safeguards that have been taken by Government so that prices may not go up?

Shri Kanungo : The answer is there for the hon. Member to draw their own inferences.

Shri Bhagwat Jha Azad : But I want your inference.

Shri Kanungo : The facts are that none of the State Governments have thought it necessary to impose any restrictions.

Import of Steel

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*982. { **Shri Bhagwat Jha Azad :**
 Shri S. C. Samanta :

Will the Minister of Heavy Industries be pleased to state:

(a) whether any long term contract have been concluded with any Japanese firms for import of steel; and

(b) so the details thereof?

The Minister of Heavy Industries (Shri M. M. Shah) : (a) No purchases of steel from Japanese firms have been made at Government level.

(b) Does not arise.

Shri Bhagwat Jha Azad : May I know whether there is any such proposal to sign such contracts with the Japanese Government for the import of steel into our country.

Shri M. M. Shah : No, sir, not with the Japanese Government.

Shri Bhagwat Jha Azad : May I know whether there is any proposal or any contract with the Japanese Government to export iron ore from this country to that country?

Shri M. M. Shah : The question relates to steel. But, of course, iron ore is considerably exported from this country to that country and it has increased from lakhs tons last year one million tons this year.

Shri Bhagwat Jha Azad : As a result of these exports from this country, have the Government of India approached the Government of Japan for the import of steel?

Shri M. M. Shah : As I said, this is a matter between trader and trader and the Governments of both the countries do not come into the picture at all.

Dr. Ram Subhag Singh : May I know from the hon. Minister whether steel is available to the consumers at reasonable prices or not?

Shri M. M. Shah : Yes, Sir; steel is being made available at equalised prices. It has been announced only a few months back.

Shrimati Tarkeshwari Sinha : May I know whether some representatives of the Japanese Heavy Industries Firms have come here and talked with the Government about the export from Japan of heavy industries materials to India.