

pushed. It has not yet had sufficient time to go into the details.

Shri Damani: May I know whether any persons from trade and industry have been taken in this Board? If not, are the Government thinking of taking some from trade and industry?

Shri Satish Chandra: This Board consists of the officers of the Ministry of Commerce and Industry. A Joint Secretary is the Chairman. He has also been designated as the Director General of Foreign Trade. The Chief Controller of Exports and Imports, and the Managing Director of the State Trading Corporation are among the Members. The purpose of the Board is to co-ordinate the work of various departments and agencies of the Government.

Shri V. P. Nayar: May I know whether the Board proposes to enquire into the question of price fluctuations as a result of the operations of monopolists and also by cartels?

The Minister of Commerce and Industry (Shri Morarji Desai): The Board will go into all relevant questions.

Shrimati Tarkeshwari Sinha: May I know whether this Foreign Trade Board will take up the responsibility of covering export risk or whether the Government propose to have a different corporation altogether for export risk, and if so, when that corporation is coming into existence?

Shri Satish Chandra: An Export Risk Corporation is being set up for that purpose.

Needles for Hosiery Manufacture

*905. **Shrimati Parvathi Krishnan:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether import of non-Sinker 18 Gauge G.M.F. Needles of Japanese make used in hosiery manufacture has been restricted or banned by Government;

(b) whether Government are aware that the Indian Manufactured Needles are unsuitable for use on knitting machines of Japanese origin which are widely used in South India;

(c) whether the Government of India have received any representation from the hosiery manufacturers of South India in this connection; and

(d) if so, the steps taken in the matter?

The Minister of Industry (Shri Manubhai Shah): (a) During January-June, 1957 general licences were issued to Established Importers at 60% of past imports for 18 Gauge G.M.F. needles used in hosiery manufacture. The licences issued were not valid if the C.I.F. value was less than Rs. 100 for 1000 needles. During July-September '57, the issue of quota licences to all Established Importers has been suspended.

(b) No, Sir.

(c) Yes, Sir.

(d) The representations are being enquired into and appropriate action will be taken while formulating policy for the next period.

Shrimati Parvathi Krishnan: Is it not a fact that representations were made that these needles are not being manufactured in India or that the ones that are being manufactured are totally unsuitable for use and as a result of the banning of import or non-granting of licences during the last period, the prices of needles that were available in India have gone up considerably?

Shri Manubhai Shah: If I may break up the question into three parts, firstly, it is not quite true that the quality of the present manufactures in this country is not up to the mark. There are certain other specific varieties for the hosiery industry which are not yet taken for local manufacture. Also, due to lack of imports to which the hon. Lady Member referred, there has been no appreciable or sizable increase in prices. What we are considering is whether representation

regarding shortage of this needle is correct and if so, what should be the policy in the next period.

Cooperative Textile Mills in Andhra

*996. **Shri Venkatasubbaiah:** Will the Minister of Commerce and Industry be pleased to state:

(a) the number of textile mills proposed to be started in Andhra Pradesh on cooperative basis and by private enterprise;

(b) whether any licences have been issued by Government; and

(c) if so, the arrangements made by Government for the import of necessary machinery including spindles?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) One Textile Mill is proposed to be started in Andhra Pradesh on a co-operative basis and two mills by private enterprise. Licences were also issued for establishing two spinning mills during the years 1953 and 1954. Partial capacity has already been installed.

(b) Yes, Sir. A statement is laid on the Table of Lok Sabha. [See Appendix III, annexure No. 23]

(c) The import of the machinery necessary for these mills, where not available indigenously, will be allowed by Government subject to the condition that payments for these imports will be in accordance with the policy prescribed from time to time.

Shri Venkatasubbaiah: May I know the quantum of financial aid that would be given to these textile mills either by this Government or by the Finance Corporation?

Shri Satish Chandra: All the four mills, two of them new and two which are being expanded, are in the private sector. As regards one co-operative

mill, we received a proposal from the State Government that Rs. 20 lakhs will be contributed by the Handloom weavers' co-operative society and the other Rs. 20 lakhs should be contributed by the Industrial Finance Corporation. The State Government has been informed that it should also find some money for this purpose.

Shri Venkatasubbaiah: Apart from the co-operative mills that are being started by the handloom weavers' society, may I know whether there is any proposal to start other textile mills on a co-operative basis?

Shri Satish Chandra: The proposal must originate from the State Government. There is no other proposal now.

Shri B. S. Murthy: May I know where this co-operative mill will be established? May I know whether the State Government is willing to give monetary help to the handloom weavers' co-operative mill?

Shri Satish Chandra: We have suggested to the State Government that they should also participate to some degree in this mill. The present proposal is that the society and the Industrial Finance Corporation at the Centre should only contribute.

Shri B. S. Murthy: Where will it be located?

Shri Satish Chandra: They have proposed the Telengana area.

Shri Heda: In view of the huge consumption of yarn by the handlooms in Andhra Pradesh, will the Government consider that the proposed capacity of the mill at Secunderabad, which is too low and therefore it should be increased?

The Minister of Industry (Shri Manubhai Shah): As far as spindlage is concerned, the House is aware that we are not sanctioning new spindlage in any sector. There are 3 million spindles already approved.