

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.