

**Shri Achar:** May I know whether the question regarding the items that we could export to Germany has been studied?

**Shri Satish Chandra:** The items of export, as the hon. Members know, are: textiles, jute goods, tea, cashew-nut, coffee—there can be other articles such as handicrafts, ores etc.

**Shri Heda:** I wanted only to know when this communication was addressed to the West German Government.

**Shri Manubhai Shah:** We have been in continuous correspondence with them, and when the former Finance Minister went to West Germany he initiated discussions with them. A high-level official delegation is going very soon to finalise the discussions.

#### Bharathi Textile Mills in Pondicherry

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\*1236. { Shri Tangamani:  
          { Shri H. N. Mukerjee:

Will the Prime Minister be pleased to state:

(a) whether the Bharathi Textile Mills in Pondicherry has been closed;

(b) if so, the reasons therefor;

(c) whether 1200 workers are unemployed as a result of complete closure; and

(d) the steps Government have taken for running of the Mills?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) The Mill is partly closed.

(b) The reasons are mainly economic. The more important of them are financial difficulties of the management, want of stocks of staple fibre, the necessity to purchase yarn from outside Pondicherry, absence of its own power generating plant thus requiring purchase of all power requirements, and the higher rate of

wages that have to be paid to the workers in terms of the Pondicherry Labour Tribunal 1956 award as for a mill with both spinning and weaving departments. In fact, however, only the weaving department is now working.

(c) The number of workers on the rolls is 1050 of whom about 100 are employed now. Shortly about 100 looms are expected to start working thus absorbing about 300 more workers.

(d) As the closure of the Mill is not due to any labour or industrial dispute, the Pondicherry Administration has not been able to intervene. The management has been advised either to try to raise a loan privately, to run the mill or to allow the workers to draw their retrenchment compensation and seek employment elsewhere. As a measure of relief the Government has taken steps for the mill to pay less excise duty for a period of one year from the 24th October 1957.

**Shri Tangamani:** May I know whether the management of Bharathi Textile Mills have approached the Government for a loan of Rs. 20 lakhs from the Industrial Finance Corporation and, if so, whether it is being considered?

**Shrimati Lakshmi Menon:** Yes, Sir. The mill did approach the Government for a loan, but, after scrutiny it was found that it is not advisable to grant that loan.

**Shri Tangamani:** May I know whether it is not a fact that the mill was partially closed in January, 1957, and it has been completely closed since December, 1957?

**Shrimati Lakshmi Menon:** As read out in the answer, only the spinning section is closed. The weaving section continues. The mill is not wholly closed.

**Shri Rameshwar Tantia:** May I know whether it is a fact that after the recent relief in excise duty it is felt that all the closed textile mills

should start working? If some units cannot start owing to the reasons mentioned by the hon. Minister, may I know whether the Government would take them over and re-start?

**Shrimati Lakshmi Menon:** No, Sir.

**Shri Tangamani:** In view of the fact that in this major industry—if it could be called a major industry at all there—in Pondicherry, they run three textile mills, and in view of the fact that this is one of the oldest textile mills run by Indian management, may I know whether the Government will reconsider the question of advancing the loan to this mill?

**Shrimati Lakshmi Menon:** No, Sir.

#### Iron ore Deposits

\*1231. **Shri Rajagopala Rao:** Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No. 662 on the 4th March, 1958 and state:

(a) the total quantity of iron ore deposits in India at present as estimated by the Geological Survey of India and the quantity as estimated by the Japanese Main Team;

(b) the total quantity of iron ore committed for exports to foreign countries so far;

(c) the estimated quantity of iron ore required for our Steel Plants during the course of next 100 years;

(d) whether a sufficient quantity of iron ore will be available for internal requirements after meeting the present export commitments; and

(e) the estimated Foreign Exchange earnings by the export of Iron ore?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):**

(a) According to the Geological Survey of India iron ore deposits in India are estimated to contain approximately 21,240 million tons of iron ore. The Japanese team had confined its surveys to 3 areas only:

- (1) A few blocks in Rourkela;
- (2) Sukinda; and
- (3) Bailadila

and had estimated the reserves in the areas surveyed at about 888 million tons.

(b) The State Trading Corporation has commitments for sale of approximately 2:335 million tons for shipments from July 1957 to June 1958. Information about forward sales made by the Corporation is furnished in the statement which is laid on the Table of the Lok Sabha. [See Appendix VI, annexure No. 2].

(c) No estimate can be made at present for the next hundred years. At the end of the second five year plan when all the plants go into full production, the total requirement of iron ore is expected to be about 12 million tons a year.

(d) Yes Sir.

(e) A Statement showing the actual exports and the amount earned from exports during the last few years is laid on the Table of the Lok Sabha. [See Appendix VI, annexure No. 3].

**Shri Rajagopala Rao:** May I know the different prices at which iron ore is exported to the different countries?

**Shri Satish Chandra:** In the statement that I have laid on the Table, both the quantity in tons and the value realised are shown.

**Shri Supakar:** May I know the total quantity of iron ore proposed to be exported to Japan and how far that will affect our production in Rourkela and also in the Tatas?

**Shri Satish Chandra:** The quantity that has been exported in 1957-58 was about 1.5 million tons. The actual contract for the supply of iron ore during 1958-59 is yet to be signed. The supplies would be slightly on a larger scale than this year. The production in our plants is not to be affected at all by these exports.