

Sir; the proposal which was submitted by Messrs. Dumex (Private) Ltd., in which the Pfizer Corporation have a major share-holding, is for the manufacture of tetracyclines. The proposal has been approved and a licence granted to the party.

Expansion of Hindustan Machine Tools (Private) Ltd.

*506. { **Shri P. K. Deo:**
Shrimati Parvathi Krishnan:
Shri S. M. Banerjee:
Shri Dasaratha Deb:

Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government have sanctioned the proposal to double the Hindustan Machine Tools Factory at Bangalore; and

(b) if so, whether the company has paid back the loan in full to Government?

The Minister of Industry (Shri Manubhai Shah): (a) The Government of India have approved in principle the doubling of the capacity of the Hindustan Machine Tools Ltd., Bangalore during the course of the Third Five Year Plan.

(b) As the Company's production programmes are expanding, additional investment in fixed assets (buildings, plant and machinery etc.) naturally has to be increased. Therefore, Government have converted a part of the loans to equity share capital to the extent of Rs. 93.78 lakhs, having a balance of outstanding loans to Rs. 169.38 lakhs only.

Handloom Industry

*507. **Shri K. S. Ramaswamy:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether any State Government is incurring expenditure for the development of handloom industry over and above the allotment made from the cess fund;

(b) whether any State Government has asked for contribution from the Centre for such expenditure; and

(c) the extent of help given, if any?

The Minister of Commerce (Shri Kanungo): (a) Yes, Sir.

(b) The Madras Government had asked for an amount of Rs. 17 lakhs, in addition to the amount allotted from the Cess Fund, during 1959-60.

(c) The State Government has been informed that it is regretted that this cannot be agreed to, as the proposal will involve a departure from the pattern of assistance.

Fair Prices of Paper

*508. { **Shri Halder:**
Shri Ram Garib:

Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government are aware of the fact that since the publication of the Union Government's notification that the fair prices fixed by it for paper would apply to all stocks in the markets whether purchased before or after January, 1960 there is scarcity of paper; and

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

The Minister of Industry (Shri Manubhai Shah): (a) and (b). The production is continuously increasing and State Trading Corporation has been authorised to import 25,000 tons of paper and more, if necessary. These measures are expected to ease the situation. Already the improvements in the position are being noticed.

Paper Mill in Jammu and Kashmir State

*509. **Shri Inder J. Malhotra:** Will the Minister of Commerce and Industry be pleased to refer to reply given