

structure of the tea industry will be appointed?

**Shri T. T. Krishnamachari:** It is more than I can say. I am trying to find the experts, and the search is still proceeding.

**Shri Nambiar:** Last time we were told that 117 tea gardens were closed in the Darjeeling and Assam areas. May I know whether any of these gardens have since re-opened?

**Shri T. T. Krishnamachari:** I believe quite a number of tea gardens have re-opened, but if the hon. Member wants a specific answer, I would suggest that he puts down a question.

**Shri C. R. Iyyunni:** May I know whether no amount has been given to tea interests by way of loan?

**Shri T. T. Krishnamachari:** I think the question was answered on the floor of the House when my hon. colleague the Finance Minister indicated the extent of the loan that has been given by the banks on the guarantee provided by Government.

**Shri V. P. Nayar:** The hon. Minister said that the tea industry was planning to have the production reduced by 50 million lbs. Will this not entail the retrenchment of labourers? What will be the number of labourers that will be thrown out of work out of this alone?

**Shri T. T. Krishnamachari:** I am sorry that I have not applied my mind to this aspect of the matter. It is possible that if plucking is to be careful and stalky tea is to be avoided, there will be an automatic reduction. Careful plucking does not mean a reduction in the quantum of labour employed. Anyway I am unable to give a definite answer to the question.

#### AUTOMOBILE ASSEMBLING PLANTS

\*1116. **Shri Kasliwal:** Will the Minister of Commerce and Industry be pleased to state whether it is a fact that the automobile assembling plants in the country are working below capacity and if so, why?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** It is difficult to say with any precision whether or not the assembling plants are working to capacity as the measurement of the capacity to assemble automobiles would depend on what is being assembled. In some cases every unit in an automobile is being assembled, in other cases only

some units are assembled and the engine gear box differential and the bodies are imported as assembled units. Under these circumstances the capacity to assemble is largely determined by the size of the workshop and by the labour force it employs. If these are the criteria, then it can be said that many of these factories have still left a large unused capacity. The reasons for their not assembling as much as they could, happen primarily to be the high cost of the product and the low offtake.

**Shri Kasliwal:** May I know if all the assembly plants are shortly going to close down in Bombay?

**Shri T. T. Krishnamachari:** We have had rumours of assembly plants which have not a manufacturing programme closing down. I do not think that there is anything definite in regard to their closing down. Much will depend on the report of the Tariff Commission and the action that Government would take on that report, whether these plants will continue to work or will close down.

**Shri S. V. Ramaswamy:** How many plants are there which assemble cars in whole and what is their total capacity?

**Shri T. T. Krishnamachari:** My hon. friend being a lawyer has asked a question which is rather difficult for me to answer. There are I think 12 plants which assemble cars in this country. Out of these only a few of them have a manufacturing programme.

**Shri S. V. Ramaswamy:** Is it a fact that Ford and the General Motors are going to close down their assembly plants in Bombay?

**Shri T. T. Krishnamachari:** I think I have answered that question before. There were references in the paper that these factories were closing down. I had no official information about it. In fact, the people belonging to these factories have met me but they have not indicated that they are going to close them down yet. As I said, their future will depend very largely on the report of the Tariff Commission and the decision that Government would take on it.

**Shri G. P. Sinha:** Is it a fact that a large number of assembling plants have been permitted by the Government and hence there is trouble in the market?

**Mr. Deputy-Speaker:** It is too late now.

**Shri M. L. Dwivedi:** May I know if there are any developments in connection with the agreement entered into between the Government of India and the manufacturers of Chevrolet motor cars in connection with the assembly of this kind of automobiles in India?

**Shri T. T. Krishnamachari:** No agreement was entered into by the Government of India with anybody, and certainly not with the manufacturers of Chevrolet cars.

**Shri T. S. A. Chettiar:** Having regard to the needs of the country are the plants too many or just sufficient?

**Shri T. T. Krishnamachari:** I am waiting for the report of the Tariff Commission on this.

**Shri P. T. Chacko:** How does the price of automobiles assembled in India compare with those which are imported into India?

**Shri T. T. Krishnamachari:** It largely depends on the export duty levied. Before the duties were raised by my hon. colleague, the Finance Minister, I think cars which were imported as a whole were slightly cheaper because in the case of whole cars they enjoyed a preferential duty of 54 per cent. or a standard rate of 60 per cent. and in the case of cars imported in a knock down condition the duty was somewhere about 72 per cent. The duty on various parts were differential duties and they had to be pieced together. Under the revised duty, I think, we will more or less break even.

**Shri Damodara Menon:** May I know whether the automobiles assembled in India have a market only in India or are they likely to have a market outside India?

**Shri T. T. Krishnamachari:** So far I have no information that any car assembled in India has been exported. Perhaps we might have an export market in the future.

**Shri Bansal:** Do the Government of India propose to take any action in case the General Motors and the Ford Motor Company close down their production?

**Shri T. T. Krishnamachari:** This is purely a hypothetical question and will depend on the Government policy which will be determined after receiving the Tariff Commission's report.

**Shri M. S. Gurupadaswamy:** May I know whether the lack of demand for these automobiles is due to the lack of quality of these automobiles?

**Mr. Deputy-Speaker:** Does the hon. Member want the hon. Minister to say that they are inferior?

**Shri N. Sreekantan Nair:** Are Government of the view that the automobiles assembled in India are of an inferior quality?

**Shri T. T. Krishnamachari:** I am afraid I cannot agree with the basis of this question.

**Several Hon. Members rose—**

**Mr. Deputy-Speaker:** I will go to some other question.

#### CAPITAL INVESTMENT IN COAL MINES

\*1118. **Shri Vittal Rao:** (a) Will the Minister of Production be pleased to state what is the total capital investment in the coal-mines in India?

(b) Out of this what is the share of British capital?

(c) Do Government propose to take over the collieries owned and worked by foreign companies?

**The Minister of Production (Shri K. C. Reddy):** (a) Rs. 29 crores approximately.

(b) Rs. 1.4 crores approximately, on the basis of the Census of India's foreign Liabilities and Assets, conducted by the Reserve Bank of India in 1948 and the Statistical Abstract 1949. Figures subsequent to 1948 are not available.

(c) There is no such proposal.

**Shri Vittal Rao:** May I know the annual production of these British-owned collieries?

**Shri K. C. Reddy:** I am afraid I cannot give the figure off-hand.

**Shri T. N. Singh:** If one were to take out the capital invested by the Railways, that is, Government investment, what will be the balance left out of private capital as against the British-owned capital in these collieries?

**Shri K. C. Reddy:** The capital invested in the Railway collieries is seven and a half crores. The balance is private capital.

**Shri N. P. Sinha:** May I know whether the proposal that the Government had some time back to commercialise the Indian Government Railway collieries is taking effect or not?