

Shri A. C. Guha: What are these ten International Conferences held in that year and on what subjects?

Shri Jawaharlal Nehru: (1) The Asian and Far Eastern Travel Commission of the International Union of Official Travel Organisation; (2) The Indo-Pacific Fisheries Council; (3) The International Statistical Conference; (4) The Commonwealth Medical Conference; (5) Regional Seminar on Labour Inspection; (6) Far Eastern Technical Assistance Seminar on Labour Statistics; (7) Symposium on the concept of Man and the philosophy of Education; (8) Seminar on methods of teaching United Nations in Schools; (9) Seminar on Youth Welfare; (10) Medical Historians Liaison Committee.

Shri B. S. Murthy: May I know the total expenditure incurred by the Government and whether it is not a fact that even when these Conferences are held in other countries, some grants are given?

Shri Jawaharlal Nehru: Sorry, I have not got the figures here.

Shri S. C. Samanta: May I know whether the International Association for Hydraulic Structures Research was also held?

Shri Jawaharlal Nehru: I have no idea.

MACHINE TOOL FACTORY

*584. **Shri S. C. Samanta:** Will the Minister of Production be pleased to state:

(a) how far the proposed scheme for establishing a Machine Tool Factory in India has progressed;

(b) where it is going to be located;

(c) the capital to be invested on it; and

(d) whether land has been acquired and permanent building for the factory constructed?

The Minister of Production (Shri K. C. Reddy): (a) The erection of 2 out of 5 hangars in which the factory will be housed to start with has been completed. The remaining hangars are being transported to the site where they will be erected immediately on arrival.

60 machines secured out of the German reparation machinery are already at the site for installation. Orders for further plant and machinery to the value of 7.92 million Swiss Francs (=Rs. 86,16,960) have already been placed in Europe. Shipment of consignments from Europe to India has commenced.

Certain European key technical personnel required for the factory in the early stages of construction and production has been selected. The question of selecting Indian technical personnel for the factory is under consideration. A General Manager for the Factory has been appointed and has just taken charge.

It is anticipated that production will start by about August 1953.

(b) Jalahalli, near Bangalore.

(c) Rs. 8.37 crores.

(d) Out of 300 acres of land required for the factory, 220 acres have already been acquired. Steps are being taken to acquire the rest. For the present it is not proposed to construct any factory buildings; as stated in reply to part (a), the factory will be housed in hangars.

Shri S. C. Samanta: May I know what will be the productive capacity of the factory?

Shri K. C. Reddy: Ultimately, the factory is expected to manufacture 900 high speed lathes, 460 milling machines, and 240 heavy duty drilling machines, per year.

Shri S. C. Samanta: May I know the number of machine tool factories at present in India? What led to the establishment of a similar one?

Shri K. C. Reddy: There is no full grade machine tool factory in India. I may say for the information of the hon. Member that there are at present 16 graded and 100 un-graded firms in India producing machine tools. The production in these firms is still confined to simple primary types of machine tools and the private sector of Industry has not been in a position to manufacture precision types of modern machine tools which are an essential pre-requisite for industrial development in the country, for which we have been entirely dependent on foreign countries. Hence this machine tool factory has been planned and it is under erection.

Shri S. C. Samanta: Is it not a fact, Sir, that the number of Machine Tool factories has decreased and the production has increased?

Shri K. C. Reddy: I take the information from the hon. Member, Sir.

Shri Barman: Apart from the German reparation machines, are any other machines available from the disposals?

Shri K. C. Reddy: I have already answered the question. Orders have been placed on the Continent for machinery worth about Rs. 86 lakhs.

and a part of it has already been despatched. That is our information.

Shri A. C. Guha: May I know if it will be cent. per cent. a Government factory or foreign interest is also associated with it?

Shri K. C. Reddy: There is no foreign firm connected with this factory if the hon. Member means whether any investment by any foreign firm has been decided upon. The investment is entirely that of the Government, but a foreign firm there is who gives help in the matter of the technical know-how and other things like that.

Shri A. C. Guha: May I know the terms for the engagement of the firm?

Mr. Speaker: Order, order.

BALANCE OF TRADE

*585. **Shri B. R. Bhagat:** Will the Minister of Commerce and Industry be pleased to state:

(a) the balance of trade in the first five months of 1952;

(b) the main items and volumes of export and import during the period; and

(c) if the balance of trade is an adverse one, the reason for the same?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): (a) Balance of Trade position in the period January-March, 1952, was as follows:

(In crores of Rupees)

Imports	Exports and re-exports	Balance
238.55	164.83	-103.69

Figures for the months of April and May 1952 have not been compiled so far.

(b) Two statements are laid on the Table of the House. [See Appendix III, annexure No. 41.]

(c) The main reasons for the adverse Balance of Trade are:—

(i) Substantial imports of wheat.

(ii) Increase in imports of essential commodities like industrial raw-materials and capital goods.

(iii) Decline in Indian exports.

Shri B. R. Bhagat: What is the amount and proportion of capital goods in the import budget figure?

Shri Karmarkar: For this period?

Shri B. R. Bhagat: Yes.

Shri Karmarkar: I should like to have notices.

Shri B. R. Bhagat: May I know whether it is the policy of Government to balance the trade?

Shri T. S. A. Chettiar: What are the proposals of Government to meet this adverse balance?

Shri Karmarkar: I think the hon. Finance Minister has given extensive information on this subject on various occasions in the budget. There is always an effort made on behalf of the Government to balance the budget, the foreign exchange budget, by way of regulating our imports in accordance with our export earnings. But there is also something like a planned expenditure of our Sterling balances in the interests of the country. And from that point of view, we have also used some balance which stood to our credit for expenditure in the previous year. In a sense, this deficit was a planned deficit largely, but as my hon. friend is doubtless aware, the only way to balance decreased export is to lessen our imports.

Shri S. V. Ramaswamy: May I know, Sir, what are the main articles in which there has been a drop in the foreign import, and why?

Shri Karmarkar: The main fall in our exports is in the following commodities: There has been a notable decline in the export of ground-nut, tanned and dressed hides and skins, and cotton piecegoods. Some declines have also been registered in respect of commodities like cashew kernels, black pepper, tea, shellac, mica, cotton waste, raw wool, wollen carpets and rugs, coir yarn and manufactures. The reasons in respect of these commodities are likely to be different. One of the principal reasons is that stock-piling, especially in the United States, has ceased. That has been partially responsible for the drop in some of the commodities. The drop in some of the other commodities is likely to be temporary.

Shrimati Renu Chakravarty: May I know why out of the list the hon. Minister was reading, jute is missing? I believe jute has also been falling.

Shri Karmarkar: It is missing because the House knew the other day from my hon. friend the Commerce Minister that jute is definitely showing a healthy tendency. For the last month—I do not remember if it is April or May—the exports have been about 80,000 tons higher than any