

will bring in quantity and quality of production of jute;

(b) the estimated cost of such substitution; and

(c) the countries from where the modern type plants are to be imported?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari):

(a) Modernisation is not so much intended to increase the total output or to improve the quality as to reduce the cost of production in order to compete with modern mills in other countries.

(b) As no scheme has yet been finalised it is not possible to give any precise estimate of cost of modernisation. It may be of the order of Rs. 70 or 80 crores over a period.

(c) Imports are expected to be from countries in the sterling area.

Shri L. N. Mishra: Is it a fact that the Chief Controller of Exports who has recently visited the Continent has recommended the modernisation of Indian jute industry, if we are to maintain our semi-monopolistic position in the world markets?

Shri T. T. Krishnamachari: I laid on the Table of the House a copy of the report of Mr. Jha in answer to question No. 1705, dated the 11th July 1952. If the hon. Member reads it he will find some kind of confirmation of his views on the subject.

Shri L. N. Mishra: Do Government propose to have diversified location of the jute industry in India and if so, do they propose to have one such mill in Bihar?

Shri T. T. Krishnamachari: If the hon. Member means diversification in regard to new units, that will be the policy; we would like to have them diversified, as far as possible. So far as the present units are concerned, the question would not arise.

Shri Kelappan: When placing orders for plants do we get quotations from different countries?

Shri T. T. Krishnamachari: Governmental interference in this matter would arise only when private industry asks for licenses and under the new Industries Control and Regulation Act. As a matter of fact it is largely a matter of discretion so far as private enterprise is concerned. But Government would certainly see that the foreign exchange position is not worsened by diverting these orders to dollar or hard currency areas

Shri R. K. Chaudhury: May I know if the Government is still carrying on the policy of expansion of jute cultivation even by substitution of food crops?

Shri T. T. Krishnamachari: I think the question should be appropriately directed to the Food and Agriculture Ministry.

Mr. Speaker: It does not arise.

Shri L. N. Mishra: In view of the pressing demand and the restricted supply position, do Government propose to place orders for such plants at an early date?

Shri T. T. Krishnamachari: In reply to a question on a previous occasion I have said that the matter is under investigation. Government have not yet come to any final decision in this matter, nor does private industry seem to be very eager at the moment.

UNDERGROUND TELEPHONE CABLE

*1892. **Shri N. P. Sinha:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether the Inspector appointed by the Government of India to inspect the underground telephone cables purchased by India in Japan has submitted any report of his inspection;

(b) if so, whether a copy of it can be laid on the Table; and

(c) how many mile-length of such cable was purchased and for what price?

The Deputy Minister of Works, Housing and Supply (Shri Buragohain):

(a) and (b). Yes, Sir. The Inspector submitted test certificates on all the cables inspected by him during the manufacture. These are, however, of technical nature and lengthy, being in 88 sheets. It seems therefore unnecessary to place them on the Table of the House.

(c) 687 miles length of cable were purchased at a total cost of Rs. 81,90,413.

Shri N. P. Sinha: Is it a fact that the Inspector inspected these cables only after they were despatched to India?

Shri Buragohain: That is not so. Although the Inspector was supposed to inspect the cable during manufacture, in fact, however, when he arrived there he found that most of it had already been manufactured.

Shri N. P. Sinha: May I know if there was any stipulation in the contract that the concern would replace the cables if they did not work well?

Shri Buragohain: Yes. The contract included a clause for guarantee in respect of the satisfactory working of the cables for two years.

Shri N. P. Sinha: Is it true that the cables did not prove durable and were returned subsequently?

Shri Buragohain: Yes, Sir, it is a fact, particularly with regard to large-size cables and particularly those that were put to use in the Calcutta region. And when this defect was found, the attention of the manufacturers was drawn to it, and they eventually agreed to rectify this defect at their own cost.

Shri N. P. Sinha: May I know what loss, if any, the Government has sustained in this?

Shri Buragohain: No loss has been sustained by Government on this account.

Shri Pateria: May I know the names of the firms from which these cables were purchased?

Shri Buragohain: The Indian agent is Messrs. Kamani Engineering Corporation Limited, Bombay, and the manufacturing firm is Messrs. Furukawa Electric Company Limited, Yokohama, Japan.

Shri A. C. Guha: Has the attention of the Minister been drawn to a statement issued either by the Japanese Embassy here or by the firm which supplied the cables that the supply had been made according to specification and that they had no further responsibility in respect of the quality of the articles?

Shri Buragohain: I have already said that they agreed to rectify the defects at their own cost, and in fact did so with respect to 1,93,737 yds. of cables, to the satisfaction of the Posts and Telegraphs Department.

Shri A. C. Guha: Perhaps my question has not been understood.

Mr. Speaker: It is superfluous now. He says that they accepted the responsibility.

Shri A. C. Guha: There was a public statement made.....

Mr. Speaker: But here they have accepted the thing. There is no use pursuing the point.

श्री पी० एन० राजभोज : क्या सरकार अंडरग्राउण्ड टेलीफोन केबल के लिये भी प्रीवेन्टिव डिटेक्शन बिल पार्लियामेंट में लाने का विचार कर रही है ?

Mr. Speaker: Order, order.

TIN AND IRON SCRAP

***1893. Dr. Ram Subhag Singh:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether tin and iron scrap is exported from India;

(b) if so, to which countries it is exported; and

(c) what quantity of tin and iron scrap was exported in the year 1951-52?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) Export of tin is not allowed but non-usable iron scrap is allowed.

(b) and (c). A statement showing the quantity of iron scrap exported and the countries to which it was exported in the year 1951-52 is placed on the Table of the House. [See Appendix IX, annexure No. 16.]

Dr. Ram Subhag Singh: It appears from the statement that Sweden paid to India about Rs. 3,000 for 4 tons, whereas Pakistan paid only Rs. 1,332 for 18 tons. May I know why it happened like that?

Shri T. T. Krishnamachari: It all depends upon the quality of the scrap, Sir.

MATHEMATICAL INSTRUMENTS

***1894. Shri A. C. Guha:** Will the Minister of Commerce and Industry be pleased to state:

(a) the requirements of mathematical instruments and their production in the country;

(b) the annual imports;

(c) the quantity annually produced in India and the price of Indian products; and

(d) whether protection is given to this industry?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) to (c). A statement is laid on the Table of the House. [See Appendix IX, annexure No. 17.]

(d) No, Sir.

MATHEMATICAL INSTRUMENTS OFFICE, CALCUTTA

***1895. Shri A. C. Guha:** Will the Minister of Production be pleased to state:

(a) the present position—management and commercial aspects included: