

saving India's foreign exchange, and what is the total amount that is saved by using the newsprint of this factory?

Shri Manubhai Shah: Last year, the total amount produced was about 10,500 tons, which saved us about Rs. 80 lakhs foreign exchange.

Shrimati Tarkeshwari Sinha: The hon. Minister replied that the Swedish delegation did not visit the actual site of the factory. What was the background then on which they reported that this project was not going to be successful?

Shri Manubhai Shah: It will be difficult for me to say whether, without visiting the site, one could express an opinion. But I can well understand that the technical people would naturally think that the traditional raw material like fir and spruce were not available in Nepal and we have used a new experiment with bamboo and salai. And so they might have expressed their fears about these two new raw materials and thought that perhaps this new factory may not succeed in the manufacture of pulp and newsprint.

Shrimati Tarkeshwari Sinha: The hon. Minister has said that the factory has been running for the last few months. May I know whether the production that is coming out of this factory compares well with the paper produced in other factories?

Shri Manubhai Shah: The House will be pleased to know that the quality is better than that of imported newsprint, and the price is about Rs. 25 per ton less than that of the imported newsprint.

Shri Joachim Alva: Is it the view of the Government that the opinion of the Swedish delegation, who never went and saw this factory, is a biased one in view of the fact that Sweden exports newsprint?

Shri Manubhai Shah: I have no reasons to suspect their motives. Of course the Swedish delegation, I think, would not have given their opinion without proper consideration

of the question. Perhaps the Press reports may not have given a truthful account of what they had said. They might have said that we are not using fir and spruce but instead we are using bamboo and salai in this country. Fir and spruce are the traditional raw materials used.

Shri Wodeyar: May I know whether the raw materials from Malnad will be used in this factory, and if so, the results thereof?

Shri Manubhai Shah: I can only say that if Malnad is producing bamboo and salai, we shall certainly be using them for this factory.

Postal Money Order Service

*104. **Shri Barman:** Will the Minister of Communications be pleased to state whether any proposal has been recently received from Pakistan to provide facilities for postal money orders between the two countries?

The Minister of Communications (Shri Raj Bahadur): Yes.

Shri Barman: Is it a fact that Indian currency is being exchanged with Pakistan currency at a premium of about 40 per cent?

Shri Raj Bahadur: I have also heard that but that question should better be addressed to the Minister of Finance.

Shri Barman: If that be so, may I know whether this fact will be taken into consideration when deciding the question of money exchange with Pakistan?

Shri Raj Bahadur: It is on account of exchange difficulties that these things have been left under suspension; otherwise, these facilities will be there.

Ashoka Hotel

*105. **Shri Kamath:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether it is a fact that Ashoka Hotel is running at a loss; and