

Shri Ramanathan Chettiar: In view of the answer given by the hon. Minister saying that our country is not self-sufficient in regard to the textile machinery, is it advisable to export textile machinery?

Shri Kanungo: Yes, Sir; because they are durable machinery, unless we open up export channels, later on we will be in difficulty.

Shri Morarka: May I know the total value of the machinery manufactured and what is the target for the second Plan?

Shri Kanungo: I am sorry I have not got the figures now.

Shri Jadhav: What is the number of power looms exported from India?

Shri Kanungo: Very few looms have been exported. I am sorry; no looms have been exported.

Shortage of Newsprint

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1065. { **Shri Jaganatha Rao:**
Shri Ascar:
Shri Subbiah Ambalam:

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

(a) whether it is a fact that three Nagpur Dailies and some newspapers in Bombay State were threatened with closure on account of shortage of newsprint;

(b) if so, the steps taken by Government to meet the situation;

(c) the annual requirements of newsprint in the country;

(d) the present internal production thereof and the quantity of newsprint imported annually; and

(e) the steps taken to augment the internal production of newsprint?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) and (b). As soon as the threatened closure of three Nagpur Dailies due to shortage of newsprint was brought

to the notice of Government, they were offered relief by releases from Nepa Mills and from ready stocks of imported newsprint. Government have no knowledge regarding such threatened closure of any other newspapers in Bombay State.

(c) The demand is gradually increasing and expected to reach 100,000 tons by 1960-61.

(d) A statement is laid on the Table of the House. [See Appendix IV, annexure No. 90.]

(e) A scheme for the establishment of a newsprint factory at Shakanagar with a capacity of 100 tons per day is under consideration of the National Industries Development Corporation.

Shri Jaganatha Rao: May I know what steps are being taken to step up production?

Shri Satish Chandra: I have just answered that question two minutes ago. The Nepa Mills are gradually reaching their rated capacity. Efforts are being made to put up another factory provided suitable deferred payment terms can be negotiated.

Shri Jaganatha Rao: The rated capacity of Nepa Mills is 30,000 tons a year whereas they have produced only about 14,000 tons and odd. What steps are being taken to step up production in the Nepa Mills?

Shri Satish Chandra: In the first six months, it produced about 10,000 tons. This year the production will be somewhere between 20,000 and 25,000 tons. That would be a very fair performance for the Nepa Mills.

Shri V. C. Shukla: Is it a fact that the Government of Madhya Pradesh have several times written to the Central Government to give aid to increase the power capacity at Nepanagar and, if so, what steps are being taken by this Government to increase the power capacity?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): A question was just now put about the steps taken to improve the present position of the Nepa Mills. I might inform the House that very recently we have tried to re-constitute the capital structure of the Nepa Mills, and it will now be more or less centrally controlled from here by us, by the Commerce and Industry Ministry. We have appointed a new Managing Director, an engineer of high status, so that he can go into the whole matter and take decisive steps to improve upon the present position. As my colleague, the Deputy Minister, has stated, the production is already on the increase and, I am told, during the last two months there have been no losses. Up till now, the Nepa mills was incurring losses also. It seems to me that the position has definitely improved. As regards power, other facilities etc. we will try to help in all of them in the light of the recommendations made by the new Managing Director.

Shri Subbiah Ambalam: In view of the fact that raw materials like eucalyptus are available in plenty in the Nilgiris, will Government consider the desirability of establishing a newsprint factory in Madras?

Shri Lal Bahadur Shastri: The Nilgiris are suited for other manufactures like raw films, and we are considering whether we could set up a mill there.

Shri P. R. Ramakrishnan: Bagasse can be one of the main raw materials for producing newsprint, has any attempt been made to use bagasse in the production of newsprint?

Shri Satish Chandra: As I have said in reply to part (a) of the question, there is a proposal to establish a newsprint factory at Shakanagar, near Hyderabad. The raw material used there will be bagasse.

Shri V. P. Nayar: May I know whether Government have taken any steps to find out whether newsprint could

not be manufactured from soft wood, because the position of bamboos is not very encouraging?

Shri Satish Chandra: Soft wood is being used for the manufacture of paper.

Shri V. P. Nayar: I was trying to find out whether there is a scheme for establishing a factory entirely dependent on soft wood for manufacture of newsprint and, if so, where it will be located.

The Minister of Commerce (Shri Kanungo): The normal raw material for newsprint is pine variety of wood, and that is available in the Himalayas. Various schemes in the matter have been considered. But there are difficulties in the way of economic utilisation of those raw materials. Therefore, there is no scheme at the moment for utilising those coniferous woods.

Shri V. P. Nayar: There are soft woods in the Western Ghats.

Shri Ranga: Are any steps taken to step up production of newsprint in the Andhra Paper Mills at Rajahmundry? Have the Government assured themselves of the necessary foreign exchange in their attempts to put up this new factory at Shakanagar?

Shri Kanungo: The manufacture of newsprint from bagasse is rather a new process, which has not been tried in India. After the success of the Shakanagar scheme, other schemes will be taken up.

Shri Ranga: What about the foreign exchange content of the resources that they would need in order to put up the Shakanagar mills? Or is it going to be merely a paper scheme?

Shri Satish Chandra: I have answered this very point in reply to an earlier question. Deferred payment terms negotiations are being carried on and, as the hon. Minister has stated just now, the Minister for Industries has gone abroad, and on his return

trip will be visiting West Germany to explore further possibilities of obtaining credit on deferred payment terms in order to enable us to set up a factory at Shakanagar.

Shri Mahanty: Regarding part (d) of the question, may I know whether this newsprint is imported through the STC or through private importers and what was the price paid by the STC for long term imports?

Mr. Speaker: We are now going into the agency. The main question was about the closure of three dailies and about the arrangements for the supply of newsprint. Who imports the newsprint is absolutely foreign to this question.

Shri Mahanty: I am referring to part (d) of the question.

Mr. Speaker: Part (b) refers to the steps taken by Government to meet the situation.

Shri Mahanty: I am referring to part (d) "the present internal production thereof and the quantity of newsprint imported annually". I want to know whether for the newsprint which has been imported by the STC the price was much higher than what was being offered by the private importers. In that case.....

Mr. Speaker: He is going into the terms etc. This is about internal production versus import from outside. From that he is going into the price, agency and so on. I am exceedingly sorry I cannot allow this question. Hon. Member may put it down as a separate question. One single question should not take 20 minutes.

Surala and Sumadi Salt Factories

*1907. **Shri Panigrahi:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether the Union Government have agreed to give financial aid to the Surala and Sumadi salt factories in Orissa for keeping the sea-mouth

near Sunapur in Ganjam open for all the year round; and

(b) whether any grant has been made for constituting a road connecting Surala and Sumadi?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) and (b). No, Sir.

Shri Panigrahi: May I know the difficulties of the salt factories in Orissa? Have they made any representation to the Government of India that any financial aid should be given to them?

Shri Satish Chandra: There are certain schemes under consideration for the improvement of the salt factories at Surala and Sumadi. Some recommendations were made by the Regional Advisory Board there. They were considered by the Central Advisory Board and are now being considered by us. The schemes which have been recommended will cost about Rs. 1,53,000. They will be considered and then implemented.

Shri Panigrahi: May I know whether financial help of any kind has been extended by the Government of India so far to the salt factories in Orissa?

Shri Satish Chandra: This help is not always given in the form of grants or loans to the salt factories. It is usually given in the form of common services like repairing roads near salt factories, extension of railway sidings and so on. These works are normally carried on from time to time.

Shri Panigrahi: Has the salt industry of Orissa represented to the Government of India that because of import of salt from South, salt produced in Orissa is not selling and, therefore, they are losing? If so, has any step been taken to see that the salt produced in Orissa is sold only in Orissa?

Shri Satish Chandra: Salt produced in Orissa is sold mainly in Orissa. The fact is that as against the requirement of about 26 lakh maunds of salt in