

fabric in the U.S. market. A copy of their first report has already been made available to the Handloom Industry through the Handloom Export Promotion Council.

(iii) Handicrafts and Handlooms Export Corporation has participated in the Montreal Fair and in this way has publicised handloom fabrics.

(e) More recently an *ad hoc* Committee of the Handloom Export Promotion Council on export of 'Bleeding Madras' fabrics has submitted a Report to the Export Promotion Council and the latter has forwarded its recommendations on the suggestions made by the Committee. These suggestions are under consideration of the Government.

#### CRISIS IN HANDLOOM INDUSTRY

2769. SHRI S. K. SAMBANDHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of the crisis in the handloom industry at present ; and

(b) if so, the action taken to relieve the handloom weavers ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) The Government are aware that the Handloom industry, in common with the cotton textile industry as a whole, is facing certain difficulties. This is mainly due to rising costs of production and recession in demand.

(b) the following are among action taken to remedy the situation :

(i) setting up of a Committee under the Textile Commissioner to closely watch the supply and prices of cotton yarns ;

(ii) grant of special rebates over an extended period to stimulate sales of handloom cloth ; and

(iii) special steps taken to encourage exports.

It is hoped that the substantial improvement in cotton production and potential increase in purchasing power due to a

marked improvement in agricultural production, would encourage a greater off take of handloom products.

#### LAKSHMIRATTAN COTTON MILLS

2770. SHRI S. M. BANERJEE : Will the Minister of COMMERCE be pleased to lay on the Table, the report of investigations made into the affairs of Lakshmirattan Cotton Mills Co. Ltd., Kanpur and state :

(a) the follow-up action taken on the report ;

(b) the loss of excise duty to Government and of wages to workers as a result of the closure of the mill ; and

(c) the steps taken by Government to provide employment to about 4,000 workers of the mill and to avoid the loss of production resulting from its closure since the 6th September, 1966 ?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH) : The report is a confidential document and it will not be desirable to place it on the Table of the House.

(a) The Report was examined very carefully and the Government came to the conclusion that under the circumstances the concern should not be taken over and run under the Industries (Development & Regulation) Act or to finance the operation of the running of the mill.

(b) Information is being collected and it will be laid on the Table of the House.

(c) It is understood that an agreement has been reached between the management and the workers. In pursuance of the agreement, the mill has restarted working on the 23rd October, 1967, with a labour force of 1,500 as against the normal strength of 3,300.

#### INTRODUCTION OF JANATA TRAINS

2771. SHRI S. M. BANERJEE : Will the Minister of RAILWAYS be pleased to state :

(a) whether it is a fact that more Janata trains are likely to be introduced in 1968 ; and

(b) if so, the routes and the number thereof ?

**THE MINISTER OF RAILWAYS**  
(SHRI C. M. POONACHA) : (a) No.

(b) Does not arise.

**PAYMENT OF COMPENSATION TO METAL CORPORATION OF INDIA**

2772. SHRI S. M. BANERJEE : Will the Minister of Steel, Mines and Metals be pleased to state :

(a) whether Government have paid compensation to the Metal Corporation of India ; and

(b) if not, whether some negotiations are going on in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI P. C. SETHI) :** (a) No, Sir.

(b) The Government of India are at present assessing the quantum of compensation payable to the Metal Corporation of India for the acquisition of the undertaking of the Company in accordance with the provisions of the Metal Corporation of India (Acquisition of Undertaking) Act, 1966 (No. 36 of 1966). Pending this, no negotiations are taking place between the Government and the Company regarding compensation.

**EXPLORATION OF MINERALS IN HARYANA**

2773. SHRI RANDHIR SINGH : Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) whether any multi-phase scheme of exploration of minerals in Haryana, Mohindergarh, Hissar and Gurgaon belt has been drawn up or is under consideration ; and

(b) if so, the progress made in the matter giving details thereof and if no progress has been made the reasons therefor ?

**THE MINISTER OF STEEL, MINES AND METALS (DR. CHANNA REDDY) :** (a) and (b). A programme of exploration for base metals in Mohindergarh District has been drawn up by the Geological Survey of India which is expected to be taken up during the field season 1967-68.

**PRICES OF CARS AND TRACTORS**

2774. SHRI RANDHIR SINGH : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether any proposal is under consideration of Government to reduce the prices of cars and tractors ;

(b) the steps being taken to step up their production in the country ; and

(c) whether the country is likely to be self-sufficient in tractors and cars in the near future ?

**THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI F. A. AHMED) :** (a) Government have repeatedly been impressing on the manufacturers the need to ensure economy in production and bring down costs and prices of cars and tractors. The Tariff Commission have also instituted a regular enquiry into the prices of both cars and tractors with a view to recommending fair selling prices. While their report in respect of cars is still awaited, that in regard to tractors has been received and is under examination.

(b) The car industry is not a priority industry and it is not at present possible to meet its full requirements of foreign exchange for the import of components and raw materials. However, as a result of progressive reduction in the volume of imported components, the production is going up from year to year within the foreign exchange made available. Government are also exploring the feasibility of manufacturing a low cost car in the country.

As regards tractors, these have been included in the list of priority industries, and the tractors manufacturers are being given necessary assistance to achieve production to the extent of the full installed capacity.

(c) While it is expected that the country will be more or less self-sufficient in tractors by 1970-71, the same cannot be said with certainty of the car industry which, as stated above, is not treated as a priority industry.