

(c) what is the quantity of steel supplied to the small scale industries in Mysore during 1958-59 so far?

The Minister of Industry (Shri Manubhai Shah) (a) Yes, Sir

(b) It is not possible to enhance the quota for Mysore immediately but the quota will be increased to some extent in the next period.

(c) 116 tons in April-September, 1958.

Shri Keshava: May we know if from the pool of steel, indigenous as well as imported, any quota is earmarked and specified for allotment to small-scale industries?

Shri Manubhai Shah: Yes:

Shri Keshava: What is the quantity and what is the allotment made to Mysore out of it?

Shri Manubhai Shah: This is what I said in answer to part (c) of the question, i.e., 116 tons in April-September, 1958, which is proposed to be increased as soon as availability improves.

State Trading Corporation of India  
(Private) Ltd.

\*198. Shri Keshava:  
Shri Ram Krishan:

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No 857 on the 11th December, 1958 and state at what stage is the question of amending the Memorandum of Association of the State Trading Corporation of India (Private) Ltd with a view to enlarging its scope and functions?

The Minister of Commerce (Shri Kanungo): The amended Memorandum of Association has become effective from the 27th December, 1958.

Shri Keshava: Has Government been pleased to consult the private sector in this matter?

Shri Kanungo: There is no necessity for that.

Shri Ranga: What is the exact nature of the change that has been made in this Memorandum?

Shri Kanungo: The objects had to be changed and the particular paragraph of the Memorandum to be changed reads thus:

"The objects for which the Company is established are to organise and effect exports from and import into India of all such goods and commodities as the Company may from time to time determine and the purchase, sale and transport of and general trading in such goods and commodities in India and anywhere else in the world and to do all such things as are incidental or conducive to the attainment of their objects."

The reason was that unless you have wider powers under the Memorandum you cannot operate a trading project.

Shri Vidya Charan Shukla: May I know the precise details as to why Government found it necessary to enlarge the scope of the STC?

Shri Kanungo: It is not a question of enlarging this portion—and the purchase, sale and transport of and general trade in such goods and commodities anywhere else in the world and in India — was not wide. Therefore it was found difficult. Supposing the STC has a consignment in some other country lying, it has got to sell it over there. These are provisions which were found necessary to cover all sorts of transactions which may come up before it.

Shri Ranga: Does this power entitle the STC to keep out private trade in any direction it likes or does that depend upon a definite decision to be taken by the Government?

Shri Kanungo: It does not permit the STC to keep out anybody. Government has got to take action if any trade has got to be regulated.

**Shri Tangamani:** May I know whether this amended clause 3 which has not been objected to either by the creditors or shareholders has been finally lodged with the Registrar?

**Shri Kanungo:** I am not sure; it must have been.

**Shri Tangamani:** In reply to a previous question, he said that this particular amendment has already been laid on the Table of the House and they have invited whether there is any objection from the creditors and the shareholders and a particular date was specified. Within that date there has been no objection. What I would like to know is, because no objection has been received from the creditors and the shareholders, whether this particular amendment has been lodged with the Registrar.

**Shri Kanungo:** All I meant is, I do not remember the date when it was lodged. But, unless it is lodged, it cannot come into effect.

**Shri Warior:** May I know whether the Government has received any request from any State to establish its own State Corporation to deal in commodities in which the State Trading Corporation is not dealing?

**Shri Kanungo:** Normally there are two procedures by which a company can be regulated. One is by capital issue. I believe Kerala Government has put in a proposal which is under discussion.

**Shri Vidya Charan Shukla:** It is not a fact that there is a general complaint that the S.T.C. generally sells away its own import licences to private established importers against certain commission?

**Shri Kanungo:** It is not at all the case. It is the reverse. In fact, the S.T.C. accommodates other exporters when they do not have quotas.

Transfer of Beru-Bari to Pakistan

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Shri Rameshwar Tantia:  
Shri Rajendra Singh:  
Shri H. N. Mukerjee:  
Shri Prakash Vir Shastri:  
Shri Vajpayee:  
Shri Supakar:  
Shri Sadhan Gupta:  
Shri Raghunath Singh:  
\*199. Shri Assar:  
Shri Naval Prabhakar:  
Shri D. C. Sharma:  
Shri Ram Krishan:  
Shri Aurobindo Ghosal:  
Shri Vidya Charan Shukla:  
Shri Hem Raj:  
Shri Halder:  
Shri Subhman Ghose:

Will the Prime Minister be pleased to state:

(a) whether it is a fact that West Bengal Assembly has passed a unanimous resolution for retaining Beru-Bari in India; and

(b) if so, Government's reactions thereto?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru) (a) Yes.

(b) A Bill relating to this matter will be placed before Parliament where every aspect of this question will no doubt be discussed.

**Shri Rameshwar Tantia:** As the question involves very important constitutional points, is it the intention of the Government to refer the matter to the Supreme Court for opinion?

**Shri Jawaharlal Nehru:** The point that might have arisen was whether it required legislation or not. We have decided, therefore, for various reasons, anyhow, to put it before Parliament. The question of any other constitutional point does not arise at all.

**Shri Vajpayee:** Under article 3 of the Constitution, if the borders of