

(b) if not, when it will be finalised,

(c) whether Government have made any arrangements or formulated any scheme to run such industries until the establishment of a corporation, and

(d) if so, what are those arrangements or schemes and how many industries have been taken over?

The Minister of Industry (Shri Manubhai Shah): (a) to (d) Government do not have under consideration any scheme to establish a Corporation to run industries which have closed down. However, all necessary steps are being taken to examine the cases of every closed unit or units which are closed or likely to get closed and necessary steps are being taken in order to restart them, if these units are found economic to work, with different forms of assistance, technical, financial, managerial etc that the Central Government and other agencies could extend to them. Suitable action wherever necessary and possible is being taken under the Industries Act and other measures are being taken to help restarting or continuing working of such units.

Several Cotton Textile Mills, jute sugar and engineering units have been enabled to restart working in this manner.

Shri S. A. Mehdi: May I know whether any application has been received from U.P. about the close-down of any industry?

Shri Manubhai Shah: The Artherton West Mills from U.P. has been taken over by the U.P. Government as authorized controller. In the Maheshwar Devi Jute Mills we are intervening and trying to give some financial assistance. So, there also it has started working.

Shri S. M. Banerjee: May I know the number of such closed industries, the number of those likely to be closed and the number of those taken over by Government?

Shri Manubhai Shah: About 14 textile mills, 9 sugar factories and one engineering concern were investigated under this procedure of which three textile mills, seven sugar mills and one engineering concern were taken over by the authorised controller.

Shri Keshava: May we know if this procedure has been adopted in connection with the closing down of the hotel industry, particularly that of closing down Hotel Cecil?

Shri Manubhai Shah: That does not extend to Hotel Cecil.

Shri Hem Barua: May I know whether tea gardens that have been closed down are included in this scheme and, if so, whether the request of the State Government to legislate for taking them over has been granted by the Central Government?

Mr. Speaker: He wants to know whether tea gardens, which have been closed down, also come within the purview of this.

Shri Manubhai Shah: Regarding tea gardens, as my hon. colleague had the pleasure of informing the House the other day, we are trying to bring in a separate piece of legislation, if necessary. They are not covered by this Act, but there will be a separate Act for them. They are agricultural plantations rather than industrial units.

12 hrs

SHORT NOTICE QUESTIONS

US Rocket Bases in Pakistan

S.N.Q. No. 9. { Shri S. M. Banerjee
Shri Panigrahi:

Will the Prime Minister be pleased to state

(a) whether the attention of the Prime Minister has been drawn to a news from Moscow—'Red Star' (appearing in the Hindustan Times dated

the 27th August, 1959) that Pakistan has U.S. Rocket bases;

(b) whether certain strategic bases hitherto under Pakistan control under Pakistan—U.S. agreement are now passing under the control of the U.S. command;

(c) whether this is against the assurance of the U.S. Government; and

(d) if so, the steps taken by Government in the matter?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) Government have seen a newspaper report to this effect.

(b) and (c). The Government of India have no precise information but a Government spokesman in Karachi had described the newspaper report as "utterly false". We have also seen a press release on the U.S.-Pak agreement issued by the U.S. State Department on July 18, 1959, which refers to the establishment and operation of a communication unit at Peshawar, as part of a world-wide United States communications system.

(d) Does not arise.

Shri S. M. Banerjee: May I know whether intensive work of building American military bases in Pakistan was continuing and, if so, whether we have any information through our sources?

Shri Jawaharlal Nehru: It is rather difficult to say as to what is a military base. Every airfield made is a potential base. It is big enough to be a potential base which can be converted into such, if necessity arises. Every other military establishment may become a base. But apart from that we have no definite information.

Shri Panigrahi: May I know whether these so-called communication or military bases in Pakistan do not constitute any danger to India, in view of what the hon. Prime Minister has said?

Mr. Speaker: Will the hon Member please repeat his question?

Shri Jawaharlal Nehru: I have got it. That entirely depends on the minds and intentions of the people there.

Shri Hem Barua: May I know whether the attention of the Government has been drawn to discussions in the United States Congress to the effect that US military aid to Pakistan is progressively being utilised against India?

Shri Jawaharlal Nehru: Yes, Sir, and I have answered some questions on that point here in this House.

Raja Mahendra Pratap: Are we to understand that this base at Peshawar is directed against Afghanistan? Now that you are going to Afghanistan you can talk it over and we can have an alliance with Afghanistan on this point.

Mr. Speaker: There is no question involved in it.

Shri Vajpayee: May I know if this question of American military assistance to Pakistan was referred to at the meeting which the hon. Prime Minister held with the Pakistan President recently and whether his attention was drawn to the reaction that has been created in India as a result of this military assistance?

Shri Jawaharlal Nehru: No, Sir It was not referred to.

Shri Panigrahi: The report says specifically that there are three bases—one in Quetta, another in Gilgit and the third in Peshawar. May I know whether the Government of India's information is that there are no such bases in these three places?

Shri Jawaharlal Nehru: I have said that it is very difficult to know what to call a base. Every airfield and every military establishment is a minor base. But normally the word base is used as a major jumping-off ground to attack some place at a

distance I have no precise information but I have read the denials of the people concerned

Shri B. C. Kamble: May I know whether the Government of India have studied

Shri S. M. Banerje. One question, Sir

Shri H. N. Mukerjee: May I know

Mr. Speaker: Shri Mukerjee

Shri H. N. Mukerjee: As far as I recollect, in the newspaper report referred to in the question, there was a clause which said that Pakistan would be obstinately denying the truth of this kind of a report but that it was true. In view of this kind of statement from a foreign source and from a friendly country, may I know if special efforts are being made by the hon Prime Minister to make sure that this kind of thing is not done and that U.S.A. in particular, gives us very special guarantees in the matter?

Shri Jawaharlal Nehru: We do our best to keep in touch with facts

Shri B. C. Kamble. May I know whether the Government of India have studied the significance of the shifting of the Pakistan capital? If so, with what result?

Mr. Speaker. Has that anything to do with this?

Shri Jawaharlal Nehru: We have certainly been informed of it and we try to understand and find out the reasons for it

Raja Mahendra Prasad: My question has not been answered, namely, whether this base at Peshawar is directed against Afghanistan

Shri Jawaharlal Nehru: I do not know

Shri B. C. Kamble: My question remains unanswered. I asked whether the significance of shifting of Pakistan capital has been studied and

if so, with what result. That has not been answered

Mr. Speaker: The hon Minister is not able to say anything about it

Rise in Price of Sugar in Madras State

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S.N.Q. { **Shrimati Parvathi Krishnan:**
No. 18. { **Shri Warier:**
 { **Shri Nagi Reddy:**
 { **Shri Muhammed Elias:**

Will the Minister of Food and Agriculture be pleased to state

(a) whether Government are aware of the phenomenal rise in the price of sugar in the Madras State,

(b) whether it has been brought to the notice of Government that the traders are hoarding the stocks of sugar, and

(c) if so, what steps Government propose to take to ease the situation?

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): (a) Yes, Sir, there has been a rise in the price of sugar in Madras State

(b) From press reports it appears that there is a hoarding tendency both among the sugar trade and the consumer

(c) A meeting of the representatives of the four States in the South has been called to consider the situation

Shrimati Parvathi Krishnan: What quantity of stocks have been sent from Andhra to Madras State during these past few months and what are the reasons in Government's opinion for this scarcity?

Shri A. M. Thomas: It has been stated that the rise in prices is due to inadequate supplies from the Andhra Pradesh factories whose surplus was being taken up by the inflated demand within that State

Shri Warier: How much sugar has been hoarded in Madras State according to the Government's estimate?