

is because it is advantageous to them to have this trade.

#### Indian Businessmen in Gibraltar

\*145. **Shrimati Ila Palchoudhuri:** Will the **Prime Minister** be pleased to state:

(a) whether Government of India's attention has been drawn to a statement made by the President of the Indian Merchants' Association of Gibraltar published in the *Pioneer* dated the 14th February, 1962 that discriminatory restrictions were being imposed on the import and export trade of the Indian business community there;

(b) whether any enquiry has been made about the facts of this matter;

(c) if so, result thereof; and

(d) the nature of steps taken in regard thereto?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) Yes.

(b) to (d). Preliminary enquiries are being made to assess the effects of the Exporter's licences Regulations announced by the Gibraltar authorities in December 1961, on the Indian traders in Gibraltar. Necessary steps will be taken when the results of this assessment are available. As regards the other complaints of the Indian Community about restrictions on their trade and on number of shop assistants etc., referred to by Shri T. S. Chellaram, the Indian High Commission in London has been making appropriate representations, from time to time, to the United Kingdom Government. The matter is now being looked into again and necessary steps will be taken in due course.

**Shrimati Ila Palchoudhuri:** May I know how many Indian firms are functioning in Gibraltar at the moment?

**Shrimati Lakshmi Menon:** We have no data about the number of firms. Must be very, very few.

**Shrimati Ila Palchoudhuri:** Is it a fact that the Indian firms control something like 30 or 40 per cent. of the trade that is carried on there?

**Shrimati Lakshmi Menon:** I have no information.

#### Chinese Arms for Naga Hostiles

\*147. **Shri D. C. Sharma:** Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that Chinese Communists are supplying the Naga hostiles in North-Eastern Frontier Agency with arms and ammunition; and

(b) if so, the steps taken in this regard?

**The Parliamentary Secretary to the Minister of External Affairs (Shri J. N. Hazarika):** (a) and (b). The Government have no information that the Naga hostiles are obtaining arms supplies from China.

**Shri D. C. Sharma:** May I know if some arms have been recovered from the Naga hostiles whom we have apprehended, and whether it has been found that the arms have come from China?

**Shri J. N. Hazarika:** No, Sir. The weapons used by them are either derived from the old war dumps or captured from our security forces. In the case of muzzle guns, they are of local make.

**Shri Hem Barua:** May I know whether Government's attention has been drawn to Mr. Gavin Young's allegation made in the columns of the *Sunday Observer*, in December, 1960 to the effect that arms from China were being smuggled into Naga Hills through the Burma frontier; if so, whether that allegation has been examined in the light of facts or not? If it has been examined, what is the outcome?

**Shri J. N. Hazarika:** I have already given the information that we have no information about the smuggling of Chinese Arms.

**Shri Hem Barua:** Is it a fact....

**Mr. Speaker:** He is only entering into arguments.

**Shri Hem Barua:** This is different. It is said that arms and ammunitions discovered in the old war dumps are being used by the Naga hostiles. Is it not a fact that after this long time these arms and ammunitions in the dumps would be rusty and rotten and not fit for use by anybody? I am asking this because this same argument is always repeated.

**Shri Tyagi** rose—

**Mr. Speaker:** Shri Tyagi:

**Shri Tyagi:** May I know what concrete steps Government are taking to suppress this Naga rebellion? I want to know what a positive steps they are taking, and how long they think it will continue.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** It is difficult for me to give details of military operations and the rest, nor can I give the date when it will be finally over or suppressed. As the House knows, difficulties have arisen chiefly because the Nagas function often from the Burmese side. They are constantly on the move, crossing over the border into Burma, and it is difficult to follow them; it is impossible indeed for our troops to follow them into Burmese territory. Nevertheless, I think it is true to say that their position has grown much weaker, and the few incidents that occur now from time to time are largely the result of their despairing efforts to justify themselves.

#### Cement

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\*148. { **Shri Harish Chandra Mathur:**  
**Shri Morarka:**

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

(a) what is country's current demand of cement and supply position;

(b) to what extent difficulties are experienced because of short supply and transport bottle-neck;

(c) what priorities are given in supply for productive works and under-developed areas;

(d) whether it is a fact that from certain areas cement is not being lifted and there is unequitable and uneven distribution; and

(e) what stocks were held by factories and dealers at the end of January, 1962?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). The Tariff Commission assessed the demand of cement for 1961 as 9 million metric tonnes which was expected to rise by 12½ per cent. a year. The demand for 1962 is, placed at about 10 million metric tonnes. The present installed capacity of the industry is about 9.5 million tonnes. The present annual production is about 8.5 to 9 million tonnes. Difficulties are experienced for movement of cement as well as for movement of coal and raw materials to cement factories, due to short supply of wagons or transport bottlenecks.

(c) Supplies for productive works and under-developed areas are given priority.

(d) No, Sir.

(e) While the stocks held by dealers are not exactly known, about 1,73,220 metric tonnes of cement was held as stocks by factories at the end of January, 1962.

**Shri Harish Chandra Mathur:** We are not producing enough cement, even to rated capacity, and are not in a position to distribute the cement produced because of transport bottle-necks. May I know whether the Railway Ministry accept this responsibility, whether this has been discussed with them and whether any programme has been drawn up for improvement?