

**COUNCIL OF STATES**

Wednesday, 28th May 1952

The Council met at a quarter past eight of the clock, MR. CHAIRMAN in the Chair.

SHRI S. N. MAZUMDAR : On a point of information, Sir. My question was disallowed, but for my guidance for the future, may I know the grounds on which it has been disallowed ?

MR. CHAIRMAN : Secretary will explain to you, if you see him.

**ORAL ANSWERS TO QUESTIONS****CLOSURE OF ORDNANCE FACTORIES AT KANPUR**

\*4. BABU GOPINATH SINGH : Will the Minister for DEFENCE be pleased to state :

(a) whether it is a fact that the Government Harness and Saddlery Factory, the Parachute Manufacturing Factory and the Bren Gun Factory at Kanpur are about to be closed shortly;

(b) if so, why;

(c) what is the strength of the labour force that will be displaced by this decision of Government;

(d) what steps are Government taking to rehabilitate and settle the workmen who may be thrown out of employment on account of the closing down of these factories ; and

(e) what do the Government propose to do with the machinery, equipment and buildings of these factories which were put up at a cost of more than ten crores of rupees for the purposes of national defence ?

THE MINISTER FOR DEFENCE (SHRI N. GOPALASWAMI) : (a) No.

(b) to (c). Do not arise. ICC.S.D.

BABU GOPINATH SINGH : What are the recommendations of the Re-organisation Committee in this behalf ?

SHRI N. GOPALASWAMI : I do not know which Re-organisation Committee my hon. friend is referring to. Is he referring to the Departmental Committee ?

BABU GOPINATH SINGH : Yes. The employees of Kanpur have the information that there was a Reorganisation Committee and it recommended the liquidation of these factories.

SHRI N. GOPALASWAMI : We carry out periodically a general economic review of items of defence expenditure. That examination takes into account also the question of justification for maintaining the existing establishments including Ordnance and Clothing factories. This is a routine matter. No recommendation has yet been made regarding the liquidation of these factories.

SHRI GOVINDA REDDY : Is there any proposal before Government that these factories should be liquidated some time in the future ?

SHRI N. GOPALASWAMI : Routine examination is going on but no definite recommendation has yet been made.

SHRI P. SUNDARAYYA : Is it a fact that the Kanpur industrialists want these Government factories to close or be handed over to them ?

SHRI N. GOPALASWAMI : I have no information.

**KASHMIR'S FINANCIAL INTEGRATION WITH INDIA**

\*5. SHRI GOVINDA REDDY : Will the Minister for HOME AFFAIRS AND STATES be pleased to state :

(a) whether talks with the Finance Minister of Kashmir in the matter of

Kashmir's financial integration with India have concluded;

(fc) if so, the purport of the talks ; and

(c) whether any agreement has been signed between the two countries in pursuance of those talks ?

THE MINISTER FOR HOME AFFAIRS AND STATES (SHRI K. N. KATJU): (a) to (c). Certain talks relating to financial integration of the Jammu and Kashmir State with India were held with the representatives of the State Government in April this year. These talks were of a very preliminary and exploratory character, and will be continued at a later date.

SHRI GOVINDA REDDY : Am I to understand that no conclusions have been arrived at ?

SHRI K. N. KATJU : None whatever.

SHRI GOVINDA REDDY : May I know when the Government will be able to come to conclusions in this matter ?

SHRI K. N. KATJU : In some months' time.

#### PRICE OF SUGARCANE

\*6. SHRI R. P. N. SINHA : (a) Will the Minister for FOOD AND AGRICULTURE be pleased to state whether any decision has been arrived at by the Government with regard to the fixation of the price of sugarcane of the coming season ?

(fc) Is there any proposal before them for a reduction in the present price ? If so, what is the price proposed ?

(c) Have the views of the State Governments been taken on the subject ? If so, what are the Governments that favour a reduction in the present price, and which of them do not ?

(d) Do Government propose to ascertain the views of the cultivators on the proposal of a reduction in price, if any ?

(e) If so, through what agencies ?

THE DEPUTY MINISTER FOR WORKS, HOUSING AND SUPPLY : (SHRI S. N. BURAGOHAIN) : (a) and (fc). No. But it has been announced that Government will review the cane prices at the commencement of the next season and consider that there should be an appreciable reduction in the statutory minimum price of cane during the season 1952-53.

(c) No.

(d) and (e). Yes, through the Indian Central Sugarcane Committee and Joint Sugar Control Board of U.P. and Bihar.

SHRI GOVINDA REDDY : May I know, Sir, on what basis these prices are fixed ? If the Government intend to reduce these prices, on what basis are they going to reduce them ?

SHRI S. N. BURAGOHAIN : The policy in this regard was explained in a Press Note issued on the 2nd April 1952, and I might, for the information of the hon. Member, read a relevant portion of that note, with your permission, Sir :

"The Government of India have carefully reviewed their policy regarding sugar and *gur* with particular reference to the trend of production of sugar and the fall in prices of *gur* and free market sugar, and have taken the following decisions.

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The Government of India stand committed to the statutory minimum price of Rs. 1-12-0 per maund for sugarcane which was fixed at the beginning of the season and to take over for distribution at controlled prices, the basic quotas of all factories, plus half of their excess production. The Government of India do not intend to deviate from this policy during the rest of the season.

They will, however, review the cane prices at the commencement of the next season and consider that there should be an appreciable reduction in the statutory minimum price of cane during the season 1952-1953."