

(d) if so, the results of this examination?

The Minister of Industrial Development and Company Affairs (Shri F. A. Ahmed): (a) to (d). Government have decided to appoint an Expert Committee to inquire into the working of the industrial licensing system in the recent years. Such an inquiry is expected to include matters relating to the implementation of industrial policies and the exact role played by the financial institutions like the IFC and IDB in coordinating the facilities for a balanced industrial growth.

Further details regarding the appointment, composition and the terms of reference of the Enquiry Committee are under active consideration at present. The Committee will include non-officials having expert knowledge of industrial and financial matters. It is, however not possible at this stage to indicate precisely the date of commencement of work by the Enquiry Committee and date by which it will be expected to complete its report and to submit the results of this examination.

Kaiseri Hind Mills of Bombay

2790. Shri Kameshwar Singh:
Shri Madhu Limaye:

Will the Minister of Industrial Development and Company Affairs be pleased to state:

(a) whether Government's attention has been drawn to the shareholders meeting of the Kaiseri Hind Mills of Bombay in May, 1967 where the audited statement was not adopted on the ground that the cash payment of Rs. 36,250 for the sale of 2 crore winding machines by the New City of Bombay Mill, have not been shown in the books of accounts and also because a new warping unit was sold on a no profit no loss basis without the consent of the directors;

(b) whether it is a fact that the Kaiseri Hind Mills was then managed by what is known as the J.K. Group;

(c) if so, the proceedings if any taken against the J.K. management of the Mills; and

(d) whether any arrests have been effected so far?

The Minister of Industrial Development and Company Affairs (Shri F. A. Ahmed): (a), (c) and (d). Government are making enquires about the non-adoption of the annual accounts of the company at its annual general meeting held in May 1967 and the alleged non-inclusion of certain transactions in the books of the company. There are also certain petitions pending before the High Court, Bombay, where allegations and counter-allegations have been made against each other by both the old and new managements. A Director and some shareholders of the company have also prayed that the High Court be pleased to direct the Central Government to appoint Inspectors under section 237 of the Companies Act, 1956, to investigate into the affairs of the company for the period from 1945 to 1966, with respect to certain charges made by the Director in his affidavit filed in the Court in connection with the aforesaid petitions.

(b) This company, which was incorporated in the year 1901, was managed by the families of Shri V. M. M. Ramji till 1945 when the J.K. Group acquired controlling interest in the company. The company was managed by the J.K. group till the beginning of 1966. It appears that the management was taken over by the Jalan group thereafter.

Export of Textiles

2791. Shri M. B. Krishna: Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that the Indian textiles suffer in international market on the plea that the textiles are from a low wage country; and

(b) if so, how far this propaganda in international market has diminished India's foreign exchange earnings?