

3. Austerity and economic measures to reduce expenditure wherever possible.
4. Postponement of civil works which are capable of being deferred.
5. Close scrutiny of the quantum of holding of stores and spare parts with a view to dispose of surpluses not required.

Fresh intake is also regulated by strict adoption of inventory control procedure.

Recovering Sulphur from Steel Plants

779. Dr. P. Mondal:
Shri S. C. Samanta:

Will the Minister of Steel, Mines and Metals be pleased to state:

- (a) whether Government have completed the study of the prospects of recovering sulphur from steel plants and Assam coal; and
- (b) if so, the details of the findings?

The Minister of Steel in the Ministry of Steel, Mines and Metals (Shri P. C. Sethi): (a) No, Sir.

- (b) Does not arise.

M/s. Ashoka Marketing, Limited

780. 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 Balance Sheet for the year 1965-66 of M/s. Ashoka Marketing, Limited and the remarks passed by the Auditors on the foreign buyers' claims for the supply of jute goods;
- (b) whether permission of the Reserve Bank of India has been sought for adjusting these claims;
- (c) whether it is a fact that the Auditors of this Company, M/s. Singhi and Co., have protested against this adjustment and have resigned;

(d) whether M/s. Ashoka Marketing, Ltd., have shown any credit for the claim they have on the supply of jute goods for Rs. 2,80,000 in their Balance Sheet; and

(e) whether any inquiry has been ordered into the affairs of M/s. Ashoka Marketing, Ltd.?

The Minister of Industrial Development and Company Affairs (Shri F. A. Ahmed): (a) Yes, Sir. The auditors for 1964-65 and 1965-66 have drawn the attention of the shareholders to the write-off of Rs. 21,77,446 and Rs. 21,57,769 respectively, for these years.

(b) In March, 1965 the Company reported to the Reserve Bank of India that payment of their bills amounting of \$1,215,859 against their exports of jute carpet backing cloth was withheld by their American buyers on the plea that the ultimate buyers had found certain goods, for which they had already made payment, defective and that they had to suffer a loss of \$733,758. The matter seems to have been referred to an arbitrator.

(c) Government have no information to that effect. M/s. H. P. Khandelwal and Co. were the auditors for the year 1964-65 and not M/s. Singhi & Co. Shri R. Singhi with some others became partners of M/s. H. P. Khandelwal & Co. after Shri Khandelwal's death. The firm was carrying on its business under the old name. From the records it appears that the Company in a general meeting appointed M/s. Gutgutia & Co., for the year 1965-66. Consequent on a change in the constitution of the firm of auditors, M/s. Gutgutia & Co., the Board of Directors of the Company appointed M/s. K. N. Gutgutia & Co. as auditors for the year in the casual vacancy caused.

(d) No, Sir. The Company appears to have filed a suit for the recovery of a claim of that amount.

(e) In April, 1963, an investigation was ordered under Section 237(b) and 249(1) (a) of the Companies Act.