

(b) Investigation was ordered under both the sections 237(b) and 249 of the Companies Act, 1956. On a writ petition filed by the company, the High Court, Calcutta, upheld the order passed under section 237(b) but allowed the writ in so far as it related to the order under section 249 of the Companies Act. The company preferred an appeal against this order. The Company Law Board have filed cross objections in this regard. The case is still pending before the Appellate Bench of the Calcutta High Court.

(c) The Government can hardly be expected to express any opinion in the matter.

M/s. Bird & Co.

**576. Shri Madhu Limaye:
Dr. Ram Manohar Lohia:
Shri S. M. Banerjee:
Shri George Fernandes:**

Will the Minister of Industrial Development and Company Affairs be pleased to refer to the reply given to Unstarred Question No. 315 on the 3rd November, 1966 and state:

(a) whether the infringement of the provisions of the Companies Act by M/s. Becker Grey, the exporting company of M/s. Bird & Co. has since been assessed by the Department of Company Affairs on the basis of the books seized under the Customs Act and other material available;

(b) if so, the result of this assessment; and

(c) the action taken by Government in the matter?

The Minister of Industrial Development and Company Affairs (Shri F. A. Ahmed): (a) to (c). The Company Affairs Department was awaiting the result of the appeal before the Central Board of Excise & Customs. The appeal order was received on 29th March, 1967. The books of accounts of the company will have to be scrutinised in order to ascertain the infringement, if any, of the provisions

of the Companies Act. Necessary instructions have been issued to pursue the matter vigorously. The question of taking action will have to await the finding arrived at on the basis of the examination of accounts and other documents.

Gammon India Limited

**577. Shri Madhu Limaye:
Shri S. M. Banerjee:
Shri George Fernandes:**

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

(a) whether the investigation into the Gammon India Limited, Bombay affairs (arising out of the certain concealed foreign holdings commented upon in the balance sheet) has since been completed; and

(b) if so, the action taken against the Company for the violation of the foreign exchange and other laws in force?

The Minister of Industrial Development and Company Affairs (Shri F. A. Ahmed): (a) As stated by the Minister in the Ministry of Law in answer to Unstarred Question No. 1333 on the 15th November 1966 in the Lok Sabha, the company appointed a firm of Chartered Accountants in London to check up its investment account in London. In October 1966 the London firm submitted its report to the company. The statutory auditors of the Indian company have drawn the attention of the shareholders to the findings of the London firm in their report on the accounts of the aforesaid company for the year ended 31st March 1966. The auditors pointed out that the examination of the matter by the London firm covered the period from 1st April 1965 to 31st March 1966 and that the rights and bonus shares and dividends thereon substantially cover all such rights and bonus shares and dividends thereon, which remained unaccounted

for in the earlier years, subject to certain discrepancies in respect of which no adjustments were made in the accounts for the year ended 31st March, 1966. According to the Indian company, the resulting position arising out of the various discrepancies pointed out by the London firm was that it owed to Gammon Engineers Ltd., U.K., a sum of over £ 200 having regard to the adjustment of £ 104,552-18-6 made in the accounts for the year ended 31st March, 1965. The enquiries initiated by the Government in the matter are still continuing with a view to finding out the violations, if any, of the provisions of Companies Act.

(b) As already stated in reply to Unstarred Question No. 1333, no prosecution has been launched under the Foreign Exchange Regulations Act. As regards the question of taking action, if any, against the company and its officers for any violations of the provisions of the Companies Act, 1956, the matter will be considered when the present enquiries are completed.

Railway Line from Kathua to Jammu

578. Shri Inderjit Malhotra: Will the Minister of Railways be pleased to state:

(a) when the actual work for extension of the Railway line from Kathua to Jammu shall start; and

(b) how much time it will take to complete this project?

The Minister of Railways (Shri C. M. Poonacha): (a) and (b). The Final Location and Traffic Survey for the extension of a railway line from Kathua to Jammu has just been sanctioned. The construction work will be taken up only after completion of the survey. It is, therefore, too early to say, at this stage, when the line will be completed.

Chain Pulling in Trains

579. Shri K. N. Pandey:
Shri N. F. Yadav:

Will the Minister of Railways be pleased to state:

(a) whether it is a fact that there has been a heavy loss of working hours due to chain pulling in trains during 1966-67; and

(b) if so, the loss in working hours and the steps proposed to be taken to improve the situation?

The Minister of Railways (Shri C. M. Poonacha): (a) Yes.

(b) A statement is laid on the Table of the House.

STATEMENT

About 21,184 working hours were lost due to alarm chain pulling during 1966-67.

Incidence of alarm chain pulling during the year 1966-67 has gone up as the alarm chains were restored in May, 1966 in all non-suburban trains where the same had been previously blanked off. Due to abnormal increase in the incidence of alarm chain pulling, the Railways were directed in December, 1966 to blank off again the alarm chain apparatus in such of the non-suburban trains where the incidence had increased resulting in dislocation and unpunctuality in running of trains.

In addition to blanking off of the alarm chain apparatus on certain trains, the following measures are taken to deal with cases of misuse of alarm chain apparatus:

- (i) Conducting educative campaigns in the Press, by cinema slides, posters and by announcements on the microphones provided at important stations;
- (ii) Posting of plain clothed T.T.Es. and Railway Protection Force men in 3rd class compartments;
- (iii) Introduction of a scheme of awarding cash amounts upto Rs. 50 to those persons who