

1	2	3
2.	M/s. Sterling Drug International Ltd., 29, Netaji Subhas Road, Calcutta-1.	Company ceased trading in India from the year 1967. Exemption granted for the Financial Year ended on 31.12.70.
3.	M/s. A. Brunnschweiler & Co. Ltd, 53, North Beach Road, Madras-1.	The Company is carrying on the business of purchasing of handloom cloth (Reals) which is exempted from the Indian Income Tax. Exemption granted for the financial year ended on 31.1.70.
4.	M/s. Nissho-Iwai Co. Ltd. 2, Brabourne Road, Calcutta-1.	Company did not carry on any business in India during the Financial Year ended on 30-9-70. Exemption was granted for the said year.
5.	M/s. Forasol 828, Adarshnagar, Jaipur-4.	Company operated under the contract with Oil and Natural Gas Commission which ended on 30.4.67. The company has now only to re-export its machinery and material back home. Exemption was granted for the Financial Year ended on 31.3.69.
6.	M/s. Amin Agencies Ltd. 25/26, Waterloo St., Calcutta.	World Balance Sheet for the year ended on 31.3.71 was not received by the branch office in India from its Head Office in Pakistan. This Company was taken over by the Custodian of Enemy Firms under D. I. R. Exemption was granted for the Financial Year ended on 31.3.71.
7.	M/s. The Calcutta Tramways Co. Ltd. 12, R. N. Mukherjee Road, Calcutta-1.	The management of the company has been taken over by the Government of West Bengal with effect from 19.7.67. Since then the Company's Head Office in London has practically become defunct and no information relating to Sterling transactions in London are made available to the company in India. Exemption was granted for the Financial Year ended on 31.12.69 and 31.12.70.

Investigations against Companies

1926. SHRI P. A. SAMINATHAN :
Will the Minister of COMPANY AFFAIRS
be pleased to state :

(a) the names of the two companies
against whom investigation was ordered in the
year 1970 under Section 235(a) of the Com-
panies Act ;

(b) the names of eight cases under in-
vestigations, together with their location and
the grounds on which investigations were
ordered ; and

(c) the name and location of the Com-
pany in whose case the Madras High Court
upheld the validity of the order of investi-
gation ?

THE MINISTER OF COMPANY
AFFAIRS (SHRI RAGHUNATHA
REDDY) : (a) During 1970, the Company
Law Board ordered investigation into the
affairs of K. T. Dongre & Company Private
Limited and Thomas Stoaphen and Company
Limited, in exercise of the powers under
Section 235(a) of the Companies Act, 1956.

(b) A statement is laid on the Table of the House. [*Placed in Library. See No. LT—1143/71.*]

(c) The Rayala Corporation Private Limited, Madras.

Approval of Inter-Corporate Loans and Investments by Companies

1927. SHRI T. S. LAKSHMANAN : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) the names of Companies in whose case intercorporate loans were approved during the year 1970 ;

(b) the names of Companies in whose case intercorporate investments were approved in the year ; and

(c) the particulars of rejected cases under both the categories during this period ?

THE MINISTER OF COMPANY AFFAIRS (SHRI RAGHUNATHA REDDY) : (a) to (c). A statement is laid on the Table of the House [*Placed in Library. See No. LT—1144/71.*]

Loan Applications received by Industrial Finance Corporation in Gauhati Office

1928. SHRI ROBIN KAKOTI : Will the Minister of FINANCE be pleased to state :

(a) the number of loan applications received so far by the Industrial Finance Corporation's Gauhati Office, Assam ;

(b) the number of loans sanctioned with description of the industries and names of the parties ; and

(c) the number of applications pending ; with the names of the parties ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : (a) to (c). The sub-office of the Industrial Finance Corporation of India at Gauhati was opened on the 16th May, 1971. No formal application for financial assistance has been received by the Gauhati sub-office during the period from the 16th May, 1971 to the 31st October, 1971.

However, an enquiry has been received in October, 1971 by the sub-office from M/s. Assam Petro-Chemicals Limited, Shillong for a loan of Rs. 374 lakhs which is being examined.

Corruption in the Advance of Loans to Small Farmers by the Nationalised Banks

1929. SHRI NIHAR LASKAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the tempo of development attained in the first year of nationalisation of banks has not been sustained during the second year ;

(b) whether Government are also aware of the corruption prevailing in the advance of loans to small farmers ; and

(c) whether Government have made any enquiry into this and with what results ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : (a) There has been some slowing down in the rate of growth of advances to the hitherto neglected sectors in the second year after nationalisation. Immediately after nationalisation, some of the banks advanced credit over scattered areas with the result that they could not supervise effectively the utilisation of loans. Naturally the banks were anxious to improve the equality of their lending to these sectors by having proper supervision and follow-up of the loans. For this purpose, the banks had to build up the necessary organisational capacity to further intensify lending in these sectors. The banks are now adopting a policy of intensive financing in selected villages/areas and taking necessary steps to improve both the quality and overall quantum of lending to hitherto neglected sectors.

(b) and (c). Some of the nationalised banks have received complaints involving allegations of corruption in advances to small farmers. These complaints are investigated through Vigilance Cells formed in each of the nationalised banks and appropriate action taken. Besides taking departmental action, wherever necessary, the banks also refer the matter to the Police for investigation. The Central Bureau of Investigation also conducts investigations on complaints of corruption in the banks received by it directly.