

Sabha on the 22nd July, 1968, of the total of 88 allegations against the Birla Group of Industries contained in the three memoranda submitted by Shri Chandra Shekhar, 64 allegations had already been disposed of by the Government; of the remaining 24 allegation also, 13 have since been disposed of; thus, leaving a balance of 11 allegations in regard to which a final decision is yet to be taken.

(b) Several factors have been responsible for the delay in taking the final decision e.g. some of the allegations require inquiries both in India and abroad; in some cases Government action has been stayed by the orders passed by certain courts.

(c) Of the remaining allegations (24 in number) referred to by the Hon'ble Member in part (a) of the question, in respect of 4 allegations preliminary inquiry has revealed a *prima facie* case of violation of an existing law and action has been initiated under the relevant provisions of the law.

(d) In the very nature of things, it is not possible to check altogether the commission of irregularities by anyone but it goes without saying that whosoever commits irregularities also runs the risk of penal action.

Foreign Consultant for N. M. D. C. Project

147. SHRI R. K. SINHA : Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) whether it is a fact that the National Mineral Development Corporation is choosing a foreign engineering firm for consultancy service for one of its projects ;

(b) if so, the remuneration to be paid to the firm and the foreign exchange involved therein ;

(c) whether any Indian consultancy firm had offered its service for the said job; and

(d) if so, the reasons for choosing the foreign firm ?

THE MINISTER OF PETROLEUM AND CHEMICALS AND MINES AND METALS (DR. TRIGUNA SEN) : (a) Since the Hon'ble Member has not mentioned the name of the Project regarding which the

information is sought, it is presumed that this question is in respect of the construction of Bailadila Deposit No. 5: Earlier, the Heavy Engineering Corporation had agreed to undertake a turn-key job for this Project and be responsible for the engineering, construction, erection and commissioning of the same. However, recently the Heavy Engineering Corporation have given to N. M. D. C. to understand that now they will confine their scope of work only to supplying of certain items of plant and equipment. As a result, the responsibility for engineering and commissioning of the Plant has become that of the N. M. D. C. and it is necessary for them to obtain the services of consultants. When the scope of work of Heavy Engineering Corporation was for turn-key job, they were also proposing to appoint a Consultant and had the names of a few firms, Indian & foreign, under their consideration. After the change in the scope of work, the N. M. D. C. have been directed to negotiate with the same firms of consultants who were under the consideration of Heavy Engineering Corporation and select the most suitable one; keeping in view that the indigenous know-how will be obtained to the maximum possible extent. Since, the N. M. D. C. is yet to finalise their recommendations, it cannot be said at this stage whether a foreign or an Indian Consultant will be selected for this Project.

It may also be stated that similar arrangements will have to be made for another Project of the N.M.D.C. viz. Kiriburu Expansion Scheme for supply of iron ore to Bokaro Steel Plant.

(b) to (d). Do not arise.

Machine Tool Plant in U. P.

148. SHRI R. K. SINHA : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) whether Government have decided to set up a Machine Tool Plant in U. P. ;

(b) if so, the venue of the same ;

(c) whether representations have been received for setting up the proposed plant in the Faizabad Division; and

(d) if so, Government's reaction thereto?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) and (b) : A new unit of Hindustan Machine Tools Ltd. was proposed to be set up in Uttar Pradesh after the expansion of the existing plants in Haryana Kerala and Andhra Pradesh was taken up and completed and a new factory proposed for Madhya Pradesh had been set up. As the machine tool industry has been facing the problem of under-utilisation of existing capacity for the last two years, the proposal for expansion of the existing units and establishment of new units by Hindustan Machine Tools Ltd. has been deferred. No decision has been taken on the exact location of the proposed unit in Uttar Pradesh.

(c) No, Sir.

(d) Does not arise.

**Managing Director of Panipat Woollen
And General Mills Limited, Kharar**

149. SHRI S. K. TAPURIAH :
SHRI VALMIKI CHOUDHARY :

Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) whether the Company Law Administration disapproved of the appointment of Shri Shiv Kumar Gupta as the Managing Director of the Panipat Woollen and General Mills Ltd., Kharar, with effect from the 1st May, 1967 ;

(b) if so, whether it is a fact Shri Shiv Kumar Gupta is still addressing letter's and important documents as Managing Director of that establishment ,

(c) whether it is also a fact that the latest balance sheet for the year 1967-68 shows the name of Shri Shiv Kumar Gupta as a Managing Director ; and

(d) if so, the steps proposed to be taken in this matter ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED), (a) Yes Sir, the Company's proposal to appoint Shri Shiv Kumar Gupta as Managing Director of the company with effect from the 1st April, 1967, was rejected by the Company Law Board on 13th June, 1968.

(b) and (c). The Registrar of Companies, Jullundur, has reported that in the 21st Annual Report & Accounts for the year ending 31-3-1968 of this company, filed in his office on 15th November, 1968, Shri Shiv Kumar Gupta has been shown as the Managing Director of the company. He has also received some complaints from certain individuals, forwarding *inter alia* photostat copies of some dishonoured cheques on the Punjab National Bank Limited, Kharar, purported to have been signed by Shri Shiv Kumar Gupta as Managing Director of the company on the 5th September, 1968.

(d) The Registrar of Companies, Jullundur, in a communication to the company, has advised Shri Shiv Kumar Gupta not to designate himself as Managing Director of the company since his appointment as such was disapproved by the Company Law Board.

Textile Mills taken over by Government

150. SHRI S. K. TAPURIAH :
SHRI P. C. ADICHAN :
SHRI VALMIKI CHOUDHARY :

Will the Minister of FOREIGN TRADE AND SUPPLY be pleased to state :

(a) whether Government had proposed to take over more textile mills ;

(b) if so, the number of mills taken over during the last three months and the total number of mills taken over in each State so far ;

(c) the number of mills proposed to be taken over in future and in what circumstances ; and

(d) the steps being taken to extricate the textile industry in general from the present crisis ?