

GOENKA GROUP OF INDUSTRIES

5146. SHRI JYOTIRMOY BASU:
SHRI GANESH GHOSH:
SHRI B. K. MODAK:
SHRI BHAGABAN DAS:
SHRI K. HALDER :

Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS pleased to refer to the reply given to Unstarred Question No. 2218 on the 5th August, 1969 and state:

(a) whether it is a fact that Shri Goenka and his group have acquired between 70 to 80 lakhs shares of the Indian Iron and Steel Co. Ltd;

(b) if so, the percentage of shares in the Indian Iron and Steel Co. held by Shri Goenka and his Group;

(c) the names and details of the shareholders (including the Trusts);

(d) whether it is a fact that a leading Indian Scheduled Bank gave financial assistance to Shri Goenka and his Group for acquiring Indian Iron and Steel Co. shares in contravention of the Company and Banking rules and regulations; and

(e) if so, the action taken, if any, by Government against the parties concerned?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) :

(a) and (b). As stated by the then Deputy Prime Minister in the Lok Sabha on the 20th November, 1968, while making a statement on the calling Attention Notice, Shri Goenka and his group have acquired between 70 to 80 lakhs equity shares in the Indian Iron & Steel Company Ltd. Since the bulk of his holdings stand on different names such as companies under his control, friends and associates and brokers it is difficult to indicate the precise holdings or changes that might have occurred since then.

(c) According to the distribution of shareholdings as on the 4th September, 1968, the total number of shareholders in number of equity shares 2,48,81,798 of Rs. 10/ each. The names of shareholders together with their holdings are contained

in the Annual Returns which the Company files with the Registrar of Companies Calcutta. These returns are available for inspection under Section 610 of the Companies Act, 1956. In the circumstances compilation of the relevant information from voluminous records will be disproportionate to the results to be achieved. According to Section 153 of the Companies Act, no notice of any trust is entered on the register of members. However four trustees namely, Sarvshri S. K. Ganguly, K. Ganesan, R. N. Sen and P. K. Choksey hola together 33,69,200 ordinary shares in their names in the company.

(d) and (e) At the beginning of the year the total amount of advances by the Punjab National Bank against Indian Iron shares aggregated to Rs. 107 lakhs. The advance was reduced to Rs. 43.51 lakhs in August, 1969. According to its usual practice the Bank was originally maintaining a margin of 30% against the Indian Iron shares. Following instructions from the Reserve Bank in June 1968 the margin was raised to 40%. The advances by the Bank to Shri Goenka and his associates did not involve any infringement of the provisions of law or of directions by the Reserve Bank in this regard. In so far as the advances by the Bank to this group are concerned, the Reserve Bank has ensured that suitable prepayment programme is fixed and the margin against the shares is raised from 30% to 40 %.

CAPITAL STRUCTURES OF INDIAN IRON AND STEEL CO. LTD. WEST BENGAL

5147. SHRI JYOTIRMOY BASU:
SHRI B. K. MODAK:
SHRI GANESH GHOSH:
SHRI BHAGAVAN DAS:
SHRI K. HALDER :

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

(a) the details of the share-holding and capital structure of the Indian Iron and Steel Co. Ltd., West Bengal;

(b) the names and description of shareholders and number and value of shares held by each category of shareholder; and

(c) what changes, if any, have taken place in the capital structure and shareholding of the Company since the merger of the Indian Iron with Steel Corporation of Bengal by an Act of Parliament in 1952 ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) The issued and subscribed capital of the company amount to Rs. 27,58,13,380/- represented by 2,48,81,798 equity shares of Rs. 10/- each and 2,69,954 preference shares of Rs. 100/- each.

(b) and (c). According to the distribution of shareholdings as on the 4th September, 1968 the total number of shareholders in the equity capital was 14,138 and the total number of equity shares 2,48,81,798 of Rs. 10/- each. The names of shareholders together with their holdings are contained in the Annual Returns which the company files with the Registrar of Companies, Calcutta. These returns are available for inspection under Section 610 of the Companies Act, 1956. The shares of the Company are quoted on Stock Exchanges and there had been frequent dealings in the shares since 1952. Compilation of the names of shareholders and their shareholdings together with changes therein during the last 17 years will involve considerable labour and time which will be disproportionate to the results to be achieved.

IMPACT OF UNIFORM PRICE OF CEMENT ON PRODUCERS

5148. SHRI P. GOPALAN :
SHRI K. RAMANI :
SHRI VISHWANATHA MENON :
SHRI P. RAMAMURTI :

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

(a) the reason why a uniform price of Rs. 100/- was adopted for a period of 8-1/2 months only, as on decontrol from the 1st January, 1970 there will be no question of a uniform price in a decontrolled economy;

(b) whether the adoption of Rs. 100/- as a uniform price for all producers gives additional and undue benefit to producers in the higher to lowest tier which includes

the big groups of ACC, Sahu Jains and Dal-mias without reference to their cost of production; and

(c) if so, how much and Government's justifications thereof ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED): (a) The attention of the Hon'ble Member is invited to the statement made by me in the Lok Sabha on the 14th April, 1969.

(b) Government are not aware of any undue benefit accruing to the producers by the adoption of the uniform price.

(c) Does not arise.

PRODUCTION AND CONSUMPTION OF CEMENT

5149. SHRI MOHAMMAD ISMAIL :
SHRI SATYA NARAIN SINGH :
SHRIMATI SUSEELA GOPALAN :
SHRI K. RAMANI :

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

(a) whether it is a fact that the cement consumption in the country during the first six months of 1969 stood at 6.6 million tonnes without taking into account exports and that even during this period there were serious reports of shortage in the States of Assam, West Bengal, Bihar, U.P., Punjab and Haryana and that on this basis the demand for this year will be at least 14 million tonnes;

(b) whether it is also a fact that the ultimate capacity at the end of this year will be about 15.1 million tonnes only which can hardly yield at the best of conditions about 13.4 million tonnes;

(c) whether it is further a fact that the total clinker stock in all the factories in the country stood at 9.13 lakh tonnes at the end of July, 1969 which is 3 weeks production only;

(d) whether, on the basis of the above, the current year is bound to end in deficit; and

(e) if so, how far is the cement decontrol justified on the assumption that supply position is easy ?