

as passed by Rajya Sabha, be taken into consideration"

The motion was adopted.

MR DEPUTY-SPEAKER. The question is:

"That clauses 2 and 3, clause 1, the Enacting Formula and the title stand part of the Bill"

The motion was adopted

Clauses 2 and 3, clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI BALGOVIND VERMA. I beg to move

"That the Bill be passed"

MR DEPUTY-SPEAKER The question is

"That the Bill be passed"

The motion was adopted

MR DEPUTY-SPEAKER Before, we take up the next item, there are some important papers to be laid on the Table for which the ministers have sought permission. They may do so now

STATEMENT RE PROPOSED
TRANSFER OF SHARE OF
CENTRAL PROVINCES
MANGANESE ORE
COMPANY, LTD

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL AND MINES (SHRI SUBODH HANSDA) I beg to lay on the Table, a statement in response to the matter under rule 377 raised by Shri Vasant Sathe in the House on the 21st August, 1974 regarding proposed transfer of share of the Central Provinces Manganese Ore Company Limited

STATEMENT

On 21st August, 1974, on a motion raised by Shri Vasant Sathe about the activities of one Shri R N Kapur with regard to the acquisition of shares of Central Provinces Manganese Ore Co. Ltd I had Promised to make a statement

Central Provinces Manganese Ore Co Ltd is a sterling company incorporated in Great Britain. It had been operating in some districts of present Madhya Pradesh and Maharashtra from 1901. In 1961 the question of renewal of some of the leases held by this Company came up. It was then mutually agreed to form a new company to operate 18 of the 19 leases held by CPMO Manganese Ore India Ltd thus came into existence in which CPMO held 49 per cent of shares and the remaining 51 per cent were shared equally by the Government of India and the State Governments of Madhya Pradesh and Maharashtra

The one lease that of Balapur Hamesha held by CPMO became due for renewal in 1971. The renewal was refused by the Government. The Company instituted legal proceedings in the Nagpur Bench of the Maharashtra High Court and obtained a stay order permitting them to remain in working possession of the property. The stay order is still in force.

Steps were taken to contest the suit. In August 1972, CPMO sent its representatives from London for a settlement of the case out of the Court. The offer included surrender of the lease held rights on this mining lease subject to the 49 per cent shares held by CPMO in MOIL being acquired by the Government of India at a negotiated price.

Negotiations were held during February '73 with representatives of the then Management of CPMO. While the matter was still under consideration it came to the knowledge of the Government that the ownership of the CPMO Company had undergone a change. It was understood that the

majority interest in the CPMO had been acquired by newcomers of "Indian origin". Enquiries revealed that one Shri Ram Narain Kapoor had become Chairman of the Company and his son, Shri Ram Nath Kapoor had been appointed a Member of the Board of Directors.

Since the start of negotiations with CPMO for the acquisition of 49 per cent shares held by it in MOIL, the financial position of MOIL had deteriorated. This factor combined with the change in management of CPMO necessitated a review of the earlier proposal to acquire the shares held by CPMO in MOIL. It has been decided to call off the negotiations that had been earlier conducted with the then Management of CPMO.

Under the Foreign Exchange Regulation Act 1973, foreign companies operating in India or holding shares in Indian Companies are required to obtain the permission of the Reserve Bank of India for continuing to hold these share or carry on their operations in India. These applications have been received from C.P.M.O. and are under examination with the Reserve Bank of India.

Reports have appeared in a section of the press about the activities of the C.P.M.O. and one Shri R. N. Kapur. These refer to the transactions in acquisition of shares of several companies by these two. We do not as yet possess full facts about this. The question whether the alleged activities of present management of C.P.M.O. or Shri R. N. Kapur are actionable will be decided after full facts become available. I would like to assure the House that the Government would consider the matter from all aspects before taking any decision.

STATEMENT RE. INCIDENT ON
5-9-1974 AT INDUSTRIAL
TRAINING INSTITUTE,
ARAB-KI-SARAI,
NEW DELHI

THE MINISTER OF STATE IN
THE MINISTRY OF HOME AFFAIRS
AND IN THE DEPARTMENT OF
PERSONNEL (SHRI RAM NIWAS
MIRDHA): I beg to lay on the Table, a statement on the incident on the 5th September, 1974 at the Industrial Training Institute, Arab-Ki-Sarai, Nizamuddin, New Delhi.

Statement

On 5th September, 1974, at about 12.20 P.M. information was received at the Police Station Nizamuddin that buses were being stopped by the students of the Industrial Training Institute, Arabi-ki-sarai, Nizamuddin. On receipt of this information a small police force from Police Station Nizamuddin went to the gate of the Institute and on their intervention the buses were allowed to move. The students attempted to stone some buses, but no damage was caused to them. The students resented the movement of the buses and started brick-batting the police. The brick-batting became heavy and additional police force was called. The traffic on the Mathura Road had to be diverted. The number of students increased to about 400 and the Superintendent of Police and the Sub-Divisional Magistrate also reached the spot. The police continued to deal with the situation with the utmost patience.

2 At about 2.00 P.M. the situation became tense when it was apprehended that some constables had been dragged into the building of the Institute. At this point, the Police had to enter the building to search for the missing constables. Stiff resistance was encountered from the students and the police used eighteen shells of tear-gas to disperse them. Students then retreated to the various parts of the building and continued to brick-bat