

श्री हरि किशोर सिंह : क्या रेलवे में ऐसी व्यवस्था है कि बुक स्टाल का सब्सक्रिप्ट दिया जाये ? क्योंकि यह कंट्रैक्ट व्हीलर कंपनी वाले लेते हैं। मेरी जानकारी जितनी है उसके अनुसार वे सब कंट्रैक्ट देते हैं। क्या ऐसी व्यवस्था है या नहीं ? अगर यह व्यवस्था गैर-कानूनी है तो इस पर मंत्री महोदय क्या कोई कार्यवाही करेंगे ?

श्री मुहम्मद शफी कुरेशी : जो लाइसेंस दिया जाता है वह तो ट्रांसफर नहीं कर सकते। लेकिन लाइसेंस को यह हक है कि वह अपना एजेंट मुकदर कर के अपना कारोबार चलाये।

Jaipur Udyog Limited

*738. SHRI C. K. CHANDRAPPAN: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether attention of Government has been drawn to the fact that serious crisis is being faced by the Jaipur Udyog Limited, the biggest cement concern in Asia belonging to Alokya Udyog Group due to utter mismanagement of its affairs and misuse of funds;

(b) whether a newsitem appearing in 'New Age Weekly' dated the 30th March 1974 concerning this has been brought to the notice of Government;

(c) if so, reaction of Government thereto; and

(d) the steps so far taken for putting an end to these practices?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE & COMPANY AFFAIRS (SHRI BEDABRATA BARUA: (a) Government are aware that Jaipur Udyog Ltd. has incurred heavy losses during its accounting years 1971-72, 1972-73 and 1973-74.

(b) and (c) Government have seen a news report in the 'New Age' of 30th March, 1975 (and is not aware of any

such report on 30th March, 1974) which alleges, inter alia, that Jaipur Udyog Ltd. has defaulted in the repayment of loans and in the deposit of employees' provident fund and compulsory deposit amounts.

(d) An inspection of the books of accounts of Jaipur Udyog Ltd. has been carried out in 1973, and action in respect of the irregularities and contraventions of the Companies Act, 1956 are being taken by the Registrar of Companies. In respect of other matters for which action by other Departments or Ministries are required, necessary particulars have been furnished to them.

SHRI C. K. CHANDRAPPAN: I may say that the Government is making an attempt to play down the seriousness of the matter involved in the question. This company is the biggest cement factory in our country, which is heavily financed by loans by the Rajasthan Government and it has also been given calcium mines at subsidised rates by the Rajasthan Government. Sir, this company is producing only 30% of its installed capacity.

(Interruption)

When the whole country is facing such a serious cement crisis, they are producing only 30% of the installed capacity.

Moreover, the spending by the Directors of the company has landed the company today in near bankruptcy. They have to pay crores or lakhs of rupees to the Punjab National Bank, and the bank is now taking measures to . . .

MR. SPEAKER: What is your question?

SHRI C. K. CHANDRAPPAN: My question was clear but the Government did not answer it properly; and that is why I am asking again. What I am saying is that there are serious allegations against this company and I am asking whether the Government is going to take some measures with a sense of emergency so that the monopoly house can be brought to book.

SHRI BEDABRATA BARUA: I have already stated that we have taken a

number of steps. We have also referred it to the Department concerned and, where action under the Company Law is required, we are taking action under the Company Law.

Regarding the mine, I am not in a position to say anything the installed capacity used is not 30%. We have checked up, and it is 56% of the installed capacity.

But it is a fact that the company is losing heavily. The losses were Rs 2,94,000,00 in 1973-74. Previously also during the last two or three years, the company was losing heavily and its paid-up capital appears to be balanced by the losses.

Regarding the charge of indiscriminate spending, in the Inspection Report of 1973 we found certain things which were not properly explained and we have referred the expenditure to the Income-tax Department for necessary action and because the expenditure was found to be not properly made, we have referred it to the concerned Departments also.

SHRI K. CHANDRAPPA While answering a question in the Rajasthan State Assembly on March 18, the State Labour Minister stated that they cannot proceed against this company unless the Central Government gives its concurrence. Has this been brought to the notice of the Government and, if so, has the Government given its concurrence and has the Government allowed the Rajasthan Government to proceed against the company?

Secondly, in view of the fact that the company is incurring losses for several years and indiscriminate spending has been found out, what prevents the Government from nationalising this company which is a monopoly house?

SHRI BEDABRATA BARUA: It is true that the Minister did say in the Rajasthan Assembly that he was not in a position to take action as this was in the sphere of the Central Government. That is why we have made a reference to the Ministry of Industrial Development for action under the Industries

(Development and Regulation) Act—under which any action, including take-over, can be taken.

I would further say, in reply to Mr. Salve's question whether we can take 'other' action, that it is true we can take other action under other Sections of the Law like appointment of directors etc. But the situation is such that we thought the Ministry of Industrial Development should go into the whole matter so that any immediate action which they think is necessary could be taken. We made a reference to them after our Inspection Report in 1973, when an inspection of the company was completed.

SHRI N. K. P. SALVE: All I want to know is this. The Directors function in a fiduciary capacity to the shareholders. A legitimate business loss is something for which they may not be personally liable. But some sort of expenditure which the Minister himself has said, is improper tantamounts to breach of trust and the Directors can be hauled up for malfeasance and misfeasance. May I know what prevents him, in a case like this, if the report is already there, from taking expeditious action for prosecution for various offences under the Companies Act and under the IPC for malfeasance and misfeasance?

SHRI BEDABRATA BARUA: I have already said that action is being taken. I cannot say if it is for misfeasance. They are being examined. I can give a number of cases where they are connected with income-tax, rather than misfeasance, and other things like managing director's appointment and all that where the company law is involved and where we have taken necessary action. We are going to take action according to the law.

SHRI N.K.P. SALVE: That is not my question. A person may mis-spend any amount of money; that, by itself, will not constitute an offence under the income-tax law unless he has done something by way of concealment of income. Under the Companies Act there are specific provisions and also under the IPC where the directors can be hauled up.

SHRI BEDABRATA BARUA: I can only say that we will look into the matter.

SHRI K. LAKKAPPA : Alope Udyog are squandering the money and are indulging in misappropriation of the funds belonging to the shareholders, and this has been brought to the notice of the Government for a long time. The Minister has answered that they have referred the various matters to the various Departments. I would like to know the *modus operandi* of this company and what is the amount of cheating which they have done so far as the shareholders are concerned for which the Ministry of Company Affairs can take action. I would like to know from the hon. Minister what is the reason for the deliberate delay in taking such action which comes within the purview of the Ministry of Company Affairs.

SHRI BEDABRATA BARUA : I have already said that we have taken action that is required under the companies law.

SHRI K. LAKKAPPA : What action have you taken? There are several offences which have been committed.

SHRI BEDABRATA BARUA : So far as I am aware the shareholders have not made any complaint to this Department.

SHRI K. LAKKAPPA : Are you satisfied with this answer, Sir? He says that the shareholders have not made any complaint. The *New Age* has drawn the attention of the people of this country. I want to know why action has not been taken (*Interruptions*)

SHRI BEDABRATA BARUA : I have already stated that there have been a number of charges that have appeared in the *New Age*. I have already said how much action has been taken under the Companies Act. and we have also referred to the other Departments for necessary action.

SHRI INDRAJIT GUPTA : Our difficulty is that, in his reply, the hon. Minister has admitted that the inspection reports for the last two or three years have definitely revealed that there has been exorbitant, excessive and unwarranted spending, which has resulted in such heavy losses that their capital has almost been wiped out. Therefore, I would like to know from him specifically whether it is a job of the Company

Law Board or the Company Law Department, simply to function as a sort of post-office sending things either to the Finance Ministry or the Labour Ministry or the Industrial Development Ministry for action or whether they themselves are in a position under the Companies Act to take action by way of launching prosecution against the Directors of this Company and I want to know why they have not taken such action and what are the names of those gentlemen who are the present Directors of this Company? I would like to know.

SHRI BEDABRATA BARUA : First of all, let me give the list of Directors of this company. They are:

Shri Alok Prasad Jain	Chairman & Mg. Director.
Smt. Sushila Jain	Director
Shri Chunilal Jaipuria	„
Shri M.P. Jhalan	„
Shri Nil Ratan Khaitan	„
Shri Narch Chandra, Secy., Department of Industries & Mines, Rajasthan	„
Shri Rajeswara Patel	„
Shri A. C. Chakravarty	„
Shri B.K. Shroff	„

SHRI INDRAJIT GUPTA : What action have you taken?

SHRI BEDABRATA BARUA : Only when I go into the details I can tell you.

Whatever contraventions we have found under the law, we have taken action in that regard and we have proceeded under the company law in that regard.

SHRI PILOO MODY : But you have been told to assure that you have taken action.

MR. SPEAKER : Next question—Shri Gajadhar Majhi.

SHRI D. K. PANDA : One question— I have been standing and you are not seeing.

MR. SPEAKER : No, please. The question was in the name of Shri Chandrappan. After Mr. Chandrappan, Mr. Indrajit Gupta has put questions. Still, you are not satisfied. . .

SHRI D. K. PANDA: Even after that, there is a specific question. Had you allowed me, I would have finished by now.

MR. SPEAKER: I have no other choice left.

SHRI D. K. PANDA: I want to draw the attention of the Minister to one aspect of the matter. In regard to Alcock Ashdown, for five years an inquiry into its mis-management was going on and ultimately the matter was dropped. Similarly, here also how many years you will take to deal with these matters and after the inquiry report, how many more years will you take to take action? Not only the inquiry but after the inquiry report action is also possible, then merely you say it has been referred to some other Ministry. And after reference, there will be a further reference. I want to know how many times reminders were sent to the Industrial Development Ministry for taking action, I want to know what steps you have taken. And also what is the date of reference?

MR. SPEAKER: Please do not ask questions round and round.

SHRI D. K. PANDA: I am not asking anything round and round. I have put a straight question and let the answer be also straight.

SHRI BEDABRATA BARUA: Apart from the investigation under the Industries Development and Regulation Act, it is upto the Ministry of Industrial Development to take action under the IDR Act, including take-over of the sick company. It is not given to this Department to take over a company under any set of circumstances. So we have made a reference to the Ministry and the Ministry can take action on its own also. I have already stated that in view of these facts we have also made another reference to the Ministry suggesting certain action under the IDR Act.

SHRI D. K. PANDA: When was the reference made? I want to know the date.

SHRI BEDABRATA BARUA: After the 1973 inspection we made one reference and then we are again making a

reference under the new set of circumstances that have arisen and we have suggested, that because of the new set of circumstances, the Ministry of Industrial Development should consider the matter seriously and also what action should be taken under the IDR Act.

SHRI D. K. PANDA: rose.

MR. SPEAKER: No, please. Every-time you get up.

SHRI D. K. PANDA: Because the answer is evasive. My question was: how many reminders have you sent.

MR. SPEAKER: Please sit down.

बाल विवाह निषेध अधिनियम में संशोधन

* 740. डा० लक्ष्मीनारायण पांडेय : क्या बिधि, रीति और कम्पनी कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या बाल विवाह को रोकने की दृष्टि से बाल विवाह निषेध अधिनियम को और अधिक प्रभावशाली बनाने के लिए उक्त अधिनियम में कुछ संशोधन करने का सरकार का विचार है ; और

(ख) क्या वर्तमान कानून के अन्तर्गत ऐसे अपराधों को दण्डनीय नहीं बनाया गया है, जिनमें सरकार स्वतः कार्यवाही नहीं कर सकती है ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (DR. SAROJINI MAHISHI): (a) and (b) The offences under the Child Marriage Restraint Act, 1929 are not cognizable. However, by a local amendment it has been made cognizable in the State of Gujarat. Certain proposals for amending the Act are receiving the attention of the Government.

डा० लक्ष्मीनारायण पांडेय : अध्यक्ष जी, मंत्री महोदया ने बतलाया है कि गुजरात राज्य में एक स्थानीय संशोधन से इस कानून को कानिजेबल बनाया है, लेकिन सारे देश में कानिजेबल न होने से आज भी छोटे-छोटे बच्चों के, मोद में लिये