

(a) whether it is a fact that mysterious earth tremors have occurred in Tarnbaram, Pallavaram and nearby suburban centres near Madras in the second week of April, 1966; and

(b) if so, whether any study has been made by Government regarding the nature of the earth tremors in these areas and with what results ?

THE MINISTER OF STATE IN THE MINISTRY OF TRANSPORT AND AVIATION (SHRI C. M. POONACHA) :

(a) A number of earth tremors of mild intensity occurred in Tarnbaram and nearby areas from the last week of March, 1966.

(b) Preliminary investigations indicate that the tremors were of mild nature and incapable of causing any significant damage to engineering structures and were probably due to local crustal readjustment.

SHRI N. R. M. SWAMY : Even as early as 8 days back there was a tremor of this type which was said to be an underground explosion of high intensity and it has created panic in the minds of the people. What steps have been taken to see that safety and security of the people is ensured by the data already collected ?

SHRI C. M. POONACHA : There was a rumour afloat that these underground sounds were due to some explosions conducted by the Indian Air Force in that area. The matter was referred to them and it has been verified that there has not been any explosion by the I.A.F. exploding their unwanted ammunition or whatever it is in this area during the past several months. These tremors have been occurring over a period of time. From 24-3-66 to 5-5-66 there have been as many as 15 recorded only at the Seismographic Centre at Meenam-bakkam and nearby areas. In the other areas where we have a high intensity seismographic centre nothing has recorded. So it is purely a local occurrence and of very mild intensity which normally happens and before such tremors it is usual, as I understand, that there would be a rumbling sound. That is all. There is nothing mysterious about it at the moment.

SHRI P. N. SAPRU : Sir, I have not been able to understand this word 'my-

sterious', I should like the word 'mysterious' to be explained. I heard the explanation of Mr. Poonacha that there does not seem to be anything mysterious about it. What had the questioner in mind when he used the word 'mysterious' ?

MR. CHAIRMAN : What one does not understand.

SHRI ATAL BIHARI VAJPAYEE : Sir, may I know whether these tremors have anything to do with the coming general elections ?

(No reply)

\*255. [The questioner (Shri Y. A. keddy) was absent. For answer, vide col. 1505 infra.]

#### COMPLAINT OF MISMANAGEMENT AGAINST BIHAR SUGAR WORKS, PACHRUKHI

♦256. SHRI CHANDRA SHEKHAR : Will the Minister of LAW be pleased to state :

(a) whether Government have received any complaint of mismanagement against Bihar Sugar Works, Pachrukhi, Bihar, a unit of the Industrial Corporation, Bombay;

(b) if so, the nature of the complaint and the action taken; and

(c) whether it is a fact that the said Company has transferred Rs. 26 lakhs to Kundan Sugar Mills, Amroha (U.P.) against the provisions of the Companies Act ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW (SHRI C. R. PATTABHI RAMAN): (a) Yes, Sir. Complaints were received.

(b) From the Secretary, Bihar Sugar Workers' Union, Pachrukhi, Bihar.

The allegations mainly relate to unnecessary employment of persons of a particular caste and family, appointment of inexperienced persons on high salaries, increase in the expenditure on Guest House, purchase of stores at high rates and commission earned on such purchases, high fuel consumption and the manipulation in the records of Laboratory. As the allegations are vague in nature, the complainant has been asked to give specific instances of fraud or mismanagement together with supporting evidence for further action.

(c) The Balance Sheet of Industrial Corporation Ltd. as at 30th April, 1964 indicates an advance of Rs. 26,65,000 having been made to M/s. Kundan Sugar Mills, a concern in which relations Of Directors are interested. A note appended to the Balance Sheet further indicates that the Company took the Sole Selling Agency of Kundan Sugar Mills against the said deposit as a security deposit with them on 7-2-62. The question of reasonableness or otherwise of the deposit is under examination.

SHRI CHANDRA SHEKHAR : Sir, is it not a fact that when a deposit is made into an advance prior permission is necessary from the Company Law Administration ? If so, may I know whether this particular concern had taken permission from the Company Law Administration in order to advance this amount ?

SHRI C. R. PATTABHI RAMAN : The complaints have been received. They have not referred to the contravention of any particular section of the Companies Act. But the balance sheet as on 30th April, 1964 which was the latest one available, indicated an advance of Rs. 26 lakhs having been made and • • •

MR. CHAIRMAN : The question is whether your permission was taken or not.

SHRI C. R. PATTABHI RAMAN : Yes, Sir, as I have said in the answer.

MR. CHAIRMAN : Was the permission of the Company Law Administration taken ?

SHRI C. R. PATTABHI RAMAN : No, Sir.

SHRI G. S. PATHAK : This particular question of the advance of Rs. 26 lakhs is under examination. The complaints made did not refer to this advance and therefore we did not examine this particular question. The question of permission will therefore be examined when this question of the advance of Rs. 26 lakhs examined by the Department.

MR. CHAIRMAN : In any case you will know whether you have given the permission or not.

SHRI G. S. PATHAK : I have not enquired, Sir. I can give that informa-

tion later. So far I have no information whether any permission was sought for and given by the Department or not.

SHRI CHANDRA SHEKHAR: My only question is whether the Law Minister is aware that such permission is required from the Company Law Administration. My contention is that such permission is required. So the Government has nothing to examine about it. At least we expect the hon. Law Minister to know that such a permission is required and whether it is not a contravention of the rule. There is nothing to be examined because the Company Law Administration Rules are quite clear and my contention is that according to the Company Law Administration such permission is essential and this company or this concern did not take such permission.

MR. CHAIRMAN : On what do you base your contention ?

SHRI CHANDRA SHEKHAR : On very little, Sir, on a layman's knowledge of the Company Law Administration. I base it only on a layman's knowledge.

SHRI G. S. PATHAK : The very nature of this payment will determine the question whether permission was necessary or not. They say that it was a deposit. Whether it was a deposit or it was a loan or what was the nature of that transaction has to be determined and that will determine the question whether the permission was sought for and given or not. It is not, therefore, a question of law which could be answered just now.

SHRI C. D. PANDE : In view of the fact that here seems to be a *prima facie* case in this particular reference since, when you enquired, you found that a huge amount was being advanced to one of the collateral firms and since they have three or four sugar factories in I Bihar and X.J.P. which are owned by this man and his sons or nephews or brothers, and an amount of Rs. 26 lakhs has been advanced to a sister concern at Amroha which again is an agent for the sugar mills, some apprehension or suspicion arises in the mind. So will the Government take it in that light or will they wait and say that there should be another complaint about this Rs. 26 lakhs having been advanced

SHRI G. S. PATHAK : The Government will not wait for anything else. The Government is examining this advance or alleged deposit of Rs. 26 lakhs and that will determine the question of how far the Companies Act has been violated or not violated.

SHRI CHANDRA SHEKHAR : Is the hon. Minister aware that the Labour Union of the Sugar Mills has stated it in its complaint that in order to avoid payment of bonus to the workers this particular firm has been adopting all these fraudulent methods and has shown loss in the balance sheet where it should have been a profit ? And may I know whether this aspect has been examined by the hon. Minister on receipt of the complaint from the Labour Union ?

SHRI G. S. PATHAK : This question has not been examined by the Company Law Administration in the Government. The complaint was referred to the Registrar and the Registrar said that the allegations were vague and he could not advise any action to be taken. Then particulars were asked for, of the allegations made from the persons who had made the complaint. That is the position.

#### TRACTOR DEMAND

♦257. SHRI JAGANNATH PRASAD PAHADIA : Will the Minister of FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION be pleased to state :

(a) whether it is a fact that there is rising demand for tractors in the country; and

(b) if so, whether any arrangement is being made to meet the demand in the Fourth Plan ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION (SHRI ANNASAHIB SHINDE) : (a) Yes, Sir.

(b) Necessary arrangements are being made to step up the indigenous production of tractors. The gap, if any, between the demand for tractors and the internal availability will be met as far as possible by imports.

SHRI JAGANNATH PRASAD PAHADIA : May I know how many firms

have been granted licences for the manufacture of these tractors and categorically how many of them are in the public sector and how many in the private sector ?

SHRI ANNASAHIB SHINDE : At present five units have been given the licence and if the hon. Member wants the information I can give the names of those five. They are : M/s. Eicher Tractors India Ltd. M/s. Tractors and Farm Equipment Ltd., M/s. Tractors and Bulldozers Ltd. M/s. Escorts Ltd., and M/s. International Tractor Company of India.

As far as the second part of the question of the hon. Member is concerned, the Government of India have a proposal, I may say, to undertake the manufacture of 2,011 tractors of 18 H.P. in the public sector and an agreement has been entered into with a Czech firm and further steps will be taken in due course of time.

SHRI JAGANNATH PRASAD PAHADIA : In view of the fact that tractor making is done mostly in a few places or States in India and since there is a great demand for having them distributed in different parts of India, may I know whether the Government will keep this aspect of the matter in view in giving licences and in locating these factories and see that such places as do not have these factories would be given preference ?

SHRI ANNASAHIB SHINDE : I don't think, we make any region-wise allocation of licences for tractors. Wherever conditions are favourable and parties come forward the Government decides the matter on merit.

SHRI C. SUBRAMANIAM : I may add that a decision that any further programme of tractor manufacture will be in the public sector has been taken and so there is no question of distributing licences to anybody.

SHRI B. K. P. SINHA : Sir, in view of the fact that a good part of the rising demand can be met by activating the 30,000 odd tractors now lying idle because there are no spare parts and they need repair may I know whether any attempt is being made to manufacture these spare parts in