

the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1970, in respect of 'Other Revenue Expenditure of the Ministry of Steel and Heavy Engineering'."

DEMAND NO. 130—CAPITAL OUTLAY OF
THE MINISTRY OF STEEL AND
HEAVY ENGINEERING

"That a sum not exceeding Rs. 1,42,53,75,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1970, in respect of 'Capital Outlay of the Ministry of Steel and Heavy Engineering'."

15.40 hrs.

STATEMENT RE: MESSRS. SYNTHETICS AND CHEMICALS

MR. DEPUTY-SPEAKER : Before we take up for discussion and voting the Demands for Grants relating to the Ministry of Law, a point was raised here regarding Synthetics and Chemicals and the hon. Minister will make a statement on that.

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : Sir, I was informed that some hon. Members had raised the question regarding dispute between the Firestone Company and Kilachand. The only thing I would like to inform the House is that I have received representations from various quarters regarding this matter. Our present information is that a meeting is going to be held today for the purpose of approving the sole selling agency agreement and another meeting has also been called by shareholders tomorrow for disapproving this agreement. The position is that as long as this subject is before the shareholders' meeting it is not possible under the law for us to interfere, but if the agreement is disapproved the matter falls and there is nothing to be done. But if it is approved it has to come to the company Law Board. Under Section 294 of the Companies Act, when the matter comes to us we shall certainly look as to what is in the interest of the shareholders after the whole matter has been examined. What is done in this meeting will be taken into consideration

by us. So far as my information goes, the shareholders on both the sides are canvassing their cases. I think the only thing we can do is to leave it to the shareholders to decide whether they will approve of the agreement or not. After that has been approved it will come to us and then on the basis of facts and material available to us the Company Law Board will take necessary action.

SHRI S. M. BANERJEE (Kanpur) : Sir, we wanted Government's intervention only on one ground that LIC has invested money in this. Am I to understand that the entire thing has been left in the hands of the shareholders ? After all, LIC is an autonomous corporation working under a particular Ministry which is answerable to this House. Therefore, will a Company Law Officer, a Secretary or a Joint Secretary, also attend the meeting as an observer to see that the interest of LIC money is safe ? Otherwise, Sir, Shri Kilachand may take a decision or the other man may take another decision. Once they approve or disapprove, the final approval should depend on the approval given by the Company Law Board.

SHRI F. A. AHMED : So far as LIC is concerned the hon. Member must appreciate that LIC is as much a shareholder as any other person or any other body, and that LIC also functions under the control and guidance of the Ministry of Finance. I have no reason to doubt that as a shareholder they will not take necessary action to look after the interest of their own as well as the other shareholders. So far as my information goes they are in possession of all the facts and materials which are necessary to take a decision in this matter.

15.44 hrs.

DEMANDS FOR GRANTS—Contd.

MINISTRY OF LAW

MR. DEPUTY-SPEAKER : The House will now take up discussion and voting on Demand Nos. 73 and 74 relating to the Ministry of Law for which one hour has been allotted.

Hon. Members present in the House who are desirous of moving their cut motions may send slips to the Table within 15 minutes indicating the serial numbers of