

1	2	3	4
21.	Mysore Electrochemical Works Ltd. . . . .	8-8-79	5.00
22.	Universal Plast Limited . . . . .	12-9-79	8.75
23.	Palani Andavar Mills Ltd. . . . .	12-11-79	24.14
24.	Kothari Sugars & Chemicals Limited . . . . .	21-12-79	29.39
25.	Seth Industries Ltd. . . . .	23-2-80	57.86
26.	Union Home Products Ltd. . . . .	22-3-80	2.16
27.	W. H. Brady & Co. Ltd. . . . .	26-3-80	0.74
28.	Gujarat Industrial Trucks Limited . . . . .	25-4-80	3.17
29.	Hoist-O-Mech Ltd. . . . .	6-6-80	18.35
30.	Indian Express (Madurai) Pvt. Ltd. . . . .	22-8-80	17.12
31.	Shree Engineering Products Limited . . . . .	15-9-80	2.04
32.	Sri Bagavathi Tea Estates Ltd. . . . .	4-11-80	5.03
33.	Sri Ramakrishna Oxygen Ltd. . . . .	21-1-81	6.06
34.	Ramasayee Agro Industries Limited . . . . .	21-1-81	9.66

#### Removing loophole in Section 58 of Companies Act

9034. SHRI R. PRABHU: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the rules made under Section 58 of the Companies Act provide that each Company has deposit in a separate account;

(b) whether it is found that there is a serious lacuna in these rules in as much as the Companies are obliged to make only initial deposits and not to keep the deposits onwards throughout the financial years; and

(c) if so, what steps Government propose to plug the loopholes?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKAR): (a) Yes, Sir. Under Rule 3-A of the Companies (Acceptance of Deposits) Rules, 1975, every Company which has accepted deposits is, inter-alia, required to deposit before 30th April of each year a sum which shall not be less than 10

per cent of the amount of its deposits maturing during the year ending on 31st March, next following in a current or other deposit account with any Scheduled Bank, free from charge or lien;

(b) There is no lacuna in the Rules, as under Sub-Rule (2) of Rule 3-A ibid the amount deposited in Bank Account referred to in (a) above is meant to be utilised for repayment of deposits maturing during the relevant year. The said sub-rule, inter alia, also provides that the amount so deposited shall not at any time fall below 10 per cent of the amount of deposits maturing until the 31st day of March of that year;

(c) Does not arise.

#### Prosecution under Section 58 of Companies Act

9035. SHRI R. PRABHU: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to refer to the reply given to the Unstarred Question No. 3922 on the 17th March, 1981 regarding prosecution

under Section 58 of Companies Act, and state:

(a) the reasons for the delay in launching prosecutions in 23 cases sanctioned upto 31st March, 1980;

(b) the names of these 23 companies and the date on which these prosecutions were ordered;

(c) what steps Government propose to take to ensure speedy prosecutions to protect the interests of the depositors;

(d) whether in all prosecutions launched, any prayer has been made to the court for imposing a fine not less than twice the amount in relation to the repayment of deposit; and

(e) what steps Government propose to take for early finalisation of the cases already launched for contravention of the provisions of section 58-A of the Companies Act?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKAR): (a) Of the 23 cases in which prosecution had been ordered upto 31st March, 1980, prose-

cutions were launched in 4 cases, 7 cases were dropped on further examination as the defaults had been made good, in one case the company obtained relief from the High Court under section 633(2) of the Companies Act, 1956, and in yet another case, the company having filed a scheme of arrangement with the High Court under section 391 of the Companies Act, 1956 the matter is sub-judice, in another case the company is under orders of winding up. The remaining 9 cases are under further examination.

(b) A statement giving the information is enclosed.

(c) Prosecution under the provisions of sub-section (5) and (6) of Section 58A of the Companies Act, 1956 are launched in the Magistrate's Courts and it is for the said Courts to decide them as expeditiously as possible.

(d) The punishment by way of fine provided in section 58(A)(a) *ibid* is the minimum prescribed; it is for the Court to impose the same.

(e) It is for the Courts in which the prosecutions are launched to finalise them as early as possible.

#### Statement

Sl. No.	Name of the Company	Date on which prosecution was ordered
1	2	3
1.	Jaipur Udyog Ltd.	20-1-1976
2.	Tar Virdh Nagar Steel Rolling Mills Ltd.	February, 1976
3.	Somaiya Organo Chemicals Ltd.	24-3-1976
4.	Hindustan Everest Tools Ltd.	8-4-1976
5.	Air Control & Chemical Engg. Co. Ltd.	23-6-1976
6.	Tamil Nadu Card Board & Paper Mills Ltd.	27-8-1976
7.	East India Hotels Ltd.	12-7-1977
8.	Sri Venkatesa Mills Ltd.	16-11-1977
9.	Pittee Agencies Pvt. Ltd.	13-2-1978
10.	Palace Theatre Pvt. Ltd.	June, 1978

1	2	3
11.	Rathi Ispat Ltd. . . . .	16-5-1979
12.	Depro Foods Ltd. . . . .	16-7-1979
13.	Synthetic & Chemicals Ltd. . . . .	24-11-1979
14.	S.G. Chemicals & Pharmaceuticals Ltd. . . . .	27-11-1979
15.	Aluminium Industries Ltd. . . . .	6-12-1979
16.	Ajay Cottons Ltd. . . . .	10-1-1980
17.	A S E A Ltd. . . . .	15-1-1980
18.	West Coast Paper Mills Ltd. . . . .	15-1-1980
19.	Sindhu Publication Ltd. . . . .	22-1-1980
20.	Buhari Sons Private Ltd. . . . .	23-1-1980
21.	Marikar Motor Pvt. Ltd. . . . .	24-1-1980
22.	Tensile Steel Ltd. . . . .	28-1-1980
23.	Travancore Electro-Chemicals Ltd. . . . .	31-3-1980

**New Hydel and Thermal Power Projects Taken up during Fifth Five Year Plan**

9036. SHRI VIRDHI CHANDER JAIN: Will the Minister of ENERGY be pleased to state:

(a) the new hydel and thermal power projects taken up for execution in the beginning of the Fifth Five Year Plan;

(b) the target years for the completion of those projects;

(c) whether those targets have been fulfilled; and

(d) the projects out of these mentioned in "a" above, which have not been completed according to the targets and the reasons for their lagging behind the schedule?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI VIKRAM MAHAJAN): (a) to (c). The hydel and thermal power projects which were targetted for commissioning during the Fifth Five Year Plan period 1974-79 are indicated in Annexure I

& II laid on the Table of the House. [Placed in Library. See No. LT-2457/81] Scheduled dates of commissioning of the projects are also indicated therein.

(d) The main reasons for the delay in commissioning are:—

- (1) inadequate site investigations;
- (2) delay in completion of civil works;
- (3) delay in finalisation of engineering of projects;
- (4) delay in placement of orders for auxilliary equipment/award of works;
- (5) delay in supply of equipment by various contractors;
- (6) nonsequential supply of main plant and equipment;
- (7) shortage of the construction materials like cement, steel etc.
- (8) inadequate funds; and
- (9) labour unrest.