

from the Enforcement Directorate, Ministry of Finance on 18-1-1977, no prosecution cases have been filed so far. However, four show cause notices for violation of the provisions of Foreign Exchange Regulation Act were issued to M/s. Shaw Wallace & Co. Ltd. Of these, four show cause notices, 3 were also issued to 18 Directorates of the company and 1 to one Director of the company. Cases in respect of 3 show cause notices have been adjudicated and penalty amounting to Rs. 6000 has been imposed on the company in respect of one Show Cause Notice involving the company and 18 Directors and the charges in respect of 2 Show Cause Notices have been dropped. Adjudication proceedings in respect of 1 show cause notice involving the company and its 18 Directors are in progress. Steps to remove Directors by stating a case before the High Court under Section 388B of the Companies Act, 1956 and appointment of Directors by Government under Section 408 of the Companies Act, 1956 are being examined.

(c) Under Section 408 of the Act, the Central Government has power to appoint directors, if it is of the opinion, after holding an enquiry, that the affairs of the company are being carried out in a manner which is oppressive to any member of the company or are prejudicial to the interest of the company or to the public. In exercise of this power, the Central Government had appointed two Government directors for a maximum period of three years with effect from 28-5-1973. These directors ceased to hold office after expiry of their terms on 27-5-1976.

(d) Shri A. W. B. Hayward has not yet retired as Managing Director of the company. He is due to retire from 1-1-1978. However, the company has submitted an application under Section 269 of the Act for his reappointment for a further period of one year with effect from 1st January, 1978. In the meantime, the proposal regarding the appointment of Shri Brittain as a whole-time Director of the company has been approved for a period of two years with effect from 1-12-1977.

(e) According to the Annual Report of the company for the year 1976, the Group Companies are trading in several products as mentioned below:—

The total turnover of the Group Companies for the year 1976 was Rs. 8810.95 lakhs out of which the percentage of wine and spirits was 15.1 as against the percentage of turnover of agricultural inputs of 67.3, on yeast and derivatives 2.4, tea 3.1, services 2.0, glue, gelatine and ossein 2.8, flour and wheat products 3.5, animal and poultry 2.1, others 1.2.

12 hrs.

#### PAPERS LAID ON THE TABLE

ANNUAL REPORT WITH AUDIT REPORT AND REVIEW ON THE WORKING OF LUBRIZOL INDIA LIMITED FOR 1976-77

THE MINISTER OF PETROLEUM AND CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA): I beg to lay on the Table a copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956:—

(1) Review by the Government on the working of the Lubrizol India Limited, Bombay, for the year 1976-77.

(2) Annual Report of the Lubrizol India Limited, Bombay, for the year 1976-77 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT-1266/77.]

#### REPORTS OF MONOPOLIES AND RESTRICTIVE TRADE PRACTICES COMMISSION

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHANTI BHUSHAN): I beg to lay on the Table:—

(1) A copy each of the following Reports of the Monopolies and Restrictive Trade Practices Commission under Section 82 of the