

receivable by them. This involves contravention of Section 10(1) of the FERA, 1947.

Date of issue of show cause notice : 23-11-1973.

Result of the adjudication proceedings : Case is pending adjudication. Efforts are being made to complete the adjudication proceedings as early as possible.

Show Cause Notice No. 4

Name of the parties involved : M/s Shaw Wallace & Co. and its Director Shri G. Crasemann.

Alleged contraventions : For making payment of DM 6375/- to M/s R.G. Shaw & Co. London out of the commission earned by them from a West German party. The charges were under Section 5(1)(d), 5(1)(e) and 10(1)(b) of the FERA, 1947.

Date of issue of show cause notice : 31-12-75.

Result of the adjudication proceedings : Charges against the parties were dropped *vide* adjudication order dated 23-12-76 as the same could not be sustained.

It may be stated in this connection that adjudication proceedings under the Foreign Exchange Regulation Act are quasi-judicial in nature and take time. Unless charges framed against the parties are conclusively proved, no penalty can be imposed.

Annexure 'A'

**NAMES OF THE 18 DIRECTORS
OF THE SHAW WALLACE AND
COMPANY**

1. Mr. Stanley Mackay Smith.
2. Mr. Thomas Cyril Hornby.
3. Shri Hanuman Prosad Poddar.
4. Mr. C.M.A. Bathurst.
5. Mr. J. L. Capper.
6. Mr. C.I.M. Arnold.
7. Shri Satyendra Nath Chaudhuri.
8. Sardar Ajaib Singh.
9. Shri Badri Prosad Poddar.
10. Mr. Lovel Cerard Smeathman.
11. Mr. J.E. Waterfield.
12. Shri Prosad Sen Gupta.
13. Mr. D.A. Houghton.
14. Mr. A.W.B. Hayward.
15. Shri Arun Chakraborty.
16. Shri S. P. Acharya.
17. Shri Santanu Chaudhuri.
18. Mr. D.A.W. Hal.

**Statement Reported to have been
made by the Union Minister of State
for Finance regarding disposal of
Goods seized by customs authorities**

*578. SHRIMATI HAMIDA
HABIBULLAH :
SHRIMATI LAKSHMI
KUMARI CHUNDAWAT :
SHRI SAWAISINGH SISODIA:
SHRI PRAKASH
MEHROTRA :
SHRI GURUDEV GUPTA :

Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a news item which appeared in the Times of India of the 26th August, 1977 to the effect that the Union Minister of State in the Ministry of Finance, while addressing a meeting of the Preventive Collectors from different parts of the country at the Bombay Customs House, is reported to have observed that all the goods seized by the Customs authorities should be thrown into the sea;

(b) if so, what are the details in this regard ; and

(c) what follow-up action Government have taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL) : (a) and (b) In the Collectors' Conference held on 23rd to 25th August, 1977 at Bombay a reference was made to the suggestion under consideration of the Government that confiscated smuggled goods should not be sold in India but instead be either exported or destroyed.

(c) As a follow up action, the sale of confiscated smuggled goods (other than perishable items) to the NCCF and others except military canteens has been suspended recently. However, some of the items, the list of which is laid on the Table of the House, are being allowed to be disposed of according to the existing procedure.

The proposals for disposal of other items which are notified under section 11B of Chapter IVA of the Customs Act or are covered under section 123 of the Customs Act and the notification issued thereunder are under consideration of Government.

Statement

- (a) gold and silver ;
- (b) currency (Indian & foreign) ;
- (c) trade goods ;
- (d) vessels and vehicles ;
- (e) precious and semi-precious stones other than diamonds ;
- (f) fire arms and ammunition ;
- (g) antiquities ;
- (h) goods of Indian origin ;
- (i) heterogenous items seized in small lots in the confiscated baggage (other than those covered by the provisions of Chapter IVA and section 123 of the Customs Act, 1962 and the notifications issued thereunder). These items may be disposed of through the retail shops run by the Department in the Custom House.

बहुराष्ट्रीय निगमों के कदाचार रोकने के लिए विधान

†* 579. डा० लोकेश चन्द्र : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :
(क) क्या सरकार बहुराष्ट्रीय निगमों

के कदाचारों को रोकने के लिए कोई विधान बनाने का विचार रखती है ; और

(ख) यदि हाँ, तो उसका व्यौरा क्या है ?

‡[Legislation to prevent Malpractices by Multinational Corporations

† *579. DR. LOKESH CHANDRA : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to bring forward any legislation to prevent malpractices by multinational corporations; and

(b) if so, what are the details thereof ?]

वित्त तथा राजस्व और बैंकिंग मंत्री (श्री एच० एम० पटेल) : (क) और (ख). मौजूदा वैधानिक उपाय भारत में चल रही विदेशी कंपनियों के कार्यों का विनियमन करने के लिए पर्याप्त समझे गए हैं। फिर भी सरकार स्थिति पर बराबर नजर रखेगी और ऐसी सभी कार्यवाई करेगी जो राष्ट्रीय हित की दृष्टि से समय-समय पर करनी आवश्यक होगी।

‡[THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL) : (a) and (b) The existing legislative measures are considered adequate to regulate effectively the activities of the foreign companies operating in India. Government would, however, keep in close touch with the situation and take such action as may be necessary in the national interest from time to time.]

Security of Female Foreign Tourists

*580. SHRI GANESH LAL MALI :
SHRI N. K. BHATT :
SHRI JAGAN NATH BHAR-
DWAJ :
SHRI PIARE LALL KUREEL
URF PIARE LALL TALIB :
SHRI KHURSHED ALAM
KHAN :

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether Government are aware that reports appeared in some newspapers

†Previously Starred Question 347 transferred from the 1st December, 1977.

‡[] English translation.