

Shaw Wallace and Co. Ltd.

413. SHRI BHOLA PRASAD:
SHRI KALYAN RDY:
SHRI PRASENJIT BARMAN:

Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to state:

(a) whether Government's attention has been drawn to a news item which was published in the Economic Times of May 25, 1977 under the caption "Shaw Wallace Gets Compensation";

(b) if so, what is Government's reaction to the comments of Shri A. W. Hayward, Chairman of the Shaw Wallace and Company;

(c) whether it is a fact that as a result of the searches and raids conducted in the offices etc., of this firm in November, 1972 several documents were seized by the Directorate of Enforcement;

(d) whether it is also a fact that a report on the basis of these searches was sent to the then Director of Enforcement, Shri A. K. Ghosh to the effect that the sale of shares of M/s. Shaw Wallace and Co. Ltd., was *malafide* and that Shri Hayward suppressed material information and misled the Reserve Bank of India which led not only to substantial loss to the Company but huge loss of foreign exchange;

(e) what action Government have taken on the reports against Shri Hayward and others under the Foreign Exchange Regulation Act; and

(f) if no action has been taken, what are the reasons therefor?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) to (d). Yes, Sir.

(b) to (f) The investigation of the case under the Foreign Exchange Regulation Act by the Directorate of

Enforcement is almost complete. The repatriation of £8,50,000 by the Company is a new factor. A decision regarding the action to be taken, if any, is likely to be made shortly.

Amount deposited under the additional emoluments (Compulsory deposit) Act, 1974

414. SHRI KALYAN ROY: Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to refer to the answer to Starred Question 175 given in the Rajya Sabha on the 24th August, 1976 and state:

(a) whether Government are aware that a sum of over Rs. 30 crores has not been remitted by various employers, both in the public and private sectors, towards Additional Dearness Allowance Deposit Account;

(b) if so, what are the details thereof and the break-up figures State-wise and Company-wise; and

(c) what is the number of cases in which proceedings under the Revenue Recovery Act have been launched and what are the details thereof?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) The amount to be remitted by employers in private and public sectors towards the Additional Dearness Allowance Deposit Account to the nominated authorities under the Additional Emoluments (Compulsory Deposit) Act, 1974 viz., Regional Provident Fund Commissioners (RPFCs) is Rs. 3.25 crores (and not Rs. 30 crores), as on 1st July, 1977.

(b) and (c). The accounts are maintained RPFC-wise and not State-wise. The details regarding the number of defaulting employers and the number of cases in which revenue recovery proceedings and prosecutions have been launched, are given below RPFC-wise:—