

**Effluent from Baraimi Refinery**

734. SHRI B. D. BARMAN : SHRI  
BHOLA PRASAD : SHRI JAGJIT  
SINGH ANAND : SHRI  
INDRADEEP SINHA : SHRI  
YOGENDRA SHARMA : DR.  
Z. A. AHMAD :

Will the Minister of PETROLEUM AND  
CHEMICALS be pleased to  
state :

(a) whether Government are aware  
of the continuing pollution of the Ganga  
by the effluent from the Barauni Refi-  
nery in Bihar; and

(b) if so, what steps are being taken  
or have been taken by Government to  
prevent the pollution of the river?

THE MINISTER OF STATE IN THE  
MINISTRY OF PETROLEUM AND  
CHEMICALS (SHRI SHAH NAWAZ  
KHAN) : (a) and (b) Indian Oil Corporation  
have taken adequate steps to treat the  
effluent discharged from the Barauni  
Refinery into the Ganga so as to ensure that  
the effluent meets the standards prescribed  
by the Indian Standards Institution.

**Value of Shares**

735. SHRI B. D. BARMAN : SHRI  
L. MAHAPATRO : SHRI S. G.  
SARDESAI : SHRI BHUPESH GUPTA  
: SHRI JAGJIT SINGH ANAND:

Will the Minister of LAW, JUSTICE  
AND COMPANY AFFAIRS be pleased to  
state :

the percentage in value of the shares held  
by the Government institutions like Life  
Insurance Corporation and Unit Trust of  
India in the National Rayon Corporation;

whether it is a fact that from July, 1974  
onwards the Kapadias have gained a majority  
on the Board of Directors of this  
Corporation;

(c) whether Government are aware of  
certain serious allegations against the  
Kapadias; and

(d) if so, the nature of such allegations  
and action taken on them?

THE DEPUTY MINISTER IN THE  
MINISTRY OF LAW, JUSTICE AND  
COMPANY AFFAIRS (SHRI BEDA-  
BRATA BARUA) : (a) According to the  
information available with the Department,  
the Unit Trust of India and Insurance  
companies hold 22.5 per cent of the shares in  
National Rayon Corporation Ltd.

(b) It is not possible to give a defi-  
nite answer for the following reasons :

(i) Until the results of the poll taken at the  
27th Annual General Meeting of the  
Company held on 28-6-1974 are available, it  
would not be possible to say whether the  
candidates sponsored by Unit Trust of India or  
those sponsored by Kapadia group will be  
elected.

(ii) The question whether the 4 directors  
elected at the 26th Annual General Meeting of  
the Company held on 11th May, 1973, whose  
appointment was not confirmed by the  
Company Law Board, can be validly  
considered to be Members of the Board of  
Directors from July, 1974, raises a legal issue.

(c) and (d) The allegations made by  
the Unit Trust of India in a position  
presented in April, 1974 under Section  
408 of the Companies Act dealt with  
the unhealthy practices indulged in by  
Kapadias in acquiring controlling votiny

<sup>1</sup> power in National Rayon Corporation Ltd..  
the undesirable conduct of nominees of  
Kapadia group on the Board of Directors in  
this company and the unsatisfactory  
performance of certain companies under  
Kapadia management.

The Company Law Board heard the  
petitioner and other interested parties on 20-6-  
1974. The various issues arising out of the  
petition are under consideration of the  
Company Law Board.