

what is the repercussion on the finances of this country ?

SHRI Y. B. CHAVAN : The present meeting in Paris was of the different countries for consideration of debt relief. They discussed the matters and they have not taken any decision yet, but we are expecting some early decisions on this question. Therefore, I am not yet pessimistic about the results.

SHRI K. C. PANDA : Should we not have other finances in the alternative ?

(No reply)

SHRI LOKANATH MISRA : In the consortium meeting may I know how did the member countries behave, which were the countries that supported the aid to India and which opposed the aid to India ? Could we have a clear picture about the behaviour of the different countries who are members of this Consortium ?

SHRI Y. B. CHAVAN : It would not be fair on my part or anybody's part to disclose the internal discussions like this because we want to have good relations with all the countries which want to give us aid, etc. So, it won't be fair.

SHRI VEERENDRA PATIL : May I know, Sir, from the hon. Minister, who was pleased to say just now that the credit which is going to be made available is hardly sufficient to meet 55 to 58 percent of the requirements of the manufacturers to import raw materials, what about the remaining requirements and how they are proposed to be met ?

SHRI Y. B. CHAVAN : We will have to find out some other credit systems, bilateral credit systems, if possible, or we will have to use our own free foreign exchange.

MR. CHAIRMAN : Next question.

#### AMENDMENT OF PROVISIONS OF COMPANIES ACT

- \*32. SHRI KOTA PUNNAIAH : †  
SHRI SYED AHMAD :  
SHRI D. P. SINGH :  
SHRI KRISHAN KANT :  
SHRI CHANDRA SHEKHAR :  
DR. Z. A. AHMAD :  
SHRI DHARAM CHAND JAIN :

Will the Minister of COMPANY AFFAIRS be pleased to refer to para 2 at

†The question was actually asked on the floor of the House by Shri Kota Punnaiah.

page 13 of the Ministry's report for the year 1971-72 and state :

(a) what are those "undesirable trends and practices" which have come to the notice of Government ;

(b) whether Government propose to amend certain provisions of the Companies Act, 1956 ; and

(c) if so, the details thereof ?

THE MINISTER OF COMPANY AFFAIRS (SHRI K. V. RAGHUNATHA REDDY) : (a) The reference is to certain undesirable trends and practices concerning take-over bids, benami holdings, acceptance of deposits, payment of dividend out of reserves etc.

(b) and (c) It is proposed to introduce the Companies (Amendment) Bill 1972 during the current session of Parliament.

SHRI KOTA PUNNAIAH : May I know, Sir, from the hon. Minister whether Government has taken any steps to overcome these difficulties before they bring in the amendments to the Companies Act ?

SHRI K. V. RAGHUNATHA REDDY : Government, having considered all aspects of the matter, has proposed to bring in the necessary amendments.

SHRI D. P. SINGH : May I ask the hon. Minister what steps is he proposing to take in respect of the transfer of shares, whether any restrictions are sought to be put on the unlimited or unrestricted powers of the companies, as it obtains today ?

SHRI K. V. RAGHUNATHA REDDY : Some restrictions are sought to be placed with regard to *benami* transactions and also certain categories of transfers which come within the purview of take-over bids.

SHRI KRISHAN KANT : May I know, Sir, from the hon. Minister whether he is aware that the former Minister of Information and Broadcasting, Mrs. Nandini Satpathy, while speaking in this House had said about some of these undesirable trends in the newspaper industry as well and she had said that these were being looked into by the Minister for Company Law ? May I know whether the new Bill that he is bringing will also deal with those problems ?

SHRI K. V. RAGHUNATHA REDDY : This question may kindly be put to the

Minister for Information and Broadcasting. As far as these amendments are concerned, they don't deal with the press.

SHRI BABUBHAI M. CHINAI : May I know from the hon. Minister whether, before the Bill is introduced, he will kindly refer it to the Shareholders' Associations which are located permanently at four places namely, Bombay, Delhi, Calcutta and Madras and ascertain their views as to what malpractices have taken place so that the amendments which he brings in would be complete and there would not be any lacuna left ?

SHRI K. V. RAGHUNATHA REDDY : We have studied all aspects of the malpractices and unhealthy trends...

SHRI A. G. KULKARNI : What experience have you got ?

MR. CHAIRMAN : Now I won't call you.

SHRI K. V. RAGHUNATHA REDDY : ...and the Bill has been drafted and it is almost ready for introduction in Lok Sabha.

SHRI A. G. KULKARNI : The Minister was replying to a pertinent question, namely, the *modus operandi* of take-over bids has to be studied in depth, whether the shareholders' associations are experts or the Birlas or some others are experts. May I know whether the Bill that is going to be introduced in the current Session will have retrospective effect ? May I know whether he has been informed of the Kapadias' bid to take over certain industries and similarly of Mr. Goenka's bid to take over Bombay Dyeing and make these mills sick. May I also know whether the Minister will take immediate steps to give retrospective effect to the deals of the Kapadias to take over the Kohinur Mills and of the Goenkas to take over Bombay Dyeing ?

SHRI BABUBHAI M. CHINAI : I want to make a submission to you. He said that the Minister does not know anything. Then, how is he asking him the question ?

SHRI A. G. KULKARNI : I am asking on the take-over bids of the Chinais and others.

MR. CHAIRMAN : Mr. Kulkarni, I never asked you to rise.

SHRI K. V. RAGHUNATHA REDDY : The Bill is going to be introduced within a few days. The hon. Member will have ample

time to study the provisions of the Bill and he will see in what manner it deals with it.

SHRI A. G. KULKARNI : I asked a specific question, whether these matters have been brought to his notice, *viz.*, the bid of the Kapadias to take over the Kohinur Mills and deplete their resources and of the Goenkas to take over Bombay Dyeing. What has he to say on these ?

SHRI K. V. RAGHUNATHA REDDY : In our own humble way, we have received some information which has been brought to our notice. Also, the various procedures and practices available in the world systems of company law have been taken into consideration while drafting this Bill.

SHRI M. K. MOHTA : I want to ask the hon. Minister whether the charges about undesirable trends and practices are only vague allegations or are there any specific allegations against specific companies ? If so, would he be pleased to state the names of the companies and the allegations against them ?

SHRI K. V. RAGHUNATHA REDDY : I submit that we have taken into account the various inspection reports and other matters and also the systems of company practice available in various countries. Only after that we have drafted this Bill. If the hon. Member wants, he can put a question in this regard in respect of any company.

SHRI M. K. MOHTA : I have put a specific question.

MR. CHAIRMAN : Next question.

**ऋषिकेश में बसों तथा आवास का अभाव**

\*33. डा० भाई महावीर : †

श्री ना० कृ० शेजवलकर :

श्री ओउम् प्रकाश त्यागी :

श्री पीताम्बर दास :

श्री प्रेम मनोहर :

श्री जगदम्बी प्रसाद यादव :

**क्या पर्यटन और नागर विमानन मन्त्री यह बताने की कृपा करेंगे कि :**

(क) क्या सरकार को विदित है कि पिछली मई में देश भर से बड़ी-केदार जाने

†The question was actually asked on the floor of the House by Dr. Bhai Mahavir.