

BURMAH SHELL (ACQUISITION OF UNDERTAKINGS IN INDIA) (ADMINISTRATION OF FUND) RULES, 1976

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BURMAH SHELL (ACQUISITION OF UNDERTAKINGS IN INDIA) (ADMINISTRATION OF FUND) RULES, 1976

STATEMENT OF OBJECTS AND REASONS The Bill seeks to acquire the undertakings in India of Burmah Shell Oil Storage and Distributing Company of India Limited, a foreign company, which has established a branch in India and which carries on the business of distributing and marketing petroleum products in India and also to take-over the liabilities of Burmah Shell Oil Storage and Distributing Company of India Limited in relation to its undertakings in India. It is proposed, in the first place, to take-over all the Indian assets and liabilities, (not including its trade marks and patents registered in India and the shareholders' loans) and to vest them in the Central Government. The said assets will include leases and tenancy rights held by Burmah Shell Oil Storage and Distributing Company of India Limited in India. The Bill further provides that the Central Government may, by notification, vest the said assets and liabilities in a Government company. 2. The Government has entered into negotiations with Burmah Shell for acquiring 100 per cent of the equity shares of Burmah Shell Refineries Limited which is owned by Burmah Oil Company and Shell Petroleum Company. As soon as the acquisition of 100 per cent shares in Burmah Shell Refineries Limited is completed, the Indian assets and liabilities of the Burmah Shell Oil Storage and Distributing Company of India Limited will be vested, by notification, in Burmah Shell Refineries Limited, which will become, after such acquisition of shares, a Government company. 3. The Bill makes incidental provisions for the transfer of the services of the existing employees of Burmah Shell Oil Storage and Distributing Company of India Limited and of the provident, superannuation and welfare funds of such employees to the said Government

company. The Bill also provides that all contracts entered into by the Burmah Shell Oil Storage and Distributing Company of India Limited for any service, sale or supplies in India and in force immediately before the appointed day, shall continue, unless terminated by the Central Government. Power is given by the Bill to the Central Government to terminate certain unduly onerous contracts as provided in clause 13 of the Bill. New Delhi; The 7th January, 1976. K.D. MALAVIYA. (Gazette of India dated 15.1.1976, Part II S.2, Extra-ordinary. P. 341 (No. 9)1

1. Short title and commencement :-

(1) These rules may be called the Burmah Shell (Acquisition of Undertakings in India) (Administration of Fund) Rules, 1976.

(2) They shall come into force at once.

2. Administration of funds pending constitution of trusts :-

The funds standing to the credit of a provident fund, superannuation fund, welfare fund or other fund established by Burmah Shell for the benefit of the persons employed by it in connection with its undertakings in India and standing transferred to the Government Company under sub-section (1) of Section 10 of the Burmah Shell (Acquisition of Undertakings in India) Act, 1976 (2 of 1976) shall, until the constitution of one or more trusts as referred to in sub-section (3) of that section, be dealt with by the Government company in accordance with the provisions of the rules and regulations applicable to or of any law governing, the respective provident fund superannuation fund, welfare fund or other fund and in force immediately before the 24th day of January, 1976. [No. F.R-37012/1/76/Dist.] M. RAMASWAMI, Jt. Secy.