

NATIONAL AND MULTINATIONAL COMPANIES: SOME LEGAL ISSUES (1981). By P.S. Sangal. Bhagwati International Enterprises, 1058, Dr. Mukherjee Nagar, Delhi-110 009. Distributors: N.M. Tripathi Pvt. Ltd., 164, Samaldas Gandhi Marg, Bombay-400 002. Pp. lxxi+475. Price Rs. 100, \$ 15, £ 8.

MULTINATIONAL CORPORATIONS play an important role in the corporate sector of a developing country like India, and their need for the economic development of such a country is still felt. Unfortunately, there has been no methodic study and analysis of legal issues relating to national and multinational corporations in India. Dr. P.S. Sangal's book,¹ the first one of its kind, fills the long felt gap in the matter. It is a bold and systematic effort at explaining the various concepts of the law on the subject with emphasis on relevant provisions of corporate laws, e.g., the Companies Act 1956, Income-tax Act 1961 and Foreign Exchange Regulation Act 1973, supported by judicial decisions in the matter.

Decisions of the International Court of Justice in *Barcelona Traction*² and of the Supreme Court of India in *Needle Industries*³ have been dealt with by the author at some length in their proper perspective.⁴ General importance of the latter case lies in the many issues which the court has had occasion to explore. While some of these have been decided, valuable and significant observations have been made on others. The author has taken considerable pains to explain the essential features of this decision of great importance and its impact on transnational enterprises functioning in the country. In this connection he has also referred to some of the weaknesses of the Foreign Exchange Regulation Act 1973, especially the absence of adequate provisions regarding the control by multinational corporations.

The study has been appropriately concluded by referring to an attempt at formulating a code of conduct for multinational corporations,⁵ which unfortunately has not so far become possible.

1. *National and Multinational Companies: Some Legal Issues* (1981).

2. *Case Concerning the Barcelona Traction, Light and Power Company Ltd. (Belgium v. Spain)*, I.C.J. Reports 1970, p. 3.

3. *Needle Industries (India) Ltd. v. Needle Industries Newey (India) Holdings Ltd.*, A.I.R. 1981 S.C. 1298.

4. *Supra* note 1 at 321 *et. seq.* and 435 *et. seq.*

5. *Id.* at 466.

I have no doubt that the book will be of great use to students of corporate laws dealing with multinational corporations and to anyone interested in complex problems relating thereto, having a bearing on the economic development of the country.

An index at the end would have all the more enhanced the utility of the book to the reader.

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