

श्री रामानन्द यादव : मेरा स्वैच्छन यह है, यह डिफेंस की बात है। आपको देश के डिफेंस के बारे में जितनी चिंता है हमें भी उतनी चिंता है। हमने आपसे कुछ कम देश के लिये नहीं किया है। इसलिए मैं पूछ रहा हूँ।

मैं जानना चाहता हूँ कि जब जगुआर खरीदने के लिये आप एग्रीमेंट हेतु इंग्लैंड के साथ बैठे तो क्या उस वक्त फ्रांस का प्रतिनिधि उस एग्रीमेंट में शामिल हुआ या नहीं? और अगर वह शामिल नहीं हुआ तो आपने क्या इंग्लैंड से एग्रीमेंट में कुछ इस तरह का आश्वासन लिया कि वह फ्रांस को पाकिस्तान या किसी दूसरे देश के हाथों में जगुआर बेचने की अनुमति नहीं देगा?

प्रो० जे० सिंह : सभापति महोदय, ऐसा प्रश्न तो कोई नहीं आया कि किसी को देंगे या नहीं देंगे। दूसरे देशों के बारे में क्या करेंगे क्या नहीं करेंगे ऐसा कोई प्रश्न नहीं आया। जहाँ तक इस बात का सवाल है कि जो हिस्से-पुर्जे फ्रांस में बनते हैं, उसके बारे में ब्रिटिश एयरोस्पेस से जब हमने एग्रीमेंट किया तो इस बात की उन्होंने पूरी जिम्मेदारी ली है कि वे ये सारी चीजें हमको सप्लाय करेंगे। उसमें कोई आबस्ट्रक्शन, कोई रुकावट नहीं आयेगी। सब चीजें 25 साल तक यानी 2004 तक वे सारे पार्ट्स, सारे वैडर आइटम्स देंगे। उनसे यह सब बातें हो गई हैं। फ्रांस में जो पार्ट्स बनते हैं वे भी इसमें शामिल हैं।

(Interruptions)

श्री रामानन्द यादव : इंग्लैंड की सरकार ने जो एग्रीमेंट किया है क्या उसमें उन्होंने इस बात का आश्वासन दिया है या नहीं कि फ्रांस को वे इसे दूसरे देशों के हाथों में बेचने की इजाजत नहीं देंगे? फ्रांस भी कोलोबोरेटर है। कल यदि वह कहेगा कि हम देंगे तो आप क्या करेंगे?

प्रो० जे० सिंह : मैंने इसका जवाब दे दिया कि ऐसा कोई प्रश्न आया ही नहीं। इस पर विचार ही नहीं हुआ।

Survey conducted by the National Productivity Council regarding the loss in the nitrogenous fertiliser plants in India

\*245. SHRI N. P. CHENGALRAYA NAIDU:†

SHRI BHAGATRAM MAN-NAIDU:†

SHRI SITARAM KESRI:

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

(a) whether Government's attention has been drawn to a recent survey conducted by the National Productivity Council regarding the loss in the nitrogenous fertiliser plants in India; and

(b) if so, what action Government propose to take to make up the loss in the production of fertilisers in the country?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA): (a) and (b) A statement is laid on the Table of the House.

#### Statement

(a) Yes, Sir.

(b) The Government are well aware of the factors accounting for production losses in fertilizer units, for example, mechanical failures, power problems, input constraints, etc., as mentioned in the report of the National Productivity Council. In order to minimise the loss on account of mechanical failures/breakdowns, emphasis is being increasingly laid on better maintenance programming. In fact, as a result of this, the loss on account of mechanical breakdowns has come down in 1978-79 as compared to the loss in 1977-78. Government had also appointed an expert Committee to review the mechanical failures.

†The question was actually asked on the floor of the House by Shri N. P. Chengalraya Naidu.

breakdowns in the public sector fertilizer plants, to identify the causes and suggest short term as well as long term preventive measures, and to suggest suitable changes in the maintenance programme of the plants, where required. The findings and recommendations of this Committee have been sent to the various public sector fertilizer units for appropriate action.

Some of the major causes of mechanical failures/breakdowns have been identified as deficiencies in design and equipment, instability in power supply, and frequency fluctuations and voltage dips which cause immense damage to sensitive equipments. In order to tide over these problems, measures for replacements/renewals of defective equipments, creation of captive power generation facilities in the plants recurrently affected by frequency fluctuations and voltage dips, change of feedstock, etc. have been initiated in a number of plants.

**SHRI N. P. CHENGALRAYA NAIDU:** The hon. Minister in his statement has said that they have appointed an expert committee to find out ways and means to improve the working of these plants. What are the recommendations of this expert committee?

**SHRI H. N. BAHUGUNA:** There are a number of recommendations made by the expert committee which we have appointed to go into the whole question. Their first recommendation is that we must take a critical review of the experience in the performance of the latest generation plant as in any new plant. Their second recommendation is that the output expected of these plants will be 50 per cent in the first year and 75 per cent in the next twelve months and 80 per cent at least thereafter. Then they have said that the accountability should be clearly established in terms of the whole staff right from the Chairman, Managing Director to down below. The committee also felt

that the man-power norms in these plants should now and hereafter be on the pattern of the Madras Fertilizer Limited which has been a very successful organisation. The Committee also recommended that the fertiliser industry should have a type of inflow of information between prosperous well-functioning plants and the poor or bad functioning plants. They also said that the purchase of items and equipment on a certain type of credit creates some difficulty. That type of thing should be avoided. Then, indigenous experience should be tried in areas where our capabilities are good. Also, if we are trying to do a thing, we should do it selectively, so that ultimately we succeed in indigenising the experience. They also suggested that mechanical aspects, etc. should also be gone into.

Sir, it is a long report. It has just been received and we are going into it.

**SHRI N. P. CHENGALRAYA NAIDU:** Sir, compared to the public sector units, the private plants are doing a better work.

**SHRI ARVIND GANESH KULKARNI:** Who told you?

**SHRI N. P. CHENGALRAYA NAIDU:** You see the percentage they are producing. The private sector has got one in Vizag. They are doing better than public sector projects if we compare them. Sir, I think those people in private sector projects, when they purchase machinery, they are very careful. They select parts very carefully when they place orders, while the public sector—the officers there—simply place orders and are not so careful. That is why we are suffering and the plants are getting bad equipment.

Then, he said that this is also due to power fluctuations since it is a sensitive equipment. Why can't they have their own generating equipment?

SHRI ARVIND GANESH KULKARNI: Stand-by equipment.

SHRI N. P. CHENGALRAYA NAIDU: Will the Government take any steps in this direction?

SHRI H. N. BAHUGUNA: Sir, this question has two parts. The first part is whether the private sector is functioning better than the public sector. I am afraid, this is not true. The Trombay plant which is in the public sector, is the most efficient plant in the country... (Interruptions)

AN HON. MEMBER: This is so because it is in Bombay.

SHRI H. N. BAHUGUNA: This is because it is in a place where the Swatantra Party was born. It is based on the Swatantra Party philosophy.

SHRI SITARAM KESRI: It is now merged with the Janata Party. Merger means dissolution... (Interruptions)

SHRI H. N. BAHUGUNA: Leave that aside, that is between me and the gentleman here... (Interruptions)

Then, Sir, the second part of the question is, why not have a captive power plant? This Government has also taken up this matter to have captive power plants in all these plants, where they are not there.

श्री सीताराम केसरी : सभापति जी, माननीय मंत्री महोदय ने तकनीकी ज्ञान का उत्तर दिया जिसका कि अभाव हम लोगों में है। जैसा कि प्रश्न है और जिसके उत्तर में आपने कहा तो यह सच है कि उत्पादन में कमी रही है। उसके कारणों में उन्होंने बताया कि विभिन्न विभागों को भेज दिया गया है।

श्री हेमवती नन्दन बहुगुणा : ऐसा तो नहीं कहा था।

श्री सीताराम केसरी : ऐसा ही उत्तर था आपका कि विभिन्न डिपार्टमेंट

श्री हेमवती नन्दन बहुगुणा : डिपार्टमेंट नहीं कारपोरेशन।

श्री सीताराम केसरी : विभिन्न विभाग कह रहा हूँ, वही हुआ।

श्री हेमवती नन्दन बहुगुणा : अच्छा मान लिया।

श्री सीताराम केसरी : आपके और हमारे ज्ञान में अंतर है। आपमें ज्ञान की सम्पत्ति है और हम में अभाव है हमारे व्यक्त करने में कमी हो सकती है (Interruptions) मैं ज्ञान न किसी से लेता हूँ न देता हूँ, जो मेरे पास चिराग है उसी में सबको देखता हूँ। मेरा आपसे प्रश्न यह है कि इन्होंने कहा कि सभी विभागों को दे दिया गया है, जो उसमें अभाव और कमियाँ हुई हैं। आपको मांग और सप्लाई फटिलाइजर फास्फेट की जो अभी तक हुई है उनको उसको महेनजर रखते हुए आप आयात काफी कर रहे हैं मैं यह जानना चाहता हूँ कि जो आपकी सप्लाई है उसकी पूर्ति के लिए आप आयात करने की बजाय यह जो आपने विभिन्न विभागों को बताया है कि उत्पादन में कमी हुई है तो उनसे कब तक पूर्ति करायेंगे जिससे कि आयात कम हो, उत्पादन अधिक हो और सप्लाई का पूर्णतः प्रबंध हो जाय।

श्री हेमवती नन्दन बहुगुणा : मान्यवर, मैं माननीय सदस्य को बताना चाहता हूँ कि हमारी चेष्टा है कि यह जो हमारे फटिलाइजर के कारखाने लगे हुए हैं, इनका उत्पादन पूरा हो। अब कठिनाई क्या है, मान्यवर, दुर्गापुर, कोचीन, बरौनी, कोचीन नं० 2 नामरूप एक्सपेंशन, यह पब्लिक सेक्टर के कारखाने हैं। जब यह लगे तो इनमें दुर्गापुर बनने में चार साल लेट हो गया, यानि उसके बनने का जो समय था उससे चार साल तक और आगे नहीं बना, कोचीन साढ़े तीन साल लेट हो गया, बरौनी तो पांच वर्ष लेट हुआ कोचीन नं० 2 अर्द्धाई साल लेट हुआ, नामरूप एक्सपेंशन भी पांच साल लेट हुआ। नतीजा क्या हुआ

कि जो इक्विपमेंट आया था उसका गारंटी पीरियड भी हो गया। वह तो जिस दिन से इक्विपमेंट सप्लाई करते हैं, उस दिन के पीरियड के अन्दर ही उनका गारण्टी पीरियड होता है। तो अब एंड-टु-एंड सर्वे सब प्लान्ट्स का करवा रहे हैं, किसमें क्या गलती है, उसको निकाल रहे हैं सही कर रहे हैं और कोचीन में जो उसका नतीजा निकला, उसका उत्पादन बढ़ा है।

पहली कोशिश हमारी यह है कि जो हमारे कारखाने लगे हुए हैं इनका उत्पादन क्षमता के मुताबिक आ जाए और आइन्दा के लिये जो सबक इनसे मिले हैं, उनको ध्यान में रखें क्योंकि यह नया फील्ड है जिसमें भारत ने प्रवेश किया है और शुरू शुरू में उसमें दिक्कतें और कठिनाइयाँ आना स्वाभाविक भी था, कुछ हमारी विदेशी मुद्रा की हालत उस वक्त इतनी खराब थी कि एक एक प्लांट में नौ-नौ, दस-दस देशों के अलग-अलग इक्विपमेंट में टाइड क्रेडिट था। इटली ने कहा कि हम कर्ज देने पर सामान इटली से खरीदना पड़ेगा, जापान ने कहा हम आपको कर्ज देंगे, लेकिन सामान जापान से ही खरीदना पड़ेगा। तो इक्विपमेंट भी हम कम्पीटीटिव ढंग पर नहीं खरीद सके, वैंस्ट खरीद सके। बाहरी देशों से कर्ज मिले, उस कर्ज के मुताबिक इन प्लांट्स को चलाया, इक्विपमेंट भी वहीं से आया। इस लिये इसमें कठिनाइयाँ रही हैं। उन कठिनाइयों को दूर करने का उपाय हम कर रहे हैं और मैं माननीय सदस्य की इस फिफ्ट में कि हमारे फर्टिलाइजर की खपत बढ़ रही है, तो ज्यादा हम सप्लाई कर सके, कम इम्पोर्ट करें, मैं खुद उस चिन्ता में उनके साथ शामिल हूँ।

**SHRI SURENDRA MOHANTY:** Failure in the production of fertilisers in the public sector is attributed to frequent failure of machinery and plants which again is attributed to faulty designs. May I know whether

the Government took any steps to insert clauses in the agreement for taking action against the designers in case of faulty designs and whether the Government is thinking of invoking those clauses? Several public sector undertakings manufacturing fertilisers are incurring such heavy losses.

**SHRI H. N. BAHUGUNA:** Sir, as I told you, all these plants were conceived some time in 1966 and 1968 and all these plants have been commissioned a number of years ago. They are still not stabilised. We are trying to bring them in line. We have almost succeeded. It appears that we are near success. In Cochin, the plant is going to give us better production. It has reached 80 per cent of its rated capacity during the last 3 or 4 months. However, I am keeping my fingers crossed. As far as the question of design is concerned, Technimont were selected by some eminent scientists of our own organisation which we called P & D and which is now FPDIL Division, that is, Planning and Development Division of the erstwhile Fertilizer Corporation. Between them, it is not possible to say who has erred where. It is not so easy to do it after 5 or 7 years. So far as invoking the clauses are concerned, the gentleman or the hon. Member feels....

**SHRI PILOO MODY:** He is a gentleman all right.

**SHRI H. N. BAHUGUNA:** The hon. Member includes gentleman. So far as the question of breakdown is concerned, it is a common experience of the fertiliser industry as a whole anywhere in the world. Ammonia plant is so sensitive that any fluctuation in voltage will cause interruption in production. It reduces the life of the plant and it is also risky to the life of the plant itself. These things are happening. They are now being treated and taken care of by putting up captive power units.

**SHRI SURENDRA MOHANTY:** Sir, your statement, which was laid on

the Table of the House, mention that due to wrong designing these frequent breakdowns are taking place. My question was very simple. Who was responsible for okaying that design?

**MR. CHAIRMAN:** It is very difficult to find that out at this stage.

**SHRI H. N. BAHUGUNA:** Our scientists and engineers okayed the whole thing in the Planning and Development Division of the Fertilizer Corporation of India.

**SHRI SWAISINGH SISODIA:** Sir, I would like to know from the hon. Minister whether the recent survey conducted by the National Productivity Council included the private as well as the co-operative sector fertiliser plants. I think the hon. Minister is very well aware that the IFFCO has produced more than 100 per cent of its capacity. So I would like to know from the hon. Minister whether, to these plants which are working very satisfactorily and which are the pride of our nation, the Government is thinking of giving any promotional incentives, benefits and concessions in the co-operative sector which can give a further fillip to their production by which the demands of our nation can be met.

**SHRI H. N. BAHUGUNA:** Sir, whereas I also congratulate the co-operative sector for producing more, the reasons thereof have got to be gone into. I think they are turn-key projects and indigenisation is the least there. Therefore, the capability of those plants is proven. They are functioning better. Their processing and basic engineering was also imported by people on a competitive basis from a proven area. So far as this Committee is concerned, it did not go into the functioning of the co-operative sector but it did go into the functioning of the private and public sector; though the National Productivity Council has not remitted its report to us till date.

After this question was received by us, we consulted them as to what it was like and from that we are now getting into the whole thing. I am thankful to the hon. Members for putting the question. The private sector was also included in their study. Out of the eight plants they were to study, six were in the public sector and Kanpur and Goa plants were private sector plants.

**SHRI SWAISINGH SISODIA:** What about incentives and promotional concessions and benefits being given to such of them as are doing very well?

**SHRI H. N. BAHUGUNA:** Incentives can be given on the basis of equal opportunity and efficiency. Here the basic thing is that these plants, the sick plants, cannot be compared with the healthy plants. Sickness has come to them from many reasons, including taking unproven technology in the name of indigenisation.

(Interruptions)

**SHRI ARVIND GANESH KULKARNI:** Sir, I want to know from the Minister, but, at the outset, I have to request Mr. Piloo Mody to please keep quiet because last time I lost a very important point of the hon. Minister.

**MR. CHAIRMAN:** He will not interfere.

**SHRI PILOO MODY:** Every time you want to make an important point, you pass it on through me.

**SHRI ARVIND GANESH KULKARNI:** In reply to an earlier question of an hon. Member, the hon. Minister has to admit that the private co-operatives, or the Trombay, the name that he has taken the basic point is that in terms of efficiency it is the co-operative sector which has achieved the highest efficiency. The real problem that you have is to accept this thing. Giving all the other reasons, whether it is turn-key or anything else. I can

appreciate your difficulty. But first admit that. Then, Sir, there was recently a world survey given in the Fertilizer News. A point has been made out that the Indian fertilizer industry is deficient not only in what you call the designing but also in the technological state. They say that the decisions from the Government and the so-called public sector organisations are delayed. That is why the Mathura and the Bhatinda plants are in difficulty and Japan has complained. That has appeared in the...

**SHRI H. N. BAHUGUNA:** It is Mathura and Panipat.

**SHRI ARVIND GANESH KULKARNI:** I want to know whether...

**SHRI PILOO MODY:** Make him admit both.

**MR. CHAIRMAN:** Do not interfere please.

**SHRI ARVIND GANESH KULKARNI:** I am not asking Mr. Piloo Mody.

**MR. CHAIRMAN:** Please put your supplementary.

**SHRI ARVIND GANESH KULKARNI:** The second point I want to mention is about the difficulty in commissioning a plant. As you are aware, in Russia or in Germany, the period involved is one and one and a half years. And that should be the target for the Indian Government to achieve. For that purpose, leaving aside what the Productivity Council has said because these are routine surveys, I want to know what basic innovations you are going to make in your Ministry for quick decisions from your technological side, apart from the Government side. Secondly, there was a mention of the incentives, etc. Leaving that aside, the Minister agreed with me when I raised this point six months back when the problem of price policy of the fertiliser, was discussed, that the efficient plants are a casualty in

the new scheme. And that is why, perhaps, the management of the efficient plants may go into this question. Efforts to the extent that efficiency should be achieved are not there. So, in that respect, I would like to know whether that price formula will introduce an element of benefit to the efficient plants.

**SHRI H. N. BAHUGUNA:** I do not agree that the new price formula accepted on the recommendations of the Marathe Committee has proved to be any disincentive to the efficient factories for the last over one year. That is not our experience. Therefore, the fears expressed by the hon. Member are not based on or related to the situation in the industry. So far as the second part is concerned, Bhatinda and Panipat plants have not been delayed due to Government decision. For example, in the case of one of them, I am sorry to say, coal was not available even for a start-up.

**SHRI PILOO MODY:** Ask Mr. Ramachandran.

**SHRI H. N. BAHUGUNA:** Again, I am not going to fix a responsibility on one who does; the Prime Minister does it; but we have found it out between ourselves that rail movement has been the basic difficulty and we have had a very great difficulty in that particular sector. But so far as the quick decision-making in the Ministry is concerned, in a democracy you cannot make a quick decision, because it has to go through so many channels. First, the technical people have to see it; then the Special Committee of Secretaries has to see it. In case of fertilizers, we have said that they will be one like the public sector investment board. One step has been cut down but all steps cannot be cut down. It has got to go to the Finance and Planning Ministries. It has to rotate before we can take a decision. If this hon. House even authorises me to do it by

myself, I would even then be helpless because I would need the assistance of these levels to come to a judgment.

**SHRI PILOO MODY:** You have created this circus yourself. Admit that the co-operative is more efficient.

**SHRI H. N. BAHUGUNA:** I said earlier also and admitted that the co-operative sector plant and machinery have been accepted on a much better footing than Durgapur, Namrup, Barauni, Cochin...

**SHRI ARVIND GANESH KULKARNI:** Has that not affected the efficiency also?

**SHRI H. N. BAHUGUNA:** It has.

**SHRI ARVIND GANESH KULKARNI:** You say that.

**SHRI H. N. BAHUGUNA:** I admit because of a correct decision or a decision in which we thought of not building the industry but building fertilisers... (Interruptions). A country has to pay the price of learning a thing. In the case of these companies, might be we erred in taking too many things for our guinea pigs but we do want guinea pigs for knowing and getting the knowledge.

**SHRI PILOO MODY:** I want Mr. Kulkarni to admit that I got his reply.

**SHRI ARVIND GANESH KULKARNI:** Now, Sir, if Mr. Piloo Mody offered, you know, last time Mr. Narsingh accepted that generic names will be introduced by multinationals. Mr. Piloo Mody on his behalf said: Yes. Now I am losing when multinationals are growing.

**SHRI KHURSHED ALAM KHAN:** The hon. Minister is very good at giving obviously convincing reasons.

**श्री अरविन्द गणेश कुलकर्णी :** वह चालाक है लेकिन सच्चा है. यह बोली।

**SHRI KHURSHED ALAM KHAN:** First it was the teething trouble: then it was the defect in the plant: then it was working difficulty and I want to know one specific point. (Interruptions)

**SHRI ARVIND GANESH KULKARNI:** He is imputing motives to Mr Bahuguna. I take it that यह

काबिल आदमी है, उतना चालाक नहीं है।

**SHRI KHURSHED ALAM KHAN:** Sir, I would like to know a very specific point. I would like to know, in the operating ratio, whether it is a fact that overhead expenses in the public sector fertiliser corporations are excessive and this is one of the reasons for their running into losses. I would like to know: What are you doing to curtail these overhead expenses and to bring them down?

**SHRI H. N. BAHUGUNA:** Sir, I will look into this aspect of the question. I have not seen it from that angle. (Interruptions).

**MR. CHAIRMAN:** He said he will look into it.

श्री श्याम लाल यादव : मान्यवर मंत्री जी ने जो उत्तर दिया है उस से ऐसा लगता है कि इन्होंने उर्वरक फैक्ट्रियों, ग्रैंडरेटिक्स की क्षमता के सुधार के लिए आवश्यक कदम उठाये हैं। लेकिन मैं यह जानना चाहता हूँ कि जो प्रमुख कारणों का पता लगा इन खराबियों और गड़बड़ियों के लिए उनमें डिजाइन और उपकरणों में कमी एक कारण बताया गया है—यह किस हद तक कितनी फैक्ट्रियों को प्रभावित करता है? दूसरी बात इन्होंने कही कि बिजली की सप्लाई की अस्थिरता और बिजली में क्वाकट और वोल्टेज में उतारचढ़ाव प्रमुख कारण हैं। तो मैं इस सम्बन्ध में जानना चाहता हूँ कि बिजली की सप्लाई, में जो मुश्किल आ रही है इस को दूर करने का मंत्री जी ने क्या निश्चय किया है

क्यों कि आज हम देखते हैं कि बिजली की सप्लाई में सुधार होना अगले कई वर्षों तक सम्भव नहीं दीखता ? एक तरफ इनर्जी मिनिस्टर कहता है कि कोयला नहीं है । अगर कोयला है तो रेल मंत्री कोयला पहुंचाते नहीं । इनकी असफलता ने इतना भयंकर और विकराल रूप धारण कर लिया है कि ये पूरे देश में उद्योगों का नाश कर के छोड़ेंगे । इस लिए मैं उर्वरक मंत्री से यह जानना चाहता हूं कि क्या उन्होंने अपनी अडरटेक्मिंस को बराबर बिजली उपलब्ध कराने के लिए कोई वैकल्पिक व्यवस्था करने की बात सोची है और नहीं सोची है तो क्या इस पर विचार करेंगे ?

श्री हेमवती नन्दन बहुगुणा : जैसा मैं ने पहले बताया, मेजर केप्टिव प्लान्ट्स लगाने का निर्णय हम ले चुके हैं । वह काम चालू हो चुका है जैसे दगापुर में, गोरखपुर में । लेकिन प्रश्न यह है कि उन प्लान्ट्स को भी कोयले की जरूरत होगी ।

**Guidelines regarding salaries and perquisites of the top executives of big companies and public sector undertakings**

\*246. SHRIMATI AMBIKA SONI:  
SHRI S. W. DHABE†  
SHRI MULKA GOVINDA  
REDDY:

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

(a) whether it is a fact that last year some guidelines were issued to the big companies regarding salaries and perquisites to be fixed for their top executives;

(b) if so, what are the details in this regard;

†The question was actually asked on the floor of the House by Shri S. W. Dhabe.

(c) whether the guidelines referred to in part (a) above are also applicable to public sector undertakings; and

(d) whether Government have taken steps to ensure that the above guidelines are followed by the big companies and the public sector undertakings?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHANTI BHUSHAN): (a) to (d) A statement is laid on the Table of the House.

**Statement**

(a) and (b) The revised administrative guidelines relating to the remuneration payable to managing/whole-time directors/managers of public limited companies and private limited companies which are subsidiaries of public limited companies were issued by the Central Government on 9th November, 1978, a copy of which is annexed. (See below) The remuneration payable to the executives, however, does not require approval of the Central Government under the Companies Act, 1956, except where such executives come within the purview of Sections 204A and 314 (1B) of the Companies Act, 1956.

(c) The term "public sector undertakings" includes both corporations owned or controlled by Government and incorporated under special statutes as well as other undertakings registered as companies under the Companies Act, 1956. The former are not subject to the provisions of Companies Act. As for the latter category of public sector undertakings, by virtue of this Department's Notification No. G.S.R. 235 dated 31st January, 1978, Central Government has exempted Government companies from the provisions of Sections 198, 259, 268, 269, 309, 310, 311, 387 and 388 of the Companies Act, 1956, relating to appointment of and payment of remuneration to managerial personnel. Thus, the revised administrative guide-