

missible to these having salary/emoluments of Rs. 90,000 per annum or above. Within this overall limit a company will be free to choose whatever perquisites it wants to allow. But this ceiling of one-third of salary will not include the employer's contribution to provident/superannuation fund to the extent these are not taxable under the Income-tax Act (the present position being that provident fund contribution not exceeding 10% of the salary and superannuation fund contribution so long as it, together with the provident fund contribution, does not exceed 25% of the salary are not taxable). Similarly, the reimbursement of medical expenses actually incurred subject to the present ceiling of Rs.5,000 per annum or one month's salary, whichever is less, and in the case of expatriate directors, passage benefits at reasonable intervals say, once a year, will be excluded from the aforesaid ceiling on perquisites. Leave salary for leave admissible within 1/11 of duty periods will also not be counted for this purpose.

- (ii) The above ceilings will be followed as a rule subject to exceptions in some deserving cases depending on the merits thereof, for example, where higher remunerations have already been drawn in public limited companies or in the case of expatriate directors in Indian subsidiaries of foreign companies or in Indian companies having foreign collaboration arrangements provided the appointment is justified and the expatriate Director concerned has previously been drawing higher emoluments.
- (iii) In the interest of better corporate management, the Company Law Board will not ordinarily approve a person's appointment as Managing Director in two companies, which are both of a large size and where it is felt that the same person may

not adequately discharge the responsibilities of the second charge. However, in cases where the two companies are small ones or are engaged in more or less similar or allied business and/or are situated in the same area, the Board may, in the interests of efficient and more economical management of the two companies, approve a common managing director but in that event, the remuneration approved for the appointment in the second company will be regulated suitably.

As is the case at present, the appointment of a person who is already whole-time Director in one company, will not be approved as a paid Director in another company.

- (iv) The number of the managing/whole-time and part-time paid directors in any company will also have to be justified when new appointments as managing or whole-time directors or grant of remuneration to paid part-time Directors in the same company are sought. It will not be adequate justification for such proposals that is the total managerial remuneration to be paid to all the directors in any case will be within the statutory ceilings. Such proposals should be justified fully having regard to the size and functions of the company, and the responsibilities and duties to be assigned to the managing/whole-time or part-time paid directors and the proposals will be approved only if they are shown to be in the interests of the company and its shareholders.

Establishment of a Factory in Collaboration with Kodaks for production of raw colour Film

2201. SHRI BABURAO PATEL ;
SHRI YOGENDRA
SHARMA ;
SHRI INDRAJIT GUPTA ;
SHRI C. JANARDHANAN ;

SHRI HIMATSINGKA :
SHRI S. R. DAMANI :

Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) whether there are proposals for establishing a factory in India for production of foreign colour film in collaboration with the Kodaks ;

(b) the amount that would be needed in foreign exchange to set up such a factory and the terms and particulars of collaboration ; and

(c) the likely date for starting work on the factory, the date when production will begin and other salient details of the proposed colour film factory ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) to (c). The question of establishment of a unit for the manufacture of colour films is under the consideration of Government.

Passenger Guides Working Under Station Superintendent, Delhi

2202. SHRI DEORAO PATIL : Will the Minister of RAILWAYS be pleased to state :

(a) whether it is a fact that the Passenger Guides have been working directly under the Station Superintendent, Delhi for the last about twenty years as the very nature of their duties necessitated looking after passengers' comforts, amenities and booking/reservations ;

(b) whether it is a fact that recently they have been transferred to work under the control of Chief Enquiry Supervisor, which has resulted in their not being able to work in a more free and independent manner ;

(c) if so, the reasons for this change and whether Government will look into it and restore *status-quo* ; and

(d) if not, the reasons therefor ?

THE MINISTER OF LAW AND SOCIAL WELFARE AND RAILWAYS (SHRI GOVINDA MENON). (a) : Yes.

(b) No.

(c) and (d). Do not arise.

Thefts and Fires in Heavy Engineering Corporation, Ranchi

2203. SHRI BABURAO PATEL : Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) the number and nature of thefts and fires in the Heavy Engineering Corporation, Ranchi during the last two years and the names of persons arrested for the same ;

(b) the total loss to the Heavy Engineering Corporation on account of these thefts and fires ;

(c) whether it is a fact that this is due to negligence on the part of the security staff ;

(d) whether the security measures have been increased since ; and

(e) the steps taken to prevent thefts and fires and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI K. C. PANT) : (a)

	1967	1968
No. of thefts :	69	58
No. of fires	48	55

The majority of thefts were of petty nature and involved property of small value except in the following four cases :—

- (i) Cable wire valued at Rs. 3000 ;
- (ii) Cable wire valued at Rs. 3000 ;
- (iii) Civil materials valued at Rs. 16000 ;
- (iv) Copper ingots valued at Rs. 1300.

All the fire incidents were accidental and minor and caused sundry losses. The