

### Salaries of Managing Directors of Multinational Companies

38. SHRI K. LAKKAPPA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have allowed the multinational companies to appoint their Managing Directors at very high salaries and large perquisites inspite of their holding only 40 per cent of the shares in those concerns; and

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

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKER): (a) and (b). Companies associated with Multinationals having 40 per cent of foreign share holding are treated as Indian companies and the Managing Directors of these companies are appointed in accordance with the provisions of the companies Act. Such companies have both Indian and expatriate Managing Directors. The

Indian Managing Directors are paid strictly in accordance with the guidelines prescribed by government. If however the Managing Director is an expatriate, the guidelines prescribed by Government for regulating the remuneration payable to Managing Directors of Indian Companies who are Indian nationals are not applicable to him.

The remuneration of expatriate Managing/Whole-time Directors is approved by Government on merits in each case, keeping in view their qualifications, experience, salaries, drawn by them or by their counterparts in similar jobs in foreign countries, remuneration drawn by their predecessors in the same company and other relevant factors.

Approvals to appointments of expatriate Managing Directors (including Deputy-Managing Directors) and their remuneration accorded by the Department of Company Affairs since January 1979 in respect of companies having 40 per cent share-holdings are indicated in the Statement attached.

#### Statement

List showing Approvals of Central Government Accorded since January, 1979 for ex-patriate Managing Directors (including Deputy Managing Directors) in Public Limited companies having 40% foreign Shareholding.

Sl. No.	Name of the company	Name of the Ex-patriate	Details of tenure/remuneration
1.	M/s Lipton Tea India Limited	Sh. C.V.L. Godwin	Approved for 5 years w.e.f. 4-10-78 on a salary of Rs. 7500/- p.m. plus 1% commission on the net profits subject to 50% of salary plus perquisites.
2.	M/s Bata India Limited	Sh. Douglas Mcleod Merchant	Approved for 5 years w.e.f. 1-5-1979 on a salary of Rs. 7500/- per month plus 1% commission on the net profits subjects to 50% of salary plus perquisites.
3.	M/s Asca Limited	Sh. John Kempster	Approved for 4 years w.e.f. 1-5-79 on a salary of Rs. 15000/- per month plus perquisites.

Sl. No.	Name of the Company	Name of the ex-patriate	Details of tenure/remuneration
4.	M/s Fenner India Limited	Sh. C.F.M. Baldwin	Approved for 5 years w.e.f. 1-10-79 on a salary of Rs. 7000/- per month plus 1% commission on the net profits subject to 50% of salary plus perquisites.
5.	M/s Indo-National Limited	Sh Y. Kawa Guchi (Deputy Managing Director)	Approved for 2 years w.e.f. 13th August 79 on a salary of Rs. 8200/- per month plus perquisites.
6.	M/s Lakhanpal National Ltd.	Mr. H. Ohno (Deputy Managing Director)	For 3 years w.e.f. 1-8-79 on a salary of Rs. 7500/- per month plus perquisites.
7.	M/s Madura Coats Limited	Mr. M.B.S. Henry	Approved for 5 years w.e.f. 19-2-1980 on a salary of Rs. 7500/- per month plus 1% commission on the net profits subject to 50% of salary plus perquisites.

Note : Perquisites generally include contribution to provident Fund, Superannuation Fund, Gratuity, medical benefits, housing, car, personal accident insurance, free telephone facility at residence, fees of not more than two clubs, passage benefits and children's education allowance.

### **Increasing Irrigation Potentialities**

39. SHRI RAMAVATAR SHASTRI: Will the Minister of ENERGY AND IRRIGATION AND COAL be pleased to state:

(a) whether Government propose to increase irrigation potentialities rapidly launching a time bound programme; and

(b) if so, what measures are proposed to be taken in this regard?

THE MINISTER OF ENERGY AND IRRIGATION AND COAL (SHRI A. B. A. GHANI KHAN CHAUDHURI): (a) and (b). Yes, Sir. The rate of creation of irrigation facilities which has reached over 1 million hectares per year from major and medium projects, will be further stepped up. All the on-going projects will be speeded up. The resources inputs, such as, finances and scarce materials will be provided to

increase the tempo of irrigation development. Further, improvement in the efficiency of water use will also be achieved. Drainage will be provided and conjunctive use of ground and surface water will be encouraged. Pending Inter-state disputes would be resolved and Inter-State co-operation would be fostered.

### **Streamlining of soft coke Distribution to bring down Prices**

40. SHRI K. 1 RADHANI: Will the Minister of ENERGY AND IRRIGATION AND COAL be pleased to state:

(a) whether there is any proposal under the consideration of Government to streamline soft coke distribution to bring down prices;

(b) whether any fresh directions have been issued to the Department of Coal to draw a fresh plan of action; and