

**Expenditure on programmes sponsored by
Lohia Machine and Modi Enterprises**

549. SHRI DIGAMBER SINGH : Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to refer to the reply given to Unstarred Question No. 2105 on 5th December, 1983 and state:

(a) whether he has gone into the priority of Lohia Machines Ltd., Kanpur debiting Rs. 2.5 lakhs on 'Lata Mangeshkar—a musical celebration' on 17th August, 1983 in the capital to the 'Sales Promotion Account' when this Company had collected advance deposit of as much as Rs. 11 crores on booking and when not a single scooter had been rolled out of the factory;

(b) if so, the outcome thereof, and if not, the reasons therefor; and

(c) whether in view of mis-spending in the name of advertisements, for arranging such entertainment programmes, he will as a measure of protecting misuse of shareholders money, consider amending the Companies Act or Rules made thereunder either by banning such expenditure or laying down an annual ceiling for that?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI JAGAN NATH KAUSHAL) : (a) to (c) Incurring of expenditure on advertisements and sales promotion is essentially a business decision of the Board of Directors of a company and forms part of its internal management. There is no provision in the Companies Act to regulate the expenditure of this nature.

There is no proposal with the Government at present for the amendment of the Companies Act or Rules made thereunder to ban such expenditure or fix a ceiling on it.

Voting by Proxy by Service Electors

550. SHRI ARJUN SETHI : Will

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

(a) whether it is a fact that the Election Commission has recommended to the Union Government that Service electors should be permitted to vote by proxy at the polling station covering the area in which they would have ordinarily been residents but for their service; and

(b) if so, the suggestions submitted to Government in this regard by the Commission and the reaction of Government thereto?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI JAGAN NATH KAUSHAL) : (a) and (b) The Commission has recommended that the 'Service' voters may be permitted to vote by proxy at the polling stations covering the areas in which they would have been ordinarily residents but for their 'Service' and one of the nearest relations or friends may be authorised in advance to vote on their behalf on the day of poll. The above recommendation of the Commission is presently under examination of Government.

Reduction in Capital costs of fertilizer plants

551. SHRI ARJUN SETHI : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether efforts have been made by Government to speedily evolve ways to reduce the huge capital costs of fertilizer plants which constitute a major constraint to India and other developing countries; and

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

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASHANT SATHE) : (a) and (b) A variety of factors like the continuous increase in the costs of plant and equipments—both imported and indigenous, services, know-how and engineering are responsible for the high capital costs of fertilizer plants.