

(a) whether a decision was taken to open six more branches of the nationalised banks at Bhandari, Pokhari, Tihidi, Khaira, Nilgiri, Bant and Bhadrak in the District of Balasore (Orissa); and

(b) if so, the reasons for delay in opening the branches?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) : (a) and (b). The United Commercial Bank has been having an office at Nilgiri since December, 1970. That bank is also expected to open an office at Tihidi by the end of June, 1973. Of the remaining five centres, only one centre, namely Khaira, has been identified as a growth centre with potentialities for opening a bank office. The opening of an office at this centre has, however, been deferred due to other priority commitments of the concerned banks.

Terms and Conditions for Appointment of Chairman of Public Undertakings

9191. SHRI Y. S. MAHAJAN : Will the Minister of FINANCE be pleased to state:

(a) whether terms and conditions for appointment of Chairman of Public undertakings have been fixed by his Ministry; and

(b) if so, what are the criteria for fixing them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K.R. GANESH) : (a) and (b). Presumably, the Hon. Member is referring to the remuneration and perquisites allowed to Chairmen of Public Enterprises. These have been fixed as follows:

In the case of part time Chairmen who are either presently engaged in or are retired from business/profession who generally have other sources of income, the remuneration is equitably restricted to the normal sitting fee, travelling allowance and incidentals as applicable to other non-official Members.

Part time Chairmen drawn from public life are allowed a monthly consolidated honorarium of Rs. 1000/- or daily allowance at the rates applicable to Members of Parliament for the days of

halt at the headquarters in addition to sitting fees in respect of Board Meetings subject to a limit of Rs. 1000/- per month. They are also allowed travelling allowance, medical benefits, use of Company's car for private purposes (on payment of the prescribed monthly rates of recovery and subject to a limit of 500 km) and telephone as admissible to the highest grade officer of the Company as well as free accommodation subject to a rental ceiling of 35% of the maximum of the salary schedule applicable to the Managing Director of the Company and some secretariat assistance in the office.

Full time Chairmen of Public Enterprises are allowed pay in the scale attached to the post in one of the four schedules viz., Schedule A—Rs. 3500-125-4000, Schedule B—Rs. 3000-125-3500, Schedule C—Rs. 2500-100-3000, and Schedule D—Rs. 2000-100-2500 plus travelling allowance, accommodation, medical benefits, use of Company car for private purposes (on payment of the prescribed monthly rates of recovery and subject to a limit of 500 kms) and telephone, as per Company rules.

Tax Avoidance by Public Sector undertakings

9192. SHRI S. C. SAMANTA : Will the Minister of FINANCE be pleased to state:

(a) whether the Central Board of Direct Taxes and the Auditor General have made comparative studies of taxation accounting of various public sector undertakings;

(b) whether some undertakings are resorting to tax avoidance tricks guided by Chartered Accountants; and

(c) whether the Bureau of Public Enterprise has issued any circular regarding taxation accounting and tax avoidance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K.R. GANESH) : (a) No such study has so far been undertaken by the Central Board of Direct Taxes or the Comptroller and Auditor General of India.

(b) The information is being collected and will be laid in the Table of the House.

(c) No such circular has been issued by the Bureau of Public Enterprises.