

ture is primarily the responsibility of the State Governments. The Central Government provide financial assistance on the basis of specific proposals received from the States subject to their merit, inter-se priority and availability of funds.

(c) No, Sir

#### **Utilisation of Staff Cars for Economy in Petrol**

8296 SHRI Y S RAJA SEKHAR REDDY Will the Minister of FINANCE be pleased to state

(a) whether any assessment has been made of the monthly consumption of petrol by the staff cars of the Ministries

(b) if so, the details thereof during the last one year, and

(c) the efforts being made by Government to utilise these cars for the specific purpose they are meant for as a economy measure?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIANIL SHASTRI) (a) No, Sir

(b) Does not arise

(c) The use of Staff Cars in Government Departments is governed by the Staff Car Rules. In addition, whenever required, further instructions are issued to achieve utmost economy and save wasteful expenditure on the use of Staff Cars.

#### **Management of Modi Rubber Ltd.**

8297. SHRI BANSI LAL Will the Minister of FINANCE be pleased to state

(a) whether the Public Financial Institutions namely the Industrial Finance Corporation of India, the Industrial Development Bank of India, the Life Insurance Corporation, the Unit Trust of India, Nationalised banks etc. have more than fifty per cent shares in Modi Rubber Ltd, Modipuram,

(b) if so, the reasons for allowing the private management to run the administration of the Company, and

(c) the measures taken or proposed to be taken by Government to ensure non-utilisation of funds by the management of the Company to the disadvantage of the financial institutions?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIANIL SHASTRI) (a) and (b) It has been reported by Industrial Finance Corporation of India (IFCI) that financial institutions namely Industrial Development Bank of India, Industrial Finance Corporation of India, Life Insurance Corporation, Unit Trust of India and the nationalised banks together hold nearly 51 percent of the total share capital of Modi Rubber Ltd, (MRL). As a matter of practice and convention, the management of such industrial concerns are generally vested with the original promoters holding reasonable stake in the share capital of such concerns.

(c) To ensure proper financial and other corporate discipline Company's Board, which has an independent Chairman, has been constituted with adequate institutional representation on it. In addition, there is a management Committee with an independent Chairman and institutional nominees on it. There is also an Audit sub-Committee of the Board with independent directors and institutional nominee. IFCI has further reported that an independent professional whole-time Finance Director has been appointed by MRL.