

an industrial and technical consultancy organisation with the other institutions. Not only that. He has asked for some statistics about the industrial projects which have been pending for clearance. No new viable project proposal has so far been rejected. In the North-Eastern region, the flow of money is not a problem. But, so far as development of that area is concerned, the financial institution started this office. The IDBI also has got its regional office in that region—in Gauhati. Not only that. There are about 762 branches of the banks also in the North-eastern region.

The State Bank of India's local head offices are there to meet the requirements of this region. The main problem is not financial assistance. There are other factors which have contributed to the non-development of this area. One of the main reasons is that there is dearth of entrepreneurs and lack of availability of infrastructure facilities. There is also lack of marketing and communication facilities and so many other reasons which are responsible for non-development of that area. As to how many proposals are pending and other things I would require a separate notice.

SHRI SONTOSH MOHAN DEV: Sir, the driver is known by the mudguard he maintains. A financial organisation is known by its activities. The Minister's reply itself has given statistics that they have failed totally because of the entrepreneurs not coming forward which is also one of the functions of the Government to promote. Sir, one of the paper mills, Ashok Paper Mill which is a joint

venture of IDBI as well as Governments of Assam and Bihar is still closed because of lack of working capital. May I know what was the reason for rejecting the application of that Mill which is appointing two thousand labourers? These workers are now without any salary. I would like to know whether Governments of Assam and Bihar are considered good entrepreneurs by the Ministry and whether their case will be favourably considered by the Government?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): Sir, it is not fair to discuss the project of any individual company or even a joint venture on the Floor of the House. Sir, if hon. Members come forward to know whether any individual private sector company is going to be financed or not then it is not fair to discuss it on the Floor of the House. If the hon. Member wants to seek any information in respect of any individual concern then he can write to us. Perhaps it would not be desirable to discuss individual projects on the Floor of the House.

Continuation of Managing Directors of Public Sector Undertakings beyond the term of two years

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\*740. SHRI K. LAKKAPPA:

DR. A. U. AZMI:

Will the Minister of FINANCE be pleased to lay a statement showing:

(a) whether some of the Managing Directors of those Public Sector Undertakings whose Headquarters are located in New

Delhi are continuing in their post beyond the dates of their term or period of two years;

(b) whether a few<sup>7</sup> of them were also given their extension of term for a further period of one year;

(c) if so, the facts thereof including the names of all those who are still continuing together with exact date of expiry of their terms of employment; and

(d) the steps being taken to replace them by suitable incumbents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAJ SINGH SISODIA): (a) to (d). A Statement is laid on the Table of the House.

#### Statement

Presumably the reference is to Managing Directors who have stayed beyond their approved tenure. As the initial tenure and extension thereof are decided by Government, the question of the Managing

Directors staying beyond their approved tenures does not arise.

Generally, the tenure of Chief Executives is between two to five years or till the age of superannuation whichever is earlier. Government, however, in some cases appointed persons for shorter tenures.

In the case of deputations from Government services, the existing policy requires that they decide to get absorbed in the public enterprises where they are serving or revert to their parent cadres within two or three years. The time limit is two years for those deputations appointed to posts carrying pay scales of Rs. 2500/- to 3000/- and above and three years in all other cases.

Information in respect of those Chief Executives located in Delhi whose appointments have been approved by Government for a period of more than two years or the time stipulated for exercise of option (in the case of deputationists from Government) is given below:

#### *Chief Executives of Public Enterprises Located in Delhi who are continuing for more than two years*

Name of the Chief Executive/public enterprise	Approved tenure	Remarks
1	2	3
<i>A—Public Sector Chief Executives</i>		
1. Brig. O. P. Narula, CMD, Engineering Projects (I) Ltd.	1-1-80 to 31-71-82 (Date of superannuation)	
2. Dr. R. S. Hamsagar, CMD, Hindustan Insecticides Ltd.	15-10-79 to 14-10-84	
3. Shri H. U. Bijlani, CMD, Housing & Urban Development Corpn.	18-8-72 to 17-8-84	
4. Shri S.P. Chibber, CMD, MTC (DP&R) Ltd.	8-5-79 to 7-5-84	

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## B—Deputationists

## (i) Whose initial tenure was more than two years

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|--|-----------------------|---|
| 5. Shri D. R. Sikka, CMD, National Projects Const. Corpn. Ltd. | 1-7-78 to<br>30-6-83  |   |
| 6. Shri Moosa Raza, M.D., National Textile Corpn. Ltd.         | 12-2-79 to<br>7-6-82  |   |
| 7. Shri T. Balaraman, M.D., National Seeds Corpn. Ltd.         | 26-6-78 to<br>25-6-81 | Has been granted extension for one year from 25-6-81. |

## (ii) Whose initial tenure was two years

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|--|----------------------|---|
| 8. Shri R. Parthasarthy, M.D., Rail India Technical and Economic Services Ltd. | 1-4-80 to<br>31-3-82 | Has been granted extension for one year from 1-4-82 |
| 9. Shri M.P. Shukla, CMD, Telecommunication Consultants India Ltd.             | 1-8-78 to<br>31-7-80 | Has been given extension for two years from 1-8-80  |

SHRI K. LAKKAPPA: Mr. Speaker, Sir, the concept of public sector undertakings and its performance is judged on the basis of the prevailing working situation as well as the persons holding the office of Managing Director in those undertakings. As far as I know nearly fifty offices of the public sector undertakings are located in Delhi and its functionaries are elsewhere. The Bureau of Public Enterprises assesses and evaluates and recommends the names for these posts but in some cases—as has been pointed out in his statement itself—even though they have not been recommended by the Board of Bureau of Public Enterprises they are in their office beyond their tenure. Therefore, I would like to know performance-wise how many of them have continued in office? I would also like to know

the net losses and profits which have been reported because of such inefficient people being posted in such organisations.

SHRI SAWAI SINGH SISODIA: Sir, there are 48 Chief Executives located in Delhi out of the total of about 200 all over the country. Out of this 48 only 9 Chief Executives come in the category referred to in the Question whose appointment has continued beyond two years and also those whose tenure had been extended beyond two years. Of these, 5 are deputationists from Government services. There are two categories of the Chief Executives serving in the Public Sector Undertakings. Some of them are recruited from the public sector organisations or from outside; some of them are from the

regular Government service. The PESB selects persons and every appointment is made on the recommendation of PESB, by the administrative Ministry. As far as these Government deputationists are concerned, there are two categories, people who are on the pay-scale of Rs. 2500-3000; they are recruited initially for 2 years. Those persons in the pay scale of less than Rs. 2500 are recruited for more than 2 years. Therefore, this is the position. No appointment is made without the recommendation of the PESB.

**SHRI K. LAKKAPPA:** Sir, my question was this. In some of the public sector enterprises some of the top executives are there who have not been assessed properly; they have not been included in the recommended category and yet they have been not only given extension, but appointed regularly. And I am told that in one case a serious thing has happened. I bring it to his notice and this happened in the case of the NTC (National Textile Corporation). This category is called 'Deputationists' according to the information furnished to me by the Minister. Sir, this NTC has been running into huge losses for several years. The Bureau has not recommended this person and yet he has been staying there for a long time. He has ordered sub-standard machinery from a sub-standard company. I would like to quote. Here it is stated:

'Purchase of machinery worth crores of rupees from the Indo-Equip Engg. Co. Ltd. Bombay without looking to the quality of the machinery.'

The person who has ordered those things is staying here. As against the normal period fixed generally, he has been staying there for a long time, and merrily. Even some of the managing directors are hobnobbing with private sector and monopoly houses and so on and therefore NTC is losing its popularity and even the Chairman has decided to wind up the retail show-rooms of NTC. He has created a situation where retail shop sale is stopped and NTC's products are also losing their popularity, and therefore private sectors are all going on merrily. This is not the concept of our Government. This

man has been recommended of course during the Janata period and my question is, why this person has been continued. Similarly there are other people who have been staying over and above their tenure. We have to check about their performance. I would like to know about their performance. We should assess how far the top man is efficient because efficiency is very necessary for the success of the public sector undertakings. You should have an overall view of it and have an evaluation to see that necessary reconstruction of public sector undertakings is made. We should see that our public sector undertakings get a reputation in this country and they should produce more.

**AN HON. MEMBER:** Let us have a Half-an-hour discussion.

**THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE):** So far as the performance of the public sector undertakings are concerned, the report of the BPE is made available to the Hon. Member every year. They get an opportunity to discuss the annual report. The overall performance of the public sector is much better compared to their last performance. But still I do agree that there is room for improvement. The moot question is in regard to the mode of selection of the Chief Executives of the public sector enterprises. As my colleague has explained, there is the procedure under which the Public Sector Enterprises Selection Board recommends persons and thereafter it is for the administrative ministry to take their view about it. After that, this matter goes to the Appointments Committee of the Cabinet and then appointment takes place. In regard to the particular concern which the hon. Member mentioned,—and he dwelt upon it so long.

**MR. SPEAKER:** This time he was not so long.

**SHRI PRANAB MUKHERJEE:** It is not possible for me to comment on that individual undertaking but I hope that the Commerce Minister who is the administrative Minister has noted the points.

**SHRI S. M. KRISHNA:** Sir, last year the Prime Minister assured the House that within December 1981, the vacant posts of Chairmanship of all the Public Sector Undertakings in the country would be filled up. I would like to know from the hon. Minister if he has any information available with him as to the number of public sector undertakings which still do not have Chairmen on a permanent basis.

**SHRI SAWAI SINGH SISODIA:** The existing vacancies of full time Chief Executives are as like this. It will be seen that as on April 2, 1982, there were 16 vacant posts of full-time Chairmanship and for those posts selection has been made and finalised by the PESB except in 5 cases. Those 5 vacancies occurred during the last two months and the P.E.S.B. is expected to complete the selection in respect of these posts also.

**SHRI A. K. ROY:** The political interference in the selection of the Chief Executives is a reality and a very disturbing factor. I know of several cases where brilliant persons—engineers and technicians—were selected and recommended by the Public Enterprise Selection Board and their names are still pending before the Ministry, but they were not selected. But those names which were not recommended for selection are considered. I would like to know whether the hon. Minister is aware of some cases of pending names in the Steel Ministry, Energy Ministry, Department of Coal and the Ministry of Railways. After the P.E.S.B. has selected the names and recommended them, what are other factors and considerations which prevents their selection by the Cabinet Committee or any other Committee? When it does not recommended their names, I would like to know what the other factors are which lead to the continuation in the service by whose names have not been recommended.

**SHRI PRANAB MUKHERJEE:** There is no other factor, but it is after all the Administrative Minister who is responsible and accountable to the House and to the people, and ultimately the responsibility

lies on him. Therefore, he has to make a choice. As mentioned earlier, the normal practice is that whatever recommendation is being made by the Public Enterprise Selection Board is usually accepted by the Administrative Ministry and thereafter it goes to the Appointment Committee. It depends on the various categories. For minor appointment, it does not go to the Administrative Ministry. They themselves take care of it. But for certain other types of appointment, they go there and in respect of the particular organisation which the hon. Member has in mind, he can put a separate question.

**SHRI A. K. ROY:** What I wanted to know is whether those considerations are subjective or objective.

**AN HON. MEMBER:** In this world everything is subjective!

**MR. SPEAKER:** Shri P. Namgyal—No. Shri Harish Rawat—No. Shri George Fernandes—Absent. Shri Ajoy Biswas—Absent. Shri Xavier Arakal—Absent. There is a clean sweep. Q. No. 746—Shri Nanje Gowda—No. Shrimati Krishna Sahi. She is there. You broke the run.

#### Overtime in Banks

\*746. SHRIMATI KRISHNA SAHI:  
SHRI H. N. NANJE GOWDA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that overtime in banks is still being paid not on the basis of the number of hours that an employee puts in beyond office hours but on the basis of an agreement reached in 1966 with the bank union which stipulated that every workman will be paid 175 hours of overtime on approved rates whether he really works overtime or not;

(b) whether despite Government's pointed and firm orders that overtime has to be brought down in nationalised banks, this advice during 1981 has not been implemented by banks as the figures so far