

सम्बन्धी पोस्ट्स के लिये वे क्वालिफिकेशन बंधन नहीं की जायेंगी। लेकिन अन्य क्षेत्रों में हम क्वालिफिकेशन बंधन को लाइव करके शिड्यूल्ड कास्ट्स और शिड्यूल्ड ट्राइब्स को ज्यादा मौका देंगे। यह हमारी आम पालिसी रहेगी और हम उस पर अमल करेंगे। कैजुअल लेबर के बारे में मैंने पहले ही उत्तर दे दिया है।

श्री राम कंवार बेरवा : हम, शिड्यूल्ड कास्ट्स और शिड्यूल्ड ट्राइब्स के मेम्बरों, के पास इन वर्गों के पांच दस पढ़े-लिखे लोग रोज आते हैं। वे अनेक डिपार्टमेंटों में एग्जामिनेशन दे कर हताश हो चुके हैं। क्या मंत्री महोदय यह व्यवस्था करेंगे कि जो भी बैकेन्सीज निकलें, उस की सूचना शिड्यूल्ड कास्ट्स और शिड्यूल्ड ट्राइब्स के पार्लियामेंट के मेम्बरों को भी दी जाये, ताकि हम उन लोगों को वहां भेज सकें ?

श्री० मधु बंडवते : हम यह प्रयत्न करते हैं कि सब बैकेन्सीज के बारे में काफ़ी पब्लिसिटी दी जाये, लेकिन अगले संसद-सदस्य चाहते हैं कि बैकेन्सीज को लिस्ट उन्हें भी भेजा जाये, तो हम इस पर भी विचार करेंगे।

SHRI HITENDRA DESAI : From all the long replies we have not been able to satisfy ourselves as to what exactly is the percentage of recruitment in Classes I, II, III and IV. He referred to a drive in November, 1975 and another in July, 1976. I would like to know whether there has been any drive thereafter.

PROF. MADHU DANDAVATE : The hon. Member should remember that when I referred to the absolute figures, I have also mentioned the percentage. There is a misnomer that the seats that are reserved are on the basis of total number of seats. But they are on the basis of total number of vacancies that are created and to be filled from year to year. Therefore, the figures and percentage that I have quoted were in terms of the shortfall that was there on the number of vacancies that were created and filled. I did not give the percentage for Class I and Class II, which is as follows :

Class I (SC)	Year	Quota reserved	Persons recruited
	1974	17	14
	1975	90	78

	1976	31	18
Class I (ST)	1974	17	2
	1975	69	16
	1976	22	—

As far as Class II is concerned, it is nil in 1974 and 1975.

Class II (SC)	1976	36	36
Class II (ST)	1976	7	7

MR. SPEAKER : This seems to be an important question. I will examine whether some other time can be given to this question. Now, I will not allow further supplementaries on this.

Chairman of India Tobacco Company

*627. **SHRI JYOTIRMOY BOSU :** Will the Minister of LAW JUSTICE AND COMPANY AFFAIRS be pleased to state

(a) whether it is a fact that Shri A. N. Haksar, Chairman, India Tobacco Company Limited, Calcutta (previously Imperial Tobacco Co. Ltd.) sought retirement from Chairmanship of the Company and later got himself re-employed for a period of five years;

(b) if so, whether Government's approval in terms of the Companies Act was obtained to his re-employment as Chairman ;

(c) the salary and other perquisites sanctioned by Government and the total amount of retirement benefits he withdrew from the Company; and

(d) the names of other Directors of the Company, if any, who have been similarly re-employed by the Company and their remuneration?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS. (SHRI SHANTI BHUSHAN) : (a) and (b) Yes, Sir.

(c) The salary and perquisites sanctioned by the Government are given in the statement attached.

Shri Haksar was not entitled to Gratuity and Provident Fund but he received retirement benefits, as per the Rules of the Pension Fund, amounting to Rs. 3,82,831/- by way of commutation of his pension and a pension, after commutation, of Rs. 4,493/- per month.

(d) No other Director of the company was re-appointed in similar circumstances.

Statement

(a) Salary of Rs. 7,500/- (Rupees Seven Thousand and Five Hundred only) per month.

(b) One per cent commission on the net profits of the company computed in the manner laid down in section 309(5) of the Act subject, however, to a maximum of 50% of the annual salary i.e. Rs. 45,000/- (Rupees Forty Five Thousand only).

(c) *Perquisites :*

(i) *Company's contribution towards Provident Fund :* As per rules of the company, but not exceeding 10% of the salary as laid down under the Income Tax Rules, 1962

(ii) *Company contribution towards Pension/ Superannuation Fund :* As per rules of the company, but it shall not, together with the company's contribution to the Provident Fund, exceed 25% of the salary, as laid down under the Income Tax Rules, 1962.

(iii) *Gratuity :* Not exceeding one-half month's salary for each completed year of service, subject to a maximum of Rs. 30,000/- or 20 month's salary whichever is less.

(iv) *Medical benefits for self and family :* Reimbursement of expenses actually incurred the total cost of which to the company shall not exceed three month's salary, subject to a maximum of Rs. 15,000/- for a period of every three years of service.

(v) *Leave Travel Concession :* For self, wife and dependent children once a year to and from any place in India, subject to the condition that only actual fares, and no hotel expenses etc. will be allowed.

(vi) *Leave :* On full pay and allowances as per rules of the company, but not exceeding 1 month's leave for every completed, year of service, subject to the further condition that leave accumulated but not availed of will not be allowed to be encashed.

Shri A. N. Haksar, Whole-time Chairman Director shall also be entitled to the following perquisites subject to the condition that any excess expenditure on the above perquisites beyond the limits specified against each of them, together with

the expenditure on the perquisites listed below, shall not exceed 1/3rd of the salary/emoluments of Rs. 30,000/- per annum, whichever is less:—

(vii) *Furnished residential accommodation with all facilities and amenities* the monetary value of which may be evaluated as per rule 3 of the Income-Tax Rules, 1962.

(viii) *Free use of Car with Driver :* The monetary value of which may be evaluated as per the Income-Tax Rules, 1962.

(ix) *Personal Accident Insurance :* Of an amount of the premium of which does not exceed Rs. 1,000/-.

(x) *Free telephone facility at residence.*

(xi) *Fees of Clubs,* subject to a maximum of two clubs.

SHRI JYOTIRMOY BOSU : The India Tobacco Company, really, the old Imperial Tobacco Company has a complete monopoly over our cigarette tobacco and tobacco based industries and has killed in the process many Indian entrepreneurs. They are one of the worst economic criminals and experts in under-invoicing and other invoice manipulations, maintaining a second line of black money with dealers and agents. I have got a list of 65 dealers with me who have contributed Rs. 34.96 lakhs, possibly for financing the souvenir of the AICC at Gauhati. I want to lay it on the Table of the House. I have given you a notice in advance as required under the rules. I will hand it over to you.

MR. SPEAKER : What is your question ?

SHRI JYOTIRMOY BOSU : I am coming to it.

The customs duty of Rs. 90.77 lakhs was levied in October, 1972. In May, 1975, the levy was confirmed by the Madras Customs authorities. The appeal was rejected in August, 1976; the revision application was also rejected in October, 1976. On 19th March, 1977, that is before the Janata Government was to take over the reins of the country, the erstwhile Minister of Finance, Shri Pranab Mukherjee, exempted the Company from paying Rs. 90 lakhs and odd which was levied in 1972.

MR. SPEAKER : Please come to your question.

SHRI JYOTIRMOY BOSU : Sir, this is a very important and vital economic issue. You must differentiate between good and bad.

They gave a lucrative job to the son of erstwhile chairman of the Central Board of Direct Taxes for suppressing their Agra Hotel land price and black money deal and also the MIMEC factory land deal at Faridabad. The tax-evasion case against the Company's Vice-Chairman was suppressed..... (Interruptions) This is the Congress socialism.

MR. SPEAKER : All of you please sit down. What is the question?

SHRI JYOTIRMOY BOSU : In this context, I want to put a question. In our country, the President's pension is Rs. 1500 a month. Here, the pension is Rs. 4000 and odd after commutation. This gentleman has been re-employed on a salary of Rs. 7,500 a month. After commuting a part of the pension and receiving Rs. 3,82,831 by way of commutation, he is still continuing to receive the pension after commutation. My question is what is the normal retirement age and at what age did Mr. Haksar retire and what was the full pension and whether a posh house of his own in Maharani Bagh had been let out to the company at an exorbitant rent which had been furnished by the company with the intention that the house would be taken back after some time when the furniture and furnishing would be reduced in value? (Interruptions) I am putting a specific question. What is the normal retirement age and at what age did Mr. Haksar retire and what was the pension when he retired; whether the company had hired the house from Mr. Haksar in Maharani Bagh at an exorbitant rent?

SHRI SHANTI BHUSHAN : After attaining the age of 50 years, Shri Haksar expressed his wish to retire from the company service as per company rules applicable to the category of management to which he belonged.

AN HON. MEMBER : Which year?

SHRI SHANTI BHUSHAN : This was in 1975. (Interruptions)

MR. SPEAKER : Let him answer.

SHRI SHANTI BHUSHAN : After he retired, he got part of his pension commuted and other retirement benefits to which I have already referred to. Then, at the request of the Director, he agreed to accept a fresh appointment. (Interruptions)

SHRI JYOTIRMOY BOSU : I can give you the documents.

SHRI SHANTI BHUSHAN : After retirement subject to Central Government approval and of the shareholders in the general meeting and this was done in 1975.

MR. SPEAKER : What is the normal age of retirement?

SHRI SHANTI BHUSHAN : I do not have information on that.

SHRI JYOTIRMOY BOSU : 50 years.

MR. SPEAKER : Then you know it.

SHRI SHANTI BHUSHAN : The other question was about some flat in Maharani Bagh. I have no information about it at present.

SHRI JYOTIRMOY BOSU : He did not answer one question: May be he did not.....

MR. SPEAKER : You have put four questions. How can he answer?

SHRI JYOTIRMOY BOSU : Whether he is aware that the company is paying him money, directly or indirectly, in England. That part, he has not answered.

MR. SPEAKER : You have not put it.

SHRI JYOTIRMOY BOSU : Now, I want to ask the hon. Minister who owes an explanation to this House because he has succeeded a dirty mental from his predecessor. How did the Government approve and under what rules Shri Haksar's reappointment in 1975 as Chairman-Director on a maximum salary and perquisites defeating or violating the Government's much publicised policy "of restraining Directors' remuneration?" Will the Government now withdraw or cancel this illegal sanction?

SHRI SHANTI BHUSHAN : This sanction is made under section 269(ii) which provides that the Central Government shall not accord its approval under sub-section 1 in any case unless it is satisfied that it is in the interest of the company to have a managing or a whole-time Director; that the proposed managing or whole-time Director is, in its opinion, a fit and proper person to be appointed as such and, that the appointment of such person as a managing or whole-time Director is not against the public interest and the terms and conditions of appointment of the proposed managing or whole-time Director are fair.

and reasonable. (*Interruptions*) So far as the present Government is concerned, the present Government is re-examining the question of this managerial remuneration paid to the company and its approval by the Government, and is thinking of drawing up fresh guidelines. So, the whole question is under examination. As soon as fresh guide lines are evolved and settled, they will be enforced.

MR. SPEAKER: Mr. Suryanarayana. (*Interruptions*).

SHRI JYOTIRMOY BOSU: Sir, my question has not been answered. I beg your pardon.

MR. SPEAKER: No. (*Interruptions*) I cannot have different rules.

SHRI JYOTIRMOY BOSU: He has not replied to my question.

MR. SPEAKER: He has replied. It is my decision.

SHRI JYOTIRMOY BOSU: I beg your pardon.

MR. SPEAKER: I will not allow. You please sit down.

SOME HON. MEMBERS: He (Minister) is willing to answer that question.

MR. SPEAKER: I will not allow. You please sit down.

SHRI JYOTIRMOY BOSU: Let him assure this House about this illegal sanction.

SHRI SHANTI BHUSHAN: I forgot to answer one part of the question here because of the other part of the question, I am sorry I forgot to deal with, was that whether the Government will now cancel this approval which has been. . . . (*Interruptions*).

MR. SPEAKER: You said that you were examining the guidelines.

SHRI SHANTI BHUSHAN: Under the Act, at present once an appointment and remuneration for a certain period has been approved, then there is no power with the Government to disapprove it.

About the question whether such a power should be taken or not, a committee has been appointed to revise the Companies Act and the Monopolies Act, and this question would be examined as to whether such a power should be given or not.

SHRI K. SURYANARAYANA: I want to know whether this gentleman has withdrawn any money before the new appointment and if so, how much money has been withdrawn by him, on what account and how much income-tax he has paid. I also want to know what are his special qualifications or technical qualifications, business experience. . . .

SHRI JYOTIRMOY BOSU: Sir, I am laying it on the Table. . . .

MR. SPEAKER: No, no, I would not allow. I am not allowing it. . . . (*Interruptions*).

SHRI JYOTIRMOY BOSU: Under the rules, I have already written to you and given an advance copy. . . .

SHRI K. SURYANARAYANA: Sir, I am on my legs.

SHRI JYOTIRMOY BOSU: I want a ruling on this. I have given a copy. [*Placed in Library. See No. LT 887/77*]. I have already written to you.

MR. SPEAKER: All right.

SHRI K. SURYANARAYANA: I want to know whether this gentleman who has been appointed has any business experience or any technical qualifications and what are the amounts that he has withdrawn on retirement, before his new appointment, and what are the conditions of appointment, whether it is for a term of five years or three years.

SHRI SHANTI BHUSHAN: So far as the qualifications of Mr. Haksar are concerned, he obtained his Master's Degree in Business Administration from Harvard University and got training with J. Walter Thompson Company, New York. He joined the Indian Tobacco Company Limited in India, formerly Imperial Tobacco Company Limited, as Assistant (Marketing). On secondment to the British American Tobacco Company Limited, London, for two years, he was appointed to the Board of ITC Ltd. as Marketing Director, as Deputy Chairman in 1968 and as Chairman in 1969.

I could not understand the second part. . . .

SHRI K. SURYANARAYANA: How much money—has he withdrawn before re-appointment?

SHRI SHANTI BHUSHAN: I have already stated that a part of his pension was commuted; the amount of com-

mutation came to Rs. 3,82,831 and that left the remaining pension at Rs. 4,493 per month.

SHRI K. SURYANARAYANA: Income-Tax ?

MR. SPEAKER: You cannot ask now how much income-tax has been paid.

Mr. Kachwai.

श्री हुकम चन्द कछवाय : आप के माध्यम से मैं मंत्री जी से जानना चाहता हूँ कि क्या सरकार ऐसा कोई कानून बनाएगी कि भारत के राष्ट्रपति को मिलने वाले वेतन और उनको मिलने वाली पेंशन में अधिक किसी कम्पनी के डाइरेक्टर या चेयरमैन का वेतन और पेंशन न हो ? क्या ऐसा कानून सरकार बनाएगी ?

दूसरी बात यह है कि इन के बंगले में जो चौकीदार, नौकर, कुक, सफाई करने वाले और दरवाश है, उन पर और फर्निचर तथा एयर-कंडिशनिंग पर साल भर में कितना खर्च होगा ?

तीसरी बात यह है . . .

MR. SPEAKER: No more.

श्री हुकम चन्द कछवाय : ए, बी, सी ।

अध्यक्ष महोदय : ए, बी ही पूछिए ।

श्री हुकम चन्द कछवाय : कलब में साल भर में कितना खर्च करने है ?

श्री शान्ति भूषण : जैसा मैं ने सदन को पहले बताया है कि इस प्रश्न के बारे में कि डाइरेक्टर्स को कितना वेतन दिया जाए और क्या क्या सुविधाएं दी जाए, क्या गाइड लाइंस हों, इस पर सरकार विचार कर रही है । गाइड लाइंस को किस प्रकार से रिवाइज करना चाहिए और इस बारे में क्या नीति होनी चाहिए, पूरा विचार कर के सरकार इस बारे में निर्णय लेगी ।

SHRI SHYAMNANDAN MISHRA: From the statement laid on the Table of the House it is quite evident that we have succeeded in creating new Maharajahs who are more affluent and prosperous than the old ones. The question that arises is whether the Janata Government, in keeping with its manifesto that it would bring down the level of disparity to 1:10, is thinking in terms of bringing about a drastic change in the salary, commission and perquisites structure of the functionaries in the private sector. Secondly is this the same gentleman who had been one of the largest feeders of the coffers of the previous ruling Party and, if so, is any action being taken in the matter of the permitted level of advertisement being exceeded by him. Further, why does this gentleman continue to be on the Board of Directors of the Reserve Bank of India ? Why has not the Government thought it fit to reconstitute the Board of Directors of the Reserve Bank of India after expelling this person from the Board ?

SHRI SHANTI BHUSHAN: So far as removing disparities between the incomes of one group of individual and another group of individuals is concerned, there is in fact a provision to that effect which was introduced a couple of years back in the Companies Act itself and I am happy to state before this House that the Government is seized of the problem and some thought has already been devoted to this question of revision of guidelines in the matter of managerial remuneration of Directors . . .

SHRI SHYAMNANDAN MISHRA : Is it in keeping with your manifesto ?

SHRI SHANTI BHUSHAN: A decision has not been taken so far as to what should be the revised guidelines but as soon as a decision is taken in regard to the revision of the guidelines, it will be enforced.

So far as the Reserve Bank is concerned I am sorry to say that I have no information in this regard.

So far as advertisement is concerned—namely the advertisement given to Parties by various companies—substantial information has been collected and Government is devoting its thought to what is the policy that should be adopted in regard to these matters. Very soon, some decision will be taken.

DR. SUBRAMANIAM SWAMY: I am happy that the Minister has given an assurance about revision of guidelines. This is very necessary because there seems to be an impression gaining ground that some people who had supported the Emergency and went far beyond what was expected of them and gained some

position, are now making sure that they go back to the same position through the back door. Therefore, I would like to know whether he has been able to estimate the actual salary after quantifying all the perquisites on pre-tax basis: would he give at least an estimate as to how much he thinks Mr. Haksar is actually receiving per month? This figure of Rs. 7500 is a misleading one and my own estimate shows that it is over a lakh of rupees. I would like, therefore, that the Minister may clarify whether it is Rs. 1,40,000 so that the House may know exactly how much he is drawing.

SHRI SHANTI BHUSHAN: I am not in a position to say what the quantification of the various perquisites and market value etc. would be.

SHRI K. LAKKAPPA: There are some executives who are not on the Board and they are also getting exorbitant salaries and other perquisites. The Law Board, which is connected with the Company Law and certain other procedures have been completely by-passed. Some people are getting more than Rs. 35,000 because this Tobacco Company is a very large company. There are so many executives who are not on the Board but who are getting sumptuous salaries. What are the guidelines that you are going to take to streamline the Company affairs so far as the executives are concerned?

SHRI SHANTI BHUSHAN: Hon. member is quite right that the Companies Act gives power to regulate the remuneration of the executives and directors i. e. those who are at the managerial level. So far as other employees are concerned, Government has no power under the Companies Act to regulate their salaries.

PROF. P. G. MAVALANKAR: The Hon' ble Minister's reply has been hesitant and apologetic. He says Government are helpless and have no power. I can understand his helplessness because of lacuna in the Act concerning Companies Affairs. He is a Minister of Law and Justice also. I would, therefore, ask him...

MR. SPEAKER: Justice according to law.

PROF. P. G. MAVALANKAR: I would like to ask him whether he has new guidelines to propose and implement about the general behaviour of the Chief Executives and managerial cadres at the very high level in various private companies so as to bring those

perquisites—salary, allowances and other benefits—in tune with the requirements of efficiency of the business rather than a display of mere conspicuous consumption which is wholly out of tune with the requirements, needs and demands of the country's situation? How long will the Government of Janata Party take in this matter, not only in formulating the new guidelines but also in coming to this House for drastic revision of the Companies Act so that he may as early as possible get rid of the helplessness that he pleads?

MR. SPEAKER: As soon as possible.

SHRI SHANTI BHUSHAN: So far as the guidelines being evolved by the Government are concerned, they are only in terms of the present Act viz., relating to those categories i.e. Directors and so on who are covered by the Act. But so far as other question raised by the hon. member is concerned i.e. bringing the other employees within the purview of the Government regulation, that can be examined by the Committee which had been recently appointed of which Mr. Speaker you were the Chairman till a couple of days back. Since you have been elected as Speaker, some other Chairman will be appointed. That committee is expected to submit the Report by the end of this year. The committee will go into the revision aspect of the Companies Act.

SHRI S. NANJESHA GOWDA: Tobacco Company is purchasing tobacco at a very low rate from the farmers. The condition of those farmers.....

MR. SPEAKER: He cannot answer this.

SHRI S. NANJESHA GOWDA: They work hard in the fields. But they do not get even Rs. 1,000 or Rs. 2,000 a year. Will the Government think of protecting the interest of the farmers?

SHRI SHANTI BHUSHAN: The question of protecting the farmers by any provision in the Companies Act would not arise because the Companies Act with a certain situation does not concern the purchasers of raw material.

MR. SPEAKER: Question Hour is over.

We now take up the Short Notice Question, please.