

Statement

The Government in consultation with the Advisory Committee on Capital Issues Control have made the following amendments in the guidelines for bonus issue with effect from the 1st June, 1971 :

(i) The residual amount of reserves left after the proposed capitalisation should be at least 33-1/3% instead of 20% of the increased paid-up capital of the company.

(ii) In the notice issued to the shareholders for seeking their approval in general body meeting to the proposed capitalisation, there should be a clear indication of the intentions of the management as regards the first annual dividend payable on the expanded capital of the company. The resolution passed by the general body should indicate the decision of the general body not only on the question of the proposed capitalisation but also on the management's proposals as regards the dividend.

The main object of increasing the percentage of residual reserves to be left after capitalisation is that the reserves remaining after capitalisation should be such as to provide reasonable scope for drawing upon them in times of need for maintenance of dividend in future on the expanded capital base of the company. The amendment at (ii) above has been made with a view to eliminating the uncertainty that used to be there as regards the dividend prospects after the issue, and thereby avoiding speculation which generally profited only those who had the inside information regarding the future prospects of dividend.

Construction of Houses for Harijans and Sweepers

*1042. SHRI B. K. DASCHOWDHURY :
SHRI DARBARA SINGH :

Will the Minister of EDUCATION AND SOCIAL WELFARE be pleased to state :

(a) whether his Ministry has any special scheme for construction of homes for the Harijans and sweepers working and residing

within municipal towns and if so, the main features of the scheme; and

(b) whether about 100 Harijan families of Cooch-Behar town in West Bengal are forced to reside in most dilapidated structures ?

THE DEPUTY MINISTER IN THE MINISTRY OF EDUCATION AND SOCIAL WELFARE (SHRI K. S. RAMASWAMY):

(a) Yes, Sir. Under the composite scheme of improvement in working and living conditions of those engaged in unclean occupations, cent percent Central assistance is given to the State Government for the scheme of housing/house-sites. 75% of the ceiling cost of a house is given as subsidy by the Central Government from the provision made in the Backward Classes Sector and the balance of 25% is expected to be Contributed by the beneficiaries themselves in the form of cash, labour or material.

(b) The scheme is implemented by the State Governments. Information in respect of this particular town is not available.

Ghost Employees in General Insurance Companies

*1043. SHRI N. K. SANGHI : Will the Minister of FINANCE be pleased to state :

(a) whether the records of the recently nationalised General Insurance Companies have revealed the existence of more than 10,000 ghost employees who were paid regularly while they did not perform any duty;

(b) the total amount of money that was being diverted by the Insurance Companies through this method;

(c) whether Government propose to institute an enquiry into the whole matter through the agency of the Central Bureau of Investigation to find out the *modus operandi* of the racket, persons benefited and the money involved; and

(d) whether steps have been taken to set right the records of each Company so that the malpractice is not allowed to continue further ?