

Chairman and Managing Director,
Madras Refineries Ltd.

The pay scales for other posts are fixed by the concerned undertakings depending on the job content, qualifications, experience, availability of personnel, local conditions etc.

Since the private sector refineries are separate entities they fix the pay of their officers independently normally based on similar consideration.

SHRI DINESH CHANDER GOSWAMI:

The Minister has stated that there is more or less uniformity in the pay of officers employed in the public sector undertakings. May I know whether it is a fact that even in respect of important officers like the Security Officer, the pay scale in the Gauhati Refinery is lower than that in the Barauni or other refineries of the public sector? Considering the fact that this causes a lot of discontent, has the Government any proposal to bring about uniformity in these scales of pay of officers at least in the nationalised Sector?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI P. C. SETHI): So far as the pay scales that have to be decided at the Government level are concerned, there is uniformity in all the refineries, but below this, all the pay scales have to be fixed by the Board of Directors. If there is any inconsistency in these pay scales between one refinery and the other, we would certainly bring it to the notice of the IOC Board.

श्री हुकम चन्द कछवाय : सभी स्थानों पर समान काम के लिए समान वेतन हो, इस नीति को सब सरकारी क्षेत्रों में लागू करने में सरकार को क्या दिक्कत आ रही है ?

श्री पी. सी. सेठी : कोई दिक्कत नहीं है। जैसा कि मैं ने बताया है, जहाँ तक पब्लिक सेक्टर रिफाइनरीज का तालुक है, उन में एक तरह की पोस्ट्स के यूनिफार्म स्केल हैं। प्राइवेट सेक्टर में जरूर पे स्केल या वेतनमान हमारी रिफाइनरी के मुताबिक में ज्यादा हैं।

Ban on Shifting of Companies from one State to Another

*427. **SHRI R. S. PANDEY:** Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether there is any proposal under consideration of Government to ban shifting of Companies from one State to another without any convincing reasons;

(b) if so, the main features of the proposal; and

(c) Whether the Indian National Trade Union Congress has been consulted in this regard ?

THE DEPUTY MINISTER IN THE DEPARTMENT OF COMPANY AFFAIRS (SHRI BEDABRATA BARUA): (a) Government has no proposal under consideration to ban shifting of registered offices of the companies from one State to another under the Companies Act, 1956. Section 17 of the Companies Act already provides for certain restrictions e.g. approval of the court after affording opportunity to Registrar of Companies to make objections.

(b) and (c). Do not arise.

श्री राम सहाय पांडे : अध्यक्ष महोदय विशेषकर कलकत्ता में सी० पी० एम० और नक्सलाइट्स की मारधाड़ की गतिविधियों के कारण वहाँ से बहुत सी इंडस्ट्रीज और कम्पनीज शिफ्ट करना चाहती हैं। मैं यह जानना चाहता हूँ कि कितनी कम्पनीज आदि ने यह एप्लीकेशन दी है कि वे वहाँ से शिफ्ट करना चाहती हैं। मैं यह भी जानना चाहता हूँ कि उन को ऐसा करने से रोकने और उनको शान्तिपूर्वक और अच्छी तरह से चलने का अवसर देने के लिए सरकार की ओर से क्या प्रयास किया जा रहा है।

SHRI BEDABRATA BARUA: I think, the hon. Member means the registered office of the companies, because there are three different things.

श्री राम सहाय पांडे : कम्पनीज, रजिस्टर्ड आफिसिज, कुछ भी बताइए।

SHRI BEDABRATA BARUA : There has been a certain amount of shifting of offices from West Bengal. I have with me only figures from April 1968 to May 1971. During this period, about 37 companies have shifted their offices from West Bengal. When this shifting is done, it requires the approval of the courts and they get the approval of the courts. We also represent before the courts. The West Bengal Government and the other Governments also do represent before the courts. We cannot possibly ban the shifting of these companies even from West Bengal. But the West Bengal Government and the Central Government also are taking a large number of measures to help the industrial activity in that State and also to discourage people from shifting their offices from West Bengal to here, whether it is factory, office or head office.

श्री राम सहाय पांडे : लाइसेंस जब दिए जाते हैं किसी उद्योग को तो उसमें यह निर्देश होता है कि अमुक राज्य में इस उद्योग की स्थापना होगी तो मैं जानना चाहता हूँ कि यह क्या बात है कि एक विशेष स्थान के लिए परमीशन देते हैं और उस के बाद यह कंडीशन क्यों नहीं रखी जाती है, यह कैसे होता है कि एक बार वहाँ लगाए और फिर उस को वहाँ से शिफ्ट करें ? यह क्यों होता है ?

SHRI BEDABRATA BARUA : When a company is given a licence, the permission of the Ministry of Industrial Development is necessary before shifting the factory of the company. If the head office is to be shifted, retaining the factory there, the permission of the courts is necessary. There is a regular procedure for it. It is not that somebody can just go away and leave the place as he wills.

SHRI S. B. GIRI : When permission is given to the company or the factory to shift from one place to another, not because of any labour trouble but probably in the interest of the company for making good profits, what will happen to the fate of the labour force ? They are not closing. I can understand closure because of several difficulties and reasons. They are shifting. What will be the fate of the labour force ?

Is the Government of India doing something about the labour force ?

SHRI BEDABRATA BARUA : Government's view is that this shifting should not take place and companies have been discouraged from shifting. When the shifting takes place under the law, Government tries to do whatever is possible under the circumstances to help rehabilitate the workers.

SHRI AMARNATH VIDYALANKAR : The hon. Minister has given some number of companies shifted from Calcutta. I would like to know whether the Government approved of the shifting or opposed the shifting before the courts.

SHRI BEDABRATA BARUA : Of course, this Ministry discourages shifting as do other ministries. But when the proposal comes under the Companies Act, the proposal has to be approved by the court and not by the Government. Of course, a notice is served on this Ministry also and this Ministry represents in the interest of labour and other persons concerned.

DR. RANEN SEN : The hon. Minister has just now said that quite a large number of industries have shifted their head offices and factories from West Bengal. He has further said that in such cases either they have to appear before the court or take the sanction of the Central Government. When those companies want to shift either their head offices or their factories from West Bengal, what actually are the pleae given by the companies before the court ? Was it a fact that most of the companies gave the plea that West Bengal was no longer remunerative as a business field ? If that is so, what was the argument given by the Government representative who appeared before the court to plead against such applications ?

SHRI BEDABRATA BARUA : I would like him to repeat the question.

MR. SPEAKER : He says that these companies got the permission by giving the reason that there was no good business. He wants to know what was the plea given by the Government in contradicting that.

SHRI BEDABRATA BARUA : They made a petition before the court and they said, for various reasons, they wanted to shift the company. I am not able to give the reasons immediately. There are various reasons that might have been cited. It is the court which decides it in view of certain guide-lines that have been laid down in the Act itself as to whether shifting can be allowed. If the hon. Member means shifting of the headquarters—I was answering in regard to registered companies—it does not require any clearance from this Ministry. The Managing Directors can have their own headquarters office at any place.

Preferential Treatment to Backward States by L.I.C.

*430. **SHRI N.K. SAGHI :** Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation has decided to give preferential treatment to backward States for their development;

(b) if so, the nature of facilities that will be afforded; and

(c) whether their proposals have been made available to the backward States and, if so, the reaction of the States, particularly of Rajasthan thereto ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): (a) to (c). A statement is laid on the Table of the House.

Statement

(a) to (c) : The major fields of investment available to the LIC are the market securities issued by the Governments or issued under their guarantee, loans to State Governments (for housing), State Co-operative Housing Societies, State Electricity Boards and Municipalities and Zilla Parishads (for water supply etc.) and the market securities of and loans to the private corporate sector. The scope for showing preference to any particular States can arise only in respect of loans, and that too in the matter of giving priority to their

requirements. In actual practice, the LIC has met in full the requirements of the backward States.

A recent change made by the LIC in the method of lending to State Electricity Boards, namely, to accept a Government guarantee in respect of a portion of the loan which cannot satisfy the requirements of a mortgage loan, is likely to help the State Electricity Boards in some of the relatively backward States to draw larger loans than they would have been able to do under the normal mortgage loan procedure. It is understood that the Rajasthan State Electricity Board will shortly avail itself of this facility.

SHRI N. K. SANGHI : The statement that has been laid has hardly anything to do with my Question. My question is about preferential treatment to backward States by L.I.C. My Question was based on a statement made by Mr. Pai which I quote :

“Mr. Pai revealed the L.I.C. had made an emergency allocation of Rs. 2 crores for the cyclone hit areas of Orissa, Rs. 3 crores for U.P. flood victims, Rs. 2 crores for Bihar and Rs. 1 crore for West Bengal.”

I would like to know from the hon. Minister, in the background of this statement, whether the L.I.C. has laid down criteria for giving help to the backward States and, if so, what are the criteria on which they make these allocations.

SHRI YESHWANTRAO CHAVAN : It depends upon the schemes that they, really speaking, have, namely, the Electricity Board, the Housing Board, etc. Some of the backward States have, unfortunately, not resorted to having some of these bodies. I think, they are learning their lesson and they are trying to have them. Many of the States have not got Electricity Boards. Naturally, the L.I.C. can help a State by subscribing to their loans and debentures, etc. and making investment in different forms. I have not received any complaint so far from any backward State that the L.I.C. has not responded to their demands in this form of investment. It just cannot go on distributing money. It is only through this special method by which they can go and help a State.