

**JOINT COMMITTEE ON OFFICES
OF PROFIT
(FIFTH LOK SABHA)**

FIFTEENTH REPORT

(Presented on the 12th January, 1976)



**LOK SABHA SECRETARIAT
NEW DELHI**

January, 1976/Pausa, 1897 (Saka)

Price: Re. 0.85 P.

CORRIGENDA TO THE FIFTEENTH REPORT OF
THE JOINT COMMITTEE ON OFFICES OF PROFIT
(FIFTH LOK SABHA)

Page 3, line 5 (from bottom) for 'in so far it is an'
read 'in so far as it is an'

Page 9, line 15, after 'which do' insert 'not come'

Page 21, line 1, for 'company so far it'
read 'company in so far as it'

Page 27, para 12, line 3, for 'were paid to'
read ' were paid'

Page 34, para 9, line 6, for 'both of executive'
read 'both executive'

Page 38, para 21, line 4, for 'in lieu a'
read 'in lieu of a'

.

CONTENTS

	PAGE
COMPOSITION OF THE JOINT COMMITTEE
REPORT
I. Introduction	I
II. Committees/Boards/Corporations, etc. constituted by the Central and State Governments and Union Territory Administrations	I
APPENDIX
Minutes of the sitting of the Joint Committee	18

PERSONNEL OF THE JOINT COMMITTEE ON OFFICES OF
PROFIT (FIFTH LOK SABHA)

Lok Sabha

- Shri S. B. P. Pattabhi Rama Rao—*Chairman*.
2. Shri Chandrika Prasad
 3. Shri Somnath Chatterjee
 4. Shri Jagannathrao Joshi
 5. Shri Z. M. Kahandole
 - %6. Shri S. M. Siddayya
 7. Shri Ramji Ram
 8. Shri Arjun Sethi
 9. Shri Ramavatar Shastri
 - *10. Shri Ram Shekhar Prasad Singh.

Rajya Sabha

- **11. Shri Vithal Gadgil
- £12. Shri N. M. Kamble
- £13. Shri A. K. Refaye
14. Shri Venigalla Satyanarayana
- **15. Shri Yogendra Sharma

SECRETARIAT

Shri P. K. Patnaik—*Additional Secretary*.

Shri Y. Sahai—*Chief Legislative Committee Officer*.

* Elected by Lok Sabha on the 6th December, 1973 *vice* Shri Dharnidhar Basumatari resigned from the Committee.

** Elected by Rajya Sabha on the 22nd May, 1972, *vice* Dr. (Mrs.) Mangladevi Talwar and Shri M. V. Bhadram ceased to be Members of the Joint Committee on their retirement from that House.

£ Elected by Rajya Sabha on the 8th May, 1974, *vice* Sarvashri S. A. Khaja Mohideen and Sanda Narayanappa ceased to be Members of the Joint Committee on their retirement from that House.

% Elected by Lok Sabha on the 7th March, 1975, *vice* Shri Pratap Singh died.

REPORT OF THE JOINT COMMITTEE

I

INTRODUCTION

1. I, the Chairman of the Joint Committee on Offices of Profit, having been authorised by the Committee to present the Report on their behalf, present this Fifteenth Report of the Committee.

2. The Committee held four sittings on the 6th August, 4th September, 1st October, 1975 and 8th January, 1976. Minutes of these sittings form part of the Report and are at Appendix.

3. The Committee considered the composition, character, functions, etc. of 131 Committees|Boards|Corporations, etc. constituted by the Central and State Governments and Union Territory Administrations and the emoluments and allowances payable to their members.

4. Detailed information regarding the composition, character, functions, etc. of the Committees|Boards|Corporations, etc. and emoluments and allowances payable to their members was furnished by the respective Ministries|Departments of the Central Government and the State Governments and the Union Territory Administrations on a request made by the Lok Sabha Secretariat.

5. The Committee considered and adopted the Report on the 8th January, 1976.

6. The observations|recommendations of the Committee in respect of the matters considered by them are given in the succeeding paragraphs.

II. Committees|Boards|Corporations etc. Constituted by the Central and State Governments and Union Territory Administrations

National Productivity Council (Ministry of Industrial Development)

7. The Committee note that the non-official members of the National Productivity Council are entitled to reimbursement of travel cost and DA @ Rs. 30/- per day which is less than the 'compensatory allowance'. However, the Council exercises financial powers and is in a position to wield influence. As such, the Committee feel that the non-official members, nominated by Government, ought not to be exempt from disqualification.

*Governing Council of the Central Institute of Tool Design
Hyderabad (Ministry of Industry and Civil Supplies)*

8. The Committee note that the non-official members of the Governing Council of the Central Institute of Tool Design, Hyderabad are entitled to TA|DA, which is less than the 'compensatory allowance'. But as the Governing Council exercises executive and financial powers, the Committee feel that the membership of the Governing Council ought not to be exempt from disqualification.

Governing Council of the Institute for Design of Electrical Measuring Instruments, Bombay (Ministry of Industry and Civil Supplies)

9. The Committee note that the non-official members of the Governing Council of the Institute for Design of Electrical Measuring Instruments, Bombay are entitled to TA|DA, which is less than the 'compensatory allowance'. But as the Governing Council exercises executive and financial powers, the Committee feel that the membership of the Governing Council ought not to be exempt from disqualification.

*Governing Council of Small Industry Extension Training Institute,
Hyderabad (Ministry of Industry and Civil Supplies)*

10. The Committee note that the non-official members of the Governing Council of Small Industry Extension Training Institute, Hyderabad are entitled to TA|DA, which is less than the 'compensatory allowance'. But as the Governing Council exercises executive and financial powers, the Committee feel that the membership of the Governing Council ought not to be exempt from disqualification.

*Board of Directors of Engineering Projects India Ltd. (Ministry of
Industry and Civil Supplies)*

11. The Committee note that the non-official Directors of the Engineering Projects India Ltd. are entitled to TA|DA as determined by the President of India from time to time. However, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company, in so far as it is an office of profit under the Government, ought not to be exempt from disqualification.

*Board of Directors of Richardson and Cruddas Ltd. (Ministry of
Industry and Civil Supplies)*

12. The Committee note that the non-official Chairman and Managing Director of the Richardson and Cruddas Ltd. are getting

salaries of Rs. 1500|- and Rs. 2600|- per month which do not come within the ambit of 'compensatory allowance'. The Managing Director is also entitled to TA and DA. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

Board of Directors of Jessop and Co. Ltd. (Ministry of Industry and Civil Supplies)

13. The Committee note that the non-official Directors of Jessop and Co. Ltd. are entitled to a remuneration of Rs. 250|- for attending each meeting of the Board. The non-official Chairman, Managing Director and Director-Secretary are getting salaries which do not come within the ambit of 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

The New India Assurance Company Limited (Ministry of Finance)

14. The Committee note that the non-official Directors of the New India Assurance Company Limited are entitled to a sitting fee of Rs. 100|- for attending each meeting of the Board alongwith boarding and lodging charges upto Rs. 150/-. They are thus entitled to get more than the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company in so far as it is an office of profit under the Government ought not to be exempt from disqualification.

The United India Fire & General Insurance Company Limited (Ministry of Finance)

15. The Committee note that the non-official Directors of the United India Fire and General Insurance Company Limited are entitled to a sitting fee of Rs. 100|- for attending each meeting of the Board alongwith boarding and lodging charges upto Rs. 150|-. They are thus entitled to get more than the 'compensatory allowance'. Also, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the company in so far it is an office of profit under the Government ought not to be exempt from disqualification.

National Insurance Company Limited (Ministry of Finance)

16. The Committee note that the non-official Directors of the National Insurance Company Limited are entitled to a sitting fee

of Rs. 100|- for attending each Board meeting alongwith TA and DA. They are thus entitled to get more than the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the company in so far as it is an office of profit under the Government ought not to be exempt from disqualification.

The Oriental Fire and General Insurance Company Limited (Ministry of Finance)

17. The Committee note that the non-official Directors of the Oriental Fire and General Insurance Company Limited are entitled to a sitting fee of Rs. 100|- for attending each meeting of the Board alongwith boarding and lodging charges upto Rs. 150|-. They are thus entitled to get more than the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company in so far as it is an office of profit under the Government ought not to be exempt from disqualification.

Board of Directors of the General Insurance Corporation of India (Ministry of Finance)

18. The Committee note that the non-official Directors of the General Insurance Corporation of India are entitled to Rs. 100|- for attending each meeting of the Board of Directors and daily allowance for halts on duty upto Rs. 150|- per day if they stay in a hotel. These sums exceed the 'compensatory allowance'.

Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

National Savings Central Advisory Board (Ministry of Finance)

19. The Committee note that the non-official Chairman of the National Savings Central Advisory Board is entitled to an honorarium of Rs. 1000|- per month and a fixed conveyance allowance of Rs. 200/- per month alongwith TA/DA, as admissible to Grade I officers. These sums exceed the 'compensatory allowance'.

Other non-official members (including Members of Parliament) are entitled to a fixed compensatory allowance of Rs. 75|- per month alongwith TA|DA according to Central Government rules. Thus, they do not get more than the 'compensatory allowance'. Also, the functions of the Board are advisory in nature. As such,

the Committee feel that while the membership of the Board ought to be exempt from disqualification, its chairmanship ought not to be so exempt.

Oil Industry Development Board (Ministry of Petroleum and Chemicals)

20. The Committee note that the non-official members of the Oil Industry Development Board are entitled to a sitting fee of Rs. 100|- for the first day of the meeting and Rs. 50|- for the subsequent days alongwith TA|DA as admissible to Government servants of the first grade. The payment thus admissible to the non-official members exceeds the 'compensatory allowance'. Besides, the Board exercises financial powers. As such, the Committee feel that the non-official members of the Board ought not to be exempt from disqualification.

Board of Directors of the Petrofils Cooperative Ltd. (Ministry of Petroleum and Chemicals)

21. The Committee note that the non-official Directors of the Petrofils Cooperative Ltd. are entitled to a sitting fee of Rs. 100|- for attending each meeting of the Board of Directors alongwith incidentals including DA at the rate of Rs. 50|- for the day of the meeting of the Board of Directors and Rs. 20|- for the second day. These sums exceed the 'compensatory allowance'.

The Managing Director who is also a non-official gets pay in the scale of Rs. 2500—100—3000 which does not come within the ambit of 'compensatory allowance'.

Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company in so far as it is an office of profit under the Government ought not to be exempt from disqualification.

Board of Directors of Air India Corporation (Ministry of Tourism and Civil Aviation)

22. The Committee note that the non-official Directors of the Air India Corporation are entitled to a sitting fee of Rs. 100 for attending each meeting. They also get TA, road mileage etc. as admissible to Grade I officers as also a fixed sum of Rs. 50 as incidental expenses. These sums exceed the 'compensatory allowance'. Besides, the Board of Directors exercises executive powers. As such the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

*Board of Directors of Indian Airlines Corporation (Ministry of
Tourism and Civil Aviation)*

23. The Committee note that the non-official Directors of the Indian Airlines Corporation are entitled to a sitting fee of Rs. 100 for attending each meeting. They also get TA, road mileage etc. as admissible to Grade I officers as also a fixed sum of Rs. 50 as incidental expenses. These sums exceed the 'compensatory allowance.' Besides, the Board of Directors exercises executive powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

*Board of Management of Indian Iron and Steel Company Ltd.
(Ministry of Steel & Mines)*

24. The Committee note that the non-official Directors of the Indian Iron and Steel Company Ltd. are entitled to a sitting fee of Rs. 100 for attending a meeting of the Board. They also get Rs. 100 as incidental expenses for the first day and Rs. 50 for each subsequent day of the meeting of the Board alongwith usual TA/DA. All these sums exceed the 'compensatory allowance'. Besides, the Board of Management exercises executive and financial powers. As such, the Committee feel that the Directorship of the Board of Management ought not to be exempt from disqualification.

*Board of Directors of the Mineral Exploration Corporation Ltd.
(Ministry of Steel & Mines)*

25. The Committee note that the non-official Directors of the Mineral Exploration Corporation Ltd. are entitled to attendance fee of Rs. 75 and DA at the rate of Rs. 50 per day which exceed the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

*Board of Directors of Bharat Pumps and Compressors Ltd., Naini,
Allahabad (Ministry of Heavy Industry)*

26. The Committee note that the non-official Directors of Bharat Pumps and Compressors Ltd., Naini are entitled to a sitting fee of Rs. 100 for attending each meeting of the Board. They are also entitled to incidental expenses and halting allowance for each meeting at the rate of Rs. 100 for the first day and Rs. 50 for subsequent days of meetings in case they come from a place other than the place of meeting. Besides, the Board of Directors exercises executive and financial powers.

As such, the Committee feel that the non-official Directors including the Chairman, if appointed on the Board of Directors, ought not to be exempt from disqualification.

Board of Directors of Scooters India Ltd., Lucknow (Ministry of Heavy Industry)

27. The Committee note that the non-official Directors of Scooters India Ltd., Lucknow are entitled to a sitting fee of Rs. 100 per meeting. Besides, they are reimbursed actual expenses for boarding and lodging or in lieu of a fixed allowance of Rs. 150 for the day of the meeting. The payment thus admissible to the non-official Directors exceeds the 'compensatory allowance'.

Also, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

Board of Directors of Bharat Heavy Electricals Ltd. (Ministry of Heavy Industry)

28. The Committee note that the non-official Directors of Bharat Heavy Electricals Ltd. are entitled to a sitting fee of Rs. 100 for attending each meeting of the Board. If they attend a meeting at a place other than the place of their residence, they will, in addition, draw actual first class rail or air fare plus a fixed sum of Rs. 100 for the first day and Rs. 50 for each subsequent day of the meeting as incidental expenses and halting allowance. The payment thus admissible to the non-official Directors exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers.

As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

Board of Directors of Machine Tool Corporation of India Ltd., Ajmer (Ministry of Heavy Industry)

29. The Committee note that the non-official Directors of Machine Tool Corporation of India Ltd., Ajmer are entitled to a sitting fee of Rs. 50 for attending each meeting of the Board. In addition, some of them are entitled to incidental expenses and halting allowance for each meeting at the rate of Rs. 100 for the first day and Rs. 50 for each subsequent day of the meeting which exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers.

As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

Economic Advisory Council (U.P.)

30. The Committee note that the non-official members of the Economic Advisory Council are paid an honorarium @Rs. 75 per day of the meeting which exceeds the 'compensatory allowance'. The Committee, therefore, feel that even though the function of the Council is advisory in nature, its membership ought not to be exempt from disqualification.

Divisional Industrial Committee (U.P.)

31. The Committee note that the non-official members of the Divisional Industrial Committee are entitled to TA|DA, which is less than the 'compensatory allowance'. However, the main function of the Committee is to consider applications for grant of various facilities for small scale industries. It is, therefore, in a position to wield influence. As such, the Committee feel that the membership of the Committee ought not to be exempt from disqualification.

*Advisory Board under Maintenance of Internal Security Act, 1971
(Mizoram)*

32. The Committee note that the members of the Advisory Board under Maintenance of Internal Security Act, 1971 are entitled to a special allowance at the rate of Rs. 200 per day for the days on which the Board sits plus T.A. as admissible to Class I Gazetted Officers. The payment thus admissible to them exceeds the 'compensatory allowance'. Also, the Board performs judicial functions. As such, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

Tamil Nadu State Housing Board

33. The Committee note that the payment admissible to the non-official members of the State Housing Board is less than the 'compensatory allowance'. However, as the Board exercises both executive and financial powers, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

Tripura Road Transport Corporation

34. The Committee note that the non-official members of the Tripura Road Transport Corporation are entitled to TA|DA as admissible to a Central Government official of the First Grade which is less than the 'compensatory allowance'. However, the Corporation exercises executive and financial powers. As such, the Committee feel that the membership of the Corporation ought not to be exempt from disqualification.

Bishalgarh Agricultural Produce Market Committee (Tripura)

35. The Committee note that the non-official Chairman of the Bishalgarh Agricultural Produce Market Committee is entitled to an honorarium of Rs. 50/- P.M. The other non-official members, are entitled to TA|DA, which is less than the 'compensatory allowance'. But the functions of the Committee are executive in nature. It also exercises financial powers. As such, the Committee feel that the membership including the Chairmanship of the Committee ought not to be exempt from disqualification.

Tripura Khadi and Village Industries Board

36. The Committee note that the payment admissible to the non-official members of the Tripura Khadi and Village Industries Board is less than the 'compensatory allowance'. However, the Secretary, if a non-official is entitled to an honorarium of Rs. 400 per month, which do within the ambit of 'compensatory allowance', as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. Also the Board exercises, executive and financial powers and is in a position to wield influence. As such, the Committee feel that the membership of the Board (including Chairmanship and Secretaryship) ought not to be exempt from disqualification.

Districts Reorganisation Committee (Orissa)

37. The Committee note that the Chairman of the Districts Reorganisation Committee who is a non-official is paid an allowance of Rs. 3,309/- p.m. and the other non-official member is paid allowance of Rs. 1284/- p.m. These amounts do not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. They are in addition paid TA|DA. As such, the Committee feel that the membership including chairmanship of the Committee ought not to be exempt from disqualification.

Orissa State Electricity Board

38. The Committee note that the Chairman of the Orissa State Electricity Board—the only non-official member—is entitled to a monthly pay of Rs. 2750 less pension equivalent. The remuneration payable to him does not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. Also, as the Board exercises executive and financial powers, the Committee feel that the Chairmanship of the Board ought not to be exempt from dis-

qualification. The Committee also note that at present the Chairman is the only non-official member. They feel that in case any other non-official member is appointed to the Board, he also ought not to be exempt from disqualification.

Advisory Board under Andhra Pradesh Preventive Detention Act, 1970

39. The Committee note that the Chairman and two members of the Advisory Board under the Andhra Pradesh Preventive Detention Act, 1970 are paid Rs. 100 as sitting fee per day which exceeds the 'compensatory allowance'. Besides, the functions of the Board are judicial in nature. As such, the Committee feel that the membership of the Board including Chairmanship ought not to be exempt from disqualification.

Karnataka State Leather and Leather Based Industries Board

40. The Committee note that the non-official Chairman of the Karnataka State Leather and Leather Based Industries Board is entitled to Rs. 1500 which does not come within the ambit of 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The other non-official members are entitled to TA|DA which is less than the 'compensatory allowance'. The functions of the Board are mainly advisory in nature. As such, the Committee feel that the non-official members (other than Chairman) ought to be exempt from disqualification but the Chairman, who is in receipt of a remuneration of Rs. 1500, ought not to be exempt from disqualification.

The Board of Directors of the Karnataka State Handicrafts Development Corporation Ltd.

41. The Committee note that from the material furnished by the State Government, it is not clear whether the amount admissible to the non-official Directors exceeds the 'compensatory allowance'. But, as the Board of Directors exercises executive and financial powers, the Committee feel that the directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of Madhya Pradesh State Mining Corporation

42. The Committee note that from the material furnished by the State Government it is not clear whether the non-official Directors of the Madhya Pradesh State Mining Corporation are entitled to a sitting fee or any other payment other than TA and D.A. However, as the Board of Directors exercises executive and financial

powers, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Madhya Pradesh Licensing Board (Electrical)

43. The Committee note that the non-official members of the Madhya Pradesh Licensing Board are entitled to TA only and as such the payment admissible to them is less than the 'compensatory allowance'. However, the Board *inter alia* has the power to grant licences to electrical contractors, to conduct examinations for supervisors and wiremen; and to hear and decide cases of mal-practice by electrical contractors, supervisors and wiremen. Also, under Regulation 4 of the Madhya Pradesh Licensing Board Regulations (Electrical), 1960 any decision given by the Board in execution of its functions shall be final. The Committee, therefore, feel that the membership of the Board ought not to be exempt from disqualification.

Madhya Pradesh State Road Transport Corporation Board

44. The Committee note that the non-official members of the Madhya Pradesh State Road Transport Corporation Board who are M.Ps and M.L.As are entitled to TA and DA only as per rules applicable to them as for their attendance in Parliament and Assembly respectively, which does not exceed the 'compensatory allowance'. However, the functions and powers of the Corporation are executive and financial in nature. As such, the Committee feel that the membership of the Corporation ought not to be exempt from disqualification.

Madhya Pradesh Housing Board

45. The Committee note that the payment admissible to the non-official members of the Madhya Pradesh Housing Board does not exceed the 'compensatory allowance'. However, the functions and powers of the Board are of executive and financial nature. As such, the Committee feel that the non-official members of the Board ought not to be exempt from disqualification.

Board of Directors of the Madhya Pradesh Audyogik Vikas Nigam Ltd.

46. The Committee note that the non-official Directors of the Madhya Pradesh Audyogik Vikas Nigam Ltd. are entitled to such salary and other allowances as may from time to time be determined by the Governor. The precise amount payable to them has not been indicated by the State Government. However, as the

Corporation exercises both executive and financial powers, the Committee feel that the Directorship of the Corporation, in so far as it is an office of profit under the Government, ought not to be exempt from disqualification.

Board of Directors of the Madhya Pradesh State Industries Corporation Limited, Bhopal

47. The Committee note that the non-official Directors of Madhya Pradesh State Industries Corporation Ltd. are paid TA etc. as per rules made by the Corporation. (The precise rate of TA payable to them has, however, not been indicated by the State Government). But, as the functions of the Corporation are executive and financial in nature, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of the Madhya Pradesh State Textile Corporation, Limited

48. The Committee note that the lone non-official member of the Madhya Pradesh State Textile Corporation who is the Chairman of the Corporation is an M.L.A. and is entitled to draw TA/DA as per rules applicable to Members of the Legislative Assembly, which does not exceed the 'compensatory allowance'. However, as the Board of Directors exercises both executive and financial powers, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of the Madhya Pradesh State Corporation of Text Book Production and Educational Research, Bhopal

49. The Committee note that the non-official members of the Madhya Pradesh State Corporation of Text Book Production and Educational Research, Bhopal living outside Bhopal are entitled to TA and DA only, which does not exceed the 'compensatory allowance'. However, as the Board of Directors exercises both executive and financial powers, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification, so long as any payment in the form of TA and DA, etc. is payable to them.

Board of Directors of the Meghalaya Industrial Development Corporation Ltd.

50. The Committee note that the non-official Directors of the Meghalaya Industrial Development Corporation Ltd. are entitled to a sitting fee of Rs. 75 for each meeting of the Board, in addition to

Daily Allowance. The total sum payable to them thus exceeds the 'compensatory allowance'. Also, the Board of Directors is vested with financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of the Forest Development Corporation of Meghalaya Ltd.

51. The Committee note that the non-official Directors of the Forest Development Corporation of Meghalaya Ltd. are entitled to a sitting fee of Rs. 75 for attending each meeting of the Board of Directors, in addition to TA/DA. Thus, the amount payable to the non-official Directors exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Director of the Kerala State Cashew Development Corporation Ltd.

52. The Committee note that the Chairman of the Board of Directors of the Kerala State Cashew Development Corporation is entitled to draw an honorarium of Rs. 500 p.m., which does not come within the ambit of 'compensatory allowance' as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The payment admissible to other Directors may exceed the 'compensatory allowance'. Besides, the functions of the Corporation are executive and financial in nature. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

The Board of Directors of the Kerala Handloom Finance Corporation Limited

53. The Committee note that the Chairman of the Board of Directors of the Kerala Handloom Finance Corporation is entitled to draw an honorarium @ Rs. 300 per mensem which does not come within the ambit of 'compensatory allowance', as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. In addition to honorarium, he is also entitled to a sitting fee of Rs. 25 per sitting. The other non-official Directors are entitled to TA/DA and sitting fee, which does not exceed the 'compensatory allowance'. However, as the Corporation exercises executive and financial powers, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Bodies recommended for exemption from disqualification.

54. In regard to the following bodies, the Committee note that the non-official members thereof are either not entitled to any remuneration or are entitled to TA and DA which is less than the 'compensatory allowance'. Besides, the functions of these bodies are mainly advisory in nature or their character, composition, etc. are such that their membership ought to be exempt from disqualification. The Committee, accordingly, recommend exemption of membership of these bodies from disqualification for membership of Parliament:

- (1) Coal Mines Labour Welfare Fund Advisory Committee (Ministry of Labour).
- (2) Board of Assessment of Engineering and Technical Qualifications (Ministry of Education and Social Welfare).
- (3) Indian Council of Historical Research. (Ministry of Education and Social Welfare).
- (4) National Council for Teachers' Education (Ministry of Education and Social Welfare)..
- (5) Regional Consultative Committees—one each for Western, Eastern, Central, Northern, Southern and North-Eastern Areas (Ministry of Finance).
- (6) State Advisory Committee of the National Cadet Corps in the State of Jammu and Kashmir (Ministry of Defence).
- (7) State Advisory Committee of the National Cadet Corps for the Union Territory of Delhi (Ministry of Defence).
- (8) Advisory Committee of the National Cadet Corps for Tripura (Ministry of Defence).
- (9) General Council of the National Institute of Health Administration and Education (Ministry of Health and Family Planning).
- (10) New Drug Committee (Ministry of Health and Family Planning).
- (11) Permanent Regional Survey Committee (Orissa).
- (12) Experts Sub-Committee for grant of financial assistance for publication of books (Orissa).

- (13) Manuscripts Purchase Committee (Orissa).
- (14) Committee in regard to Natural History Section of the State Museum (Orissa).
- (15) Museum Development Committee (Orissa).
- (16) Advisory Council for Museum Archives and Archaeology (Orissa).
- (17) Orissa State Almanac Committee.
- (18) State Level Committee on Natural Calamities (Orissa).
- (19) District Level Committee on Natural Calamities (in each District) (Orissa).
- (20) Citizens Committees both at District and Sub-division Levels (Orissa).
- (21) State Medical and Health Advisory Board (Orissa).
- (22) Advisory Council for Food at the State Level (U.P.).
- (23) District Food Advisory Committee (U.P.).
- (24) Mizoram Planning Board.
- (25) Working Group Committee (Mizoram).
- (26) School Text Book Committee (Mizoram).
- (27) Relief Committee (Mizoram).
- (28) Committee for smooth working of the PWD and speedy execution of work (Mizoram).
- (29) Press Consultative Committee (Mizoram).
- (30) Committee for reorganisation of Aizawl District into two Districts (Mizoram).
- (31) Committee for the preparation of glossary of standard terms (Mizoram).
- (32) State Social Welfare Advisory Board (Mizoram).
- (33) Home Minister's Advisory Committee (Andamans).
- (34) Chief Commissioner's Advisory Committee (Andamans).
- (35) Labour Advisory Committee (Andamans).
- (36) Education Advisory Committee (Andamans).

- (37) Advisory Committee for establishment of regional coaching centre at Port Blair (Andamans).
- (38) State Soldiers', Sailors' and Airmen's Board (Andamans).
- (39) Wild Life Advisory Board (Andamans).
- (40) Block Development Committees for Community Development Blocks (Andamans).
- (41) State Seed sub-Committee (Andamans).
- (42) Five Year Plan Advisory Board (Delhi).
- (43) Hydrogenated Vegetable Oil Advisory Committee (Delhi).
- (44) Harijan Welfare Board (Delhi).
- (45) Governing Body in Delhi College of Engineering (Delhi).
- (46) Hindi Advisory Committee (Delhi).
- (47) Drugs Control Advisory Committee (Delhi).
- (48) Freedom Fighters Relief Committee (Delhi).
- (49) Public Relations Committee (Delhi).
- (50) Employment Advisory Committee (Delhi).
- (51) Territorial Council for training in Vocational Trades (Delhi).
- (52) Employment Service in Delhi.
- (53) State Labour Advisory Board (Tamil Nadu).
- (54) West Bengal Bhudan Yagna Board.
- (55) Block Level Land Reforms Advisory Committees (One for each C.D. Block numbering 335 in total) (West Bengal).
- (56) Zila Parishad (West Bengal).
- (57) Panchayat Samitis (Anchalak Parishads) (West Bengal).
- (58) Sales Tax Advisory Committee (West Bengal).
- (59) State Level Committee for Coordination of Health and Population Education (West Bengal).
- (60) District Advisory Committee on Secondary Education (West Bengal).
- (61) Nayaya Panchayats (Tripura).

- (62) Board of Visitors for Central Jail and sub-Jails (Tripura).
- (63) Committee on Rural Industries Project (Tripura).
- (64) Handloom Development Committee (Tripura).
- (65) Tribal Advisory Committee (Tripura).
- (66) Harijan Advisory Committee (Tripura).
- (67) State Planning Board (Tripura).
- (68) Tripura Sports Council.
- (69) Advisory Committee for Development of Tripura Language.
- (70) Tripura State Social Welfare Advisory Board.
- (71) Political Sufferers' Relief Committee (Tripura).
- (72) Sales Tax Advisory Committee (Andhra Pradesh).
- (73) State Programming Board (Madhya Pradesh).
- (74) State Mineral Advisory Board (Madhya Pradesh).
- (75) State Coal Advisory Board (Madhya Pradesh).
- (76) Committee of the Geologists (Madhya Pradesh).
- (77) Land Reforms Board, Madhya Pradesh, Bhopal.
- (78) Madhya Pradesh Electricity Consultative Council.
- (79) Board of Industries and Mineral Resources (Madhya Pradesh).
- (80) Madhya Pradesh Board of Technical Education, Bhopal.
- (81) Karnataka State Export Promotion Advisory Board.
- (82) Home Minister's Advisory Committee (Arunachal Pradesh).
- (83) Non-statutory Land Reforms Committee (Dadra and Nagar Haveli).
- (84) Advisory Committee for the Cottage Hospital Silvassa (Dadra and Nagar Haveli).

NEW DELHI;
8th January, 1976.

S. B. P. PATTABHI RAMA RAO,
Chairman,
Joint Committee on Offices of Profit.

APPENDIX

(Vide para 2 of the Report)

MINUTES OF THE JOINT COMMITTEE ON OFFICES OF PROFIT

I

Forty-fifth Sitting

The Committee sat on Wednesday, the 6th August, 1975 from 10.15 to 10.45 hours.

PRESENT

Shri S. B. P. Pattabhi Rama Rao—*Chairman*.

MEMBERS

Lok Sabha

2. Shri Chandrika Prasad
3. Shri Jagannathrao Joshi
4. Shri S. M. Siddayya
5. Shri Ramavatar Shastri
6. Shri Ram Shekhar Prasad Singh.

Rajya Sabha

7. Shri Vithal Gadgil
8. Shri A. K. Refaye.

SECRETARIAT

Shri Y. Sahai—*Chief Legislative Committee Officer*.

2. The Committee took up for consideration memoranda Nos. 725-775 relating to certain Committees/Boards/Corporations, etc. constituted by the Government of India, Union Territory Administrations and State Governments.

Economic Advisory Council (U.P.) (Memorandum No. 734)

3. The Committee noted that the non-official members of the Economic Advisory Council were paid an honorarium @ Rs. 75

per day of the meeting which exceeded the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Committee, therefore, felt that even though the function of the Council was advisory in nature, its membership ought not to be exempt from disqualification.

Divisional Industrial Committee (U.P.) (Memorandum No. 735)

4. The Committee noted that the non-official members of the Divisional Industrial Committee were entitled to TA|DA, which was less than the 'compensatory allowance'. However, the main function of the Committee was to consider applications for grant of various facilities for small scale industries. It was, therefore, in a position to wield influence. As such, the Committee felt that the membership of the Committee ought not to be exempt from disqualification.

*Advisory Board under Maintenance of Internal Security Act, 1971
(Mizoram) (Memorandum No. 739)*

5. The Committee noted that the payment admissible to the members of the Advisory Board under Maintenance of Internal Security Act, 1971 exceeded the 'compensatory allowance'. Also, the Board performed judicial functions. As such, the Committee felt that the membership of the Board ought not to be exempt from disqualification.

*National Productivity Council (Ministry of Industrial Development)
(Memorandum No. 767)*

6. The Committee noted that the non-official members of the National Productivity Council were entitled to reimbursement of travel cost and DA @ Rs. 30 per day which was less than the 'compensatory allowance'. However, the Council exercised financial powers and was in a position to wield influence. As such, the Committee felt that the non-official members, nominated by Government ought not to be exempt from disqualification.

*Governing Council of the Central Institute of Tool Design, Hyderabad
(Ministry of Industry and Civil Supplies) (Memorandum No. 768)*

7. The Committee noted that the non-official members of the Governing Council of the Central Institute of Tool Design, Hyderabad were entitled to TA|DA, which was less than the 'compensatory allowance'. But as the Governing Council exercised executive and financial powers, the Committee felt that the membership of the Governing Council ought not to be exempt from disqualification.

Governing Council of the Institute for Design of Electrical Measuring Instruments, Bombay (Ministry of Industry and Civil Supplies)
(Memorandum No. 769)

8. The Committee noted that the non-official members of the Governing Council of the Institute for Design of Electrical Measuring Instruments, Bombay were entitled to TA|DA, which was less than the 'compensatory allowance'. But as the Governing Council exercised executive and financial powers, the Committee felt that the membership of the Governing Council ought not to be exempt from disqualification.

Governing Council of Small Industry Extension Training Institute, Hyderabad (Ministry of Industry and Civil Supplies)
(Memorandum No. 770)

9. The Committee noted that the non-official members of the Governing Council of Small Industry Extension Training Institute, Hyderabad were entitled to TA|DA, which was less than the 'compensatory allowance'. But, as the Governing Council exercised executive and financial powers, the Committee felt that the membership of the Governing Council ought not to be exempt from disqualification.

The New India Assurance Company Limited (Ministry of Finance)
(Memorandum No. 771)

10. The Committee noted that the non-official Directors of the New India Assurance Company Limited were entitled to a sitting fee of Rs. 100 for attending each meeting of the Board alongwith boarding and lodging charges upto Rs. 150. They were thus entitled to get more than the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company in so far as it was an office of profit under the Government ought not to be exempt from disqualification.

The United India Fire & General Insurance Company Limited
(Ministry of Finance) (Memorandum No. 772)

11. The Committee noted that the non-official Directors of the United India Fire & General Insurance Company Limited were entitled to a sitting fee of Rs. 100 for attending each meeting of the Board alongwith boarding and lodging charges upto Rs. 150. They were thus entitled to get more than the 'compensatory allowance'. Also, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the

company so far it was an office of profit under the Government ought not to be exempt from disqualification.

*National Insurance Company Limited (Ministry of Finance)
(Memorandum No. 773)*

12. The Committee noted that the non-official Directors of the National Insurance Company Limited were entitled to a sitting fee of Rs. 100 for attending each Board meeting alongwith TA and DA. They were thus entitled to get more than the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the company in so far as it was an office of profit under the Government ought not to be exempt from disqualification.

*The Oriental Fire and General Insurance Company Limited
(Ministry of Finance) (Memorandum No. 774)*

13. The Committee noted that the non-official Directors of the Oriental Fire and General Insurance Company Limited were entitled to a sitting fee of Rs. 100 for attending each meeting of the Board alongwith boarding and lodging charges upto Rs. 150. They were thus entitled to get more than the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company in so far as it was an office of profit under the Government ought not to be exempt from disqualification.

14. In regard to the following bodies, the Committee noted that the non-official members thereof were either not entitled to any remuneration or were entitled to TA and DA which was less than the 'compensatory allowance'. Besides, the functions of these bodies were mainly advisory in nature. As such, the Committee recommended that the membership of these bodies ought to be exempt from disqualification:—

- (1) Permanent Regional Survey Committee (Orissa) (Memorandum No. 725).
- (2) Experts Sub-Committee for grant of financial assistance for publication of books (Orissa) (Memorandum No. 726).
- (3) Manuscripts Purchase Committee (Orissa) (Memorandum No. 727).
- (4) Committee in regard to Natural History Section of the State Museum (Orissa) (Memorandum No. 728).

- (5) Museum Development Committee (Orissa). (Memorandum No. 729).
- (6) Advisory Council for Museum Archives and Archaeology (Orissa) (Memorandum No. 730).
- (7) Orissa State Almanac Committee (Memorandum No. 731).
- (8) Advisory Council for Food at the State Level (U.P.) (Memorandum No. 732).
- (9) District Food Advisory Committee (U.P.) (Memorandum No. 733).
- (10) Mizoram Planning Board (Memorandum No. 736).
- (11) Working Group Committee (Mizoram) (Memorandum No. 737).
- (12) School Text Book Committee (Mizoram) (Memorandum No. 738).
- (13) Relief Committee (Mizoram) (Memorandum No. 740).
- (14) Committee for smooth working of the PWD and speedy execution of work (Mizoram) (Memorandum No. 741).
- (15) Press Consultative Committee (Mizoram) (Memorandum No. 742).
- (16) Committee for reorganisation of Aizawl District into two Districts (Mizoram) (Memorandum No. 743).
- (17) Committee for the preparation of glossary of standard terms (Mizoram) (Memorandum No. 744).
- (18) State Social Welfare Advisory Board (Mizoram) (Memorandum No. 745).
- (19) Home Minister's Advisory Committee (Andamans) (Memorandum No. 746).
- (20) Chief Commissioner's Advisory Committee (Andamans) (Memorandum No. 747).
- (21) Labour Advisory Committee (Andamans) (Memorandum No. 748).
- (22) Education Advisory Committee (Andamans) (Memorandum No. 749).
- (23) Advisory Committee for establishment of regional coaching centre at Port Blair (Memorandum No. 750).

- (24) State Soldiers', Sailors' and Airmen's Board (Andamans) (Memorandum No. 751).
- (25) Wild Life Advisory Board (Andamans) (Memorandum No. 752).
- (26) Block Development Committees for Community Development Blocks (Andamans) (Memorandum No. 753).
- (27) State Seed sub-Committee (Andamans) (Memorandum No. 754).
- (28) Five Year Plan Advisory Board (Delhi) (Memorandum No. 755).
- (29) Hydrogenated Vegetable Oil Advisory Committee (Delhi) (Memorandum No. 756).
- (30) Harijan Welfare Board (Delhi) (Memorandum No. 757).
- (31) Governing Body in Delhi College of Engineering (Delhi) (Memorandum No. 758).
- (32) Hindi Advisory Committee (Delhi) (Memorandum No. 759).
- (33) Drugs Control Advisory Committee (Delhi) (Memorandum No. 760).
- (34) Freedom Fighters Relief Committee (Delhi) (Memorandum No. 761).
- (35) Public Relations Committee (Delhi) (Memorandum No. 762).
- (36) Employment Advisory Committee (Delhi) (Memorandum No. 763).
- (37) Territorial Council for training in Vocational Trades (Delhi) (Memorandum No. 764).
- (38) Employment Service in Delhi (Memorandum No. 765).
- (39) Coal Mines Labour Welfare Fund Advisory Committee (Ministry of Labour) (Memorandum No. 766).
- (40) Board of Assessment of Engineering and Technical Qualifications (Ministry of Education and Social Welfare) (Memorandum No. 775).

15. The Committee then adjourned to meet again at 11.00 hours on Thursday, the 4th September, 1975.

II

Forty-sixth sitting

*The Committee sat on Thursday, the 4th September, 1975 from
11.00 to 12.00 hours*

PRESENT

Shri S. B. P. Pattabhi Rama Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri Chandrika Prasad
3. Shri Somnath Chatterjee
4. Shri Jagannathrao Joshi
5. Shri Z. M. Kahandole
6. Shri S. M. Siddayya
7. Shri Ramji Ram
8. Shri Ramavatar Shastri
9. Shri Ram Shekhar Prasad Singh

Rajya Sabha

10. Shri Vithal Gadgil
11. Shri N. M. Kamble
12. Shri A. K. Refaye
13. Shri Venigalla Satyanarayana
14. Shri Yogendra Sharma.

SECRETARIAT

Shri Y. Sahai—*Chief Legislative Committee Officer.*

2. Before the Committee took up consideration of Memoranda regarding bodies constituted by the Central and State Governments, a point was raised whether with a view to enable Members of Parliament and State Legislatures to have more effective participation in the implementation of the economic programme of the Government, time had not come for the Committee to review their whole approach to disqualification|exemption of offices of profit held under the Government. The Committee desired that a note on the

subject be prepared by office and circulated to the Members of the Committee.

3. The Committee then took up for consideration memoranda Nos. 634—645 and 776—823 relating to certain Committees/Boards/Corporations, etc. constituted by the Government of India and State Governments.

Board of Directors of Air India Corporation (Ministry of Tourism and Civil Aviation)—(Memorandum No. 634)

4. The Committee noted that the non-official Directors of the Air India Corporation were entitled to a sitting fee of Rs. 100 for attending each meeting. They also got T.A., road mileage etc. as admissible to Grade I officers as also a fixed sum of Rs. 50 as incidental expenses. These sums exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of Indian Airlines Corporation (Ministry of Tourism and Civil Aviation)—(Memorandum No. 635)

5. The Committee noted that the non-official Directors of the Indian Airlines Corporation were entitled to a sitting fee of Rs. 100 for attending each meeting. They also got T.A., road mileage etc. as admissible to Grade I officers as also a fixed sum of Rs. 50 as incidental expenses. These sums exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

Tamil Nadu State Housing Board—(Memorandum No. 776)

6. The Committee noted that the payment admissible to the non-official members of the State Housing Board was less than the 'compensatory allowance'. However, as the Board exercised both executive and financial powers, the Committee felt that the membership of the Board ought not to be exempt from disqualification.

Tripura Road Transport Corporation—(Memorandum No. 784)

7. The Committee noted that the non-official members of the Tripura Road Transport Corporation were entitled to TA|DA as admissible to a Central Government official of the First Grade which was less than the 'compensatory allowance'. However, the Corporation exercised executive and financial powers. As such, the

Committee felt that the membership of the Corporation ought not to be exempt from disqualification.

*Bishalgarh Agricultural Produce Market Committee (Tripura)—
(Memorandum No. 796)*

8. The Committee noted that the non-official Chairman of the Bishalgarh Agricultural Produce Market Committee was entitled to an honorarium of Rs. 50 p.m. The other non-official members were entitled to TA/DA, which was less than the 'compensatory allowance'. But the functions of the Committee were executive in nature. It also exercised financial powers. As such, the Committee felt that the membership including the Chairmanship of the Committee ought not to be exempt from disqualification.

*Tripura Khadi and Village Industries Board
(Memorandum No. 799)*

9. The Committee noted that the payment admissible to the non-official members of the Tripura Khadi and Village Industries Board was less than the 'compensatory allowance'. However, the Secretary, if a non-official, was entitled to an honorarium of Rs. 400 per month, which did not come within the ambit of 'compensatory allowance', as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. Also the Board exercised executive and financial powers and was in a position to wield influence. As such, the Committee felt that the membership of the Board (including Chairmanship and Secretaryship) ought not to be exempt from disqualification.

*Districts Reorganisation Committee (Orissa)
(Memorandum No. 805)*

10. The Committee noted that the Chairman of the Districts Reorganisation Committee who was a non-official was paid an allowance of Rs. 3,309 p.m. and the other non-official member was paid allowance of Rs. 1284 p.m. These amounts did not come within the ambit of 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. They were in addition paid TA/DA. As such, the Committee felt that the membership including chairmanship of the Committee ought not to be exempt from disqualification.

Orissa State Electricity Board
(Memorandum No. 808)

11. The Committee noted that the Chairman of the Orissa State Electricity Board—the only non-official member—was entitled to a monthly pay of Rs. 2750 less pension equivalent. The remuneration payable to him did not come within the ambit of 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. Also, as the Board exercised executive and financial powers, the Committee felt that the chairmanship of the Board ought not to be exempt from disqualification. The Committee also noted that at present the Chairman was the only non-official member. They felt that in case any other non-official member was appointed to the Board, he also ought not to be exempt from disqualification.

*Advisory Board under Andhra Pradesh Preventive Detention Act,
1970*
(Memorandum No. 811)

12. The Committee noted that the Chairman and two members of the Advisory Board under Andhra Pradesh Preventive Detention Act, 1970 were paid to Rs. 100 as sitting fee per day which exceeded the 'compensatory allowance'. Besides, the functions of the Board were judicial in nature. As such, the Committee felt that the membership of the Board including the Chairmanship ought not to be exempt from disqualification.

Karnataka State Leather and Leather Based Industries Board
(Memorandum No. 812)

13. The Committee noted that the non-official Chairman of the Karnataka State Leather and Leather Based Industries Board was entitled to Rs. 1500 (inclusive H.R.A. and CA), which did not come within the ambit of 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The other non-official members were entitled to TA|DA which was less than the 'compensatory allowance'. The functions of the Board were mainly advisory in nature. As such, the Committee felt that the non-official members (other than Chairman) ought to be exempt from disqualification but the Chairman, who was in receipt of a remuneration of Rs. 1500 ought not to be exempt from disqualification.

*Board of Directors of the General Insurance Corporation of India
(Ministry of Finance)*

(Memorandum No. 815)

14. The Committee noted that the non-official Directors of the General Insurance Corporation of India were entitled to Rs. 100 for attending each meeting of the Board of Directors and daily allowance for halts on duty upto Rs. 150 per day if they stayed in a hotel. These sums far exceeded the 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

*National Savings Central Advisory Board (Ministry of Finance)
(Memorandum No. 817)*

15. The Committee noted that the non-official Chairman of the National Savings Central Advisory Board was entitled to an honorarium of Rs. 1000 per month and a fixed conveyance allowance of Rs. 200 per month along with TA|DA as admissible to Grade I officers. These sums exceeded the 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. Other non-official members (including Members of Parliament) were entitled to a fixed compensatory allowance of Rs. 75 per month alongwith TA|DA according to Central Government rules. Thus, they did not get more than the 'compensatory allowance'. Also, the functions of the Board were advisory in nature. As such, the Committee felt that while the membership of the Board ought to be exempt from disqualification, its chairmanship ought not to be so exempt.

*Oil Industry Development Board (Ministry of Petroleum and
Chemicals)*

(Memorandum No. 821)

16. The Committee noted that the non-official members of the Oil Industry Development Board were entitled to a sitting fee of Rs. 100 for the first day of the meeting and Rs. 50 for the subsequent day alongwith TA|DA as admissible to Government Servants of the first grade. Besides, the Board exercised financial powers. As such, the Committee felt that the non-official members of the Board ought not to be exempt from disqualification.

Board of Management of Indian Iron and Steel Company Ltd.
(Ministry of Steel and Mines)
(Memorandum No. 822)

17. The Committee noted that the non-official Directors of the Indian Iron and Steel Company Ltd. were entitled to a sitting fee of Rs. 100 for attending a meeting of the Board. They also got Rs. 100 as incidental expenses for the first day and Rs. 50 for each subsequent day of the meeting of the Board alongwith usual TA/DA. All these sums exceeded the 'compensatory allowance'. Besides, the Board of Management exercised executive and financial powers. As such, the Committee felt that the directorship of the Board of Management ought not to be exempt from disqualification.

Board of Directors of the Mineral Exploration Corporation Ltd.
(Ministry of Steel and Mines)
(Memorandum No. 823)

18. The Committee noted that the non-official Directors of the Mineral Exploration Corporation Ltd. were entitled to attendance fee of Rs. 75 and DA @ Rs. 50 per day which exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the directorship of the Corporation ought not to be exempt from disqualification.

19. The Committee deferred consideration of Memoranda Nos. 786, 787, 804 and 807, pending receipt of further information in respect of the following bodies:—

Memorandum No.	Name of the Body	Points on which information desired
786	Probation Advisory Committee for Tripura.	Precise rate of TA/DA, sitting fee, honorarium, etc. admissible to the non-official members of the Committee.
787	Advisory Board for shortening of sentence of Prisoners (Tripura)	Precise rate of TA/DA, sitting fee, honorarium admissible to the non-official members of the Advisory Board.
804	Land Acquisition Committee (Orissa)	(i) No. of sittings of the Committee held during the last two years; (ii) detailed functions of the Committee in relation to Land Acquisition.
807	Orissa State Co-operative Council	(i) Detailed functions of the Council stating in particular the nature of superintendence exercised by the Council on the actions of the Co-operative Department; and (ii) whether the Council exercises any executive, financial, legislative or judicial powers.

20. In regard to the following bodies the Committee noted that the non-official members thereof were either not entitled to any remuneration or were entitled to TA and DA which was less than the 'compensatory allowance'. Besides, the functions of these bodies were mainly advisory in nature or their character, composition, etc. were such that their membership ought to be exempt from disqualification. The Committee, accordingly, decided to recommend exemption of membership of these bodies from disqualification for membership of Parliament:

- (1) State Labour Advisory Board (Tamil Nadu) (Memorandum No. 777).
- (2) West Bengal Bhudan Yagna Board (Memorandum No. 778).
- (3) Block Level Land Reforms Advisory Committees (One for each C.D. Block numbering 335 in total) (West Bengal) (Memorandum No. 779).
- (4) Zila Parishad (West Bengal) (Memorandum No. 780).
- (5) Panchayat Samitis (Anchalak Parishads) (West Bengal) (Memorandum No. 781).
- (6) Sales Tax Advisory Committee (West Bengal) (Memorandum No. 782).
- (7) Nayaya Panchayats (Tripura) (Memorandum No. 783).
- (8) Board of Visitors for Central Jail and Sub-Jails (Tripura) (Memorandum No. 785).
- (9) Committee on Rural Industries Project (Tripura) (Memorandum No. 788).
- (10) Handloom Development Committee (Tripura) (Memorandum No. 789).
- (11) Tribal Advisory Committee (Tripura) (Memorandum No. 790).
- (12) Harijan Advisory Committee (Tripura) (Memorandum No. 791).
- (13) State Planning Board (Tripura) (Memorandum No. 792).
- (14) Tripura Sports Council (Memorandum No. 793).
- (15) Advisory Committee for Development of Tripura Language (Memorandum No. 794).

- (16) Advisory Committee of the National Cadet Corps for Tripura (Ministry of Defence) Memoranda Nos. 795 and 819).
- (17) Tripura State Social Welfare Advisory Board (Memorandum No. 797).
- (18) Political Sufferers' Relief Committee (Tripura) (Memorandum No. 798).
- (19) State Level Committee for Co-ordination of Health and Population Education (West Bengal) (Memorandum No. 800).
- (20) District Advisory Committee on Secondary Education (West Bengal) (Memorandum No. 801).
- (21) State Level Committee on Natural Calamities (Orissa) (Memorandum No. 802).
- (22) District Level Committee on Natural Calamities (in each District) (Orissa) (Memorandum No. 803).
- (23) Citizens Committees both at District and Sub-division Levels (Orissa) (Memorandum No. 806).
- (24) State Medical and Health Advisory Board (Orissa) (Memorandum No. 809).
- (25) Sales Tax Advisory Committee (Andhra Pradesh). (Memorandum No. 810).
- (26) Indian Council of Historical Research (Ministry of Education and Social Welfare). (Memorandum No. 813).
- (27) National Council for Teachers' Education (Ministry of Education and Social Welfare). (Memorandum No. 814).
- (28) Regional Consultative Committees—6 in number, one each for Western, Eastern, Central, Northern, Southern and North—Eastern Areas (Ministry of Finance) (Memorandum No. 816).
- (29) State Advisory Committee of the National Cadet Corps in the State of Jammu and Kashmir (Ministry of Defence) (Memorandum No. 818).
- (30) State Advisory Committee of the National Cadet Corps for the Union Territory of Delhi. (Ministry of Defence) (Memorandum No. 820).

21. The Committee then adjourned to meet again at 11.00 hours on Wednesday, the 1st October, 1975.

III

Forty-seventh sitting

The Committee sat on Wednesday, the 1st October, 1975 from 11.00 to 11.40 hours.

PRESENT

Shri S. B. P. Pattabhi Rama Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri Jagannathrao Joshi
3. Shri Z. M. Kahandole
4. Shri S. M. Siddayya
5. Shri Ramji Ram
6. Shri Ramavatar Shastri
7. Shri Ram Shekhar Prasad Singh
8. Shri Chandrika Prasad.

Rajya Sabha

9. Shri N. M. Kamble
10. Shri A. K. Refaye
11. Shri Venigalla Satyanarayana.

SECRETARIAT

Shri Y. Sahai—*Chief Legislative Committee Officer.*

2. The Committee took up for consideration memoranda Nos. 824—858 relating to certain Committees, Board, Corporations, etc. constituted by the Government of India, State Governments, Union Territory Administrations.

Board of Directors of Madhya Pradesh State Mining Corporation

(Memorandum No. 827)

3. The Committee noted that from the material furnished by the State Government, it was not clear whether the non-official Directors of the Madhya Pradesh State Mining Corporation were entitled

to a sitting fee or any other payment other than TA and DA. However, as the Board of Directors exercised executive and financial powers, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

Madhya Pradesh Licensing Board (Electrical)
(Memorandum No. 330)

4. The Committee noted that the non-official members of the Madhya Pradesh Licensing Board were entitled to TA only and as such the payment admissible to them was less than the 'compensatory allowance'. However, the Board *inter alia* had the power to grant licences to electrical contractors to conduct examinations for supervisors and wiremen; and to hear and decide cases of malpractice by electrical contractors, supervisors and wiremen. Also, under Regulation 4 of the Madhya Pradesh Licensing Board Regulations (Electrical), 1960 any decision given by the Board in the execution of its functions shall be final. The Committee, therefore, felt that the membership of the Board ought not to be exempt from disqualification.

Madhya Pradesh State Road Transport Corporation Board
(Memorandum No. 332)

5. The Committee noted that the non-official members of the Madhya Pradesh State Road Transport Corporation Board who were MPs and MLAs were entitled to TA and DA only as per rules applicable to them as for their attendance in Parliament and Assembly respectively, which did not exceed the 'compensatory allowance'. However, the functions and powers of the Corporation were executive and financial in nature. As such, the Committee felt that the membership of the Corporation ought not to be exempt from disqualification.

Madhya Pradesh Housing Board
(Memorandum No. 333)

6. The Committee noted that the payment admissible to the non-official Members of the Madhya Pradesh Housing Board did not exceed the 'compensatory allowance'. However, the functions and powers of the Board were of executive and financial nature. As such, the Committee felt that the non-official members of the Board ought not to be exempt from disqualification.

*Board of Directors of the Madhya Pradesh Audyogik Vikas
Nigam Ltd.*

(Memorandum No. 835)

7. The Committee noted that the non-official Directors of the Madhya Pradesh Audyogik Vikas Nigam Ltd. were entitled to such salary and other allowances as may from time to time be determined by the Governor. The precise amount payable to them had not been indicated by the State Government. However, as the Corporation exercised both executive and financial powers, the Committee felt that the Directorship of the Corporation, in so far as it was an office of profit under the Government, ought not to be exempt from disqualification.

*Board of Directors of the Madhya Pradesh State Industries
Corporation Ltd., Bhopal*

(Memorandum No. 836)

8. The Committee noted that the non-official Directors of the Madhya Pradesh State Industries Corporation Ltd. were paid TA etc. as per rules made by the Corporation. (The precise rate of TA payable to them had, however, not been indicated by the State Government). But, as the functions of the Corporation were executive and financial in nature, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

*Board of Directors of the Madhya Pradesh State Textile
Corporation, Limited*

(Memorandum No. 837)

9. The Committee noted that the lone non-official member of the Madhya Pradesh State Textile Corporation who was the Chairman of the Corporation was an MLA and was entitled to draw TA|DA as per rules applicable to Members of the Legislative Assembly, which did not exceed the 'compensatory allowance'. However, as the Board of Directors exercised both of executive and financial powers, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

*Board of Directors of the Madhya Pradesh State Corporation of
Text Book Production and Educational Research, Bhopal*

(Memorandum No. 838)

10. The Committee noted that the non-official members of the Madhya Pradesh State Corporation of Text Book Production and

Educational Research, Bhopal living outside Bhopal were entitled to TA and DA only, which did not exceed the 'compensatory allowance'. However, as the Board of Directors exercised both executive and financial powers, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification, so long as any payment in the form of TA and DA, etc. was payable to them.

*The Board of Directors of the Karnataka State Handicrafts
Development Corporation Ltd.
(Memorandum No. 841)*

11. The Committee noted that from the material furnished by the State Government, it was not clear whether the amount admissible to the non-official Directors exceeded the 'compensatory allowance'. But, as the Board of Directors exercised executive and financial powers, the Committee felt that the directorship of the Corporation ought not to be exempt from disqualification.

*Board of Directors of the Meghalaya Industrial Development
Corporation Ltd.
(Memorandum No. 842)*

12. The Committee noted that the non-official Directors of the Meghalaya Industrial Development Corporation Ltd. were entitled to a sitting fee of Rs. 75 for each meeting of the Board, in addition to Daily Allowance. The total sum payable to them thus exceeded the 'compensatory allowance'. Also, the Board of Directors was vested with financial powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

*Board of Directors of the Kerala State Cashew Development
Corporation Ltd.
(Memorandum No. 843)*

13. The Committee noted that the Chairman of the Board of Directors of the Kerala State Cashew Development Corporation was entitled to draw an honorarium of Rs. 500 p.m., which did not come within the ambit of 'compensatory allowance' as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The payment admissible to other Directors might exceed the 'compensatory allowance'. Besides, the functions of the Corporation were executive and financial in nature. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

The Board of Directors of the Kerala Handloom Finance Corporation Limited
(Memorandum No. 844)

14. The Committee noted that the Chairman of the Board of Directors of the Kerala Handloom Finance Corporation was entitled to draw an honorarium @ Rs. 300 per mensem which did not come within the ambit of 'compensatory allowance', as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. In addition to honorarium he was also entitled to a sitting fee of Rs. 25 per sitting. The other non-official Directors were entitled to TA|DA and sitting fee, which did not exceed the 'compensatory allowance'. However, as the Corporation exercised executive and financial powers, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of the Forest Development Corporation of Meghalaya Ltd.
(Memorandum No. 845)

15. The Committee noted that the non-official Directors of the Board of Directors of the Forest Development Corporation of Meghalaya Ltd. were entitled to a sitting fee of Rs. 75 for attending each meeting of the Board of Directors, in addition to TA|DA. Thus, the amount payable to the non-official Directors exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

Board of Directors of the Petrofils Cooperative Ltd.
(Ministry of Petroleum and Chemicals)
(Memorandum No. 849A)

16. The Committee noted that the non-official Directors of the Petrofils Cooperative Ltd. were entitled to a sitting fee of Rs. 100 for attending each meeting of the Board of Directors along with incidentals including DA at the rate of Rs. 50 for the day of the meeting of the Board of Directors and Rs. 20 for the second day. These sums exceeded the 'compensatory allowance'.

The Managing Director who was also a non-official got pay in the scale of Rs. 2500—100—3000 which did not come within the ambit of 'compensatory allowance'.

Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the

Company in so far as it was an office of profit under the Government ought not to be exempt from disqualification.

Board of Directors of Engineering Projects India Ltd.
(Ministry of Industry and Civil Supplies)
(Memorandum No. 850)

17. The Committee noted that the non-official Directors of Engineering Projects India Ltd. were entitled to TA/DA as determined by the President of India from time to time. However, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company, in so far as it was an office of profit under the Government, ought not to be exempt from disqualification.

Board of Directors of Richardson and Cruddas Ltd.
(Ministry of Industry and Civil Supplies)
(Memorandum No. 851)

18. The Committee noted that the non-official Chairman and Managing Director of the Richardson and Cruddas Ltd. were getting salaries of Rs. 1,500 and 2600 per month which did not come within the ambit of 'compensatory allowance'. The Managing Director was also entitled to TA and DA. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

Board of Directors of Jessop and Co. Ltd.
(Ministry of Industry and Civil Supplies)
(Memorandum No. 852)

19. The Committee noted that the nonofficial Directors of Jessop and Co. Ltd. were entitled to a remuneration of Rs. 250 for attending each meeting of the Board. The non-official Chairman, Managing Director and Director-Secretary were getting salaries which did not come within the ambit of 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

Board of Directors of Bharat Pumps and Compressors Ltd.
Naini Allahabad (Ministry of Heavy Industry)
(Memorandum No. 853)

20. The Committee noted that the non-official Directors of Bharat Pumps and Compressors Ltd., Naini were entitled to a sitting fee

of Rs. 100 for attending each meeting of the Board. They were also entitled to incidental expenses and halting allowance for each meeting at the rate of Rs. 100 for the first day and Rs. 50 for subsequent days of meetings in case they came from a place other than the place of meeting. Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee felt that the non-official Directors including the Chairman, if appointed on the Board of Directors, ought not to be exempt from disqualification.

Board of Directors of Scooters India Ltd., Lucknow
(Ministry of Heavy Industry)
(Memorandum No. 854)

21. The Committee noted that the non-official Directors of Scooters India Ltd., Lucknow were entitled to a sitting fee of Rs. 100 per meeting. Besides, they were re-imbursed actual expenses for boarding and lodging or in lieu a fixed allowance of Rs. 150 for the day of the meeting.

Also, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

Board of Directors of Bharat Heavy Electricals Ltd.
(Ministry of Heavy Industry)
(Memorandum No. 855)

22. The Committee noted that the non-official Directors of Bharat Heavy Electricals Ltd. were entitled to a sitting fee of Rs. 100 for attending each meeting of the Board. If they attended a meeting at a place other than the place of their residence, they would, in addition, draw actual first class rail or air fare plus a fixed sum of Rs. 100 for the first day and Rs. 50 for each subsequent day of the meeting as incidental expenses and halting allowance. Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

*Board of Directors of Machine Tool Corporation of India Ltd.,
Ajmer (Ministry of Heavy Industry)*
(Memorandum No. 856)

23. The Committee noted that that the non-official Directors of Machine Tool Corporation of India Ltd., Ajmer were entitled to a

sitting fee of Rs. 50 for attending each meeting of the Board. In addition, some of them were entitled to incidental expenses and halting allowance for each meeting at the rate of Rs. 100 for the first day and Rs. 50 for each subsequent day of the meeting, which exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee felt that Directorship of the Company ought not to be exempt from disqualification.

24. In regard to the following bodies, the Committee noted that the non-official members thereof were either not entitled to any remuneration or were entitled to TA and DA which was less than the 'compensatory allowance'. Besides, the functions of these bodies were mainly advisory in nature or their character, composition, etc. were such that their membership ought to be exempt from disqualification. The Committee, accordingly, decided to recommend exemption of membership of these bodies from disqualification for membership of Parliament:

- (1) State Programming Board (Madhya Pradesh) (Memorandum No. 824).
- (2) State Mineral Advisory Board (Madhya Pradesh) Memorandum No. 825).
- (3) State Coal Advisory Board (Madhya Pradesh) (Memorandum No. 826).
- (4) Committee of the Geologists (Madhya Pradesh) (Memorandum No. 828).
- (5) Land Reforms Board, Madhya Pradesh, Bhopal (Memorandum No. 829).
- (6) Madhya Pradesh Electricity Consultative Council (Memorandum No. 831).
- (7) Board of Industries and Mineral Resources (Madhya Pradesh) (Memorandum No. 834).
- (8) Madhya Pradesh Board of Technical Education, Bhopal (Memorandum No. 839).
- (9) Karnataka State Export Promotion Advisory Board (Memorandum No. 840).

- (10) Home Minister's Advisory Committee (Arunachal Pradesh) (Memorandum No. 846).
- (11) Non-statutory Land Reforms Committee (Dadra and Nagar Haveli) (Memorandum No. 847).
- (12) Advisory Committee for the Cottage Hospital Silvassa (Dadra and Nagar Haveli). (Memorandum No. 848).
- (13) General Council of the National Institute of Health Administration and Education (Ministry of Health and Family Planning). (Memorandum No. 857).
- (14) New Drug Committee (Ministry of Health and Family Planning) (Memorandum No. 858).

The Committee then adjourned to meet again at 15.30 hours on Monday, the 10th November, 1975.

IV

Fiftieth Sitting

The Committee sat on Thursday, the 8th January, 1976 from 10.30 to 10.50 hours.

PRESENT

Shri S. B. P. Pattabhi Rama Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri Chandrika Prasad
3. Shri Ramavatar Shastri
4. Shri Ram Shekhar Prasad Singh

Rajya Sabha

5. Shri A. K. Refaye
6. Shri Venigalla Satyanarayana
7. Shri Yogendra Sharma.

SECRETARIAT

Shri Y. Sahai—*Chief Legislative Committee Officer.*

2. The Committee considered their draft 15th and 16th Reports and adopted them.

3. The Committee decided that both the 15th and 16th Reports might be presented to Lok Sabha on the 12th January, 1976. The Committee also decided that the Reports may be laid on the Table of Rajya Sabha on the same day.

4. The Committee authorised the Chairman, and, in his absence, Shri Ramavatar Shastri to present the Reports to Lok Sabha on their behalf.

5. The Committee authorised Shri A. K. Refaye, and, in his absence, Shri Venigalla Satyanarayana to lay the Reports on the Table of Rajya Sabha.

6. The Committee then adjourned.
