

JOINT COMMITTEE ON OFFICES OF PROFIT

(FIFTH LOK SABHA)

TENTH REPORT

(Presented on the 2nd August, 1974)



LOK SABHA SECRETARIAT
NEW DELHI

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

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PERSONNEL OF THE JOINT COMMITTEE ON OFFICES OF
PROFIT

(FIFTH LOK SABHA)

LOK SABHA

1. 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 Pratap Singh
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—*Joint Secretary.*

Shri H. G. Paranjpe—*Deputy Secretary.*

*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. Bhadrani 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.

REPORT OF THE JOINT COMMITTEE

I

INTRODUCTION

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 Tenth Report of the Committee.

2. The Committee held four sittings on the 2nd and 29th May, 27th June and 25th July, 1974. Minutes of the sittings form part of the Report and are at Appendix II.

3. The Committee considered the composition, character, functions etc. of 71 Committees/Boards/Corporations etc. constituted by the Central Government/State Governments and Union Territories and the emoluments and allowances payable to their members. Their views on 70 bodies are contained in this Report.

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 and State Governments and Union Territories on a request made by the Lok Sabha Secretariat.

5. The Committee considered and adopted the Report on the 25th July, 1974.

6. The recommendations of the Committee in respect of the Committees/Boards/Corporations etc. examined by them are given in the succeeding paragraphs.

II

COMMITTEES/BOARDS/CORPORATIONS, ETC. CONSTITUTED BY THE CENTRAL AND STATE GOVERNMENTS/UNION TERRITORIES

Oil and Natural Gas Commission

7. The Committee note that the non-official members, if any, appointed on the Oil and Natural Gas Commission, will be entitled to a sitting fee of Rs. 80/- for attending a meeting, in addition to T.A. and D.A., which is more than the 'compensatory allowance.'

Besides, the Commission exercises executive and financial powers.

As such, the Committee recommend that the non-official members, if appointed on the Commission, ought not to be exempt from disqualification.

Board of Directors of the Indian Petrochemicals Corporation Limited.

8. The Committee note that the non-official Directors of the Indian Petrochemicals Corporation Limited are entitled to a sitting fee of Rs. 100|- per day for attending each meeting of the Board in addition to incidentals including D.A. at the rate of Rs. 50|- for the day of the meeting. The amount thus payable to them exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers.

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

Shipping Development Fund Committee

9. The Committee note that the non-official members, if appointed on the Shipping Development Fund Committee, will be entitled to T.A. and D.A. as per Central Government rules which is less than the 'compensatory allowance'. However, the Shipping Development Fund Committee exercises financial powers and is in a position to wield influence.

As such, the Committee recommend that the non-official members, if appointed on the Committee ought not to be exempt from disqualification.

Delhi Transport Corporation

10. The Committee note that the non-official members of the Delhi Transport Corporation are entitled to a fee of Rs. 30|- for attending each meeting of the Corporation subject to the maximum of Rs. 200|- per month. In addition, they are also entitled to T.A. and D.A. at the rates admissible to a Central Government official of the first grade. Besides, the Corporation exercises executive powers. As such, the Committee recommend that the membership of the Corporation ought not to be exempt from disqualification.

Board of Directors of Rural Electrification Corporation

11. The Committee note that the non-official Directors of the Rural Electrification Corporation are entitled to a sitting fee of Rs. 100|- for each meeting of the Board. In addition, they are paid incidental expenses at the rate of Rs. 100|- for the first day of the meeting and Rs. 50|- for each subsequent day of the meeting. The total amount

thus admissible to the non-official Directors exceeds the 'compensatory allowance.'

Besides, the Board of Directors exercises executive and financial powers and is in a position to wield influence and patronage.

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

Board to administer the Nuclear Fuel Complex at Hyderabad

12. The Committee note that the only non-official member of the Board to administer the Nuclear Fuel Complex at Hyderabad is entitled to T.A. and D.A. at the rates admissible to Grade I officers of the Central Government which is less than the 'compensatory allowance'.

However, the Board exercises powers, both executive and financial, and is in position to wield influence.

As such, the Committee recommend that the non-official member ought not to be exempt from disqualification.

Board of Directors of Electronics Corporation of India Limited, Hyderabad.

13. The Committee note that the non-official Directors of the Electronics Corporation of India Limited are entitled to a sitting fee of Rs. 150/- for attending a meeting of the Board. In addition, they are paid T.A. as admissible to Grade I officers and expenses for boarding and lodging. Further, for undertaking tours in connection with the business of the Corporation, they are paid an additional allowance of Rs. 100/- per day. The amount per day admissible to the non-official Directors thus exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers.

As such, the Committee recommend that the non-official Directors ought not to be exempt from disqualification.

Board of Management for the Atomic Power Authority

14. The Committee note that the only non-official member on the Board of Management for the Atomic Power Authority is entitled to a sitting fee of Rs. 200/- for each day's attendance, in addition to T.A. and D.A. as admissible to a Joint Secretary. The total amount per day admissible to the non-official member thus exceeds the 'compensatory allowance'.

Besides, the Board of Management has full powers to give decision on all administrative and financial matters.

As such, the Committee recommend that the membership of the Atomic Power Authority ought not to be exempt from disqualification.

*Board of Directors of Uranium Corporation of India Limited,
Jaduguda (Bihar)*

15. The Committee note that the non-official Directors of Uranium Corporation of India Limited are entitled to a sitting fee of Rs. 100/- for attending each meeting of the Board. In addition, they are paid T.A. as admissible to Grade I officers and expenses for boarding and lodging. Also, for undertaking tours in connection with the business of the Corporation, they are paid an additional allowance of Rs. 100/- per day.

All these sums taken together amount to more than the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee recommend that the non-official Directors of the Corporation ought not to be exempt from disqualification.

Indian Farmers Fertilizer Co-operative Limited

16. The Committee note that the non-official Directors of the Indian Farmers Fertilizer Co-operative Limited, other than M.Ps. or M.L.As., are entitled to draw sitting fee at the rate of Rs. 100/- for attending each meeting of the Board of Directors. Besides, they are also entitled to Rs. 50/- per day as daily allowance and can claim incidental expenses of Rs. 50/- for the first day of the meeting of the Board. The total amount thus exceeds the 'compensatory allowance'. However, the Committee note that for payment of T.A./D.A., M.Ps. and M.L.As. who are members of the Board of Directors, are governed by Salaries and Allowances of Members of Parliament Act and similar Vidhan Sabha provisions, respectively, which does not exceed the 'compensatory allowance'. The Board exercises executive and financial powers. As such, the Committee recommend that the non-official Directors nominated by the Government on the Board ought not to be exempt from disqualification.

Advisory Board to assist and advise the Custodian on the various matters of Indian Iron and Steel Company Limited.

17. The Committee note that the non-official members of the Advisory Board to assist and advise the Custodian on the various

matters of Indian Iron and Steel Company Limited are entitled to Rs. 100/- as honorarium for attending a meeting of the Board and a sum of Rs. 100/- as incidental expenses for the first day and Rs. 50/- for each subsequent day of the meeting (for those who come from outside to the place of meeting). The total amount payable to non-official members thus exceeds the 'compensatory allowance'.

As such, the Committee recommend that the non-official members of the Board ought not to be exempt from disqualification.

Metallurgical and Engineering Consultants (India) Ltd.

18. The Committee note that the part-time Chairman (at present Vice-Chairman) and other part-time Directors of the Metallurgical and Engineering Consultants (India) Limited are entitled to Dearness Allowance of Rs. 60/- for ordinary localities and Rs. 100/- for specified localities, and even more, if stay in Hotel costs more than Rs. 100/-. The total amount thus payable to them exceeds the 'compensatory allowance'.

Besides, the Board of Directors exercises executive and financial powers.

As such, the Committee recommend that the part-time Directors (including Chairman/Vice-Chairman) ought not to be exempt from disqualification.

Bolani Ores Limited.

19. The Committee note that the non-official Directors, if appointed on Bolani Ores Limited will be entitled to a sitting fee of Rs. 250/- for each Board meeting which exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee recommend that the non-official Directors ought not to be exempt from disqualification.

National Buildings Construction Corporation Ltd.

20. The Committee note the non-official Directors, if any, appointed on the Board of Directors of National Buildings Construction Corporation Limited will be entitled for a sitting fee of Rs. 50/- for attending each meeting of the Board. In addition, they will get Rs. 100/- as incidentals for the first day, while on tour, and Rs. 50/- for subsequent days of tour.

Besides, the Board of Directors exercises executive and financial powers.

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

Jute Corporation of India

21. The Committee note that the non-official Directors of the Jute Corporation of India are entitled to a sitting fee of Rs. 100/- for each meeting of the Board of Directors attended by them. Besides, they are paid incidental allowance and halting allowance of Rs. 100/- for the first day and Rs. 50/- for each of the subsequent days. Thus, the total sum admissible to them exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers.

As such, the Committee recommend that the non-official Directors ought not to be exempt from disqualification.

Central Managing Committee of the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen

22. The Committee note that the non-official members of the Central Managing Committee of the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen are entitled to T.A./D.A. as per Ministry of Finance Orders in this regard i.e., first class railway fare and D.A. at the rate of Rs. 28/- per day (maximum) which is less than the 'compensatory allowance'. But the Committee exercises executive and financial powers and is in a position to wield influence and patronage. As such, the Committee recommend that the membership of the Committee in question ought not to be exempt from disqualification.

Indian Council of Social Science Research, New Delhi

23. The Committee note that the non-official members of the Indian Council of Social Science Research, New Delhi are entitled to T.A. and D.A. i.e. first class railway/Air fare and Rs. 30/- and Rs. 51/- as D.A. (to non-officials other than M.Ps. and M.Ps. respectively) 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 recommend that the membership of the Council ought not to be exempt from disqualification.

Andhra Pradesh State Electricity Board

24. The Committee note the non-official members of the Andhra Pradesh State Electricity Board are entitled to draw sitting fee

of Rs. 25/- per day besides D.A. of Rs. 21/- for the same day. The payment admissible to the non-official members per day thus does not exceed the 'compensatory allowance'. However, the Board exercises executive and financial powers. As such, the Committee recommend that the membership of the Board ought not to be exempt from disqualification.

The Gujarat Official Language (Legislative) Commission

25. The Committee note that the Chairman of the Gujarat Official Language (Legislative) Commission receives an honorarium of Rs. 1100/- per mensem, in addition to a halting allowance of Rs. 75/- per day. As such, he ought not to be exempt from disqualification. Likewise, the whole-time non-official member who receives a monthly honorarium of Rs. 1100/- ought also not to be exempt from disqualification.

The Committee further note that the part-time non-official members are entitled to a daily allowance of Rs. 50/-, which was marginally less than the 'compensatory allowance'.

As such, the Committee recommend that the part-time members ought to be exempt from disqualification.

Himachal Pradesh Khadi and Village Industries Board

26. The Committee note that the Chairman of the Himachal Pradesh Khadi and Village Industries Board is entitled to an honorarium of Rs. 800/- per month which does not come within the ambit of 'compensatory allowance' as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959.

However, other non-official members are entitled to T.A./D.A., which is less than the 'compensatory allowance'. But as the Board exercises executive and financial powers, the Committee recommend that the membership of the Board (including Chairmanship) ought not to be exempt from disqualification.

Board of Directors of the State Fisheries Development Corporation Limited (West Bengal)

27. The Committee note that the non-official Directors of the State Fisheries Development Corporation Limited, West Bengal are entitled to an attendance fee of Rs. 25/- for attending each meeting. But as the Board of Directors exercises executive and financial powers, the Directorship of the Corporation ought not to be exempt from disqualification.

The Committee also recommend that in case any non-official is appointed as the Chairman of the Board of Directors, he also ought not to be exempt from disqualification for membership of Parliament.

Board of Directors of the Tamil Nadu Small Industries Corporation

28. The Committee note that the payment admissible to non-official directors of the Tamil Nadu Small Industries Corporation viz., sitting fee of Rs. 25/- per meeting of the Board, is less than the 'compensatory allowance'. But as observed by the Joint Committee on Offices of Profit in para 14 of their Second Report (Fifth Lok Sabha), the Board of Directors of Public Undertakings, by and large, enjoyed executive and financial powers, and as such, the directorship of Public Undertakings as a class, should disqualify. As such, the Committee recommend that the directorship of the said Corporation ought not to be exempt from disqualification.

Board of Directors of the Tamil Nadu Small Industries Development Corporation

29. The Committee note that the payment of sitting fee (Rs. 25/- per meeting) admissible to non-official directors of the Tamil Nadu Small Industries Development Corporation is less than the 'compensatory allowance'. But, as observed by the Joint Committee on Offices of Profit in para 14 to their Second Report (Fifth Lok Sabha), Board of Directors of Public Undertakings, by and large, enjoyed executive and financial powers, and as such, the directorship of public undertakings, as a class, should disqualify. As such, the Committee recommend that the directorship of this Corporation ought also not to be exempt from disqualification.

Board of Directors of the Tamil Nadu Industrial Investment Corporation Limited, Madras

30. The Committee note that the total payment of sitting fee (Rs. 25/-) and Dearness Allowance (Rs. 10/-) admissible to the non-official directors of the Tamil Nadu Industrial Investment Corporation Limited, Madras does not exceed the 'compensatory allowance'. However, the Board of Directors exercises executive and financial powers. As such, the Committee recommend that the directorship of the Corporation ought not to be exempt from disqualification.

State Transport Authority (Dadra and Nagar Haveli)

31. The Committee note that the amount of T.A./D.A. admissible to the non-official members of the State Transport Authority

(Dadra and Nagar Haveli) per day which is at par with Grade I Officer of the Central Government, is less than the 'compensatory allowance'. However, the Authority possesses power to issue permits, and is in a position to wield influence. It can also exercise quasi-judicial powers. As such, the Committee recommend that the membership of the Authority ought not to be exempt from disqualification.

Committee to implement schemes under the educated unemployed programme (Goa)

32. The Committee note that the payment (Dearness Allowance) per day admissible to the non-official members of the Committee to implement schemes under the educated unemployed programme, i.e., maximum of Rs. 28/- per day, does not exceed the 'compensatory allowance'. The Committee further note that one of the functions of the Committee in question is to select candidates for setting up small scale industrial units. However, as the candidates are to be selected from Employment Exchanges, after the schemes have been published in the Press, the Committee feel that there is not much scope for patronage. As such, the Committee recommend that the membership of the Committee in question ought to be exempt from disqualification.

33. In regard to the bodies specified in Appendix I, the Committee note that the non-official members thereof either do not get any T.A./D.A., etc. or the amount of T.A./D.A. admissible to them is less than the 'compensatory allowance'. Besides, the functions of these bodies are mainly advisory in nature. As such, the Committee recommend that the membership of these bodies ought to be exempt from disqualification.

S. B. P. PATTABHI RAMA RAO

Chairman,

Joint Committee on Offices of Profit

NEW DELHI;
July 25, 1974.

APPENDIX I

(*vide* para 33 of the Report)

COMMITTEES, BOARDS, CORPORATIONS, ETC. WHOSE CHAIRMANSHIP, SECRETARYSHIP OR MEMBERSHIP OUGHT TO BE EXEMPT FROM DISQUALIFICATION

Under Central Government

1. National Committee on Environmental Planning and Co-ordination.
2. National Welfare Board for Seafarers.
3. Standing Committee for Teletherapy Units in India.
4. Consultative Council on 'Cooperation'.
5. National Advisory Board on Cooperative Farming.
6. National Advisory Board on Labour Cooperatives.
7. Board of Research in Nuclear Sciences and eighty Advisory Committees.
8. Advisory Council on Personnel Administration.
9. Regional P & T Advisory Committees.
10. Dak Tar Hindi Salahkar Samiti.
11. Advisory Committee for the Anthropological Survey of India, Calcutta.
12. Board of Examiners in the School of Foreign Languages.
13. Departmental Council functioning under the Joint Consultative Machinery and Compulsory (Defence) Arbitration for Central Government Employees.
14. Sub-Committee of the Kendriya Hindi Samiti.
15. All India Council for Technical Education.
16. Co-ordinating Committee of All India Council for Technical Education.
17. All India Board of Technical Studies in Applied Art.
18. All India Board of Technical Studies in Architecture and Regional Planning.
19. All India Board of Technical Studies in Engineering and Metallurgy.

20. All India Board of Technical Studies in Chemical Engineering and Chemical Technology.
21. All India Board of Technical Studies in Textile Technology.
22. All India Board of Technical Studies in Management.
23. All India Board of Technical Studies in Technicians Education.
24. National Organising Committee of Nehru Yuvak Kendras.
25. National Board of Adult Education.

Under State Governments

Andhra Pradesh

26. Committee for implementation of Rehabilitation Policy and Programme.
27. Consultative Committee of Experts of Srisailam Project.
28. Development Committee for Pochampad Project for Development of Ayacut.
29. Project Working Committee of the Pochampad Project for Development of Ayacut.
30. District Level Implementation Committee (for Nizambad and Karimnagar Districts) of the Pochampad Project for Development of Ayacut.

Gujarat

31. District Civil Supplies Advisory Committee.
32. Gujarat State Small Savings Advisory Board.

Tamil Nadu

33. Tamil Nadu State Board for Salt and Allied Chemicals.
34. Sub-Committee to fix ex-mill and ex-depot prices of yarn produced in Cooperative Spinning Mills.
35. State Level Advisory Committee for Cooperative Spinning Mills.
36. Committee for selecting drama scripts and troupes on Family Planning.

Under Union Territories

Chandigarh

37. Local Advisory Committee, Chandigarh.
38. Chandigarh Labour Advisory Committee.
39. Chandigarh Advisory Board.

40. Integration Council for Union Territory, Chandigarh.

Dadra and Nagar Haveli

41. Home Minister's Advisory Committee for Dadra and Nagar Haveli.

Delhi

42. Visitors to Hospital for mental diseases, Shahdara.

43. Visitors to the Irwin and G. B. Pant Hospitals, Delhi.

Goa, Daman and Diu

44. Goa, Daman and Diu Advisory Committee on Films.

APPENDIX II

(Vide para 2 of the Report)

MINUTES OF THE JOINT COMMITTEE ON OFFICES OF PROFIT

I

Twenty-seventh Sitting

The Committee sat on Thursday, the 2nd May, 1974 from 10.00 to 11.00 hours.

PRESENT

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

MEMBERS

LOK SABHA

2. Shri Somnath Chatterjee
3. Shri Jagannathrao Joshi
4. Shri Pratap Singh
5. Shri Ramavtar Shastri

RAJYA SABHA

6. Shri Vithal Gadgil

SECRETARIAT

Shri H. S. Kohli—*Section Officer.*

2. The Committee took up for consideration Memoranda Nos. 319 to 330 relating to Committees|Boards|Corporations, etc. constituted by the Central Government.

Oil and Natural Gas Commission—Memo. No. 319

3. The Committee noted that the non-official members, if any, appointed on the Oil and Natural Gas Commission, would be entitled to a sitting fee of Rs. 80|- for attending a meeting, in addition to T.A. and D.A., which was more than the 'compensatory allowance.'

Besides, the Commission exercised executive and financial powers.

As such, the Committee recommended that the non-official members, if appointed on the Commission, ought not to be exempted from disqualification.

**Board of Directors of the Indian Petrochemicals Corporation Ltd.—
(Memo. No. 320)**

4. The Committee noted that the non-official Directors of the Indian Petrochemicals Corporation were entitled to a sitting fee of Rs. 100|- per day for attending each meeting of the Board in addition to incidentals including D.A. at the rate of Rs. 50|- for the day of the meeting.

The amount thus payable to them exceeded the compensatory allowance.

Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee recommended that the Directorship of the Corporation ought not to be exempted from disqualification.

Shipping Development Fund Committee (Memo. No. 323)

5. The Committee noted that the non-official members, if appointed on the Shipping Development Fund Committee, would be entitled to T.A. and D.A. as per Central Government rules which was less than compensatory allowance. However, the Shipping Development Fund Committee, exercised financial powers and was in a position to wield influence.

As such, the Committee recommended that the non-official members, if appointed on the Committee ought not to be exempted from disqualification.

Delhi Transport Corporation (Memo. No. 324)

6. The Committee noted that the non-official members of the Delhi Transport Corporation were entitled to a fee of Rs. 30|- for attending each meeting of the Corporation subject to the maximum of Rs. 200|- per month. In addition, they were entitled to T.A. and D.A. at the rates admissible to a Central Government official of the first grade. Besides, the Corporation exercised executive powers. As such, the Committee recommended that the membership of the Corporation ought not to be exempted from disqualification.

**Board of Directors of Rural Electrification Corporation (Memorandum
No. 325)**

7. The Committee noted that the non-official Directors of Rural Electrification Corporation were entitled to a sitting fee of Rs. 100|- for each meeting of the Board. In addition, they were paid incidental expense at the rate of Rs. 100|- for the first day of the meeting and Rs. 50|- for each subsequent day of the meeting. The total

amount thus admissible to the non-official Directors exceeded the compensatory allowance.

Besides, the Board of Directors exercised executive and financial powers and was in a position to wield influence and patronage.

As such, the Committee recommended that the Directorship of the Corporation ought not to be exempted from disqualification.

**Board to administer the Nuclear Fuel Complex at Hyderabad
(Memo. No. 326)**

8. The Committee noted that the only non-official member on the Board to administer the Nuclear Fuel Complex at Hyderabad was entitled to T.A. and D.A. at the rates admissible to Grade I officers of the Central Government which was less than the 'compensatory allowance.'

However, the Board exercised powers, both executive and financial, and was in position to wield influence.

As such, the Committee recommended that the non-official member ought not to be exempted from disqualification.

**Board of Directors of Electronics Corporation of India Ltd., Hyderabad
(Memo. No. 327)**

9. The Committee noted that the non-official Directors of the Electronics Corporation of India Ltd. were entitled to a sitting fee of Rs. 150/- for attending a meeting of the Board. In addition, they were paid T.A. as admissible to Grade I officers and expenses for boarding and lodging. Further, for undertaking tours in connection with the business of the Corporation, they were paid an additional allowance of Rs. 100/- per day. The amount per day admissible to the non-official Directors exceeded the 'compensatory allowance.' Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee recommended that the non-official Directors ought not to be exempted from disqualification.

**Board of Management for the Atomic Power Authority (Memo.
No. 328)**

10. The Committee noted that the only non-official member on the Board of Management for the Atomic Power Authority was entitled to a sitting fee of Rs. 200/- for each day's attendance, in addition to T.A. and D.A. as admissible to a Joint Secretary. The total amount per day admissible to the non-official member exceeded the 'compensatory allowance'.

Besides, the Board of Management had full powers to give decision on all administrative and financial matters.

As such, the Committee recommended that the membership of the Atomic Power Authority ought not to be exempted from disqualification.

Board of Directors of Uranium Corporation of India Ltd., Jaduguda (Bihar)—Memo. No. 330.

11. The Committee noted that the non-official Directors of Uranium Corporation of India Ltd. were entitled to a sitting fee of Rs. 100|- for attending each meeting of the Board. In addition, they were paid T.A. as admissible to Grade I officers and expenses for boarding and lodging. Also, for undertaking tours in connection with the business of the Corporation, they were paid an additional allowance of Rs. 100|- per day.

All these sums taken together amounted to much more than the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee recommended that the non-official Directors of the Corporation ought not to be exempted from disqualification.

12. In regard to the following bodies, the Committee noted that the non-official members thereof were entitled to T.A.|D.A. 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 exempted from disqualification:—

- (1) National Committee on Environmental Planning and Co-ordination. (Memo. No. 321)
- (2) National Welfare Board for Seafarers. (Memo. No. 322).
- (3) Standing Committee for Teletherapy Units in India. (Memo. No. 329).

13. The Committee then adjourned to meet again on Wednesday, the 29th May, 1974 at 16.00 hours.

II

Twenty-eighth Sitting

The Committee sat on Wednesday, the 29th May, 1974 from 10.00 to 11.00 hours.

PRESENT

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

MEMBERS

LOK SABHA

2. Shri Jagannathrao Joshi

3. Shri Pratap Singh
4. Shri Ram Shekhar Prasad Singh

RAJYA SABHA

5. Shri N. M. Kamble
6. Shri Venigalla Satyanarayana
7. Shri Yogendra Sharma

SECRETARIAT

Shri H. G. Paranjpe—*Deputy Secretary.*

2. The Committee took up for consideration Memoranda Nos. 331 and 333 to 350 relating to Committees|Boards|Corporations, etc. constituted by the Central|State Governments.

Andhra Pradesh State Electricity Board (Memorandum No. 331)

3. The Committee noted that the non-official members of the Andhra Pradesh State Electricity Board were entitled to draw sitting fee of Rs. 25|- per day besides D.A. of Rs. 21|- for the same day. The payment admissible to non-official members per day thus did not exceed the compensatory allowance. However, the Board exercised executive and financial powers. As such, the Committee recommended that the membership of the Board ought not to be exempt from disqualification.

The Gujarat Official Language (Legislative) Commission (Memorandum No. 338)

4. The Committee noted that the Chairman of the Gujarat Official Language (Legislative) Commission received an honorarium of Rs. 1100|- per mensem, in addition to a halting allowance of Rs. 75|- per day. As such, he ought not to be exempt from disqualification. Likewise, the whole-time non-official member who received a monthly honorarium of Rs. 1100|- ought also not to be exempt from disqualification. The Committee further noted that the part-time non-official members were entitled to a daily allowance of Rs. 50|-, which was marginally less than the 'compensatory allowance'.

As such, the Committee recommended that the part-time members ought to be exempt from disqualification.

Indian Farmers Fertilizer Co-operative Limited (Memorandum No. 341)

5. The Committee noted that the non-official Directors of the Indian Farmers Fertilizer Cooperative Ltd. other than M.Ps. or M.L.As. were entitled to draw sitting fee @Rs. 100|- for attending each meeting of the Board of Directors. Besides, they were also

entitled to Rs. 50/- per day as daily allowance and could claim incidental expenses of Rs. 50/- for the first day of the meeting of the Board. The total amount thus exceeded the compensatory allowance. However, M.Ps. and M.L.As. who were Members of the Board of Directors, were governed by Salaries and Allowances of Members of Parliament Act and similar Vidhan Sabha provisions, respectively which was less than compensatory allowances. The Board exercised executive and financial powers. As such, the Committee recommended that the non-official Directors nominated by the Government on the Board ought not to be exempt from disqualification. However, the Directors elected by the General Body ought to be exempt from disqualification as they did not hold office under the Government in terms of Article 102 of the Constitution.

**Advisory Board to assist and advise the Custodian on the
various matters of Indian Iron and Steel Co. Ltd.
(Memorandum No. 347).**

6. The Committee noted that the non-official members of the Advisory Board to assist and advise the Custodian on the various matters of Indian Iron and Steel Co. Ltd. were entitled to Rs. 100/- as honorarium for attending a meeting of the Board and a sum of Rs. 100/- as incidental expenses for the first day and Rs. 50/- for each subsequent day of the meeting (for those who come from outside to the place of meeting). These sums did not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959.

As such, the Committee recommended that the non-official members of the Board ought not to be exempt from disqualification.

**Metallurgical and Engineering Consultants (India) Limited
(Memorandum No. 348).**

7. The Committee noted that the part-time Chairman (at present Vice-Chairman) and other part-time Directors of the Metallurgical and Engineering Consultants (India) Ltd. were entitled to D.A. of Rs. 60/- for ordinary localities and Rs. 100/- for specified localities, and even more, if stay in Hotel cost more than Rs. 100/-. The total amount thus exceeded the 'compensatory allowance'.

Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee recommended that the part-time Directors (including Chairman/Vice-Chairman) ought not to be exempt from disqualification.

Bolani Ores Limited (Memorandum No. 349)

8. The Committee noted that the non-official Directors if appointed on Bolani Ores Ltd. would be entitled to a sitting fee of Rs. 250/- for each Board meeting which did not come within the ambit of '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 recommended that the non-official Directors ought not to be exempt from disqualification.

**National Buildings Construction Corporation Ltd.
(Memorandum No. 350)**

9. The Committee noted that the non-official Directors, if any, appointed on the Board of Directors of National Buildings Construction Corporation Ltd. would be entitled for a sitting fee of Rs. 50/- for attending each meeting of the Board. In addition, they would get Rs. 100/- as incidentals for the first day, while on tour, and Rs. 50/- for subsequent days of tour.

Both the sums taken together would thus exceed the 'compensatory allowance'.

Besides, the Board of Directors exercised executive and financial powers.

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

10. In regard to the following bodies, the Committee noted that the non-official members thereof either did not get any T.A./D.A. etc. or the amount of T.A./D.A. admissible to them was less than 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) Committee for implementation of Rehabilitation Policy and Programme (Andhra Pradesh)—Memo. No. 333.
- (2) Consultative Committee of Experts of Srisaïlam Project (Andhra Pradesh)—Memo. No. 334.
- (3) Development Committee for Pochampad Project for Development of Ayacut (Andhra Pradesh).—Memo. No. 335.

- (4) Project Working Committee of the Pochampad Project for Development of Ayacut (Andhra Pradesh).—Memo. No. 336.
- (5) District Level Implementation Committee (for Nizambad and Karimnagar Districts) of the Pochampad Project for Development of Ayacut (Andhra Pradesh).—Memo. No. 337.
- (6) District Civil Supplies Advisory Committee (Gujarat).—Memo. No. 339.
- (7) Gujarat State Small Savings Advisory Board.—Memo. No. 340.
- (8) Consultative Council on 'Cooperation' (Ministry of Agriculture).—Memo. No. 342.
- (9) National Advisory Board on Cooperative Farming (Ministry of Agriculture).—Memo. No. 343.
- (10) National Advisory Board on Labour Cooperatives (Ministry of Agriculture).—Memo. No. 344.
- (11) Board of Research in Nuclear Sciences and eight Advisory Committees (Department of Atomic Energy).—Memo. No. 345.
- (12) Advisory Council on Personnel Administration (Cabinet Secretariat).—Memo. No. 346.

11. The Committee noted that the examination of a large number of bodies set up by the State Governments had been held up for want of clarifications to be supplied by State Governments. Information had not been received despite reminders by Lok Sabha Secretariat. The Committee authorised the Chairman to write to Chief Ministers of concerned States in suitable cases.

12. The Committee then adjourned to meet again on Thursday, the 27th June, 1974.

III

Twenty-ninth Sitting

The Committee met on Thursday, the 27th June, 1974 from 10.00 to 11.00 hours.

PRESENT

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

MEMBERS
LOK SABHA

2. Shri Chandrika Prasad

3. Shri Jagannathrao Joshi
4. Shri Pratap Singh
5. Shri Arjun Sethi
6. Shri Ramavatar Shastri
7. Shri Ram Shekhar Prasad Singh

RAJYA SABHA

8. Shri N. M. Kamble
9. Shri A. K. Refaye

SECRETARIAT

Shri H. S. Kohli—*Section Officer.*

2. The Committee took up for consideration Memoranda Nos. 351 to 390 relating to Committees|Boards|Corporations, etc. constituted by the Central|State Governments.

Himachal Pradesh Khadi and Village Industries Board (Memorandum No. 351)

3. The Committee noted that the Chairman of the Himachal Pradesh Khadi and Village Industries Board was entitled to an honorarium of Rs. 800|- 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.

However, other non-official members were entitled to T.A.|D.A., which was less than the 'compensatory allowance'. But as the Board exercised executive and financial powers, the Committee felt that the membership of the Board (including Chairmanship) ought not to be exempt from disqualification.

Board of Directors of the State Fisheries Development Corporation Ltd. (West Bengal) (Memorandum No. 352)

4. The Committee noted that the non-official Directors of the State Fisheries Development Corporation Ltd., West Bengal were entitled to an attendance fee of Rs. 25|- for attending each meeting. It was not clear from the material furnished by the State Government whether they were entitled to Daily Allowance, in addition to sitting fee, for the days of meetings. Even if the total payment admissible per day was less than the 'compensatory allowance', the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification on the ground that the Board of Directors exercised executive and financial powers.

The Committee also felt that in case any non-official was appointed as the Chairman of the Board of Directors, he also ought not to be exempt from disqualification for membership of Parliament.

**Board of Directors of the Tamil Nadu Small Industries Corporation
(Memorandum No. 355).**

5. The Committee noted that the payment admissible to non-official directors of the Tamil Nadu Small Industries Corporation *viz.*, sitting fee of Rs. 25|- per meeting of the Board, was less than the 'compensatory allowance'. But, as observed by the Joint Committee on Offices of Profit in para 14 of their Second Report (Fifth Lok Sabha), the Board of Directors of Public Undertakings, by and large, enjoyed executive and financial powers, and as such, the directorship of Public Undertakings as a class, should disqualify. As such, the Committee felt that the directorship of the said Corporation ought not to be exempt from disqualification.

Board of Directors of the Tamil Nadu Small Industries Development Corporation (Memorandum No. 356).

6. The Committee noted that the payment of sitting fee (Rs. 25|- per meeting) admissible to non-official directors of the Tamil Nadu Small Industries Development Corporation was less than the 'compensatory allowance'. But, as observed by the Joint Committee on Offices of Profit in para 14 of their Second Report (Fifth Lok Sabha), Boards of Directors of Public Undertakings, by and large, enjoyed executive and financial powers, and as such, the directorship of public undertakings, as a class, should disqualify. As such, the Committee felt that the directorship of this Corporation ought also not to be exempt from disqualification.

Board of Directors of the Tamil Nadu Industrial Investment Corporation Ltd., Madras (Memorandum No. 357)

7. The Committee noted that the total payment of sitting fee (Rs. 25|-) and D.A. (Rs. 10|-) admissible to the non-official directors of the Tamil Nadu Industrial Investment Corporation Ltd., Madras did not exceed the 'compensatory allowance'. However, 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.

State Transport Authority (Dadra and Nagar Haveli) (Memorandum No. 362).

8. The Committee noted that the amount admissible to the non-official members of the State Transport Authority (Dadra and Nagar Haveli) per day was less than the 'compensatory allowance'. However, the Authority possessed power to issue permits, and was in a position to wield influence. It could also exercise quasi-judicial

powers. As such, the Committee felt that the membership of the Authority ought not to be exempt from disqualification.

Committee to implement schemes under the educated unemployed programme (Goa) (Memorandum No. 364)

9. The Committee noted that the payment per day admissible to the non-official members of the Committee to implement schemes under the educated unemployed programme did not exceed the 'compensatory allowance'. The Committee further noted that one of the functions of the Committee in question was to select candidates for setting up small scale industrial units. However, as the candidates were to be selected from Employment Exchanges, after the schemes had been published in the Press, the Committee felt that there was not much scope for patronage. As such, the Committee felt that the membership of the Committee in question ought to be exempt from disqualification.

One of the Members was, however, of the view that the Committee was in a position to wield influence and as such, its membership ought not to be exempt from disqualification.

Haryana Bhoodan Yagna Board (Memorandum No. 370)

10. The Committee noted that under section 4 of the Punjab Bhoodan Yagna Act, 1955, the Chairman and other members of the Board were nominated by Acharya Vinoba Bhave. Under proviso to Section 5(2) of the Act, the Board might remove from office any of its members who, in its opinion, had failed to perform or was unable to carry out his duties or had so abused his position as a member of the Board as to render his continuance as such detrimental to the interest of the public on the Bhoodan Yagna. Thus, in terms of the Act, the members of the Board were neither appointed by Government nor they could be removed by Government in their discretion. Before taking a decision in the matter, the Committee desired that the opinion of the Ministry of Law might be sought on the point whether, in view of the provisions of sections 4 and 5(2) of the Act, the members of the Board held an office of profit under the Government within the meaning of Article 102(1) of the Constitution.

Jute Corporation of India (Ministry of Commerce (Memorandum No. 374)

11. The Committee noted that the non-official Directors of the Jute Corporation of India were entitled to a sitting fee of Rs. 100/- for each meeting of the Board of Directors attended by them. Besides,

they were paid incidental allowance and halting allowance of Rs. 100/- for the first day and Rs. 50/- for each of the subsequent days. Thus, the sums admissible to them exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee felt that the non-official Directors ought not to be exempt from disqualification.

Central Managing Committee of the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen (Ministry of Defence)
(Memorandum No. 375).

12. The Committee noted that the non-official members of the Central Managing Committee of the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen were entitled to T.A./D.A. as per Ministry of Finance Orders in this regard i.e. first class rail fare and D.A. @ Rs. 28/- per day (maximum) which was less than the 'compensatory allowance.' But the Committee exercised executive and financial powers and was in a position to wield influence and patronage. As such, the Committee felt that the membership of the Committee in question ought not to be exempt from disqualification.

Indian Council of Social Science Research, New Delhi (Ministry of Education and Social Welfare) (Memorandum No. 379).

13. The Committee noted that the non-official members of the Indian Council of Social Science Research, New Delhi were entitled to T.A. and D.A. 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 membership of the Council ought not to be exempt from disqualifications.

14. In regard to the following bodies, the Committee noted that the non-official members thereof either did not get any TA/DA etc. or the amount of TA/DA admissible to them was less than 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) Visitors to Hospital for mental diseases, Shahdara (Delhi)—Memo. No. 353.

- (2) Visitors to the Irwin & G. B. Pant Hospitals Delhi—Memo. No. 354.
- (3) Tamil Nadu State Board for Salt and Allied Chemicals Memo. No. 358.
- (4) Sub-Committee to fix ex-mill and ex-depot prices of yarn produced in Cooperative Spinning Mills (Tamil Nadu)—Memo. No. 359.
- (5) State Level Advisory Committee for Cooperative Spinning Mills (Tamil Nadu) Memo. No. 360.
- (6) Committee for selecting drama scripts and troupes on Family Planning (Tamil Nadu)—Memo. No. 361.
- (7) Home Minister's Advisory Committee for Dadra and Nagar Haveli—Memo. No. 363.
- (8) Goa, Daman and Diu Advisory Committee on Films—Memo. No. 365.
- (9) Local Advisory Committee, Chandigarh—Memo. No. 366.
- (10) Chandigarh Labour Advisory Committee—Memo. No. 367.
- (11) Chandigarh Advisory Board—Memo. No. 368.
- (12) Integration Council for Union Territory, Chandigarh—Memo. No. 369.
- (13) Regional P&T Advisory Committees (Ministry of Communications)—Memo. No. 371.
- (14) Dak Tar Hindi Salahkar Samiti (Ministry of Communications)—Memo. No. 372.
- (15) Advisory Committee for the Anthropological Survey of India, Calcutta (Department of Culture)—Memo. No. 373.
- (16) Board of Examiners in the School of Foreign Languages (Ministry of Defence)—Memo. No. 376.
- (17) Departmental Council functioning under the Joint Consultative Machinery and Compulsory (Defence) Arbitration for Central Government Employees (Ministry of Defence)—Memo. No. 377.
- (18) Sub-Committee of the Kendriya Hindi Samiti (Ministry of Defence)—Memo. No. 378.
- (19) All India Council for Technical Education (Ministry of Education and Social Welfare)—Memo. No. 380.

- (20) Co-ordinating Committee of All India Council for Technical Education (Ministry of Education and Social Welfare)—Memo. No. 381.
- (21) All India Board of Technical Studies in Applied Art (Ministry of Education and Social Welfare)—Memo. No. 382.
- (22) All India Board of Technical Studies in Architecture and Regional Planning (Ministry of Education and Social Welfare)—Memo. No. 383.
- (23) All India Board of Technical Studies in Engineering and Metallurgy (Ministry of Education and Social Welfare)—Memo. No. 384.
- (24) All India Board of Technical Studies in Chemical Engineering and Chemical Technology (Ministry of Education and Social Welfare)—Memo. No. 385.
- (25) All India Board of Technical Studies in Textile Technology (Ministry of Education and Social Welfare)—Memo. No. 386.
- (26) All India Board of Technical Studies in Management (Ministry of Education and Social Welfare)—Memo. No. 387.
- (27) All India Board of Technical Studies in Technicians Education (Ministry of Education and Social Welfare)—Memo. No. 388.
- (28) National Organising Committee of Nehru Yuvak Kendras (Ministry of Education and Social Welfare)—Memo. No. 389.
- (29) National Board of Adult Education (Ministry of Education and Social Welfare)—Memo. No. 390.

15. The Committee then adjourned.

IV

Thirtieth Sitting

The Committee sat on Thursday, the 25th July, 1974 from 10-00 to 10-45 hours.

PRESENT

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

MEMBERS

LOK SABHA

2. Shri Pratap Singh

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

RAJYA SABHA

5. Shri Vithal Gadgil
6. Shri N. M. Kamble
7. Shri Venigalla Satyanarayana

SECRETARIAT

Shri H. G. Paranjpe—*Deputy Secretary.*

2. The Committee considered their draft Tenth Report and adopted it.

3. The Committee decided that the Report might be presented to Lok Sabha on the 2nd August, 1974 and 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 Report to Lok Sabha on their behalf.

5. The Committee authorised Shri Venigalla Satyanarayana and, in his absence, Shri N. M. Kamble to lay the Report on the Table of Rajya Sabha.

6. The Committee then adjourned to meet again at 10-15 hours on Tuesday, the 20th August, 1974.
