

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

NINETEENTH REPORT
(Presented on the 30th August, 1976)



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 1976/Bhadra 1898 (Saka)

Price: Re. 0.70 P.

Corrigenda to the Nineteenth Report of
the Joint Committee on Offices of Profit
(Fifth Lok Sabha) presented to the House
on the 30th August, 1976

<u>Page</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
9	2	Article 102(1)(a)	Article 191(1)(a)
15	5 (Para 4)	As such	As such,
20	5 (from bottom)	sitting fee	sitting fee of
21	2 (from bottom)	themselves	themself
27	3	The Committee note	The Committee noted

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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 Som Nath 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 N. M. Kamble
- **12. Shri Kameshwar Singh
- **13. Shrimati Maimoona Sultan
- £14. Shri A. K. Refaye
- @15. Shri Yogendra Sharma

SECRETARIAT

Shri P. K. Patnaik—Additional Secretary.

Shri Y. Sahai—Chief Legislative Committee officer.

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

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

£ Elected by Rajya Sabha on the 8th May, 1974.

** Elected by Rajya Sabha on the 21st May, 1976 *vice* Shri Vithal Gadgil resigned from the Joint Committee w.e.f. 23rd February, 1976 and Shri Venigalla Satyanarayana ceased to be member on the retirement from Rajya Sabha w.e.f. 22nd April, 1976.

● Elected by Rajya Sabha on the 22nd May, 1972.

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 Nineteenth Report of the Committee.

2. The Committee held four sittings—on the 22nd June, 17th July, and 24th and 26th August, 1976. Minutes of these sittings form part of the Report and are at Appendix.

3. The Committee considered the composition, character, functions, etc. of 90 Committees|Boards|Councils|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 Administration on a request made by the Lok Sabha Secretariat.

5. The Committee considered and adopted the Report on the 26th August, 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/COUNCILS/CORPORATIONS, ETC. CONSTITUTED BY THE CENTRAL AND STATE GOVERNMENTS AND UNION TERRITORY ADMINISTRATIONS.

Board of Directors of the Indian Drugs and Pharmaceuticals Ltd.

7. The Committee note that the non-official Directors of the Indian Drugs and Pharmaceuticals Ltd. are entitled to incidentals @ Rs. 100/- per meeting and sitting fee of Rs. 100/- per day. The

payment admissible to them thus 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 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 Hindustan Organic Chemicals Ltd.

8. The Committee note that the non-official Directors of the Hindustan Organic Chemicals Ltd. are entitled to incidentals @ Rs. 100/- per meeting and sitting fee of Rs. 100/- per day. The payment admissible to them thus 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, 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 Andhra Pradesh Fisheries Corporation (P) Limited.

9. The Committee note that the non-official Directors of the Andhra Pradesh Fisheries Corporation (P) Ltd. are entitled to a sitting fee of Rs. 75/- per day for attending the meetings of the Board of Directors and Sub-Committees thereof. They are also entitled to a D.A. of Rs. 30/- within the State and Rs. 60/- outside the State for attending the meetings. The payment admissible to the non-official Directors of the Corporation thus exceeds the 'compensatory allowance'. Also, the functions of the Corporation are executive in nature, involving financial expenditure. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

Tamil Nadu Land Board, Madras

10. The Committee note that the non-official members of the Tamil Nadu Land Board are entitled to TA/DA, which is less than the 'compensatory allowance'. The Land Board, however, exercises power and is in a position to wield influence and patronage. As such, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

Bihar State Board of Religious Trusts

11. The Committee note that the members of the Bihar State Board of Religious Trusts are paid only 1st Class T.A. and halage allowance @ Rs 12/- per day, which is less than the 'compensatory allowance'. The Board, however, exercises executive, financial and

quasi-judicial powers. However, as the functions and powers of the Board in question are comparable to those of a State Wakf Board, membership of which has expressly been exempted from disqualification for Membership of Parliament under Section 44 of the Wakf Act, 1954, the Committee feel that the membership of the Bihar State Board of Religious Trusts ought also to be exempt from disqualification.

Board of Directors of the Bihar State Construction Corporation Pvt. Ltd.

12. The Committee note that the decision regarding payment of TA|DA to the non-official Directors of the Bihar State Construction Corporation Pvt. Ltd. has not yet been taken. However, as the Board of Directors of the Corporation exercises executive and financial powers, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification even if a payment not exceeding the 'Compensatory allowance' is payable to the non-official Directors of the Corporation.

Board of Directors of the Haryana Warehousing Corporation

13. The Committee note that the non-official Directors of the Haryana Warehousing Corporation are entitled to a fee of Rs. 20|plus TA|DA, which is less than the 'compensatory allowance'. However, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the non-official Directors nominated|appointed by Government ought not to be exempt from disqualification.

Board of Industries (Haryana)

14. The Committee note that in terms of the Punjab State Aid to Industries Act, 1935, 3 members of the Board of Industries (Haryana) are elected by the Vidhan Sabha. One member is elected by the Haryana Chamber of Commerce and one member is elected by the Indian Chamber of Commerce. As these members are not appointed by Government, apparently they do not hold an office under the Government within the meaning of Article 102(1) (a) of the Constitution.

As regards the other non-official members of the Board appointed by Government, the Committee note that the payment admissible to them in the form of T.A., halting allowance is less than the compensatory allowance'. However, the main function of the Board is to consider loan applications above Rs. 5,000 which can enable the members to wield influence. As such, the Committee feel that the

non-official members of the Board appointed by Government ought not to be exempt from disqualification.

Haryana State Electricity Board

15. The Committee note that the whole-time and part-time members of the Haryana State Electricity Board are entitled to a monthly remuneration which does 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 exercises executive and financial powers. As such, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

Board of Directors of 19 Regional Rural Banks in Uttar Pradesh, Haryana, Bihar, Orissa, West Bengal, Rajasthan, Madhya Pradesh, Karnataka, Jammu and Kashmir and Andhra Pradesh (Ministry of Finance).

16. The Committee note that the non-official Directors of the Regional Rural Banks in Uttar Pradesh, Haryana, Bihar, Orissa, West Bengal, Rajasthan, Madhya Pradesh, Karnataka, Jammu & Kashmir and Andhra Pradesh are entitled to a sitting fee of Rs. 25 per meeting, alongwith boarding and lodging expenses up to Rs. 30 per diem. The total amount payable to them may thus exceed the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Regional Rural Banks ought not to be exempt from disqualification.

Board of Directors of the Rajasthan State Agro Industries Corporation Ltd., Jaipur (Rajasthan).

17. The Committee note that the Chairman of the Board of Directors of the Rajasthan State Agro Industries Corporation Ltd. is paid pay and allowances and other perquisites as are admissible to a Minister of Cabinet Rank of the State. This does not come within the ambit of 'compensatory allowance'. The other non-official Directors of the Corporation are entitled to a sitting fee of Rs. 50 per day of the meeting of the Board or a Committee thereof. The daily allowance payable to them for the day of meeting of the Board or of a Committee is Rs. 15 if the stay is arranged in Government Circuit House or Dak Bangalow at concessional rates admissible to Government officials on duty, and Rs. 30 in other cases in Jaipur as admissible to the highest category of Corporation employees in other places. The total amount payable to them thus exceeds the 'compensatory allowance'. Also, 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 the Rajasthan Small Industries Corporation Ltd.

18. The Committee note that the non-official Directors including the Chairman of the Rajasthan Small Industries Corporation are entitled to TA/DA, halting allowance and conveyance allowance, in addition to the sitting fee of Rs. 50 per day. The payment admissible to the Chairman and other non-official Directors thus 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 in so far as it is an office of profit under the Government ought not to be exempt from disqualification.

State Planning Board (Rajasthan)

19. The Committee note that the non-official members other than specialist members of the State Planning Board are not entitled to a payment exceeding the 'compensatory allowance'. The specialist members, however, are entitled to a monthly honorarium of Rs. 500, which does not come within the ambit of 'compensatory allowance'. The functions of the Board are advisory in nature. The Committee, therefore, feel that while the non-official members other than specialist members ought to be exempt from disqualification, the specialist members who are entitled to a monthly honorarium ought not to be so exempt.

J & K State Industrial Development Corporation

20. The Committee note that the Chairman of the State Industrial Development Corporation is paid an honorarium of Rs. 100 per day, which exceeds the 'compensatory allowance'. The other two non-official Directors of the Corporation who are members of the State Legislature are entitled to a daily allowance of Rs. 50 per day, which is marginally less than the 'compensatory allowance'. The Board of Directors, however, 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 the Jammu and Kashmir Industries Ltd.

21. The Committee note that, according to the State Government, the non-official members of the Board of Directors of the Jammu and Kashmir Industries Ltd. have so far been members of the State Legislature. The D.A. admissible to a member of the State Legislature is Rs. 50 per day, which is marginally less than the 'compensatory allowance'. However, the Board of Directors exercises executive

and financial powers. The company controls 21 undertakings run by the State Government. The Committee, therefore, feel that the Directorship of the company ought not to be exempt from disqualification.

Advisory Board under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (Punjab).

22. The Committee note that the payment admissible to the members of the Advisory Board under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 exceeds the 'compensatory allowance'. Also, the functions of the Board are judicial in nature. As such, the Committee feel that the membership of the Advisory Board ought not to be exempt from disqualification.

Board of Directors of the Punjab Export Corporation.

23. The Committee note that the non-official Directors of the Punjab Export Corporation are entitled to a sitting fee of Rs. 50 for attending each meeting of the Board. They are also entitled to TA/DA. It is not clear from the material furnished by the State Government whether they are entitled to TA/DA, in addition to the sitting fee on the days they attend the meetings of the Board of Directors. If they are, the payment admissible to them will exceed the 'compensatory allowance'; and if they are not, it may be marginally less than the 'compensatory allowance'. They may also be paid additional remuneration or honorarium for extra services or special exertions. Further, the Board of Directors exercises executive and financial powers. As such, 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.

Punjab Labour Welfare Board

24. The Committee note that the payment admissible to the non-official members of the Punjab Labour Welfare Board is less than the 'compensatory allowance'. However, the Board exercises financial powers in that it administers the Labour Welfare Fund. But, in the opinion of the Committee, this function does not enable the members of the Board to wield much influence. As such, the Committee feel that the non-official members of the Board ought to be exempt from disqualification.

Punjab Housing Development Board

25. The Committee note that the Chairman of the Punjab Housing Development Board is *inter alia* entitled to a gross salary of

Rs. 2250 per month. Likewise, the whole-time members of the Board are entitled to a gross salary of Rs. 1800 per month. These amounts do not come within the ambit of 'compensatory allowance'. A part time member is in addition to TA entitled to a fee of Rs. 100 per meeting, which exceeds the 'compensatory allowance'. Also, the Board exercises executive and financial powers. As such, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

Representation for Review of Recommendation re: Haryana Housing Board

26. The Joint Committee on Officers of Profit (Fifth Lok Sabha) in para 26 of their Thirteenth Report presented to the House on the 30th April, 1975 had observed as follows in respect of the Haryana Housing Board:

"The Committee note that such of the non-official Members of the Haryana Housing Board, as may be appointed whole time members of the Board, would *inter alia*, be entitled to 'pay' 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 the part-time members is less than the 'compensatory allowance'. However, the Board exercises executive and financial powers. As such, the Committee feel that Membership of the Board ought not to be exempt from disqualification."

In a communication addressed to the Secretariat, the State Government of Haryana represented as follows:—

"...with the exception of the Chairman, none of the members of the Board are paid any salary except T.A. Although there is a provision of salary in the Notification... issued in this behalf yet none of the members, except the Chairman, shall be paid any salary upto 31-7-1978. As for the functions of non-official part-time members of the Board, it is stated that non-official members when appointed shall attend the meetings of the Board and take full part in the deliberations of the meetings. They may, however, be entrusted by the Board with special duties on an *ad hoc* basis from time to time. They shall not be placed in-charge of any particular subject on regular basis. Accordingly the observations made by the Joint Committee on Offices of Profit at page 7, para 26 of their Thirteenth Re-

port regarding the exercising of executive and financial powers by the members do not hold good in this case..”

The Committee have considered the above representation of the Haryana Government at some length, and feel that no change in their earlier recommendation contained in para 26 of their Thirteenth Report (Fifth Lok Sabha) is called for.

Representation for review of recommendation of the Joint Committee on Offices of Profit made in para 18 of their Fourth Report (Fifth Lok Sabha) in respect of Maharashtra State Warehousing Corporation

27. The Joint Committee on Offices of Profit (Fifth Lok Sabha), in para 18 of their Fourth Report presented to the House on the 22nd December, 1972 had observed as follows in respect of the Maharashtra State Warehousing Corporation:—

“The Committee note that the Corporation consists of 11 Directors, of whom 7 (including the Chairman) are officials and 4 non-officials. Non-official Directors who are not members of the Maharashtra State Legislature are entitled to T.A. and D.A. at the rate prescribed for Grade I Government Officers of the State and sitting fee of Rs. 20 for every meeting which they attend. Non-official Directors who are members of the State Legislature are entitled to draw T.A. and D.A. at the rate admissible to them for attending the sittings of the State Legislature. The amount thus admissible to non-official Directors does not exceed the ‘compensatory allowance’, as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. However, the Committee note that the Board of Directors exercises executive and financial powers and is in a position to wield influence and patronage. As such, the Committee feel that the Directorship of the Corporation ought to disqualify.”

In a communication addressed to the Secretariat, the State Government of Maharashtra represented as follows:—

“... the State Government does not accept the view of the Committee on its recommendation regarding the Maharashtra State Warehousing Corporation as the Directors of the Corporation do not exercise the financial and executive powers independently. They also do not get any remuneration or fees or emoluments except T.A. and D.A. admissible to them as members of the State Legislative Assembly. They do not, therefore, hold an office of profit

under Government to disqualify under the provision of Article 102(1)(a) of the Constitution."

The Committee have considered the above representation of the Maharashtra Government and note that in their earlier communication dated 20-12-1971, the State Government had themselves stated that "the Board performs executive functions. The Board has financial powers".

The Committee also note that the Directorship of a number of similar Corporations in other States—all of which have been set up under the Warehousing Corporations Act, 1962—a Central Act has been recommended by the Committee for non-exemption from disqualification. As such, the Committee feel that no change in their earlier recommendation made in para 18 of their Fourth Report (Fifth Lok Sabha) is called for.

Representation for review of recommendation re: Rajasthan Khadi and Village Industries Board . .

28. In paragraph 14 of their 9th Report (Fifth Lok Sabha), the Joint Committee on Offices of Profit had observed as follows in regard to the Rajasthan Khadi and Village Industries Board:—

- 'The Committee note that the non-official Members of the
- Rajasthan Khadi and Village Industries Board coming from outside the Headquarters are entitled to a sitting fee of Rs. 25/- per day along with TA and DA for attending the meetings of the Board. The Committee also note that the Board exercises both executive and financial powers and is in a position to wield influence. As such, the Committee recommend that the membership of the Board ought not to be exempt from disqualification.'

In a communication addressed to the Secretariat, the State Government of Rajasthan have represented as follows:

"No comments are required on first sentence. As regards the remaining information, it is felt that laymen can serve no useful purpose for the development of Khadi and Village Industries while on the other hand those who have experience in this line can offer useful advice and suggestions. As such, preference is given to such persons while appointing members of the Khadi and Village Industries Board.

It can be that such persons, in their private capacity are connected with or bear interest in one of these institutions or societies. The intention to debar these persons from becoming members perhaps is that such persons, because of the reason that they bear interest in one of these in-

stitution/Societies, may, by virtue of this position, manage to derive some advantage for their society. Government however does not hold this view as cases submitted to the Khadi and Village Industries Board are decided by the Board, as a body corporate, and not by individual members who can give only their vote or express their opinion. There can therefore be no manner of their deriving any undue advantage by virtue of their being a member of the Board.

The Committee have considered the above representation of the Rajasthan Government at some length and feel that no change in their earlier recommendation made in para 14 of their 9th Report (Fifth Lok Sabha) is called for.

Offices recommended for exemption from disqualification

29. 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 T.A. and D.A., 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) Advisory Committee for Indira Gandhi Zoological Park, Visakhapatnam (Andhra Pradesh).
- (2) Coordination Committee for Intensive Cattle Development Schemes (Andhra Pradesh).
- (3) Committee for allotment of Mechanised Boats (Andhra Pradesh).
- (4) Selection Committees for admission of candidates into (Fisheries) Training Institutes at Kakinada, Warangal, Penakacherla (Andhra Pradesh).
- (5) Advisory Committee on Regional Accounts and Estimates of capital formation (Andhra Pradesh).
- (6) Standing Committee for Scrutiny of Consumer Price Index numbers (Andhra Pradesh).
- (7) High Level Inter-Departmental Coordination Committee on Statistics (Andhra Pradesh).
- (8) State Labour Advisory Board (Tamil Nadu).

- (9) Tamil Nadu Labour Welfare Board.
- (10) Tamil Nadu Electricity Consultative Council.
- (11) Board of Secondary Education, Tamil Nadu.
- (12) Tamil Nadu State Sports Council.
- (13) The Academic Committee for Collegiate Publications (Tamil Nadu).
- (14) Plantation Labour Housing Advisory Board (Tamil Nadu).
- (15) Tamil Development and Research Council, Tamil Nadu
- (16) District Level Coordination Committee for Intensive Agricultural Area Programme—Districts of Chingleput, Coimbatore, Madurai and Tirunelveli (Tamil Nadu).
- (17) Council of Homœopathic System of Medicine (Haryana).
- (18) State Family Planning Committee (Haryana).
- (19) Committee for the distribution of essential commodities (Haryana).
- (20) State Electricity Consultative Council (Haryana).
- (21) Family Planning Action Sub-Committee District level (Haryana).
- (22) Haryana State Faculty of Ayurvedic/Unani System and Medicine, Chandigarh.
- (23) The Board of Ayurvedic and Unani Systems of Medicine (Haryana).
- (24) State Seed Sub-Committee (Haryana).
- (25) The Board of School Education, Haryana.
- (26) Haryana Press Accreditation Committee.
- (27) Land Reforms Review Board (Kerala).
- (28) State Planning Advisory Council (Kerala).
- (29) District Development Councils (Kerala).
- (30) (a) Press Accreditation Committee.
(b) Press Advisory Committee.—(Kerala).
- (31) Local Advisory Committees (Kerala).
- (32) Advisory Committees for Major Irrigation Projects (Kerala).

- (33) Standing Committee on Land Reforms (Maharashtra).
- (34) State Council for Forest Cooperatives (Maharashtra).
- (35) Committee of Experts for selection of sites for cooperative Sugar Factories (Maharashtra).
- (36) Maharashtra State Ports Advisory Board.
- (37) Industries Loan (Advisory) Board (Mizoram).
- (38) Housing Loan Committee (Mizoram).
- (39) Board of Committee for selections and determination of grant-in-aid to be awarded to patients suffering from diseases (Mizoram).
- (40) Art Purchase Committee for the Museum and Art Gallery, Chandigarh.
- (41) Mica Advisory Committee (Ministry of Commerce).
- (42) Development Council for Woollen Industry (Ministry of Commerce).
- (43) All India Handloom Board (Ministry of Commerce—Department of Textiles).
- (44) Panel for Brick and Tile Industry (Department of Industrial Development).
- (45) Civil Defence Advisory Board (Rajasthan).
- (46) Press Accreditation Committee (Rajasthan).
- (47) Rajasthan Mineral Advisory Board.
- (48) Rajasthan Soil and Water Conservation Board.
- (49) Small Savings State Advisory Board (Rajasthan).
- (50) Wild Life Advisory Board (Rajasthan).
- (51) Public Relations and Grievances Advisory Committee (Haryana).
- (52) Local Advisory Committee for Industrial Training Institutes/Centres (Punjab).
- (53) Punjab State Sports Council.
- (54) Standing Committee on Reservation Policy (Punjab).
- (55) High Power Committee to safeguard the interests of Scheduled Castes and Backward Classes in the State Services (Punjab).

- (56) State Family Planning Council (Mizoram).
- (57) Health Advisory Committees for Aizwal and Lunglei Civil Hospitals (Mizoram). .
- (58) Industrial Loan Board (Small Loans) at District Level— (Mizoram).
- (59) State Level Assessment Committee for appraisal of hire purchase applications (Mizoram).
- (60) State Level Committee for tyre distribution in Mizoram.

S. B. P. PATTABHI RAMA RAO,

Chairman,

NEW DELHI;
26th August, 1976.

Joint Committee on Officers of Profit.

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APPENDIX

(*vide* para 2 of the Report)

MINUTES OF THE JOINT COMMITTEE ON OFFICES OF PROFIT

I

(Fifty-eighth Sitting)

The Committee sat on Tuesday, the 22nd June, 1976 from 10.30 to 11.00 hours.

PRESENT

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

MEMBERS

Lok Sabha

2. Shri Chandrika Prasad
3. Shri Somnath Chatterjee
4. Shri Z. M. Kahandole
5. Shri S. M. Siddayya
6. Shri Arjun Sethi
7. Shri Ramavatar Shastri
8. Shri Ram Shekhar Prasad Singh

Rajya Sabha

9. Shri N. M. Kamble
10. Shri Kameshwar Singh
11. Shrimati Maimoona Sultan
12. Shri Yogendra Sharma

SECRETARIAT

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

2. The Committee took up for consideration Memoranda Nos. 1079 to 1108 relating to certain Committees/Boards/Corporations, etc. constituted by State Governments and Union Territory Administrations.

Board of Directors of the Andhra Pradesh Fisheries Corporation (P) Limited—(Memorandum No. 1080)

3. The Committee noted that the non-official Directors of the Andhra Pradesh Fisheries Corporation (P) Ltd. were entitled to a sitting fee of Rs. 75|- per day for attending the meetings of the Board of Directors and Sub-Committees thereof. They were also entitled to a DA of Rs. 30|- within the State and Rs. 60|- outside the State for attending the meetings. The payment thus admissible to the non-official Directors of the Corporation exceeded the 'compensatory allowance'. Also, the functions of the Corporation were executive in nature, involving financial expenditure. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

Tamil Nadu Land Board, Madras—(Memorandum No. 1097)

4. The Committee noted that the non-official members of the Tamil Nadu Land Board were entitled to TA|DA, which was less than the 'compensatory allowance'. The Land Board, however, exercised power and was in a position to wield influence and patronage. As such the Committee felt that the non-official members of the Board ought not to be exempt from disqualification.

Representation for review of recommendation of the Joint Committee made in para 26 of their Thirteenth Report (Fifth Lok Sabha) in respect of Haryana Housing Board—(Memorandum No. 1106)

5. The Joint Committee on Offices of Profit (Fifth Lok Sabha) in para 26 of their Thirteenth Report presented to the House on the 30th April, 1975 had observed as follows in respect of the Haryana Housing Board:

"The Committee note that such of the non-official Members of the Haryana Housing Board, as may be appointed whole-time members of the Board, would *inter-alia*, be entitled to 'pay' 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 the part-time members is less than the 'compensatory allowance'. However, the Board exercises executive and financial powers. As such, the Committee feel that Membership of the Board ought not to be exempt from disqualification".

In a communication addressed to the Secretariat, the State Government of Haryana represented as follows:—

"...with the exception of the Chairman none of the members of the Board are paid any salary except T.A. Although,

there is a provision of salary in the Notification...issued in this behalf yet none of the Members, except the Chairman, shall be paid any salary up to 31-7-1978. As for the functions of non-official part-time members of the Board, it is stated that non-official members when appointed shall attend the meetings of the Board and take full part in the deliberations of the meetings. They may, however, be entrusted by the Board with special duties on an *ad-hoc* basis from time to time. They shall not be placed in-charge of any particular subject on regular basis. Accordingly the observations made by the Joint Committee on Offices of Profit at page 7, para 26 of their Thirteenth Report regarding the exercising of executive and financial powers by the members do not hold good in this case...."

The Committee considered the above representation of the Haryana Government at some length, and felt that no change in their earlier recommendation contained in para 26 of their Thirteenth Report (Fifth Lok Sabha) was called for.

Bihar State Board of Religious Trusts—(Memorandum No. 1107)

6. The Committee noted that the members of the Bihar State Board of Religious Trusts were paid only 1st Class T.A. and halage allowance @Rs. 12/- per day, which was less than the 'Compensatory allowance'. The Board, however, exercised executive, financial and quasi-judicial powers. But the functions and powers of the Board in question were comparable to those of a State Wakf Boards, membership of which has been exempted from disqualification for Membership of Parliament under Section 44 of the Wakf Act. As such the Committee felt that the Membership of the Bihar State Board of Religious Trusts ought also to be exempt from disqualification.

Board of Directors of the Bihar State Construction Corporation Pvt. Ltd.—(Memorandum No. 1108)

7. The Committee noted that the decision regarding payment of TA/DA to the non-official Directors of the Bihar State Construction Corporation Pvt. Ltd. had not yet been taken. However, as the Board of Directors of the Corporation exercised executive and financial powers, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification even if a payment not exceeding the 'Compensatory allowance' was payable to the non-official Directors.

8. 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 T.A. and D.A., 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) Advisory Committee for Indira Gandhi Zoological Park, Visakhapatnam. (Memorandum No. 1079)
- (2) Coordination Committee for Intensive Cattle Development Scheme (A.P.)* (Memorandum No. 1081)
- (3) Committee for allotment of Mechanised Boats (Andhra Pradesh). (Memorandum No. 1082)
- (4) Selection Committees for admission of candidates into (Fisheries) Training Institutes at Kakinada, Warangal, Penakacherla (Andhra Pradesh). (Memorandum No. 1083).
- (5) Advisory Committee on Regional Accounts and Estimates of capital formation (Andhra Pradesh). (Memorandum No. 1084)
- (6) Standing Committee for scrutiny of Consumer Price Index Numbers (A.P.)* (Memorandum No. 1085)
- (7) High Level Inter Departmental Coordination Committee on Statistics (A.P.)* (Memorandum No. 1086)
- (8) Industries Loan (Advisory) Board (Mizoram) (Memorandum No. 1087)
- (9) Housing Loan Committee (Mizoram). (Memorandum No. 1088)
- (10) Board of Committee for Selections and determination of grant-in-aid to be awarded to patients suffering from diseases (Mizoram). (Memorandum No. 1089)
- (11) State Labour Advisory Board (Tamil Nadu). (Memorandum No. 1090)
- (12) Tamil Nadu Labour Welfare Board. (Memorandum No. 1091)

*Andhra Pradesh.

- (13) Tamil Nadu Electricity Consultative Council. (Memorandum No. 1092)
 - (14) Board of Secondary Education, Tamil Nadu. (Memorandum No. 1093)
 - (15) Tamil Nadu State Sports Council. (Memorandum No. 1094)
 - (16) The Academic Committee for Collegiate Publications, (Tamil Nadu). (Memorandum No. 1095)
 - (17) Land Reforms Review Board (Kerala). (Memorandum No. 1096)
 - (18) Plantations Labour Housing Advisory Board (Tamil Nadu). (Memorandum No. 1098)
 - (19) Tamil Development and Research Council, Tamil Nadu. (Memorandum No. 1099)
 - (20) District Level Coordination Committee for intensive Agricultural Area Programme—Districts of Chingleput, Coimbatore, Madurai and Tirunelveli. (Memorandum No. 1100)
 - (21) Council of Homoeopathic System of Medicine (Haryana). (Memorandum No. 1101)
 - (22) State Family Planning Committee (Haryana). (Memorandum No. 1102)
 - (23) Committee for the distribution of essential commodities (Haryana). (Memorandum No. 1103)
 - (24) State Electricity Consultative Council (Haryana). (Memorandum No. 1104)
 - (25) Family Planning Action Sub-Committee District Level—Haryana. (Memorandum No. 1105)
8. The Committee then adjourned to meet again on Saturday, the 17th July, 1976 at 11.00 hours.

II

(Fifty-ninth Sitting)

The Committee sat on Saturday, the 17th July, 1976 from 11.00 to 12.15 hours.

PRESENT

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

MEMBERS*Lok Sabha*

2. Shri Chandrika Prasad
3. Shri Somnath Chatterjee
4. Shri Z. M. Kahandole
5. Shri S. M. Siddayya
6. Shri Arjun Sethi
7. Shri Ramavatar Shastri
8. Shri Ram Shekhar Prasad Singh

Rajya Sabha

9. Shri N. M. Kamble
10. Shri Kameshwar Singh
11. Shrimati Maimoona Sultan

SECRETARIAT

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

2. The Committee took up for consideration Memoranda Nos. 1109-1138 relating to certain committees/Boards/Corporations etc. constituted by Central Government, State Governments and Union Territory Administrations.

Board of Directors of the Haryana Warehousing Corporation
(Memorandum No. 1109)

3. The Committee noted that the non-official Directors of the Haryana Warehousing Corporation were entitled to a fee of Rs. 20 plus TA/DA which was less than the 'compensatory allowance'. However, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the non-official Directors nominated/appointed by Government ought not to be exempt from disqualification.

Board of Industries (Haryana) (Memorandum No. 1110)

4. The Committee noted that in terms of the Punjab State Aid to Industries Act, 1935, 3 members of the Board of Industries (Haryana) were elected by the Vidhan Sabha. One member was elected by the Haryana Chamber of Commerce and one member was elected by the Indian Chamber of Commerce. As these members were not appointed by Government, they did not hold an office

under the Government within the meaning of Article 102(1) (a) of the Constitution.

As regards the non-official members of the Board appointed by Government, the Committee noted that the payment admissible to them in the form of TA, halting allowance was less than the 'compensatory allowance'. However, the main function of the Board was to consider loan applications above Rs. 5,000 which could enable the members to wield influence. As such, the Committee felt that the non-official members of the Board appointed by Government ought not to be exempt from disqualification.

Haryana State Electricity Board (Memorandum No. 1118)

5. The Committee noted that the whole-time and part-time members of the Haryana State Electricity Board were entitled to a monthly remuneration, 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. As such, the Committee felt that the membership of the Board ought not to be exempt from disqualification.

*Board of Directors of the Indian Drugs and Pharmaceuticals Ltd.
(Memorandum No. 1137)*

6. The Committee noted that the payment admissible to the non-official Directors of the Indian Drugs and Pharmaceuticals Ltd. who were entitled to incidental @ Rs. 100 per meeting and sitting fee of Rs. 100 per day, exceeded the 'compensatory allowance'. Also, 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 the Hindustan Organic Chemicals Ltd.
(Memorandum No. 1138)*

7. The Committee noted that the payment admissible to the non-official Directors of the Hindustan Organic Chemicals Ltd. who were entitled to incidental @ Rs. 100 per meeting and sitting fee Rs. 100 per day exceeded the 'compensatory allowance'. Also, 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.

Representation for review of recommendation of the Joint Committee on Offices of Profit made in para 18 of their Fourth Report (Fifth Lok Sabha) in respect of Maharashtra State Warehousing Corporation—(Memorandum No. 1128)

8. The Joint Committee on Offices of Profit (Fifth Lok Sabha) in para 18 of their Fourth Report presented to the House on the 22nd December, 1972 had observed as follows in respect of the Maharashtra State Warehousing Corporation :

“The Committee note that the Corporation consists of 11 Directors, of whom 7 (including the Chairman) are officials and 4 non-officials. Non-official Directors who are not members of the Maharashtra State Legislature are entitled to TA and DA at the rate prescribed for Grade-I Government Officers of the State, and a sitting fee of Rs. 20 for every meeting which they attend. Non-official Directors who are members of the State Legislature are entitled to draw TA and DA at the rate admissible to them for attending the sittings of the State Legislature. The amount thus admissible to non-official Directors does not exceed the ‘compensatory allowance’, as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. However, the Committee note that the Board of Directors exercises executive and financial powers and are in a position to wield influence and patronage. As such, the Committee feel that the Directorship of the Corporation ought to disqualify.”

9. In a communication addressed to the Secretariat the State Government of Maharashtra represented as follows:

“...the State Government does not accept the view of the Committee on its recommendation regarding the Maharashtra State Warehousing Corporation as the Directors of the Corporation do not exercise the financial and executive powers independently. They also do not get any remuneration or fees or emoluments except TA and DA admissible to them as members of the State Legislative Assembly. They do not, therefore, hold an office of profit under Government to disqualify under the provision of Article 191(1)(a) of the Constitution.”

10. The Committee considered the above representation of the Maharashtra Government, and noted that in their earlier communication dated 20th December, 1971, the State Government had themselves stated that “the Board performs executive functions. The Board has financial powers”.

11. The Committee also noted that the Directorship of a number of similar Corporations in other States—all of which have been set up under the Warehousing Corporations Act, 1962—a Central Act, had been recommended by the Committee for non-exemption from disqualification. As such, the Committee felt that no change in their earlier recommendation made in para 18 of their Fourth Report (Fifth Lok Sabha) was called for.

12. The Committee deferred consideration of Memoranda Nos. 1111 and 1114 pending receipt of further information in respect of the following bodies:—

Name of the body	Points on which information desired
1. State Level Committee (at Directorate level) Haryana.—(Memorandum No. 1111).	(i) Whether the State Level Committee (at Directorate level) Haryana has been constituted under an Act/Resolution of the State Government. (ii) Term of office of non-official members. (iii) Are the non-official members appointed by the State Government?
2. Local Selection Committee for Institutes/Centres (Haryana).—(Memorandum No. 1114).	(i) Details of Institutes/Centres, the Committee in question makes selection. (ii) whether the Committee is in a position to wield influence.

13. The Committee considered Memoranda in respect of the following bodies at some length and desired that further information in regard to the functions and powers exercised by the Directors/Members thereof may be called for from the Ministries/Departments concerned:

- (1) Oil India Ltd. (Ministry of Petroleum) (Memo. No. 1130).
- (2) Committee of Processed Food Export Promotion Council (Ministry of Commerce). (Memo. No. 1132).
- (3) Committee of Chemicals and Allied Products Export Promotion Council, Calcutta (Ministry of Commerce). (Memo. No. 1133).

(4) Working Committee of the Engineering Export Promotion Council, Calcutta (Ministry of Commerce). (Memo. No. 1134).

(5) Committee of Administration of the Wool and Woollens Export Promotion Council (Ministry of Commerce). (Memo. No. 1136).

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 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) Haryana State Faculty of Ayurvedic/Unani System of Medicine, Chandigarh. (Memo. No. 1112).

(2) The Board of Ayurvedic and Unani Systems of Medicine (Haryana). (Memo. No. 1113).

(3) State Seed Sub-Committee (Haryana). (Memo. No. 1115).

(4) The Board of School Education, Haryana. (Memo. No. 1116).

(5) Haryana Press Accreditation Committee. (Memo. No. 1117).

(6) State Planning Advisory Council (Kerala). (Memo. No. 1119).

(7) District Development Councils (Kerala). (Memo. No. 1120).

(8) (a) Press Accreditation Committee.

(b) Press Advisory Committee (Kerala). (Memo. No. 1121).

(9) Local Advisory Committees (Kerala). (Memo. No. 1122).

(10) Advisory Committees for Major Irrigation Projects (Kerala). (Memo. No. 1123).

(11) Standing Committee on Land Reforms (Maharashtra). (Memo. No. 1124).

- (12) State Council for Forest Cooperatives (Maharashtra). (Memo. No. 1125).
- (13) Committee of Experts for selection of sites for cooperative Sugar Factories (Maharashtra). (Memo. No. 1126).
- (14) Maharashtra State Ports Advisory Board. (Memo. No. 1127).
- (15) Art Purchase Committee for the Museum and Art Gallery, Chandigarh. (Memo. No. 1129).
- (16) Mica Advisory Committee (Ministry of Commerce). (Memo. No. 1131).
- (17) Development Council for Woollen Industry (Ministry of Commerce). (Memo. No. 1135).

The Committee then adjourned to meet again on the 17th August, 1976 at 10.30 hours.

III

(Sixty-first Sitting)

The Committee sat on Tuesday, the 24th August, 1976 from 10.30 to 11.00 hours.

PRESENT

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

MEMBERS

Lok Sabha

- 2. Shri Chandrika Prasad
- 3. Shri S. M. Siddayya
- 4. Shri Arjun Sethi
- 5. Shri Ram Shekhar Prasad Singh

Rajya Sabha

- 6. Shri N. M. Kamble
- 7. Shrimati Maimoona Sultan
- 8. Shri A. K. Refaye

SECRETARIAT

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

2. The Committee took up for consideration Memoranda Nos. 1139—1168 relating to certain Committees|Boards|Corporations, etc. constituted by Central Government, State Governments and Union Territory Administrations.

Board of Directors of 19 Regional Rural Banks in U.P., Haryana, Bihar, Orissa, West Bengal, Rajasthan, Madhya Pradesh, Karnataka, J & K and Andhra Pradesh. (Ministry of Finance)—(Memorandum No. 1139)

3. The Committee noted that the non-official Directors of the Regional Rural Banks in Uttar Pradesh, Haryana, Bihar, Orissa, West Bengal, Rajasthan, Madhya Pradesh, Karnataka, Jammu & Kashmir and Andhra Pradesh were entitled to a sitting fee of Rs. 25|- per meeting, along with boarding and lodging expenses up to Rs. 30|- per diem. The total amount payable to them might thus exceed the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Regional Rural Banks ought not to be exempt from disqualification.

Board of Directors of the Rajasthan State Agro Industries Corporation Ltd. Jaipur (Rajasthan)—(Memorandum No. 1148).

4. The Committee noted that the Chairman of the Board of Directors of the Rajasthan State Agro Industries Corporation Ltd., was paid pay and allowances and other perquisites as were admissible to a Minister of Cabinet Rank of the State. This did not come within the ambit of 'compensatory allowance'. The other non-official Directors of the Corporation were entitled to a sitting fee of Rs. 50|- per day of the meeting of the Board or a Committee thereof. The daily allowance payable to them for the day of meeting of the Board or of a Committee was Rs. 15|- if the stay was arranged in Government Circuit House or Dak Bangalow at concessional rates admissible to Government officials on duty, and Rs. 30|- in other cases in Jaipur as admissible to the highest category of Corporation employees in other places. The total amount payable to them thus exceeded the 'compensatory allowance'. Also, 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 Rajasthan Small Industries Corporation Ltd.—(Memorandum No. 1149)

5. The Committee noted that the non-official Directors including the Chairman of the Rajasthan Small Industries Corporation were

entitled to TA/DA, halting allowance and conveyance allowance, in addition to the sitting fee of Rs. 50/- per day. The payment admissible to the Chairman and other non-official Directors thus exceeded the 'compensatory allowance'. Also, 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.

State Planning Board (Rajasthan)—(Memorandum No. 1150)

6. The Committee noted that the non-official members other than specialist members of the State Planning Board were not entitled to a payment exceeding the 'compensatory allowance'. The specialist members, however, were entitled to a monthly honorarium of Rs. 500/-, which did not come within the ambit of 'compensatory allowance'. The functions of the Board were advisory in nature. The Committee, therefore, felt that while the non-official members other than specialist members ought to be exempt from disqualification, the specialist members who were entitled to a monthly honorarium ought not to be so exempt.

J&K State Industrial Development Corporation—(Memorandum No. 1153)

7. The Committee noted that the Chairman of the State Industrial Development Corporation was paid an honorarium of Rs. 100/- per day, which exceeded the 'compensatory allowance'. The other two non-official Directors of the Corporation who were members of the State Legislature were entitled to a daily allowance of Rs. 50/- per day, which was marginally less than the 'compensatory allowance'. The Board of Directors, however, 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 Jammu and Kashmir Industries Limited—(Memorandum No. 1154)

8. The Committee noted that, according to the State Government, the non-official members of the Board of Directors of the Jammu and Kashmir Industries Ltd. had so far been members of the State Legislature. The D.A. admissible to a member of the State Legislature was Rs. 50/- per day, which was marginally less than the 'compensatory allowance'. However, the Board of Directors exercised executive and financial powers. The company controlled 21 undertakings run by the State Government. The Committee, therefore, felt that the Directorship of the Company ought not to be exempt from disqualification.

Advisory Board under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (Punjab)—(Memorandum No. 1156)

9. The Committee note that the payment admissible to the members of the Advisory Board under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 exceeded the 'Compensatory allowance'. Also, the functions of the Board were judicial in nature. As such, the Committee felt that the membership of the Advisory Board ought not to be exempt from disqualification.

Board of Directors of the Punjab Export Corporation—(Memorandum No. 1158)

10. The Committee noted that the non-official Directors of the Punjab Export Corporation were entitled to a sitting fee of Rs. 50/- for attending each meeting of the Board. They were also entitled to TA/DA. It was not clear from the material furnished by the State Government whether they were entitled to TA/DA, in addition to the sitting fee on the days they attended the meetings of the Board of Directors. If they were, the payment admissible to them would exceed the 'compensatory allowance', and if they were not, it might be marginally less than the 'compensatory allowance'. They might also be paid additional remuneration or honorarium for extra services or special exertions. Further, the Board of Directors exercised executive and financial powers. As such, 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.

Punjab Labour Welfare Board—(Memorandum No. 1162)

11. The Committee noted that the payment admissible to the non-official members of the Punjab Labour Welfare Board was less than the 'compensatory allowance'. However, the Board exercised financial powers in that it administered the Labour Welfare Fund. But, in the opinion of the Committee, this function did not enable the members of the Board to wield much influence. As such, the Committee felt that the non-official members of the Board ought to be exempt from disqualification.

Punjab Housing Development Board—(Memorandum No. 1163)

12. The Committee noted that the Chairman of the Punjab Housing Development Board was *inter alia* entitled to a gross salary of Rs. 2250/- per month. Likewise, the whole-time members of the Board were entitled to a gross salary of Rs. 1000/- per month. These

amounts did not come within the ambit of 'compensatory allowance'. A part-time member was in addition to TA entitled to a fee of Rs. 100/- per meeting, which exceeded the 'compensatory allowance'. Also, the Board exercised executive and financial powers. As such, the Committee felt that the membership of the Board ought not to be exempt from disqualification.

Representation for review of recommendation re. Rajasthan Khadi and Village Industries Board—(Memorandum No. 1142)

13. In paragraph 14 of their 9th Report (Fifth Lok Sabha), the Joint Committee on Offices of Profit had observed as follows in regard to the Rajasthan Khadi and Village Industries Board:—

"The Committee note that the non-official members of the Rajasthan Khadi and Village Industries Board coming from outside the Headquarters are entitled to a sitting fee of Rs. 25/- per day along with TA and DA for attending the meetings of the Board. The Committee also note that the Board exercises both executive and financial powers and is in a position to wield influence. As such, the Committee recommend that the membership of the Board ought not to be exempt from disqualification".

In a communication addressed to the Secretariat, the State Government of Rajasthan represented as follows:—

"No Comments are required on first sentence. As regards the remaining information, it is felt that laymen can serve no useful purpose for the development of Khadi and Village Industries while on the other hand those who have experience in this line can offer useful advice and suggestions. As such, preference is given to such persons while appointing members of the Khadi and Village Industries Board.

It can be that such persons, in their private capacity are connected with or bear interest in one of these institutions or societies. The intention to debar these persons from becoming members perhaps is that such persons, because of the reason that they bear interest in one of these institutions/Societies, may, by virtue of this position, manage to derive some advantage for their society. Government however, does not hold this view as cases submitted to the Khadi and Village Industries Board are decided by the Board, as a body corporate, and not by individual members who can give only their vote or express their opinion. There can, therefore, be no manner of their deriving any

undue advantage by virtue of their being a member of the Board."

The Committee considered the above representation at some length and noted that in their earlier communication, the State Government had themselves stated that "the Board performs executive functions and has also financial powers". The Committee also noted that the Membership of Khadi and Village Industries Board in a number of other States has been recommended by the Committee for non-exemption from disqualification for Membership of Parliament. As such, the Committee felt that no change in their earlier recommendation made in para 14 of their 9th Report (Fifth Lok Sabha) was called for.

1. The Committee deferred consideration of Memorandum No. 1152 relating to the Bihar State Financial Corporation pending receipt of further information from the State Government on the following points:

- Whether the Chairman of the Corporation is a non-official and if so, whether he is entitled to any other payment (pay,
 - honorarium or any other allowance or perquisite) in addition to T.A./D.A., halting allowance and a sitting fee of Rs. 75/- for attending the meetings of the Board admissible to the other non-official Directors of the Corporation.

15. 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 T.A. and D.A., 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) All India Handloom Board (Ministry of Commerce—Department of Textiles)—(Memorandum No. 1140).
- (2) Panel for Brick and Tile Industry (Department of Industrial Development)—(Memorandum No. 1141).
- (3) Civil Defence Advisory Board (Rajasthan)—(Memorandum No. 1143).
- (4) Press Accreditation Committee (Rajasthan)—(Memorandum No. 1144).
- (5) Rajasthan Mineral Advisory Board—(Memorandum No. 1145).

- (6) Rajasthan Soil and Water Conservation Board—(Memorandum No. 1146).
- (7) Small Savings State Advisory Board (Rajasthan)—(Memorandum No. 1147).
- (8) Wild Life Advisory Board (Rajasthan)—(Memorandum No. 1151).
- (9) Public Relations and Grievances Advisory Committee (Haryana)—(Memorandum No. 1155).
- (10) Local Advisory Committee for Industrial Training Institutes/Centres (Punjab)—(Memorandum No. 1157).
- (11) Punjab State Sports Council—(Memorandum No. 1159).
- (12) Standing Committee on Reservation Policy (Punjab)—(Memorandum No. 1160).
- (13) High Power Committee to safeguard the interests of Scheduled Castes and Backward Classes in the State Services (Punjab)—(Memorandum No. 1161).
- (14) State Family Planning Council (Mizoram)—(Memorandum No. 1164).
- (15) Health Advisory Committees for Aizwal and Lunglei Civil Hospitals—(Mizoram). (Memorandum No. 1165).
- (16) Industrial Loan Board (Small Loans) at District level—Mizoram—(Memorandum No. 1166).
- (17) State Level Assessment Committee for appraisal of hire purchase applications (Mizoram)—Memorandum No. 1167).
- (18) State Level Committee for tyre distribution in Mizoram—(Memorandum No. 1168).

The Committee then adjourned to meet again on Thursday, the 26th August, 1976 at 10.30 hours.

IV

(Sixty-second Sitting)

The Committee sat on Thursday, the 26th August, 1976 from 10.30 to 11.00 hours.

PRESENT

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

MEMBERS

Lok Sabha

2. Shri Chandrika Prasad
3. Shri S. M. Siddayya
4. Shri Ram Shekhar Prasad Singh

Rajya Sabha

5. Shri N. M. Kamble
6. Shri A. K. Refaye
7. Shri Yogendra Sharma

SECRETARIAT

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

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

3. The Committee decided that the Nineteenth Report might be presented to Lok Sabha on the 30th August, 1976. The Committee also decided that the Report may be laid on the Table of Rajya Sabha on the same day.

4. The Committee authorised the Chairman, and, in his absence, Shri S. M. Siddayya to present the Report to Lok Sabha on their behalf.

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

6. The Committee then adjourned.