

**COMMITTEE ON PUBLIC  
UNDERTAKINGS  
(1977-78)**

**(SIXTH LOK SABHA)**

**SIXTH REPORT**

**ON**

**GALLOPING RISE IN FOREIGN TOURS AND  
COSTS THEREOF UNDERTAKEN BY THE  
OFFICIALS OF THE PUBLIC UNDERTAKINGS**

*Presented to Lok Sabha on 20th April, 1978*

*Laid in the Rajya Sabha on 24th April, 1978*



सत्यमेव जयते

**LOK SABHA SECRETARIAT  
[NEW DELHI**

*April, 1978/Chaitra, 1900 (Saka)*

*Price : Rs. 2.00*

**LIST OF AUTHORISED AGENTS FOR THE SALE OF LOK SABHA  
SECRETARIAT PUBLICATIONS**

Sl. No.	Name of Agent	Agency No.	Sl. No.	Name of Agent	Agency No.
<b>ANDHRA PRADESH</b>					
1.	Andhra University General Cooperative Stores Ltd., Waltair (Visakhapatnam)	8	12.	Charles Lambert & Company, 101, Mahatma Gandhi Road, Opposite Clock Tower, Fort, Bombay.	30
4.	G.R. Lakshminpathy Chetty and Sons, General Merchants and News Agents, Newpet, Chandragiri, Chittoor District.	94	13.	The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-1.	60
<b>ASSAM</b>					
3.	Western Book Depot, Pan Bazar, Gauhati.	7	14.	Deccan Book Stall, Ferguson College Road, Poona-4.	65
<b>BIHAR</b>					
4.	Amar Kitab Ghar, Post Box 78, Diagonal Road, Jamshedpur.	37	15.	M/s. Usha Book Depot, 585/A, Chira Bazar, Khan House, Girgaum Road, Bombay-2 B.R.	5
<b>GUJARAT</b>					
5.	Vijay Stores, Station Road, Anand.	35	<b>MYSORE</b>		
6.	The New Order Book Company Ellis Bridge, Ahmedabad-6.	63	16.	M/s. Peoples Book House, Opp. Jaganmohan Palace, Mysore-1.	16
<b>HARYANA</b>					
7.	M/s. Prabhu Book Service, Nai Subzmandi, Gurgaon, (Haryana).	14	<b>RAJASTHAN</b>		
<b>MADHYA PRADESH</b>					
8.	Modern Book House, Shiv Vilas Palace, Indore City.	13	17.	Information Centre, Government of Rajasthan, Tripolia, Jaipur City.	38
<b>MAHARASHTRA</b>					
9.	M/s. Sunderdas Gianchand, 601, Girgaum Road, Near Princess Street, Bombay-2.	6	<b>UTTAR PRADESH</b>		
10.	The International Book House (Private) Limited, 4, Ash Lane, Mahatma Gandhi Road, Bombay-1.	22	18.	Swastik Industrial Works, 59, Holi Street, Meerut City.	2
11.	The International Book Service, Deccan Gymkhana, Poona-4.	26	19.	Law Book Company, Sardar Patel Marg, Allahabad-1.	48
<b>WEST BENGAL</b>					
			20.	Granthaloka, 5/1, Ambica Mookherjee Road, Belgharia, 24 Parganas.	10
			21.	W Newman & Company Ltd, 3, Old Court House Street, Calcutta.	44
			22.	Firma K.L. Mukhopadhyay, 6/1A, Banchharam Akur Lane, Calcutta 12.	82
			23.	M/s. Mukherji Book House, 8B, Duff Lane, Calcutta-6.	4

## CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE . . . . .	(iii)
INTRODUCTION . . . . .	(v)
REPORT . . . . .	i

### APPENDICES

I. Particulars of 72 Public Undertakings which have not furnished the requisite information till 20-3-1978 . . . . .	15
II. Total Expenditure incurred on Foreign Travels by Public Undertakings	18
III. Foreign Exchange sanctioned and spent on Foreign Travels . . . . .	22
IV. Statement showing the number of foreign tours performed by Executives of different Public Undertakings . . . . .	30
V. Summary of Conclusions /Recommendations . . . . .	34

**COMMITTEE ON PUBLIC UNDERTAKINGS**  
(1977-78)

**CHAIRMAN**

**Shri Jyotirmoy Bosu**

**MEMBERS**

2. **Shri O. V. Alagesan**
3. **Shri Maganti Ankineedu**
4. **Shrimati Chandravati**
5. **Shri Tridib Chaudhuri**
6. **Shri Hitendra Desai**
7. **Shri Anant Ram Jaiswal**
8. **Shri L. L. Kapoor**
9. **Shri K. Lakkappa**
10. **Shri Dharamsinhbhai Patel**
11. **Shri Raghavji**
12. **Shri Padmacharan Samantashinhar**
13. **Shri Bhanu Kumar Shastri**
14. **Dr. Subramaniam Swamy**
15. **Shri Madhav Prasad Tripathi**
- \*16. **Dr. Rajat Kumar Chakrabarti**
17. **Shrimati Kumudben Manishankar Joshi**
- \*18. **Shri M. Kamlanathan**
- \*\*19. **Shri Ganesh Lal Mali**
20. **Shri K. L. N. Prasad**
21. **Shri Viren J. Shah**
- \*\*22. **Shri Gunanand Thakur**

**SECRETARIAT**

**Shri B. K. Mukherjee—Joint Secretary.**

**Shri G. D. Sharma—Chief Financial Committee Officer.**

---

\*Ceased to be a member of the Committee consequent on his retirement from Rajya Sabha w.e.f. 2-4-1978.

\*\*Ceased to be a member of the Committee consequent on his retirement from Rajya Sabha w.e.f. 9-4-1978.

## INTRODUCTION

1. the Chairman, Committee on Public Undertakings, having been authorised by the Committee to submit the Report on their behalf present this **SIXTH REPORT** on 'GALLOPING RISE IN FOREIGN TOURS AND COSTS THEREOF UNDERTAKEN BY THE OFFICIALS OF THE PUBLIC UNDERTAKINGS'.

2. The subject was examined by the Committee on Public Undertakings (1977-78). In order to probe this aspect of the matter, initially the Committee called for some information from all the 172 public undertakings for the last three years, namely, 1974-75, 1975-76 and 1976-77 regarding details of Foreign Travels undertaken by the officials of the Public Undertakings.

3. The Draft Report was considered by the Committee at their sitting held on 20 April, 1978.

4. The Committee wish to express their thanks to Bureau of Public Enterprises/Public Undertakings for placing before them the material and information on the subject.

NEW DELHI;

April 20, 1978.

Chaitra 30, 1900 (SAKA)

JYOTIRMOY BOSU,

*Chairman*

*Committee on Public Undertakings.*

## **GALLOPING RISE IN FOREIGN TOURS AND COSTS THEREOF UNDERTAKEN BY THE OFFICIALS OF THE PUBLIC UNDERTAKINGS**

### **Unfettered Freedom Enjoyed by Public Undertakings Executives in the matter of Foreign Travels**

*Instructions issued by the Bureau of Public Enterprises on  
Foreign Travel:*

Till November 1967, the Public Enterprises had to obtain the approval of the Government for the foreign tours of their officials, just as in the case of similar tours of Government servants. In November, 1967, Government decided that all Public Enterprises should, like private sector units, apply directly to the Reserve Bank of India for the release of foreign exchange/passage clearance, in respect of their proposals for official visits abroad of their employees. Consequently, the Public Enterprises were not required to go upto the administrative Ministries for the necessary approval in this regard. In July 1969, the position was reviewed and it was decided, in partial modification of the 1967 instructions, that whenever the Chief Executives of Public Enterprises had to undertake tours abroad, although approval of the administrative Ministry/Department as such, need not be taken to the same, they inform the administrative Ministry/Department sufficiently in advance about their intended tours. The fact, therefore, is that public sector undertaking executives had full freedom and liberty to go abroad whenever they wished and the Ministries did not exercise any administrative control over their trips abroad. This is an unusual situation and undoubtedly this freedom has been misused in many cases.

2. In this connection the Committee on Public Undertakings (1975-76) recommended in their Eighty-fifth Report on Hindustan Paper Corporation Ltd., that "Government should critically scrutinise proposals for foreign tours received from the Public Undertakings and only if they are satisfied that a proposed tour is absolutely necessary in the larger interests of the Public Undertakings, they should allow a minimum number of officers to go abroad for a short duration to visit specified places for specific purposes. The officers who go abroad should be asked to submit, on return, detailed reports on their tour to the Board of Directors and the administrative

Ministry concerned who should evaluate the reports critically. The Committee desired the Bureau of Public Enterprises to issue suitable guidelines to all the Public Undertakings and also the administrative Ministries concerned in this regard and review the guidelines from time to time in the light of the experience gained."

3. In the light of the recommendations of the Committee on Public Undertakings the question whether, apart from the clearance of Reserve Bank, it was necessary to stipulate that the Public Enterprises should obtain the approval of the administrative Ministries concerned for the foreign tours of their officers was said to have been re-examined. It was considered adequate if Chief Executives of Public Enterprises informed the administrative Ministries as early as possible about their proposed foreign tour programmes.

4. The Ministries however enjoyed power to advise in any particular instance that the programme may be modified or even cancelled. Ministry also had the power to point out if there was any excessive touring.

The reader in course of reading this Report will find that these powers were seldom exercised by the Ministries and controlling authorities.

#### *Information desired by the Committee on Public Undertakings on Foreign Travel*

5. The Committee on Public Undertakings desired information to be called for from all the 172 Public Undertakings through the Bureau of Public Enterprises regarding their expenditure on foreign travel undertaken by their respective Chairman/Managing Director and Officers drawing a pay of more than Rs. 1800 per month during the years 1974-75, 1975-76 and 1976-77.

6. It is most regrettable and disappointing that although the Bureau of Public Enterprises (Ministry of Finance) were asked on 23 December 1977 to obtain information from all the public undertakings by 22 January, 1978, information in respect of only 100 public undertakings had been received from the Bureau of Public Enterprises upto 20 March, 1978. The Bureau had not furnished till then the requisite information regarding the remaining 72 undertakings which are listed in Appendix I. This, the Committee feel amounts to withholding of the information and consequently may constitute a contempt of the Committee.

7. Among the purposes of foreign travel, there is a case in Indian Airlines where a Medical Officer went to Paris to bring back a key-punch operator, who was under treatment there.

8. Strangely enough the purpose of visit of the General Manager of the Delhi Road Transport Corporation to the United Kingdom during the year 1975-76 has not been stated.

9. Another strange instance is that of the Life Insurance Corporation of India who have not shown the purpose of the visit of their officers and the expenditure relates only to "air travel expenses incurred by Central Office." This amounts to withholding of relevant information from the Committee on Public Undertakings and is reprehensible and requires an explanation from the Life Insurance Corporation of India.

10. The analysis also brings out some salient features of the expenditure which are mentioned in the following paragraphs.

11. From the information received from 100 Public Undertakings in this regard it is seen that the total expenditure incurred by 65 undertakings out of which 21 are losing on foreign travels undertaken by Chairman/Managing Directors and officers drawing a pay of more than Rs. 1800 per month during the years 1974-75, 1975-76 and 1976-77 amounted to as much as Rs. 356.42 lakhs the year-wise break-up of which is as under:—

Year	Amount*	Average per * Undertaking
	(Rs. in lakhs)	
1974-75	65.66	0.77
1975-76	95.65	1.12
1976-77	195.13	2.30

12. It will be seen from the above that the average expenditure per undertaking has risen from Rs. 0.77 lakhs in 1974-75 to Rs. 1.12 lakhs in 1975-76 (a rise of about 50 per cent) and to Rs. 2.30 lakhs in 1976-77 (which is a rise of about 200 per cent over 1974-75). This is a fantastic increase in expenditure on this account from year to year and should be tackled forthwith.

\*Foreign currency converted @ Rs. 15.40 per £ and Rs. 8.10 per \$, the rate prevalent on 15-4-1978.



13. The out-go of foreign exchange on this account has been as follows:—

Year	Amount	In Rupees
1974-75	Rs. 6,50,070·61	6,50,070·61
	£ 72,322·25	11,13,762·65
	\$ 69,403·65	5,55,869·56
	Iraqi Dinar 100	2,765·00
	Swiss Franc 1150	3,611·00
	French Franc 25404·60	46,998·51
	DM 2968·62	9,944·88
	Singapore \$ 578	2,005·66
	23,85,027·87	
1975-76	Rs. 8,13,159·10	8,13,159·10
	£ 5910·50	91,021·70
	\$ 1,65,129·70	13,37,550·57
	Iraqi Dinar 640	19,392·00
	Swiss Franc 4480	15,724·80
	French Franc 1200	2,400·00
	Bel. Franc 3200	736·00
	S. \$ 4300	1,13,563·00
Nepalese Rs. 1254	902·00	
	23,94,450·05	
1976-77	Rs. 9,04,350·29	9,04,350·29
	\$ 7941·38	12,22,972·25
	\$ 367657·75	29,78,027·77
	Swiss Franc 5000	17,350·00
	French Franc 840	1,495·20
	DM 23	85·10
	Pence 476	30·80
	Lira 1000	10·00
L.D. 271	8,108·32	
	51,32,429·73	

14. Details of expenditure on this account including amount of foreign exchange sanctioned and utilised during the visits, by the Undertakings year-wise are given in Appendix II and III. A statement showing the number of tours performed by the executives of the Public Undertakings is given at Appendix IV. It will be seen therefrom that out of 85 undertakings 21 undertakings, whose details are given below, have incurred cumulative loss or losses during the years 1974-75, 1975-76 and 1976-77:—

S. No.	Name of Undertaking	1974-75		1975-76		1976-77		Cumulative Loss (Rs. in lakhs)
		Expenditure on air travels (Rs.)	Loss (Rs. in lakhs)	Expenditure on air travels (Rs.)	Loss (Rs. in lakhs)	Expenditure on air travels (Rs.)	Loss (Rs. in lakhs)	
1	2	3	4	5	6	7	8	9
1	Jesop & Co. Ltd., Calcutta	73,565	82.46	1,53,317	11.60	2,68,728	64.58	12.47.74 (as on 31-3-77)
2	Indian Airlines, New Delhi	1,37,271	..	3,13,146	..	3,43,748	..	96.87 (as on 31-3-77)
3	Cochin Shipyard Ltd., Cochin	24,600 + ₹ 1,640	..	50,815 + ₹ 1,450	6.70	57,084 + \$ 1,570 + Rs. 12,153 + \$ 900	14.02	20.72 (as on 31-3-77)
4	Mining & Allied Machinery Corpn. Ltd., Durgapur.	..	..	..	..	2,45,357	..	3516.34 (as on 31-3-77)
5	Central Inland Water Transport Corpn., Calcutta	2,711	272.90	47,169	398.39	42,272	447.29	2143.87 (as on 31-3-77)
6	Bharat Aluminium Co. Ltd., New Delhi.	50,703	655.00	18,314	482.00	12,412	361.00	1858.00 (as on 31-3-17)
7	Garden Reach Shipbuilders and Engineers Ltd., Calcutta.	50,703 \$ 1,845	..	₹ 610 \$ 2,340	..	₹ 360 \$ 8,906	..	195.86 (as on 31-3-77)
8	Hindustan Antibiotics Ltd., Pimpri	25,047	328.88	10,611	291.53	..	54.27	835.56 (as on 31-3-77)

	1	2	3	4	5	6	7	8	9
9	Bharat Heavy Plates & Vessels Ltd., Visakhapatnam		1,04,062	109,84	25,364	92,90	82,901	65,85	704,95 (as on 31-3-77)
10	Mineral Exploration Corporation Nagpur		77,766	85,11	Nil	73,28	48,596		101,95 (as on 31-3-77)
11	Cement Corpn. of India		2,610	17,29	4,255	..	2,970	..	118,81
12	Hindustan Housing Factory, New Delhi.		13,662	99,84	Nil	36,19	Nil	64,51	102,08 (as on 31-3-77)
13	Bharat Pumps and Compressors Ltd., Naini		85,000	62,50	60,000	45,57	Nil	120,97	143,22 (as on 31-3-77)
14	Biecco Lawrie Ltd.,* Calcutta		15,959	32,49	13,511	14,18	Nil	37,84	100,60 (as on 31-3-77)
15	National Building Construction Corpn. Ltd. New Delhi.			..			2,97,553		106,94 (as on 31-3-77)
16	Central Electronics Ltd., New Delhi		Nil	7,28	22,450	12,75	34,785	35,21	20,03 (as on 31-3-76)
17	Bharat Ophthalmic Glass Ltd. Durgapur		42,573	121,74	Nil	46,00	33,391 + \$ 3168)	78,00	656,41 (as on 31-3-77)
18	Braithwaite & Co.** Ltd., Calcutta						12,698	45,00	45,00 (as on 31-3-77)
19	Artificial Limbs Mfg. Co. Ltd. Kanpur		58,377		Nil		1,56,169	39,89	39,89 (as on 31-3-77)

20	Indian Motion Picture Export Corporation Ltd., Bombay.	Nil	6-25	Nil	0-31	50,139@	27-96 (as on 31-3-77)
21	Hydro Carbons India (P) Ltd., New Delhi.	£87,137		187,055	..	1,27,764	454-16 (as on 31-12-76)

\* The figures are for 1974 (12 months) 1975-76 (15 months) and 1976-77 (12 months).

\*\* The undertaking has given consolidated information.

@ Expenditure on foreign travel relates to the year 1974, 1975 and 1976.

£ This relates to the total expenditure incurred during the years 1975-76 and 1976-77.

15. The analysis further reveals that the expenditure on foreign travels undertaken by respective Chairman/Managing Director and other officers drawing a pay of more than Rs. 1800 per month during years 1974-75 to 1976-77 in respect of the following Public Undertakings exceeded Rs. 1 lakh in a year:—

Sl. No.	Name of Undertaking	1974-75	1975-76	1976-77	Rise in terms of % over 1974-75
(Rs. in lakhs)					
1	Artificial Limbs Mfg. Co. Ltd. . . .	0.58	Nil	1.68	189.6
2	Balmer Lawrie & Co. Ltd. . . .	0.22	1.32	2.20	900
3	Bharat Heavy Electricals Ltd. . . .	(Not furnished)		32.58	
4	Bharat Heavy Plates and Vessels Ltd. . .	1.04	0.25	0.82	
5	Bongaigaon Refinery & Petrochemicals Ltd. . . . .	0.24	0.19	1.80	650
6	Central Mine Planning and Design Institute Ltd. . . . .	..	..	3.38	
7	Cochin Refineries Ltd. . . . .	0.24	2.05	1.16	38
8	Electronics Trade and Technology Development Corporation Ltd. . .	10.85	13.62	20.38	105
9	Engineering Projects India Ltd. . . . .	3.56	5.61	11.42	220.8
10	Hindustan Aeronautics Ltd. . . . .	1.96	2.09	5.55	183.2
11	Hindustan Machine Tools Ltd. . . . .	1.75	3.37	4.49	156.6
12	HMT (International) Ltd. . . . .	..	2.03	1.86	..
13	Hindustan Photo Films Mfg. Co. Ltd.	0.40	1.35	1.70	325
14	Hindustan Shipyard Ltd. . . . .	1.34 (+ £ 2457)	0.37 (+ £ \$ 630) (+ \$ 1599)	0.45 (+ £ \$ 1559)	..
15	Hydrocarbons (India) Ltd.* . . . .	0.87	0.87	1.28	47
16	Indian Airlines . . . . .	1.37	3.13	3.43	150.4
17	Indian Rare Earths Ltd. . . . .	1.03	1.35	3.74	263
18	Instrumentation Ltd. . . . .	1.01	1.69	2.65	162.4
19	International Airports Authority of India Ltd. . . . .	0.10	1.28	1.19	1090
20	Jessop and Co. Ltd. . . . .	0.73	1.53	2.69	268
21	Kudremukh Iron Ore Co. Ltd. . . . .	..	..	3.98	..

\*Relates to the Calendar years 1975, 1976 and 1977.

Sl. No.	Name of Undertaking	1974-75	1975-76	1976-77	Rise in terms of % over 1974-75
22.	Metallurgical & Engineering Consultant (India) Ltd.	3.25	3.98	6.54	101
23.	Minerals & Metals Trading Corporation of India Ltd.	5.59	5.05	8.41	50
24.	Mishra Dhatu Nigam Ltd.	0.67	0.81	1.48	121
25.	National Building Construction Corporation			2.97	
26.	National Industrial Development Corporation of India	0.96	2.38	4.63	654
27.	Projects & Equipment Corporation of India Ltd.	3.07	2.24	5.47	78
28.	Engineers (India) Ltd.	10.84	13.62	22.36	105
29.	Rail India Technical & Economic Services Ltd.		1.15	3.02	
30.	Water & Power Development Consultancy Services (India) Ltd.	0.89	2.77	2.27	155

16. The table below gives break-up of the expenditure of the above 30 Undertakings ranging (i) upto Rs. 5 lakhs (ii) Rs. 5 lakhs to Rs. 10 lakhs and (iii) above Rs. 10 lakhs during the year 1976-77:—

	No. of Public Undertakings	Name of Public Undertakings
	1	2
(i) Upto Rs. 5 lakhs	22	
(ii) Rs. 5 lakhs to 10 lakhs	4	<ol style="list-style-type: none"> <li>1. Hindustan Aeronautics Ltd. (Rs. 5.55 lakhs).</li> <li>2. Metallurgical &amp; Engineering Consultants (India) Ltd. (Rs. 6.54 lakhs).</li> <li>3. Minerals &amp; Metals Trading Corporation of India Ltd. (Rs. 8.41 lakhs).</li> <li>4. Projects and Equipment Corporation of India Ltd. (Rs. 5.47 lakhs).</li> </ol>

	1	2
(iii) Rs. 10 lakhs and above	4	1. Bharat heavy Electrica Ltd. (Rs. 32.58 lakhs).  2. Engineers (P) Ltd. (Rs. 22.36 lakhs)  3. Engineering Projects (India) Ltd. (Rs. 11.42 lakhs).  4. Electronics Trade and Technology Development Corporation Ltd. (Rs. 20.38 lakhs).

17. It is also revealed from the analysis of the aforesaid expenditure that during the years 1974-75, 1975-76 and 1976-77 there were two Public Undertakings—viz. Electronics Trade & Technology Development Corporation Ltd. and Engineers India Ltd., which had spent continuously during each of the three years more than Rs. 10 lakhs on foreign travels by their Chief Executive/senior officers.

18. In the year 1976-77, besides the above two undertakings—two more Undertakings viz. Bharat Heavy Electricals and Engineering Projects India Ltd. spent as much as Rs. 32.40 lakhs and Rs. 11.42 lakhs respectively on foreign travel. The Bharat Heavy Electricals have, however, not furnished this information in respect of the previous two years i.e. 1974-75 and 1975-76.

19. The analysis also reveals that in 1974-75, there was only one Undertaking viz. Minerals & Metals Trading Corporation of India Ltd. whose expenditure was less than Rs. 10 lakhs but more than Rs. 5 lakhs. In 1975-76 this number increased to two and in 1976-77, the number was five. Details of expenditure year-wise in respect

of these undertakings are as follows:—

	1974-75	1975-76	1976-77	Rise in terms of % over 1974-75.
1. Engineering Projects India Ltd.	3.56	5.61	11.42	105
2. Hindustan Aeronautics Ltd. .	1.96	2.09	5.55	183.27
3. Metallurgical & Engineering Consultants (I) Ltd. . .	3.25	3.98	6.54	101
4. Minerals & Metals Trading Corporation of India Ltd.	5.49	5.05	8.41	50
5. Projects of Equipment Corporation of India Ltd. . . .	3.07	2.24	5.47	78

20. The Committee are constrained to bring on record once again that out of 172 public undertakings which were asked on 23rd December, 1977 to furnish information to the Committee on Public Undertakings the details of expenditure on foreign travels undertaken by their respective Chairman/Managing Director and officers drawing more than Rs. 1800/- per month during the years 1974-75, 1975-76 and 1976-77, only 100 undertakings have furnished such information upto 20th March, 1978. In respect of the remaining 72 undertakings which have not furnished the requisite information by the due date, the Committee would like to reiterate the following observations made in their 1st and 4th Reports (Sixth Lok Sabha) that:—

“The Committee considered that deliberate non-supply of information even after a period of three months amounts to withholding of information which is very vital for accountability of undertakings to Parliament. This may amount to a contempt of the Committee. This, in the opinion of the Committee, is reprehensible.”

21. The Committee are of the view that while there may be some justifications for visits abroad by some of the undertakings, the large scale and frequent foreign visits on these grounds by top executives of public undertakings on one ground or the other appear to be an excuse by all the executives for going abroad. The Committee would strongly recommend that Government should strictly scrutinise proposals before sanction for tours abroad are accorded. One such glaring example is that of a very senior Medical Officer going to

571 LS—2.



Paris to bring back a Key Punch Operator who was under treatment there. The Committee also find that the purpose of visit of the General Manager, Delhi Road Transport Corporation to United Kingdom during the year 1975-76 has not been stated. Similarly in the case of Life Insurance Corporation of India though the purpose of visits of the officers has not been indicated the expenditure of Rs. 1,40,854 during 1974-75 to 1976-77 is shown as "air travel expenses incurred by the Central Office." The Committee would like to know the reasons for these visits.

22. As regards the expenditure furnished by 85 undertakings on foreign travels, the Committee are perturbed to note that an expenditure of Rs. 356.44 lakhs was incurred during the years 1974-75, 1975-76 and 1976-77 on foreign travels by Chairman/Managing Director and officers drawing a pay more than Rs. 1800/- per month.

23. The Committee are deeply perturbed to note that the expenditure on foreign travel has gone up year after year. The average expenditure per undertaking has risen from Rs. 0.77 lakhs in 1974-75 to Rs. 1.12 lakhs in 1975-76 and to Rs. 2.30 lakhs in 1976-77 thus registering an increase of nearly 200 per cent in 1976-77 as compared to the position obtaining in 1974-75. It is all the more disquieting that this abrupt and sharp increase in the expenditure in 1976-77 was during the period when emergency was kept in vogue with lot of fan fare. It appears that the Government instead of tightening the financial control over travels abroad showed laxity with the result that the expenditure shot up at a galloping speed as compared to the year 1974-75. The Committee deprecate this and require that Government should put an end to trips abroad on frivolous grounds.

24. The Committee is positive that had the administrative Ministries strictly implemented the recommendation of the Committee on Public Undertakings made in their 85th Report (1975-76) that "Government should critically examine the proposals for foreign tours received from the Public Undertakings and only if they are satisfied that a proposed tour is absolutely necessary in the larger interests of the Public Undertakings, they should allow a minimum number of officers to go abroad for a short duration." the expenditure on this account would have been much less. This is a serious lapse and failure on the part of the Government. The Committee would like that all cases after 1975-76 should be reviewed critically.

25. The Committee are all the more disturbed to find that some of the Undertakings have incurred very heavy expenditure on foreign travel. Among the 30 undertakings, which had incurred expenditure on this account beyond Rs. 1 lakh during each or any of the three

years viz. 1974-75, 1975-76 and 1976-77, there are as many as four Undertakings (viz. Electronics Trade and Technology Development Corporation Ltd., Engineers India Ltd., Bharat Heavy Electricals Ltd. and Engineering Projects India Ltd.) which crossed the limit of Rs. 10 lakhs. Four undertakings [viz. Hindustan Aeronautics Ltd., Metallurgical and Engineering Consultants (India) Ltd., Minerals and Metals Trading Corporation of India Ltd., and Projects and Equipment Corporation of India Ltd.], incurred expenditure between Rs. 5 lakhs to Rs. 10 lakhs on this account. The Committee would like to urge that the expenditure incurred by these undertakings should be thoroughly scrutinised with a view to ensuring that the visit abroad was essential and in the best interest of the public undertaking/country and that the minimum number of persons undertook the visits. In cases where tours were not necessary, the responsibility should be fixed by the controlling authority under advice to the Committee.

26. It is also essential that excessive and frequent tours by senior Officers should be stopped.

27. The Committee in their 85th Report recommended that "the officers who go abroad should be asked to submit, on return, detailed reports on their tour to the Board of Directors and the administrative Ministry concerned who should evaluate the reports critically." The Committee are not aware whether their above recommendation is being followed in letter and spirit. But considering the galloping rise in expenditure on foreign travels, a good part of which should have surely been avoided, the Committee have no hesitation in further recommending that in order to over-see the expenditure, the Secretary of the administrative Ministry should personally scrutinise each and every case.

28. The Committee further require that expenditure on and particulars of all foreign travels including purpose of such foreign travels should always be clearly narrated in the annual reports of the Undertakings.

29. Frittering away country's foreign exchange resources should constitute a serious penal offence. Remedial measures should be taken in this direction. While going through the particulars received from the Public Sector Undertakings covering foreign tours and travels abroad, the Committee are much constrained to see that the foreign tours and travels, by Public Sector Executives have increased by 'leaps and bounds'. Undoubtedly the number of tours that have been undertaken, could have been considerably reduced.

30. The foreign exchange that we have could be best utilised for starting our heavy and core sector industries for importation of technical know-how in certain high priority area which is not available in the country. The Committee, therefore, deprecate the practice of such officers who have been undertaking pleasure trips in the name of tours abroad. In future the Government should keep a very strict eye in this sphere because it is not only a waste of our precious resources but at the same time it causes serious dis-satisfaction and demoralization amongst subordinates and other officers who are deprived of making such tours.

31. It is also understood that there are some habitual frequenters. These officials should be identified and deterrent action should be taken against them. In any case no person belonging to Public Sector Undertakings should be allowed to go abroad without clear approval of the Secretary of the Ministry who in his turn also should obtain approval from his Minister. In urgent cases foreign tours may be undertaken by the officers of the public undertakings and ex-post-facto sanction of the Ministry/Minister should be taken at the earliest. Anybody found undertaking foreign tours which are not considered absolutely essential should be required to repay expenditure, if incurred, from his salary and allowances.

NEW DELHÍ;

April 20, 1978.

Chaitra 30, 1900 (Saka).

JYOTIRMOY BOSU,

Chairman,

Committee on Public Undertakings.

## APPENDIX I

(Vide Para 6 of Report)

*Particulars of 72 Public Undertakings which have not furnished the requisite information till 20-3-1978*

1. Air India
2. Air India Charters Ltd.
3. Andaman & Nicobar Islands Forest & Plantation Development Corporation
4. Banana & Fruit Development Corporation Ltd.
5. Bharat Coking Coal Ltd.
6. Bharat Earth Movers Ltd.
7. Bharat Electronics Ltd.
8. Bokaro Hspath Ltd.
9. Bridge & Roof Co. (I) Ltd.
10. Central Coal Fields Ltd.
11. Central Cottage Industries Corpn. of India Ltd.
12. Central Fisheries Corporation Ltd.
13. Central Warehousing Corporation Ltd.
14. Central Road Transport Corporation
15. Coal India Ltd.
16. Cotton Corporation of India Ltd.
17. Damodar Valley Corporation
18. Eastern Coalfields Ltd.
19. Fertilizers & Chemicals (I) Ltd.
20. Fertilizer Corporation of India Ltd.
21. Film Finance Corporation Ltd.
22. Food Corporation of India
23. Goa Shipyard Ltd.
24. Gresham & Graven of India Ltd.
25. Handicrafts & Handloom Export Corporation of India Ltd.
26. Heavy Engineering Corporation Ltd.

27. Hindustan Copper Ltd.
28. Hindustan Paper Corporation Ltd.
29. Hindustan Petroleum Corporation Ltd.
30. Hindustan Steel Ltd.
31. Hindustan Steel Works Construction Ltd.
32. Hindustan Zinc Ltd.
33. India Tourism Development Corporation Ltd.
34. Hotel Corporation of India Ltd.
35. Indian Drugs & Pharmaceuticals Ltd.
36. Indian Iron & Steel Co. Ltd.
37. Indian Oil Blending Company Ltd.
38. Indian Oil Corporation Ltd.
39. Indian Petro-Chemicals Corporation
40. Indian Telephone Industries Ltd.
41. Indo-Burma Petroleum Corporation Ltd.
42. Lubrizol India Ltd.
43. Mandya National Paper Mills Ltd.
44. Manganese Ore India Ltd.
45. Mica Trading Corporation of India Ltd.
46. Modern Bakeries (I) Ltd.
47. Nagaland Paper & Pulp Mills Ltd.
48. National Mineral Development Corporation Ltd.
49. National Newsprint and Paper Mills Ltd.
50. National Projects Construction Corporation Ltd.
51. National Seeds Corporation Ltd.
52. National Textile Corporation.
53. National Textile Corporation, (Andhra Pradesh, Karnataka, Kerala, Mahe) Ltd.
54. National Textile Corporation (Delhi, Punjab & Rajasthan) Ltd.
55. National Textile Corporation (Maharashtra North) Ltd.
56. National Textile Corporation (South Maharashtra) Ltd.
57. National Textile Corporation (Tamil Nadu & Pondicherry) Ltd.
58. National Textile Corporation (Uttar Pradesh) Ltd.
59. National Textile Corporation (West Bengal, Bihar, Assam and Orissa) Ltd.

60. North Eastern Handicrafts and Handloom Development Corporation.
61. Neyveli Lignite Corporation Ltd.
62. Oil & Natural Gas Commission.
63. Pyrites, Phosphates & Chemicals Ltd.
64. SAIL International Ltd.
65. Shipping Corporation of India Ltd.
66. State Trading Corporation (India) Ltd.
67. Steel Authority of India Ltd.
68. Tannery & Footwear Corporation of India Ltd.
69. Tungabhadra Steel Products Ltd.
70. Agricultural Refinance & Development Corporation.
71. Industrial Development Bank of India.
72. Industrial Finance Corporation.

## APPENDIX II

(Vide para 14)

*Total expenditure incurred on Foreign Travels by Public Undertakings*

	1974-75 (Rs.)	1975-76 (Rs.)	1976-77 (Rs.)
1 Artificial Limbs Mfg. Co. Ltd. . . . .	58,377	Nil	1,68,169
2 Biecco Lawrie Ltd. . . . .	15,959	13,511	Nil
3 Balmer Lawrie & Co. Ltd. . . . .	22,226	1,31,921	2,20,400
4 Bharat Aluminium . . . . .	50,703	18,314*	12,412
5 Bharat Dyanamics Ltd. . . . .		..	33,955
6 Bharat Heavy Electricals Ltd. . . . .		-	32,58,000
7 Bharat Heavy Plate & Vessels Ltd. . . . .	1,04,062	25,364	82,500
8 Bharat Leather Corporation Ltd.	..	..	**
9 Bharat Ophthalmic Glass Ltd. . . . .	42,573		33,391 (+ \$3168)
10 Bharat Pumps & Compressors Ltd. . . . .	85,000	60,000	..
11 Bharat Petroleum Corporation Ltd. . . . .	..	..	66,288 (Course fee borne by SIPC)
12 Bongaigaon Refinery & Petro Chemicals Ltd.	24,002	19,827	1,80,079
13 Braithwaite & Co. Ltd. . . . .	-	..	12,638
14 Cashew Corporation of India Ltd. . . . .	55,843	5,910	12,026
15 Cement Corporation of India Ltd. . . . .	2,610	4,255	2,970
16 Central Inland Water Transport Corporation Ltd. . . . .	2,711	47,169	42,272
17 Central Electronics Ltd. . . . .	..	22,450	34,785
18 Central Mine Planning and Design Institute Ltd. . . . .	..	..	3,37,833

\*Expenditure met by host Country/Government/Organisation in a few cases is not included here.

\*\*Expenditure borne by STC and the details are not available with Bharat Leather Corporation.

	1974-75 (Rs.)	1975-76 (Rs.)	1976-77 (Rs.)
19 Cochin Shipyard Ltd. . . . .	24,600 +£ 1640	50,815 +£ 1,450	57,084 *£ 1570 +Rs. 12,153 +£ 900
20 Cochin Refineries Ltd. . . . .	24,795	2,05,579	1,15,725
21 Delhi Transport Corpn. . . . .	..	Nil	..
22 Electronics Corporation of India Ltd. . . . .	..	25,588	70,859
23 Electronics Trade & Technical Co. Ltd. . . . .	32,591	38,531	2,03,784
24 Engineers' India Ltd. . . . .	10,84,701·77	13,62,171·90	22,35,772·28
25 Export Credit & Guarantee Corporation Ltd. . . . .	23,060	80,607	95,291
26 Engineering Projects India Ltd. . . . .	3,56,446	5,60,947	11,42,325
27 Garden Reach Shipbuilders and Engineers Ltd. . . . .	£1845	£ 610 + \$ 2340	£360 + \$ 8306
28 General Insurance Corporation of India . . . . .	Being Col- lected	1,34,241	40,489
29 Hindustan Aeronautics Ltd. . . . .	1,96,635	2,09,823	5,55,923
30 Hindustan Cables Ltd. . . . .	..	..	57,200
31 Hindustan Antibiiotics Ltd. . . . .	25,047	10,611 + \$ 540	..
32 Hindustan Housing Factory . . . . .	13,662	..	..
33 Hindustan Insecticides Ltd. . . . .	4,327*	..	..
34 Hindustan Organic Chemicals Ltd. . . . .	..	83,477	45,852
35 Hindustan Machine Tools Ltd. . . . .	{1,75,408	3,37,126	4,48,625
36 Hindustan Machine Tools (International) Ltd. . . . .	..	2,03,120	1,86,751
37 Hindustan Photo Films Mfg. Co. Ltd. . . . .	40,960	1,35,532	1,70,223
38 Hindustan Salts Ltd. . . . .	1,927	{4,532	2,060
39 Hindustan Teleprinters Ltd. . . . .	..	10,991	..
40 Hindustan Shipyard Ltd. . . . .	1,34,201 +£ 2457	36,952 £ 630	Rs. 4543 +£ 1599
41 Housing & Urban Development Corporation Ltd. . . . .	..	..	14,259
42 Hydrocarbons India Ltd.† . . . . .	87,137	87,055	1,27,764

\*Expenses incurred on Deputy General Manager. Expenses on Managing Director & Marketing Adviser were met by UNIDO.

† Relates to the years, 1974, 1975 and 1976.



	1974-75 (Rs.)	1975-76 (Rs.)	1976-77 (Rs.)
43 Indian Airlines . . . . .	1,37,271	3,13,146	3,43,748
44 Indian Dairy Corporation . . . . .	..	12,272	39,318
45 Indian Motion Pictures Export Corporation Ltd. . . . .	—	—	50,139*
46 Indian Rare Earth Ltd. . . . .	1,03,466	1,35,631	3,74,668
47 Indian Road Construction Corporation Ltd. . . . .	..	—	61,046
48 Instrumentation Ltd. . . . .	1,01,158	1,68,834	2,65,350
49 International Airports Authority of India Ltd. . . . .	10,757	1,28,490	1,18,791**
50 Jessop & Co. Ltd. . . . .	73,565	1,53,317	2,68,728
51 Jute Corpn. of India Ltd. . . . .	22,745	13,512	13,619
52 Life Insurance Corporation of India . . . . .	20,103	27,719	57,032
53 Madras Refineries Ltd. . . . .	—	..	\$20,644*** †£150
54 Madras Fertilizers Ltd. . . . .	8,100	96,862	65,851
55 Mazagon Dock Ltd. . . . .	£6,840	£33.95	£50
	\$2,312	\$10,541 Rs. 2,200	\$21,630
56 Metallurgical & Engineering Consultants (India) Ltd. . . . .	3,25,088	3,98,738	6,54,029
57 Kudremukh Iron Ore Co. Ltd. . . . .	..	..	3,98,581
58 Mineral Exploration Corporation Ltd. . . . .	77,766		48,536
59 Minerals & Metals Trading Corporation of India Ltd. . . . .	5,59,110	5,05,771	8,41,537
60 Mining & Allied Machinery Corporation . . . . .	—	..	2,45,357
61 Mishra Dhatu Nigam Ltd. . . . .	67,000	81,000	1,48,000
62 Metal Scrap Trading Corp. of India . . . . .	10,604	..	..
63 Mughal Line Ltd. . . . .	21,711 †£1325	1,46,360	50,051
64 National Building Construction Corporation . . . . .	..	..	2,97,553
65 National Fertilizers Ltd. . . . .	30,403	98,143	61,405

\* This relates to the total expenditure incurred during the years 1975-76 and 1976-77.

\*\* Cost of air fare and travel tax only.

\*\*\* This relates to the total expenditure incurred during the years 1974-75, 1975-76 and 1976-77.

	1974-75 (Rs.)	1975-76 (Rs.)	1976-77 (Rs.)
66. National small Industries Corporation Ltd. . . . .	Nil	40,636·46	59,073·95
67. National Research Development Corporation of India. . . . .	40,251·90	62,470·00	77,526·65
68. National Industrial Development Corporation Ltd. . . . .	96,759·80	2,38,444·40	4,63·000
69. †National Instrumentation Ltd. . . . .			
70. National Textile Corporation (Gujarat) Ltd. . . . .			15,995·00
71. National Thermal Power Corporation Ltd. . . . .	Nil	Nil	53,332·00
72. Projects & Equipment Corpn. of India Ltd. . . . .	30,7905·54	2,24,318·92	5,47,239·15
73. Prage Tools Ltd . . . . .	..	..	52,918·24
74. Rail India Technical & Economic Services Ltd. . . . .	Nil	1,15,833·16	3,02,298·43
75. Richardsen & Cruddas Ltd. . . . .	51,846·00	53,651·00	70,756·55
76. Rural Electrification Corpn. Ltd.		51,915·00	14,714·00
77. Sambhar Salts Ltd.*			
78. Scooters India Ltd. . . . .	£260·00 + \$2410·00	£190·00	\$3556·00
79. State Chemicals Pharmaceuticals Ltd.		..	Rs.106764·05 \$3936·00
80. State Farms Corporation of India Ltd.			10,000
81. Tea Trading Corporation of India Ltd.	..	5,179·24	77,415·31
82. Triveni Structurals Ltd. ** . . . .	£962·50	£272·50+ \$3540·00	\$6652·00
83. Water & Power Development Consultancy Services (India) Ltd.	89,685·00	2,77,590·00	2,27,082·12
84. Western Coalfields Ltd. . . . .	..	..	\$480·00 £15·00
85. New India Assurance Co. Ltd. . . . .	3,60,232·00	..	
	Rs. 63,67,711·13 £11650+	Rs. 93,48,188·88 \$2312	Rs.1,89,27,085·66 £6085+ \$5020 £1275+ \$69942·00

\* Shown under holding company—Hindustan Salts Ltd.

† Expenditure not indicated.

\*\* Exclusive of Air Tickets.

### APPENDIX III

(Vide para 14 of Report)

#### Foreign Exchange Sanctioned and Spent on foreign travels

Name of Undertakings	1974-75		1975-76		1976-77	
	Sanctioned	Spent	Sanctioned	Spent	Sanctioned	Spent
1. Artificial Limbs Mfg. Co. Ltd.	Rs. 21,652	Rs. 21,652	..	..	\$ 7,416 £ 15	\$ 7,416 £ 15
2. Biccoco Lawrie Ltd.	£240.12	£240.12	£980	\$ 980	..	..
3. Balmore Lawrie & Co. Ltd.	£450	£450	£2,965 \$398	£ 2,965 \$ 898	Rs. 28,898 \$11,392	Rs. 28,844 £ 10,359
4. Bharat Aluminium Co. Ltd.	Rs. 13,743	Rs. 13,743	Rs. 2,973 £118	Rs. 2,973 Rs. 940 (refunded)	Rs. 5,925	Rs. 5,925
5. Bharat Dynamics Ltd.	..	..	..	..	..	Rs. 31,596
6. Bharat Heavy Electricals Ltd.	..	..	..	..	Rs. 13,71,000	Rs. 13,71,000
7. Bharat Heavy Plate & Vessels Ltd.	£879 \$2664	Rs. 34,450	£140 £2,340	£140 \$2,340	£140 \$6,327	£140 \$6,327
8. Bharat Leather Corporation Ltd.	(Expenditure met by the State Trading Corporation of India Ltd.)					
9. Bharat Ophthalmac Glass Ltd.	..	..	..	..	\$ 3,168	\$ 3,168

Pumps & Compressors Ltd.	Rs. 57 £1,235 \$350	Rs. 576 £1,235 \$350	£140 \$2,360	£140 \$1,460	.. ..	.. ..
11. Bhatrat Petroleum Corpn. Ltd.			Rs. 14,261	Rs. 14,261	Rs. 7,467	Rs. 7,467
12. Bongaigaon Refinery & Petrochemical Ltd.			Rs. 9371	Rs. 9371	Rs. 94,964	Rs. 90,978
13. Braithwaite and Co. Ltd.			..	..	\$720	\$650
14. Castlew Corporation of India Ltd.	Rs. 15,274	Rs. 14,553	Rs. 20,365	Rs. 19,156	Rs. 4,649	Rs. 4,115
15. Central Inland Water Transport Corporation Ltd.	..	..	\$840	\$840	\$1,360	\$900
16. Central Electronics Ltd.	..	..	\$900	Rs. 7,308	\$1,740	Rs. 15,973
17. Central Mine Planning & Design Institute Ltd.	..	..	..	..	Rs. 2,53,168	Rs. 2,53,168
18. Cochin Shipyard Ltd.	£1,640	£1,640	£1,450	£1,450	\$1,570	Rs. 612 (Refunded)
19. Cochin Refineries Ltd.	£470	£450	£505 \$5220	£505 \$4970	Rs. 12,153 £900	Rs. 2153 £900
20. Electronics Corpn. of India			Rs. 9,471	Rs. 9,471	Rs. 25,524	Rs. 24,741
21. Electronics Trade & Technology Development Corporation Ltd.	Rs. 15,150	Rs. 11,048	Rs. 15,061	Rs. 6,927	Rs. 1,17,252	Rs. 71,268
22. Engineers India Ltd.	£14,730	£12,697.9	£6678	£1,26,621	£1,11,46	..
Iraqi Dinar 100	£8,240	£7,820	£48,818 ID 640	£38,196 ID 640	Rs. 18,793	Rs. 17,843
Rs. 50,986	Rs. 36,096	Rs. 41,629	Rs. 39,479	..	..	..

23. Export Credit and Guarantee Corpn. Ltd.	£453	£278	£755	£755	£308 \$5,092	£180 \$4,166
24. Engineering Projects India Ltd.	Rs. 97,886	Rs. 7,886	Rs. 1,72,242	Rs. 1,72,242	Rs. 4,65,407	Rs. 4,65,407
25. Garden Reach Shipbuilders	£1,910 Rs. 1,520	£1,845 ..	£660 \$2,840	£ 610 \$2,840	£360 \$ 8,524	£360 \$ 8,487
26. General Insurance Corporation	Not furnished.		£973	£443	297 \$ 13,115	£137 \$3,177
27. Hindustan Aeronautics Ltd.	Rs. 1,11,350	Rs. 84,950	Rs. 8,09,859	Rs. 1,67,433	Rs. 2,95,876	Rs. 2,24,075
28. Hindustan Cables Ltd.	..	..	..	..	\$ 4,346	\$4,346
29. Hindustan Antibiotics Ltd.	£345 \$ 350	£345 \$350	\$1,120	\$ 1,020	..	..
30. Hindustan Housing Factory Ltd.	£300	£300			..	..
31. Hindustan Insecticides Ltd.	..	..	Rs. 42,337	Rs. 42,337	\$ 990	\$460
32. Hindustan Organic Chemicals Ltd.	..	..	Rs. 42,337	Rs. 42,337	Rs. 21,979	Rs. 21,979
33. Hindustan Machine Tools Ltd.	Rs. 10,260 £ 2,243 \$5,550	Rs. 10,260 £ 2,243 \$5,550	Rs. 27,044 £5,258 \$6,353	Rs. 27,044 £5,258 \$6,353	Rs. 34,140 £ 973 \$36,312 Fr. Fr. 800 SW. Fr. 5,000	Rs. 34,140 £973 \$ 36,312 Fr. Fr. 800 Sw. Fr. 5,000
H.M.T. (International) Ltd.			Rs. 57,419	Rs. 47,419	Rs. 66,983	Rs. 66,983
34. Hindustan Photo Films Mfg. Ltd.	Rs. 12,670	Rs. 12,670	Rs. 46,486	Rs. 44,213	Rs. 73,764	Rs. 66,601
35. Hindustan Salts Ltd.						

(no foreign exchange was involved)

36. Hindustan Teleprinters Ltd.	£	190	£	120	Rs.	4,543	Rs.	4,543	Rs.	4,543
37. Hindustan Shipyard Ltd.	£	36,952	Rs.	36,952	Rs.	1,599	\$	1,599	\$	1,599
38. Housing & Urban Development Corporation Ltd.	..	..	..	..	..	..	..	..	..	..
39. Hydrocarbons (India) Ltd.	£	9,392	£	436	£	5,312	Rs.	5,312	Rs.	5,312
	\$	155	\$	825	Rs.	16,984				
	£	59		2,490						
40. Indian Airlines	£	2,982	£	2,551	£	37,883	\$	37,883	\$	37,883
	\$	14,396	\$	28,432	\$					
	Sw.Fr.	1,150	Sw.Fr.	4,480	Sw.Fr.					
	Sing	518	Sing	1,200	Fr.Fr.					
	£	518	£	3,200	B.F.					
41. Indian Dairy Corporation	\$	420	\$	420	\$	1,684	\$	1,684	\$	1,684
42. Indian Motion Pictures Export Corporation	£	5	£	5						
43. Indian Rare Earths Ltd.	£	960	£	1,998	\$	1,960	Rs.	1,960	Rs.	1,960
	£	765	£	1,770	£	100	£	100	£	100
	\$	1,970	\$	1,850	\$	18,995	\$	18,995	\$	18,995
44. Indian Road Construction Corporation Ltd.	..	..	..	..	Rs.	25,810	Rs.	25,810	Rs.	25,810
45. Instrumentation Ltd.	£	1,298	£	2,682	\$	12,594	\$	12,594	\$	12,594
	Rs.	9,000	Rs.	5,250	Rs.	7,320	Rs.	7,320	Rs.	7,320
46. International Airports Authority of India Ltd.	£	495	£	1,575	\$	7,060	\$	7,060	\$	7,060
	£	368	£	2,325						
47. Jute Corporation of India Ltd.	Rs.	368	Rs.	60	\$	560	\$	560	\$	560
	Rs.	360	Rs.	360						

48	Iessop & Co.:	£	4,910	£	4,910	£	10,076	£	9,199	S	24,059	S	20,270
		Rs.	3,950	Rs.	1,750	S	3,246	S	2,546	Es.	5,060	Rs.	3,400
49	Kudremukh Iron Ore Co. Ltd.	..	..	..	..	..	..	..	..	Rs.	170,132	Rs.	170,132
50	Life Insurance Corporation of India	(Foreign Exchange involved not stated)											
51	Madras Fertilizers Ltd.	(Foreign amount not indicated)											
52	Madras Refineries Ltd.	..	..	..	..	..	..	..	..	S	19,060	S	19,060*
53	Mazagaon Dock Ltd.	£	7,250	£	6,840	£	3,920	£	3,395	£	50	£	50
		£	2,450	£	12,312	S	17,920	S	10,541	S	21,690	S	21,690
				Rs.	Rs.	Rs.	2,280	Rs.	2,200				
54	Metalurgical & Engineering Consultants (India) Ltd.	Rs.	1,54,345	Rs.	1,29,332	Rs.	1,17,276	Rs.	1,10,131	Rs.	2,48,638	Rs.	2,04,703
55	Mineral Exploration Corporation Ltd.	£	1,453	£	1,453					S	2,240	S	2,420
56	Minerals & Metals Trading Corpn. of India Ltd.	£	7,600	£	5,811	£	1,056	£	1,056	£	50	£	50
		S	2,758	S	1,808	S	13,129	S	11,020	S	39,507	S	28,694
							Rs. 14,63,175.00	Rs.	7,56,950.00				127
							£	51,085	£	41,725			23
							£	14,2,692	S	12,4,373			476
							ID	640	ID	690			40
							SW Gr.	4480	SW Gr.	4480			1000
							FF	1200	FF	1200			
							Bel. Fr.	3200	Bel. Fr.	3200			
57	Mining & Allied Machinery Corpn.	..	..	..	..	..	..	..	..	Rs.	92,480	Rs.	70,334
58	National Fertilizers Ltd.	£	1,070	£	1,070	S	4,047	S	3,682	S	3,254	S	2,803

59	National Buildings Construction Corpn.	£	200	£	200	£	1,160	£	1,160	S	4,170	S	4,170
		Rs.	2,850	Rs.	2,850	S	1,747	S	1,764				
60.	Mishra Dhatu Nigam	FF	28268.36	FF	254040.60					£	14,710	£	12,750
		DM	3128.80	DM	2968.62					£	100	£	100
		£	322.62	£	304.76								
61.	Mogul Lines Ltd.	£	2,746	£	2,338	£	2,780	£	2,790	Rs.	21,100	Rs.	7,550
		Rs.	9,320	Rs.	9,120	£	7,095	£	5,895	£	6,978	£	4,274
		\$	400	\$	155	Rs.	6,360	Rs.	6,360				
62.	National Industrial Development Corporation	£	2,107	£	1,924	£	3,023	£	3,093	£	3,296	£	3,296
						LD	18.10	LD	2,750	LD	23,615	LD	23,612
							665.400						271
63.	National Research Development Corpn. of India	£	659.42	£	659.42	£	126	£	126	£	2,386	£	2,386
		\$	8	\$	8	£	2,563	£	2,563	Rs.	04,350	Rs.	850
		Rs.	1,420	Rs.	1,420								
64.	National Small Industries Corporation Ltd.	Nil	Nil	Rs.	6,800.40	Rs.	18,690.55	Rs.	18,690.55	Rs.	18,690.55	Rs.	18,690.55
65.	National Textile Corporation Ltd.	Nil	Nil	Rs.	05,420	Rs.	05,420	Rs.	05,420	Rs.	15,420	Rs.	15,420
66.	National Thermal Power Corporation Ltd.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$	3,000	\$	2,800
67.	Praga Tools Ltd.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$	3,000	\$	2,750
68	Projects & Equipment Corporation of India Ltd.	£	3801.33	£	4804.30	£	5959	£	6096.75	£	1224.25	£	873.8
		£	2463.69	£	390.65	\$	3317	\$	1666.75	\$	26908	\$	26375.35
		Rs.	16229.28	Rs.	14376.61	Rs.	28371.70	Rs.	28756.70	Rs.	6500	Rs.	6801.47
69	Rail India Technical and Economic Services Ltd.	Nil	Nil	£	1000.00	£	840.00	£	840.00	Rs.	38321.34	Rs.	33691.27
				\$	11,659	\$	10,195	\$	10,195				
				£S	4300	£S	143000	£S	143000				

\*Relates to all the three years.:



	1974-75		1975-76		1976-77	
70 Richardson & Cruddas Ltd. . . . .	£	1820	£	1820	£	5172
			\$	\$	£	5172
				920	£	920
				790	£	790
71 Rural Electrification Corporation Ltd.	Nil	Nil	Rs.	14302	Rs.	3802
72 Sambhar Salts Ltd.* . . . .					Rs.	3802
73 Scooters India Ltd. . . . .	£	260	£	190	£	3866
	\$	3540	\$	2410	£	355
74 State Chemicals and Pharmaceuticals Ltd. . . . .	..	..	..	..	£	3936
75 State Farms Corporation Ltd. . . . .	..	..	..	..	Rs.	448
76 Tea Trading Corporation of India Ltd. . . . .	..	..	..	..	..	..
			£	96	£	56
			\$	4560	\$	3158
77 Triveni Structural Ltd. . . . .	£	1362.50	£	962.50	£	7002
			\$	\$	\$	6652
				307.50	£	272.50
				3720	\$	3540
78 Water & Power Development Consultancy Services (I) Ltd. . . . .	£	1740	£	1665	£	720
			\$	\$	£	670
				2370	£	720
				5846	\$	9062
79 Western Coalfields Ltd. . . . .	..	..	..	..	£	15
					\$	480
					\$	480
80 New India Assurance Company Ltd. . . . .	£	5576	£	5048.45		
	\$	9800	\$	1913		
	Rs.	1890	Rs.	390		

TOTAL	Rs. 5,58,933.28	Rs. 6,50,070.61	Rs. 15,19,009.10	Rs. 8,13,169.10	Rs. 35,58,133.69	Rs. 9,04,350.29
	£ 19,951.99	£ 7,322.25	£ 68916.50	£ 59010.50	£ 8548.25	£ 7941.38
	\$ 4132.69	\$ 69403.65	\$ 190863.00	\$ 165129.70	\$ 512986	\$ 367657.75
	Iraqi Dinar 100	ID 100	ID 640	ID 640	Sw.Fr. 5000	Sw. Fr. 5000
	Sw.Fr. 1150	Sw.Fr 1150	Sw. Fr. 4480	Sw Fr. 4480	FF 800	hF 840
	FF. 28269.36	FF. 25404.60	FF 1200	FF 1200		DM 23
	DM 3128.80	DM 2968.62	Bel.Fr. 3200	Bel.Fr. 3200		Pence . . 6
	Singapore \$518}	Sin. \$578	S. £4300	S. £4300		Lira 1000
			Nepalese	Nepalese		LD 271
			Rs. 1254	Rs. 1254		

---

\*Shown under holding Co.—Hindustan Salts Ltd.

**APPENDIX IV**

[Vide Para 14]

*Statement showing the number of foreign tours performed by Executives of different Public Undertakings*

S. No.	Name of Public Undertaking	1974-75	1975-76	1976-77
1	Artificial Limbs Mfg. Co. Ltd.	4	..	6
2	Biecco Lawrie Ltd.	1	1	..
3	Balner Lawrie & Co. Ltd.	2	12	12
4	Bharat Aluminium Co. Ltd.	4	5	1
5	Bharat Dynamics Ltd.	..	..	3
6	Bharat Heavy Electricals Ltd.	(not furnished)		115
7	Bharat Heavy Plate & Vessels Ltd.	3	3	5
8	Bharat Leather Corporation Ltd.	..	..	1
9	Bharat Ophthalmic Glass Co. Ltd.	1	..	1
10	Bharat Pumps & Compressors Ltd.	3	3	..
11	Bharat Petroleum Corp. Ltd.	..	5	1
12	Bongaigon Refinery & Petro Chemical Ltd.	2	1	5
13	Braithwaite & Co. Ltd.	..	..	1
14	Cashew Corporation of India Ltd.	2	3	1
15	Cement Corporation of India Ltd.	2	3	2
16	Central Inland Water Transport Corporation Ltd.	4	11	2
17	Central Electronics Ltd.	1	1	1
18	Central Mine Planning & Design Institute Ltd.	..	..	7
19	Cochin Shipyard Ltd.	2	4	3
20	Cochin Refineries Ltd.	2	8	1
21	Delhi Transport Corporation		1	..
22	Electronics Corporation of India Ltd.		3	3
23	Electronics Trade & Technology Development Corporation Ltd.	3	2	7

S. No.	Name of Undertaking	1974-75	1975-76	1976-77
24	Engineers India Ltd.	81	96	106
25	Export Credit & Guarantee Corp. Ltd.	5	6	4
26	Engineering Projects India Ltd.	26	43	77
27	Garden Reach Shipbuilders and Engineers Ltd.	5	3	7
28	General Insurance Corporation	..	2	12
29	Hindustan Aeronautics Ltd.	12	11	23
30	Hindustan Cables Ltd.	..	..	4
31	Hindustan Antibiotics Ltd.	1	1	..
32	Hindustan Housing Factory	2	..	..
33	Hindustan Insecticides Ltd.	..	..	1
34	Hindustan Organic Chemicals Ltd.	..	1	1
35	Hindustan Machine Tools Ltd.	14	28	30
36	H M T (International) Ltd.	..	13	16
37	Hindustan Photo Films Manufacturing Co. Ltd.	2	6	6
38	Hindustan Salts Ltd.	1	2	1
39	Hindustan Teleprinters Ltd.		1	
40	Hindustan Shipyard Ltd.	2	2	..
41	Housing & Urban Development Corporation Ltd.	..	..	5
42	Hydrocarbons India Ltd.	12	12	12
43	Indian Airlines	54	86	84
44	Indian Dairy Corporation	nil	1	3
45	Indian Motion Pictures Export Corp. Ltd.	..	1	5
46	Indian Rare Earths Ltd.	9	7	16
47	Indian Road Construction Corporation Ltd.	..	..	6
48	Instrumentation Ltd.	8	16	17
49	International Airports Authority of India Ltd.	2	12	9
50	Jessop & Co. Ltd.	8	14	23
51	Jute Corporation of India Ltd.	5	4	1
52	Kudremukh Iron Ore Co. Ltd.	..	..	10
53	Life Insurance Corp. of India Ltd.	4	3	6
54	Madras Fertilizers Ltd.	1	4	7

S.N.	Name of Public Undertaking	1974-75	1975-76	1976-77
55	Madras Refineries Ltd. . . . .	1	4	7
56	Mazagon Dock Ltd. . . . .	34	32	17
57	Metallurgical Engg. Consultants (I) Ltd.	36	22	40
58	Mineral Exploration Corporation Ltd. . .	4	..	3
59	Minerals & Metals Trading Corporation of India	39	35	41
60	Mining and Allied Machinery Corpn. . .	..	..	10
61	Metal Scrap Trading Corporation of India	1	..	..
62	National Buildings Constn. . . . .	3	10	6
63	National Fertilizers Ltd. . . . .	1	6	2
64	Mishra Dhatu Nigam Ltd. . . . .	1	2	2
65	Moghul Line Ltd. . . . .	7	23	11
66	National Industrial Development Corpn. Ltd.	14	14	22
67	National Instruments Ltd. . . . .	2	1	2
68	National Research Dev. Corporation of India .	5	7	6
69	National Small Industries Corporation Ltd. .	1	3	3
70	National Textile Corporation (Gujarat) Ltd. .			1
71	National Thermal Power Corpn. Ltd.			1
72	Praga Tools Ltd. . . . .	..	..	3
73	Projects & Equipment Corpn' of India Ltd. .	22	13	40
74	Rail India Technical & Economic Services Ltd.	..	20	40
75	Richardson & Crudas (1972) Ltd. . . . .	3	4	4
76	Rural Electrification Corporation Ltd. . .		3	1
77	Sambhar Salts Ltd.* . . . .		..	..
78	Scooters India Ltd. . . . .	2	1	3
79	State Chemicals & Pharmaceuticals Ltd.			6
80	State Farm Corporation of India Ltd.		..	1
81	Tea Trading Corporation of India Ltd.	..	2	4
82	Triveni Structurals Ltd. . . . .	5	5	6
83	Water & Power Development Consultancy Service ( <sup>1</sup> / <sub>2</sub> ) Ltd. . . . .	13	31	19
84	Western Coalfield Ltd. . . . .	..	..	1
85	New India Assurance Co. Ltd. . . . .	25	..	..

\*Shown under holding company—Hindustan Salts Ltd.

---

86	Bolani Ores Ltd.	.	.	.
87	Burn Standard Co. Ltd.			
88	Bharat Gold Mines Ltd.	.		
89	Bharat Refractories Ltd.	.	.	
90	Computer Maintenance Corpn. Ltd.			
91	Dredging Corporation of India		.	
92	Hindustan Latex Ltd.	.	.	.
93	India Fire bricks & Insulation Co. Ltd.			
94	Indian Railway Construction Co. Ltd.:	.		
95	National Hydro-Electric Power Corporation Ltd.	.		
96	National Textile Corporation (Madhya Pradesh) Ltd.	.	.	.
97	Rehabilitation Industries Corporation Ltd.			
98	Salem Steel Plant	.	.	.
99	Uranium Corporation of India Limited	.		
100	Trade Fair Authority of India	.	.	.

---

## APPENDIX V

### Summary of Conclusion/Recommendation

S. No.	Para No.	Conclusion/Recommendation
(1)	(2)	(3)
1	20	<p>The Committee are constrained to bring on record once again that out of 172 public undertakings which were asked on 23rd December, 1977 to furnish information to the Committee on Public Undertakings the details of expenditure on foreign travels undertaken by their respective Chairman/Managing Director and officers drawing more than Rs. 1800 per month during the years 1974-75, 1975-76 and 1976-77, only 100 undertakings have furnished such information upto 20th March, 1978. In respect of the remaining 72 undertakings which have not furnished the requisite information by the due date, the Committee would like to reiterate the following observations made in their 1st and 4th Reports (Sixth Lok Sabha) that:—</p> <p>“The Committee considered that deliberate non-supply of information even after a period of three months amounts to withholding of information which is very vital for accountability of undertakings to Parliament. This may amount to a contempt of the Committee. This, in the opinion of the Committee, is reprehensible.”</p> <p>The Committee are of the view that while there may be some justifications for visits abroad by some of the undertakings, the large scale and</p>

(1)

(2)

(3)

frequent foreign visits on these grounds by top executives of public undertakings on one ground or the other appear to be an excuse by all the executives for going abroad. The Committee would strongly recommend that Government should strictly scrutinise proposals before sanction for tours abroad are accorded. One such glaring example is that of a very senior Medical Officer going to Paris to bring back a Key Punch Operator who was under treatment there. The Committee also find that the purpose of visit of the General Manager, Delhi Road Transport Corporation to United Kingdom during the year 1975-76 has not been stated. Similarly in the case of Life Insurance Corporation of India though the purpose of visits of the officers has not been indicated the expenditure of Rs. 1,04,854 during 1974-75 to 1976-77 is shown as "air travel expenses incurred by the Central Office." The Committee would like to know the reasons for these visits.

3

22  
and  
23

As regards the expenditure furnished by 85 undertakings on foreign travels, the Committee are perturbed to note that an expenditure of Rs. 356.44 lakhs was incurred during the years 1974-75, 1975-76 and 1976-77 on foreign travels by Chairman/Managing Director and officers drawing a pay more than Rs. 1800 per month.

The Committee are deeply perturbed to note that the expenditure on foreign travel has gone up year after year. The average expenditure per undertaking has risen from Rs. 0.77 lakhs in 1974-75 to Rs. 1.12 lakhs in 1975-76 and to Rs. 2.30 lakhs in 1976-77 thus registering an increase of nearly 200 per cent in 1976-77 as compared to the position obtaining in 1974-75. It is all the more disquieting that this abrupt and sharp increase in the expenditure in 1976-77 was during the



(1)

(2)

(3)

period when emergency was kept in vogue with lot of fan fare. It appears that the Government instead of tightening the financial control over travels abroad showed laxity with the result that the expenditure shot up at a galloping speed as compared to the year 1974-75. The Committee deprecate this and require that Government should put an end to trips abroad on frivolous grounds.

4

24

The Committee is positive that had the administrative Ministries strictly implemented the recommendation of the Committee on Public Undertakings made in their 85th Report (1975-76) that "Government should critically examine the proposals for foreign tours received from the Public Undertakings and only if they are satisfied that a proposed tour is absolutely necessary in the larger interests of the Public Undertakings, they should allow a minimum number of officers to go abroad for a short duration," the expenditure on this account would have been much less. This is a serious lapse and failure on the part of the Government. The Committee would like that all cases after 1975-76 should be reviewed critically.

5

25

and

26

The Committee are all the more disturbed to find that some of the Undertakings have incurred **very heavy** expenditure on foreign travel. Among the 30 undertakings, which had incurred expenditure on this account beyond Rs. 1 lakh during each or any of the three years *viz.* 1974-75 1975-76 and 1976-77, there are as many as four Undertakings (*viz.* Electronics Trade and Technology Development Corporation Ltd., Engineers India Ltd., Bharat Heavy Electricals Ltd., and Engineering Projects India Ltd.) which crossed the limit of Rs. 10 lakhs. Four undertakings (*viz.* Hindustan Aeronautics Ltd. Metallurgical & Engineering Consultants (India) Ltd., Minerals

---

(1)	(2)	(3)
-----	-----	-----

---

and Metals Trading Corporation of India Ltd., and Projects and Equipment Corporation of India Ltd.), incurred expenditure between Rs. 5 lakhs to Rs. 10 lakhs on this account. The Committee would like to urge that the expenditure incurred by this undertakings should be thoroughly scrutinised with a view to ensuring that the visit abroad was essential and in the best interest of the public undertaking/country and that the minimum number of persons undertook the visits. In cases where tours were not necessary, the responsibility should be fixed by the controlling authority under advice to the Committee.

It is also essential that excessive and frequent tours by Senior Officers should be stopped.

6	27	<p>The Committee in their 85th Report recommended that "the officers who go abroad should be asked to submit, on return, detailed reports on their tour to the Board of Directors and the administrative Ministry concerned who should evaluate the reports critically." The Committee are not aware whether their above recommendation is being followed in letter and spirit. But considering the galloping rise in expenditure on foreign travels, a good part of which should have surely been avoided, the Committee have no hesitation in further recommending that in order to over-see the expenditure, the Secretary of the administrative Ministry should personally scrutinise each and every case.</p>
---	----	--

7	28	<p>The Committee further require that expenditure on and particulars of all foreign travels including purpose of such foreign travels should always be clearly narrated in the annual reports of the Undertakings.</p>
---	----	--

8	29 30	<p>and Frittering away country's foreign exchange resources should constitute a serious penal</p>
---	----------	---

---

(1)

(2)

(3)

offence. Remedial measures should be taken in this direction. While going through the particulars received from the Public Sector Undertakings covering foreign tours and travels abroad, the Committee are much constrained to see that the foreign tours and travels, by Public Sector Executives have increased by 'leaps and bounds'. Undoubtedly the number of tours that have been undertaken, could have been considerably reduced.

The foreign exchange that we have could be best utilised for starting our heavy and core sector industries for importation of technical know-how in certain high priority area which is not available in the country. The Committee, therefore, deprecate the practice of such officers who have been undertaking pleasure trips in the name of tours abroad. In future the Government should keep a very strict eye in this sphere because it is not only a waste of our precious resources but at the same time it causes serious dis-satisfaction and demoralization amongst subordinates and other officers who are deprived from making such tours.

9

31

It is also understood that there are some habitual frequenters. These officials should be identified and deterrent action should be taken against them. In any case no person belonging to 'Public Sector Undertakings should be allowed to go abroad without clear approval of the Secretary of the Ministry who in his turn also should obtain approval from his Minister. In urgent cases foreign tours may be undertaken by the officers of the public undertakings and *ex post facto* sanction of the Ministry/Minister should be taken at the earliest. Anybody found undertaking foreign tours which are not considered absolutely essential should be required to repay expenditure, if incurred, from his salary and allowances.