

**JOINT COMMITTEE ON OFFICES
OF PROFIT**

(FIFTH LOK SABHA)

NINTH REPORT

(Presented on the 30th April, 1974)



**LOK SABHA SECRETARIAT
NEW DELHI**

May, 1974/Vaisakha, 1896 (Saka)

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TO

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

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**PERSONNEL OF THE JOINT COMMITTEE
ON OFFICES OF PROFIT**

(FIFTH LOK SABHA)

LOK SABHA

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

Rajya Sabha

- **11. Shri Vithal Gadgil
- £12. Shri S. A. Khaja Mohideen
- £13. Shri Sanda Narayanappa
14. Shri Venigalla Satyanarayana
- **15. Shri Yogendra Sharma

SECRETARIAT

Shri P. K. Patnaik—*Joint Secretary.*

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

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

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

£ Ceased to be Member of the Joint Committee consequent on his retirement from Rajya Sabha on the 2nd April, 1974.

REPORT OF THE JOINT COMMITTEE

I. INTRODUCTION

1. 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 Ninth Report of the Committee.

2. The Committee held three sittings on the 28th March and 16th and 26th April, 1974. Minutes of the sittings form part of the Report and are at Appendix II.

3. The Committee considered the composition, character functions etc. of 87 Committees|Boards|Corporations, etc. constituted by the Central Government|State Governments and Union Territories and the emoluments and allowances payable to their members. Their views on 82 bodies are contained in this Report.

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

5. The Committee considered and adopted the Report on the 26th April, 1974.

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

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

Mysore State Road Transport Corporation

7. The Committee note that the Chairman of the Mysore State Road Transport Corporation is entitled to a monthly remuneration of Rs. 900|-. He is also entitled to house rent allowance at the rate of Rs. 200|- per mensem, and a free car for official purposes. The remuneration thus payable to the Chairman does not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959.

The Committee further note that the non-official members (other than the Chairman) are entitled to a sitting fee of Rs. 40/- for attending the meetings of the Corporation and the Committees thereof. If the car facility available to members is not taken into account, the payment admissible to them will be less than the 'compensatory allowance'. But the Committee note that the Board exercises both executive and financial powers. As such, the Committee recommend that the membership of the Corporation (including Chairmanship) ought not to be exempt from disqualification.

Mysore State Electricity Board

8. The Committee note that the Chairman of the Mysore State Electricity Board is entitled to a monthly pay of Rs. 2,750/- less pension equivalent. The remuneration payable to him thus does not come within the ambit of 'compensatory allowance'. The Committee also note that other non-official members of the Board are entitled to a sitting fee of Rs. 40/- per day which is less than the 'compensatory allowance'. The Board, however, exercises executive and financial powers. As such, the Committee recommend that the membership of the Board (including chairmanship) ought not to be exempt from disqualification.

Boards of Directors of the Mysore State Fisheries Development Corporation Limited

9. The Committee note that the Chairman of the Board of Directors of the Mysore State Fisheries Development Corporation Ltd. gets a monthly remuneration of Rs. 500/-. This does not come within the ambit of 'compensatory allowance'. The Committee further note that a sitting fee of Rs. 50/- is admissible to the non-official members which is marginally less than the 'compensatory allowance'. But, as the Board exercises executive and financial powers, the Committee recommend that the membership of the Board of Directors (including Chairmanship) ought not to be exempt from disqualification.

Board of Directors of the Mysore State Agro-Industries Corporation Limited

10. The Committee note that the non-official Directors of the Mysore State Agro-Industries Corporation are entitled to a sitting fee of Rs. 50/- and daily allowance of Rs. 15/-. The Committee also note that the Board of Directors exercises executive and financial powers. As such, the Committee recommend that the membership of the Board ought not to be exempt from disqualification.

Sugarcane Price Fixation Board (Government of Maharashtra)

11. The Committee note that in addition to TA/DA, the Chairman of the Sugarcane Price Fixation Board is paid an honorarium of Rs. 10,000/- and other members Rs. 5,000/- per season. As these honoraria do not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959, the Committee recommend that the non-official members of the Board (including Chairmanship) ought not to be exempt from disqualification.

Punjab State Planning Board

12. The Committee note that the Deputy Chairman of the Punjab State Planning Board can be paid a salary upto Rs. 3,500/- per mensem plus house rent allowance. The Committee further note that an allowance of Rs. 100/- per day, subject to a maximum of Rs. 1,000/- per month, is payable to part-time members. As such, the Committee recommend that the Deputy Chairman and part-time members of the Board ought not to be exempt from disqualification.

Punjab State Electricity Board, Patiala

13. The Committee note that the payment admissible to both whole-time and part-time members of the Punjab State Electricity Board, Patiala exceeds the 'compensatory allowance'. Also, the Board exercises executive and financial powers. As such, the Committee recommend that the membership of the Board ought not to be exempt from disqualification.

Rajasthan Khadi and Village Industries Board

14. 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 T. A. and D. A. 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.

Board of Directors of U.P. State Industrial Corporation Limited

15. The Committee note that the payment of Rs. 75/- admissible to the non-official directors of the U. P. State Industrial Corporation in the form of sitting fee exceeds the 'compensatory allowance'. Also, the functions of the Corporation are executive and financial in nature, and can enable it to wield influence. As such, the Committee recommend that the directorship of the Corporation ought not to be exempt from disqualification.

North Bengal State Transport Corporation (Government of West Bengal)

16. The Committee note that the non-official members of the North Bengal State Transport Corporation are paid a fee of Rs. 50/- per meeting for attending the meetings of the Board in addition to D. A. as per rates applicable to Government servants drawing a monthly pay of not less than Rs. 2,000/-. The total amount admissible to non-official members thus exceeds the 'compensatory allowance'. Also, the Corporation exercises executive and financial powers.

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

State Agricultural Marketing Board (Government of Tamil Nadu)

17. The Committee note that the non-official members of the State Agricultural Marketing Board are entitled to T. A. and D. A. and sitting fee which is less than 'compensatory allowance'. The Committee however, note that the Board exercises executive and financial powers. As such, the Committee recommend that the membership of the Board ought not to be exempt from disqualification.

Local Audition Committees of All India Radio at 35 Stations

18. The Committee note that the non-official members of the Local Audition Committees are entitled to maximum honorarium of Rs 30/- for light music and Rs. 15/- for classical music which is less than compensatory allowance.

The Committees, however, exercise powers and are in a position to wield influence.

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

**Music Audition Board, Directorate General All India Radio,
New Delhi**

19. The Committee note that the total amount of honorarium and daily allowance payable to non-official members of the Music Audition Board who come from outside exceeds the compensatory allowance but in case of a local member it will be less than the compensatory allowance.

However, the Committee note that the Board exercises power 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.

Steel Authority of India, Limited

20. The Committee note that each of the non-official Directors of the Steel Authority of India, Ltd. is paid an honorarium of Rs. 100/- for each meeting of the Board in addition to actual travelling expenses incurred plus a sum of Rs. 175/- per day towards boarding, lodging and other incidental expenses which is more than compensatory allowance.

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

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

Iron Ore Board, New Delhi

21. The Committee note that the non-official members of the Iron Ore Board are entitled to T.A. and D.A. only at the rates admissible to highest class of Central Government officers, which is less than compensatory allowance.

The Chairman of the Board is, however, entitled to a sitting fee of Rs. 100/- per day in addition to Re. 1/- per month as honorarium which will exceed the compensatory allowance.

As such, the Committee recommend that the Chairmanship of the Board ought not to be exempt from disqualification but membership of the Board ought to.

Cotton Corporation of India Limited, Bombay

22. The Committee note that the non-official Directors of the Cotton Corporation of India Ltd. are entitled to a sitting fee of Rs. 100/- for each meeting of the Board of Directors in addition to incidental expenses of the journeys and halting allowances for each

APPENDIX I

(vide para 27 of the Report)

Committees, Boards, Corporations, etc. whose Chairmanship, Secretaryship or Membership ought to be exempted from disqualification.

UNDER CENTRAL GOVERNMENT

1. Consultative Panels for University-cum-Science and Technology broadcast by A.I.R.
2. Consultative Panels for Farm, Home and Family Planning Programmes, All India Radio.
3. Consultative Panels for School Broadcasts, All India Radio.
4. Consultative Panels for Industrial Programmes (11 in number) attached to stations of A.I.R.
5. Programme Advisory Committees located at 41 stations of All India Radio.
6. Committee to review the programmes of External Services, All India Radio.
7. Zonal Advisory Committees for Commercial Broadcasting Service of All India Radio at Bombay, Calcutta, Madras and Delhi.
8. Armed Forces Medical Research Committee.
9. Armed Forces Medical Academic Committee.
10. Central Direct Taxes Advisory Committee.
11. Regional Direct Taxes Advisory Committee.
12. Panel for Ball Bearing Industry.
13. Central Advisory Board for Salt.
14. Six Regional Advisory Boards for Salt.
15. Central Purchase Advisory Council.
16. Regional Purchase Advisory Councils (four in number—one each for the Northern, Eastern, Western and Southern Zones).

17. Standing Committee for Police Transport.
18. Standing Committee on Systems Analysis Operations Research and Computer Technology.
19. Standing Committee on Police Research.
20. Standing Committee on Forensic Medicine.
21. Standing Committee on Forensic Science.
22. Police Research and Development Advisory Council.
23. Central Board on Civilian Rifle Training Scheme.
24. Committee on Socio-Economic Studies on Family Planning
25. Co-ordination Committee for Research in Family Planning.
26. Committee to consider and advise Government on all technical problems connected with the Family Planning Programme.
27. National Awards Committee.
28. All India Workers Committee on Family Planning.
29. Nature Cure Advisory Committee.

UNDER STATE GOVERNMENTS

Andhra Pradesh

30. District Committee on Employment, Chittoor.
31. The Regional Committee on Employment, Kurnool.

Karnataka

32. (i) Board of Visitors to various Jails in the State;
(ii) Standing Advisory Board, Committee to Jails (Major);
(iii) Investigating Committee for Borstal School, Dharwar.
33. Committee for selection of rare photos and paintings.
34. State Standing Advisory Committee for Flag Day Fund.
35. (i) State Advisory Board for Scheduled Castes.
(ii) State Advisory Committee for Scheduled Tribes.
36. State Advisory Committee for Denotified Tribes and Nomadic and Semi-nomadic Tribes.
37. Advisory Committee for the Polytechnics for Women at Bangalore and Hubli.

38. Mysore State Sugarcane Advisory Committee.
39. Mysore State Cooperative Development Board.
40. Advisory Committee for preventing the exhibition of obscene film posters.

Maharashtra

41. Maharashtra State Flood Control Board.
42. State Seed Sub-Committee of the Central Seed Committee.

Orissa

43. State Law Revision Committee.
44. Orissa Official Language Legislative Committee.

Punjab

45. Punjab Flood Control Board.
46. Standing Tripartite Committee for the Implementation of Motor Transport Workers Act.
47. Board of Technical Education, Punjab.

Rajasthan

48. Rajasthan State Lottery Supervisory Committee.

Tamil Nadu

49. Plantations Labour Advisory Committee.
50. State Inventions Evaluation Committee for Tamil Nadu.
51. State Mass Media Coordination Committee.
52. State Family Planning Board.
53. Madras City Family Planning Committee.
54. District Family Planning Committee.
55. State Backward Classes Advisory Committee.
56. Advisory Committee for Backward Classes Denotified Tribes Hostels.
57. Advisory Committee to Chief Minister's Beggar Rehabilitation Fund.
58. Committee of Management for the Home.
59. Advisory Committee to suggest ways and means to improve the functioning of the Home.

Uttar Pradesh

60. District Consultative Committees Pithoragarh|Chamoli|
Uttarkashi.

61. District (Advisory) Consolidation Committee.

West Bengal

62. State Fisheries Research Committee.

APPENDIX II

(vide para 2 of the Report)

MINUTES OF THE JOINT COMMITTEE ON OFFICES OF PROFIT

I

Twenty-fourth Sitting

The Committee sat on Thursday, the 28th March, 1974 from 10.00 to 11.00 hours.

PRESENT

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

Lok Sabha

2. Shri Chandrika Prasad
3. Shri Somnath Chatterjee
4. Shri Jagannathrao Joshi
5. Shri Pratap Singh

Rajya Sabha

6. Shri S. A. Khaja Mohideen
7. Shri Venigalla Satyanarayana
8. Shri Yogendra Sharma.

SECRETARIAT

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

2. The Committee considered Memoranda Nos. 232 to 281 relating to Committees|Boards|Corporations, etc., constituted by the State Governments.

Mysore State Road Transport Corporation—Memorandum No. 235

3. The Committee noted that the Chairman of the Corporation was entitled to a monthly remuneration of Rs. 900|-. He was also entitled to house rent allowance at the rate of Rs. 200/- per mensem, and a free car for official purposes. The remuneration thus payable

to the Chairman did not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959.

The Committee further noted that the non-official members (other than the Chairman) were entitled to a sitting fee of Rs. 40/- for attending the meetings of the Corporation and the Committees thereof. If the car facility available to members was not taken into account, the payment admissible to them would be less than the 'compensatory allowance'. The Committee also noted that the Board exercised both executive and financial powers. As such, the Committee recommended that the membership of the Corporation (including Chairmanship) ought not to be exempt from disqualification.

Mysore State Electricity Board—Memorandum No. 238.

4. The Committee noted that the Chairman of the Board was entitled to a monthly pay of Rs. 2,750/- less pension equivalent. The remuneration payable to him thus did not come within the ambit of 'compensatory allowance'. The Committee also noted that other non-official members of the Board were entitled to a sitting fee of Rs. 40/- per day which was less than the 'compensatory allowance'. The Board, however, exercised executive and financial powers. As such, the Committee recommended that the membership of the Board (including chairmanship) ought not to be exempt from disqualification.

Board of Directors of the Mysore State Fisheries Development Corporation Limited—Memorandum No. 241

5. The Committee noted that the Chairman of the Board of Directors got a monthly remuneration of Rs. 500/-. This did not come within the ambit of 'compensatory allowance'. The Committee further noted that a sitting fee of Rs. 50/- was admissible to the non-official members which was marginally less than the 'compensatory allowance'. But, as the Board exercised executive and financial powers, the Committee recommended that the membership of the Board of Directors (including Chairmanship) ought not to be exempt from disqualification.

Board of Directors of the Mysore State Agro-Industries Corporation Ltd.—Memorandum No. 244.

6. The Committee noted that the non-official Directors of the Corporation were entitled for a sitting fee of Rs. 50/- and daily allowance of Rs. 15/-. The Committee also noted that the Board

of Directors exercised executive and financial powers. As such, the Committee recommended that the membership of the Board ought not to be exempt from disqualification.

**Sugarcane Price Fixation Board (Government of Maharashtra)—
Memorandum No. 251**

7. The Committee noted that in addition to TA|DA, the Chairman of the Board was paid an honorarium of Rs. 10,000|- and other members Rs. 5,000|- per season. As these honoraria did not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959, the Committee recommended that the non-official members of the Board (including Chairmanship) ought not to be exempt from disqualification.

Punjab State Planning Board—Memorandum No. 256

8. The Committee noted that the Deputy Chairman of the Board could be paid a salary upto Rs. 3,500|- per mensem plus house rent allowance. The Committee further noted that an allowance of Rs. 100|- per day, subject to a maximum of Rs. 1,000|- per month, was payable to part-time members. As such, the Committee recommended that the Deputy Chairman and part-time members of the Board ought not to be exempt from disqualification.

Punjab State Electricity Board, Patiala—Memorandum No. 258.

9. The Committee noted that the payment admissible to both whole-time and part-time members exceeded the 'compensatory allowance'. Also, the Board exercised executive and financial powers. As such, the Committee recommended that the membership of the Board ought not to be exempt from disqualification.

**Rajasthan Khadi and Village Industries Board—
Memorandum No. 262**

10. The Committee noted that the non-official members of the Board coming from outside the Headquarters were entitled to a sitting fee of Rs. 25|- per day alongwith T.A. and D.A. for attending the meetings of the Board. The Committee also noted that the Board exercised both executive and financial powers and was in a position to wield influence. As such, the Committee recommended that the membership of the Board ought not to be exempt from disqualification.

**Board of Directors of the Uttar Pradesh Financial Corporation—
Memorandum No. 263**

11. The Committee noted that the Board of Directors of the Corporation exercised executive and financial powers. A sitting fee of Rs. 75/- per day was also admissible to them for attending the meetings of the Board. This amount exceeded the 'compensatory allowance'.

As per information from the State Government, the representatives of the State Government did not claim travelling allowance and sitting fee. However, in view of the court decisions that non-drawal of remuneration attached to an office did not remove the disability, the Committee recommended that the directorship of the Corporation ought not to be exempt from disqualification.

**Board of Directors of U.P. State Industrial Corporation Limited—
Memorandum No. 265**

12. The Committee noted that the payment admissible to the non-official directors of the Corporation in the form of sitting fee exceeded the 'compensatory allowance'. Also, the functions of the Corporation were executive and financial in nature, and could enable it to wield influence. As such, the Committee recommended that the directorship of the Corporation ought not to be exempt from disqualification.

**The North Bengal State Transport Corporation (Government of
West Bengal)—Memorandum No. 268.**

13. The Committee noted that the total amount admissible to non-official Directors of the Corporation per day exceeded the 'compensatory allowance'. Also, the Corporation exercised executive and financial powers. As such, the Committee recommended that the membership of the Corporation ought not to be exempt from disqualification.

Hill Areas Committee, Manipur—Memorandum No. 280

14. The Committee noted that the Hill Areas Committee, Manipur consisted of all the members of that Assembly who represented the Assembly constituencies situated in the Hill Areas of the State.

The Members of the Committee were thus elected by the people and not appointed by the Government. Nor could they be removed by Government. As such, the Committee felt that they did not hold office under the Government and thereby would not hold any office of profit under the meaning of Article 102 of the Constitution.

**State Agricultural Marketing Board (Government of Tamil Nadu)—
Memorandum No. 281.**

15. The Committee noted that the non-official members of the Board were entitled to T.A. and D.A. and sitting fee which was less than 'compensatory allowance'. The Committee, however, noted that the Board exercised executive and financial powers. As such, the Committee recommended that the membership of the Board ought not to be exempt from disqualification.

16. The Committee deferred consideration of the following memoranda pending receipt of further information on joints noted against each from the State Governments concerned:

- | | |
|---|---|
| (i) Memo. No. 247 re:
Boundary Consultative
Committee (Govt. of
Karnataka). | (i) Number of sittings held.

(ii) Number of journeys per-
formed by non-official
members.

(iii) Precise rate of T.A. and
D.A. paid to non-official
members.

(iv) The names of Chairman
and members of the
Committee. |
| (ii) Memo. No. 249 re:
State Advisory Com-
mittee for Cooperative
Sugar Factories in re-
gard to placing orders
for plant and machinery
(Govt. of Maharashtra). | Detailed functions and
powers (both executive
and financial) if any, any,
exercised by the Com-
mittee. |

**Secondary Education Board (Govt. of Karnataka)—Memorandum
No. 252.**

17. The Committee noted that the payment admissible to the non-official members of the Board was less than compensatory allowance. Besides, the functions of the Committee were advisory in nature. As such, membership of the Committee ought to be exempted from disqualification. The Committee, however, desired that the State Government might be addressed to find out whether some executive powers (e.g. holding examinations, appointment of

examiners, approval of text books) were vested in the Board. In case the reply was in the affirmative, the matter might be placed before the Committee again.

18. The Committee deferred consideration of Memorandum No. 255 regarding Orissa Board of Wakfs pending receipt of a reply from the Ministry of Law, Justice and Company Affairs to a query made in regard to similar other Wakfs Boards.

19. 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 compensatory allowance.

Besides, the functions of these bodies were mainly advisory in nature. As such, the Committee recommended that the membership of these bodies ought to be exempted from disqualification:—

1. District Committee on Employment, Chittoor (Government of Andhra Pradesh).
2. The Regional Committee on Employment, Kurnool (Government of Andhra Pradesh).
3. (i) Board of Visitors to various Jails in the State;
(ii) Standing Advisory Board, Committee to Jails (Major);
(iii) Investigating Committee for Borstal School, Dharwar (Government of Karnataka):
4. Committee for selection of rare photos and paintings. (Government of Karnataka).
5. State Standing Advisory Committee for Flag Day Fund (Government of Karnataka).
6. (i) State Advisory Board for Scheduled Castes.
(ii) State Advisory Committee for Scheduled Tribes (Government of Karnataka).
7. State Advisory Committee for Denotified Tribes and Nomadic and Semi-nomadic Tribes (Govt. of Karnataka).
8. Advisory Committees for the Polytechnics for Women at Bangalore and Hubli (Government of Karnataka).
9. Mysore State Sugarcane Advisory Committee.
10. Mysore State Cooperative Development Board.

11. Advisory Committee for preventing the exhibition of obscene film posters (Government of Karnataka).
12. Maharashtra State Flood Control Board.
13. State Seed Sub-Committee of the Central Seed Committee (Government of Maharashtra).
14. State Law Revision Committee (Govt. of Orissa).
15. Orissa Official Language Legislative Committee.
16. Punjab Flood Control Board.
17. Standing Tripartite Committee for the Implementation of Motor Transport Workers Act. (Govt. of Punjab).
18. Board of Technical Education, Punjab.
19. Rajasthan State Lottery Supervisory Committee.
20. District Consultative Committees Pithoragarh|Chamoli|Uttarkashi (Government of U.P.).
21. District (Advisory) Consolidation Committee (Government of U.P.).
22. State Fisheries Research Committee (Govt. of West Bengal).
23. Plantations Labour Advisory Committee (Govt. of Tamil Nadu).
24. State Inventions Evaluation Committee for Tamil Nadu.
25. State Mass Media Coordination Committee (Govt. of Tamil Nadu).
26. State Family Planning Board (Govt. of Tamil Nadu).
27. Madras City Family Planning Committee.
28. District Family Planning Committee (Govt. of Tamil Nadu).
29. State Backward Classes Advisory Committee (Govt. of Tamil Nadu).
30. Advisory Committee for Backward Classes Denotified Tribes Hostels (Government of Tamil Nadu).
31. Advisory Committee to Chief Minister's Beggar Rehabilitation Fund (Govt. of Tamil Nadu).
32. Committee of Management for the Home (Govt. of Tamil Nadu).

33. Advisory committee to suggest ways and means to improve the functioning of the Home (Govt. of Tamil Nadu).

20. The Chairman informed the Committee that on the 11th March, 1974, Shri H. M. Patel, M.P. had drawn the attention of the House under Rule 377 regarding the failure of the Ministries|Departments of Government of India to furnish prompt information to the Joint Committee on Offices of Profit. He particularly referred to paragraph 42 of the Seventh Report of the Joint Committee in this regard. The Chairman further informed that the Speaker while expressing surprise at the gross indifference shown by the various Ministries|Departments, had observed that it was the duty of Chairmen, Parliamentary Committees to apprise him of such matters.

21. The Committee then adjourned to meet again at 10.00 hours on Tuesday, the 16th April, 1974.

II

Twenty-fifth Sitting

The Committee sat on Tuesday, the 16th April, 1974 from 10.00 to 11.00 hours.

PRESENT

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

MEMBERS

Lok Sabha

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

Rajya Sabha

6. Shri Venigalla Satyanarayana

SECRETARIAT

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

2. The Committee considered Memoranda Nos. 282 to 318 relating to Committees|Boards|Corporations, etc. constituted by the Central Government.

Local Audition Committees of All India Radio at 35 stations

3. The Committee noted that the non-official members of the Local Audition Committee were entitled to maximum honorarium of Rs. 30 for light music and Rs. 15 for classical music which was less than compensatory allowance.

The Committees, however, exercised powers and were in a position to wield influence.

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

Music Audition Board, Directorate General, All India Radio, New Delhi

4. The Committee noted that the total amount of honorarium and daily allowance payable to non-official members of the Music Audition Board who came from outside would exceed the compensatory allowance but in case of a local member, it would be less than compensatory allowance.

However, the Committee noted that the Board exercised power and was in a position to wield influence.

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

Steel Authority of India, Ltd.

5. The Committee noted that each of the non-official Directors of the Steel Authority of India Ltd. was paid an honorarium of Rs. 100 for each meeting of the Board in addition to actual travelling expenses incurred plus a sum of Rs. 175 per day towards boarding, lodging and other incidental expenses which was more than compensatory allowance.

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

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

Iron Ore Board, New Delhi

6. The Committee noted that the non-official members of the Iron Ore Board were entitled to T.A. and D.A. only at the rates admissible to highest class of Central Government officers, which was less than compensatory allowance.

The Chairman of the Board was however, entitled to a sitting fee of Rs. 100 per day in addition to Re. 1 p.m. as honorarium which amounted to more than compensatory allowance.

As such, the Committee recommended that the Chairmanship of the Board ought not to be exempted from disqualification but membership of the Board ought to.

The Cotton Corporation of India, Ltd., Bombay

7. The Committee noted that the non-official Directors of the Cotton Corporation of India, Ltd. were entitled to sitting fee of Rs. 100 for each meeting of the Board of Directors in addition to incidental expenses of the journeys and halting allowances for each meeting a fixed sum of Rs. 100 for the first day and Rs. 50 for each subsequent day of the meeting, which was more than compensatory allowance. The Committee further noted that the Chairman was also entitled to an honorarium of Rs. 1000 per month or DA at the rates applicable to MPs in respect of the days of halts at the Headquarters, in addition to the sitting fee for the days of meetings subject to the maximum of Rs. 1000 per month thus exceeding the compensatory allowance.

Besides, the Board of Directors exercised executive and financial powers. As such the Committee recommended that the Directorship of the Corporation (including chairmanship) ought not to be exempted from disqualification.

Cardamom Board

8. The Committee noted that the non-official members of the Cardamom Board were entitled to TA and DA as admissible to Grade I Officers of the Central Government which was less than Compensatory allowance.

The Board, however, exercised executive and financial powers and was in a position to wield influence. As such, the Committee recommended that the membership of the Board ought not to be exempted from disqualification.

Finance Commission

9. The Committee noted that the full-time Chairman and members of the Finance Commission were entitled to a monthly salary of Rs. 3500 and Rs. 3000 respectively plus compensatory allowance and T.A., etc. while part-time Chairman and members were entitled to draw daily allowance @ Rs. 75 per diem and Rs. 60 (at Bombay, Calcutta and Delhi) and Rs. 50 (elsewhere) per diem, respectively

plus T.A. (but not daily allowance). The Committee further noted that an M.P. was governed by the provisions of Salaries and Allowances of Members of Parliament Act, 1954 for payment of T.A. and D.A.

The Chairman and Members of the Commission, other than Members of Parliament, would, therefore, draw more than compensatory allowance.

The Finance Commission, however, exercised quasi-judicial powers in the performance of their functions and would not wield any individual influence. As such, the Committee recommended that while M.Ps. on the Commission ought to be exempt from disqualification, other non-official members and Chairman ought not to.

Board of Directors of Sambhar Salts Ltd.

10. The Committee noted that the non-official Directors of the Board of Directors of Sambhar Salts Ltd. were entitled to a remuneration which might exceed the compensatory allowance. Besides, the Board of Directors exercised executive and financial powers.

As such, the Committee recommended that the directorship of the Company (including Chairmanship) ought not to be exempted from disqualification.

11. In regard to the following bodies, the Committee noted that the non-official members thereof were entitled to T.A. and D.A. only which was less than compensatory allowance.

Besides, the functions of these bodies were mainly advisory in nature. As such, the Committee recommended that the membership of these bodies ought to be exempt from disqualification:—

- (1) Consultative Panels for University-cum-Science and Technology broadcast by A.I.R.
- (2) Consultative Panels for Farm, Home and Family Planning Programmes, All India Radio.
- (3) Consultative Panels for School Broadcasts, All India Radio.
- (4) Consultative Panels for Industrial Programmes (11 in number) attached to stations of A.I.R.
- (5) Programme Advisory Committees located at 41 stations of All India Radio.

- (6) Committee to review the programmes of External Services, All India Radio.
- (7) Zonal Advisory Committees for Commercial Broadcasting Service of All India Radio at Bombay, Calcutta, Madras and Delhi.
- (8) Armed Forces Medical Research Committee.
- (9) Armed Forces Medical Academic Committee.
- (10) Central Direct Taxes Advisory Committee.
- (11) Regional Direct Taxes Advisory Committees.
- (12) Panel for Ball Bearing Industry.
- (13) Central Advisory Board for Salt.
- (14) Six Regional Advisory Boards for Salt.
- (15) Central Purchase Advisory Council.
- (16) Regional Purchase Advisory Councils (four in number—one each for the Northern, Eastern, Western and Southern Zones).
- (17) Standing Committee for Police Transport.
- (18) Standing Committee on Systems Analysis Operations Research and Computer Technology.
- (19) Standing Committee on Police Research.
- (20) Standing Committee on Forensic Medicine.
- (21) Standing Committee on Forensic Science.
- (22) Police Research and Development Advisory Council.
- (23) Central Board on Civilian Rifle Training Scheme.
- (24) Committee on Socio-Economic Studies on Family Planning.
- (25) Co-ordination Committee for Research in Family Planning.
- (26) Committee to consider and advise Government on all technical problems connected with the Family Planning Programme.
- (27) National Awards Committee.
- (28) All India Workers Committee on Family Planning.

(29) Nature Cure Advisory Committee.

CONSIDERATION OF THE QUESTION WHETHER PECUNIARY GAIN WAS AN
ESSENTIAL INGREDIENT OF 'OFFICE OF PROFIT'

12. At their sitting held on 10th December, 1973, the Joint Committee on Offices of Profit, while examining Memoranda relating to the following bodies, had observed that even though Members|Directors thereof did not get any remuneration, they exercised powers and were in a position to wield influence:—

- (1) Delhi Sikh Gurdwaras Board (Memo. No. 188).
- (2) Board of Industries, Chandigarh (Memo. No. 190).
- (3) State Transport Authority, Chandigarh (Memo. No. 191).
- (4) Chandigarh Union Territory Managing Committee for the Management of Special Fund for Reconstruction and Rehabilitation of Ex-servicemen (Memo. No. 192).

The Committee had decided to defer consideration of the above Memoranda, in the light of judicial decisions in the matter.

13. The Committee took up consideration of the above Memoranda.

The Committee noted that, while interpreting articles 102 and 191 of the Constitution, the Indian Election Tribunals|Courts had construed 'pecuniary gain' to be an essential ingredient of 'profit'. In particular, the Committee noted the following observations of the Supreme Court in the **Ravanna Subanna v. G. S. Kaggeerappa*:—

"The plain meaning of the expression seems to be that an office must be held under Government to which any pay, salary, emoluments or allowance is attached. The word 'profit' connotes the idea of pecuniary gain...."

14. The Committee felt that though, in the light of the above ruling of the Supreme Court, the membership|directorship of the above bodies did not strictly constitute an 'Office of Profit' within the meaning of Article 102(1) of the Constitution as no pecuniary gain accrued, the creation of a large number of such bodies by the Executive could defeat the object underlying Article 102(1) of the Constitution, viz., to keep the Legislatures free from the influence of the Execu-

*A.I.R., 1954 Supreme Court. p. 653.

tive. If members of such bodies, who might feel beholden to the Executive for the positions of influence and patronage held by them, are freely allowed to become members of Legislatures, there was a risk that they may not have the independence of thought and action expected of members of Legislatures.

15. The Committee also noted that while in some cases the Members of such bodies may not be given allowance/honorarium etc. as a matter of deliberate policy, in some other cases, the absence of such pecuniary gain may be purely for other considerations (e.g. within the same town there could be no T.A. and D.A. admissible). Referring particularly to State Transport Authority, Chandigarh by way of illustration, the Committee noted that while the Parliament (Prevention of Disqualification) Amendment Bill, 1973, pending before Lok Sabha, sought not to exempt members of State Transport Authorities of various States from disqualification for membership of Parliament, the membership of the State Transport Authority, Chandigarh would not come within the mischief of Article 102(1) of the Constitution on the ground that no TA|DA was payable to its members.

16. To enable them to further consider the matter, the Committee desired that the Ministry of Law might be asked to advise as to how the recurrence of such anomalous situations could be prevented and also the object underlying Article 102(1) of the Constitution was not circumvented.

17. The Committee then adjourned to meet again at 10.00 hours on Friday, the 26th April, 1974 to consider their draft Ninth Report.

III

Twenty-sixth Sitting

The Committee sat on Friday, the 26th April, 1974 from 10.00 to 11.00 hours.

PRESENT

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

MEMBERS

Lok Sabha

2. Shri Jagannathrao Joshi
3. Shri Ramavatar Shastri
4. Shri Ram Shekhar Prasad Singh

—
Rajya Sabha
—

5. Shri Vithal Gadgil

SECRETARIAT

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

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

3. The Committee decided that the Report might be presented to Lok Sabha on the 30th April, 1974, and laid on the Table of Rajya Sabha on the same day.

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

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

The Committee then adjourned to meet again at 10.00 hours on Thursday, the 2nd May, 1974.