

JOINT COMMITTEE ON OFFICES OF PROFIT

FIFTH REPORT

(TENTH LOK SABHA)



सत्यमेव जयते

*Presented to Lok Sabha on 18 August, 1994.
Laid in Rajya Sabha on 18 August, 1994*

**LOK SABHA SECRETARIAT
NEW DELHI**

June, 1994/Jyaistha, 1916 (Saka)

Price: Rs. 16.00

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JOINT COMMITTEE ON OFFICES OF PROFIT

(Tenth Lok Sabha)

COMPOSITION OF THE COMMITTEE

Shri Chiranji Lal Sharma — *Chairman*

Members

Lok Sabha

2. Prof. Susanta Chakraborty
3. Shri Harisinh Pratapsinh Chavda
- *4. Shri Mohan S. Delkar
5. Shri Dau Dayal Joshi
6. Shri D.K. Naikar
7. Shri Ram Chandra Rath
8. Shri Roshan Lal
9. Shri Thota Subba Rao
- %10. Shri S.B. Thorat

Rajya Sabha

11. Vacant
- &12. Shri Makhan Lal Fotedar
- @13. Shri Sarada Mohanty ✓
- £14. Shri S.K.T. Ramachandran
- &15. Shri Digvijay Singh

SECRETARIAT

1. Shri Murari Lal — *Joint Secretary*
2. Shri M.R. Khosla — *Director*
3. Shri Ram Autar Ram — *Deputy Secretary*

* Elected on 5.12.1991 vice Shri C.K. Kuppuswamy resigned w.e.f. 13.11.1991.

% Elected on 30.4.1992 vice Shri Mukul Wasnik resigned w.e.f. 7.4.1992.

@ Elected by Rajya Sabha on 11.5.1993 vice Shri Som Pal resigned from the Committee.

£ Elected by Rajya Sabha on 12.8.1992 vice Shri Santosh Kumar Sah/ resigned from the Committee. u/

& Elected by Rajya Sabha on 12.5.1994 vice Shri Sarvashri Subramanian Swamy and Shiv Pratap Mishra retired from Rajya Sabha.

REPORT OF THE JOINT COMMITTEE ON OFFICES OF PROFIT

INTRODUCTION

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

2. The matters covered by the Report were considered by the Committee at their sittings held on 20 July, 9 and 22 September, 6 October and 4 November, 1993. Minutes of the Sittings, which form part of the Report, are appended to it.

3. The Committee examined the composition, character, functions etc. of 15 Committees/Bodies etc. constituted by the Central or State Governments and the emoluments and allowances payable to their members, non-official Directors, Chairmen etc. with a view to consider whether holders of offices of these bodies would incur disqualification under Article 102 of the Constitution of India.

4. The detailed information regarding the composition, character, functions, emoluments and allowances payable to the members of these bodies was furnished by the concerned Ministries/Departments of the Central Government or State Governments, as the case might be. The Committee wish to express their thanks to the Ministries/Departments of the Central and the State Governments for furnishing the information desired by them.

5. The Committee considered and adopted the Report at their sitting held on 3 June, 1994.

NEW DELHI;

3 June, 1994

13 Jyaistha, 1916 (Saka)

CHIRANJI LAL SHARMA,

Chairman,

Joint Committee on Offices of Profit.

CHAPTER I

NOMINATION OF MEMBERS OF PARLIAMENT ON STATE BODIES

- (1) *The Employment Generation Council, Meghalaya—Proposal to nominate Shri P.G. Marbaniang, Member, Lok Sabha, as Chairman thereof.*

1.1 Shri Peter G. Marbaniang, MP sought permission of the Speaker, Lok Sabha for acceptance of the post of Chairman of the Employment Generation Council offered to him by the Government of Meghalaya.

1.2 The Committee note that the non-official Chairman of the Employment Generation Council is entitled to honorarium/sitting fee, house rent allowance and telephone/electrical charges. There is also a proposal to extend him the facilities of conveyance allowance, service of staff and TA/DA as admissible to Class I officers of the State Government. The perks and facilities attached to the post of Chairman exceed the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Council are executive in nature *i.e.* to monitor the performance of banks and financial institutions with regard to sanction and disbursement of credit under viable schemes and the employment profile in Central Government Offices, Institutions, Universities, Banks, etc. so as to ensure that it conforms to Central Government's policy on reservation.

1.3 The Committee, therefore, feel that the office of the Chairman of the Employment Generation Council of Meghalaya *ought not be exempted from disqualification for being chosen as or for being a Member of Parliament.*

- (2) *The Rajasthan Lalit Kala Akademi, Jaipur—Proposal to appoint Dr. Girija Vyas, Member, Lok Sabha, as Chairperson thereof.*

1.4 A request was received from the Government of Rajasthan to elicit approval of the Speaker, Lok Sabha, for appointment of Dr. Girija Vyas, M.P. as Chairperson of the Rajasthan Lalit Kala Akademi.

1.5 As per information furnished by the State Government, the non-official Chairperson was entitled to Travelling Allowance in accord with the rules applicable to the Class I Officers of the Government of Rajasthan and the Daily Allowance of Rs. 50/-. Besides, a sitting fee of Rs. 50/- per sitting is also payable to the incumbent holding the office. The Akademi

is a corporate body and its main function is to encourage trends prevailing in the field of painting and architecture by providing adequate studies, research, integrated activities, publication facilities, training institutions and holding conferences etc.

1.6. Earlier, the Joint Committee on Offices of Profit (Second Lok Sabha) evaluated the perks and functions of both the Chairman and Secretary of the Rajasthan Lalit Kala Akademi and concluded that the holders of the either office ought not be exempted from disqualification.

1.7. Subsequently, the Committee (Third Lok Sabha) in their First Report *inter alia* made certain observations to the effect that in the case of bodies like Sports Councils, Sahitya Academies and Youth Welfare Boards, a more liberal view should be taken and the disqualification ought not be attached to the offices of the Chairmen of such bodies. It was probably in keeping with these observations of the Joint Committee that the 4 items. [viz., (i) Executive Board of the Rajasthan Lalit Kala Akademi, (ii) General Council of the Rajasthan Lalit Kala Akademi, (iii) Rajasthan State Sports Council, and (iv) Standing Committee of the Rajasthan State Sports Council] were not included in the Draft Bill of 1971 brought out by the Ministry of Law & Justice. While commenting upon the non-inclusion of these bodies in the Schedule, the Joint Committee considered the reasons adduced by the Ministry of Law & Justice in respect of these bodies as satisfactory [*Vide* para 27 of Second Report (Fifth Lok Sabha).]

1.8 In a communication dated 5 July, 1993, Dr. Girija Vyas intimated that the preceding Chairman of the Akademi also happened to be a Member of Parliament and that implied that it was not an office of profit.

1.9 After giving a careful thought to the whole question, the Committee are finally in agreement with the view already taken by the Committee on Third Lok Sabha that in the case of bodies like Sports Councils, Sahitya Academies and Youth Welfare Boards, a more liberal view should be taken and the disqualification ought not be attached to the holders of offices of such bodies, for the sake of development of art and culture. The Committee, therefore, recommend that the non-official Chairperson of the Rajasthan Lalit Kala Akademi should be exempted from disqualification for being chosen as or for being a Member of Parliament and for this purpose, the Government might bring forth necessary amending legislation before Parliament.

- (3) *The State Level Standing Committee under the Scheme of Rashtriya Sampradayaic Sadhbhavana Pratishthan, Rajasthan—Proposal to nominate Sarvashri Girdhari Lal Bhargava and Ram Narain Berwa, MPs as members thereof.*

1.10 The Committee considered the request of the Government of Rajasthan, seeking approval of the Speaker, Lok Sabha for nomination of Sarvashri Girdhari Lal Bhargava and Ram Narain Berwa, MPs as members

of State Level Standing Committee under the Scheme of Rashtriya Sampradayic Sadbhavana Pratishthan.

1.11 The Committee note that the non-official members of State Level Standing Committee are paid no remuneration. The functions of the Committee are to sponsor the applications for providing assistance to the riot-victims for the physical and psychological rehabilitation with special attention towards child care, education and training. After considering the applications as received from the District Level Committees, the Committee would forward the compiled list alongwith its recommendations thereon to the Rashtriya Sampradayic Sadbhavana Pratishthan for grant of financial assistance. As such, the functions of the Committee are advisory in character.

1.12 The Committee, therefore, recommend that the non-official members of the State Level Committee under the scheme of Rashtriya Sampradayic Pratishthan of Rajasthan should be exempted from disqualification for being chosen as or for being Members of Parliament.

CHAPTER II

NON-INCURRING OF DISQUALIFICATION BY NON-OFFICIAL MEMBERS OF CERTAIN BODIES CONSTITUTED BY CENTRAL/ STATE GOVERNMENTS

- (1) *The Govind Ballabh Pant Himalaya Paryavaran Evam Vikas Sansthan (Govind Ballabh Pant Institute of Himalayan Environment and Development) (Ministry of Environment and Forests)*

2.1 The Committee note that the non-official members of the Govind Ballabh Pant Himalayan Paryavaran Evam Vikas Sansthan are entitled to TA/DA as per rules of the Central Government for attending the meetings of the Society. The Payment of TA/DA is covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Institute has been set up for the development of the Himalayan and Shiwalik ranges. The functions and powers of the Institute are to undertake research and development studies on environment problems of Himalayan and Shiwalik ranges. For this purpose, the Institute may create administrative, technical, ministerial and other posts and make appointment thereto. The Institute has also power to raise, deposit, invest, accept and expend money for all or any purpose of the Society consistent with its objectives. Thus, the functions are both executive and financial in nature.

2.2 The Committee, therefore, feel that the non-official members of the said Institute should not be exempted from disqualification for being chosen as or for being Members of Parliament.

- (2) *The Bose Institute, Calcutta (Ministry of Science and Technology)*

2.3 The Committee note that the non-official members of the Bose Institute are paid such allowances as are paid by the Government of India to its Senior Class I employees. The payment of the allowances is, covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Institute are to work for advancement of knowledge by means of research, appointment of the staff and sanction, with or without modification, periodic budget estimates for the Institute and to

have full control over income and expenditure. Thus, the functions are both executive and financial in nature.

2.4 The Committee, therefore, recommend that the non-official members of the Bose Institute should not be exempted from disqualification for being chosen as or for being Members of Parliament.

(3) The Assam Gas Company Limited

2.5 The Committee note that the non-official Directors are paid sitting fee of Rs. 200/- per sitting and Travelling Allowance at the scale admissible to the senior most Executive of the Company. The Chairperson is paid a monthly honorarium of Rs. 1000/- and Travelling Allowance at the scale admissible to senior most Executive of the Company. Besides, she is entitled to 75 litres of petrol and car with driver. The payment of sitting fee, honorarium and other perks exceeds by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Board of Directors takes decisions on all policy matters and exercises powers of purchase, acquire, sale of natural gas and to manage, control and superintend all works and business of the Company. Thus, the Board of Directors exercises both executive and financial powers.

2.6 The Committee, therefore, recommend that the non-official Directors (including Chairperson) of the Company should not be exempted from disqualification for being chosen as or for being Members of Parliament.

(4) Assam State Legal Aid and Advice Board

2.7 The Committee note that the non-official members of the Assam State Legal Aid and Advice Board are paid a sitting fee of Rs. 100/- for attending each meeting. The payment of sitting fee is not covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Board are to utilise the funds at its disposal in such a way as to make the legal aid readily available to the weaker sections of the society besides laying down policies and giving general or special directions to the various Committees for proper administration and implementation of the legal aid programmes. The Board is in overall charge of the administration of the programme. As such, the Board exercises both executive and financial powers.

2.8 In this connection, the Committee observed that in a similar case of Maharashtra State Legal Aid and Advice Board, the then Committee, in paragraph 2.11 of their Eighth Report (Seventh Lok Sabha), held that the non-official members of the Board *should not be exempted* from disqualification.

2.9 The Committee, reiterate their earlier observations that the non-official members of the Board should not be exempted from disqualification for being chosen as or for being Members of Parliament.

(5) *The Assam Plantation Crops Development Corporation Limited*

2.10 The Committee note that the non-official directors of Assam Plantation Crops Development Corporation Limited are paid actual travelling expenses and a sitting fee of Rs. 50/- per day. In addition, Chairman is also paid remuneration of Rs. 1000/- per month. The sitting fee and the remuneration are not covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Corporation include to establish plantations and create employment facilities for the people who were dependent mainly on shifting cultivation and also to manage the affairs of the Corporation. As such, the Corporation exercises both executive and financial powers.

2.11 The Committee, are of the view that the non-official Directors and the Chairman of the Corporation ought not be exempted from disqualification for being chosen as or for being Members of Parliament.

(6) *The Assam State Transport Corporation*

2.12 The Committee note that the non-official members of the Assam State Transport Corporation are entitled to draw TA/DA at the rates as admissible to the first grade officers of the Government of Assam and a sitting fee of Rs. 50/- for each day. Besides, the Members presently appointed as Vice-Chairman is paid honorarium of Rs. 1000/- per month and house rent allowance of Rs. 800/- per month. The payment of sitting fee and honorarium is not covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Corporation are to provide, secure and promote an efficient economical, adequate and properly coordinated system of road transport services in the State and in any extended area. As such, the functions of the Corporation are both executive and financial in nature.

2.13 The Committee, therefore, feel that the non-official members (including Vice-Chairman) of the Assam State Transport Corporation should not be exempted from disqualification for being chosen as or for being Members of Parliament.

**(7) *The Goa State Backward Classes Development Corporation Limited*
*Goa.***

2.14 The Committee note that the non-official Directors of the Goa State Backward Classes Development Corporation are entitled for sitting allowance at the rate of Rs. 100/- plus the actuals of travelling allowance. The payment of sitting allowance is not covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of

Disqualification) Act, 1959. The Corporation aims at the economic development and upliftment of the backward classes in the State of Goa. For this purpose, the Corporation can borrow money or raise funds and plan, promote, assist or undertake the programmes of agricultural development, marketing, small scale industries, etc. for promoting welfare of the backward classes. Thus, the Corporation exercises both executive and financial powers.

2.15 The Committee, therefore, recommend that the non-official Directors (including Chairman) of the Corporation should not be exempted from disqualification for being chosen as or for being Members of Parliament.

(8) The Lakshadweep Development Corporation Limited

2.16 The Committee note that the non-official member of the Corporation is paid Rs. 150/- per sitting independent of any other payment received by him. The payment of sitting fee is not covered under Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The main functions of the Corporation are to sell, purchase, export or import, marketing of fish of all varieties, agricultural products, industrial raw materials and finished industrial products. The Corporation has a capital structure of rupees two crores divided into equity shares. As such, the Corporation exercises executive and financial powers.

2.17 The Committee, therefore, feel that the non-official Member of the Corporation should not be exempted from disqualification for being chosen as or for being a Member of Parliament.

*(9) The Block Development Committee, Meghalaya;
The Block Selection Committee, Meghalaya; and
The State Level Co-ordination Committee, Meghalaya*

2.18 The Committee not that the non-official members of the aforesaid Committees are paid honorarium @ Rs. 350/- per month besides a sitting fee of Rs. 50/- per day. The payment of honorarium and the sitting fee exceeds the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of these Committees are to draw up the scheme for villages of each Gram Sevak Circle and help the economically backward classes and to carry out the scheme of Jawahar Rozgar Yojana. As such, the functions seem to be advisory in nature. /

2.19 The Committee feel that keeping in view the provisions for payment of honorarium and sitting fee, the non-official Members of the Committees ought not be exempted from disqualification for being chosen as or for being Members of Parliament.

(10) The Executive Committee for the Fish Farmers Development Agency, West Tripura District, Tripura

2.20 The Committee note that the Chairman and non-official members

of the above Committee are paid sitting allowance @ Rs. 50/- each day for attending the sittings of the Committee and Travelling Allowance as admissible to Class I officers of the Government of Tripura. The payment of sitting allowance is not covered by 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Committee are to help the fish farmers in making maximum productive use by progressively reclaim, by excavating new tanks and bringing all cultivable fishery resources under fish production and also to provide grants/subsidies to the institutions of the fish farmers. As such, the functions are both executive and financial in nature.

2.21 The Committee are of the view that the non-official members (including the Chairman) should not be exempted from disqualification for being chosen as or for being Members of Parliament.

NEW DELHI;

3 June, 1994

13 Jyaishta, 1916(S)

CHIRANJI LAL SHARMA,

Chairman,

Joint Committee on Offices of Profit.

APPENDIX

(Vide Para 1.2 of the Report)

MINUTES OF THE TWENTY-THIRD SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (TENTH LOK SABHA)

The Committee met on Tuesday, 20 July, 1993 from 1500 to 1600 hours.

PRESENT

Shri Chiranji Lal Sharma — Chairman

MEMBERS

2. Prof. Susanta Chakraborty
3. Shri Harisinh Pratapsinh Chavda
4. Shri Dau Dayal Joshi
5. Shri D. K. Naikar
6. Shri Roshan Lal
7. Shri Shiv Pratap Mishra
8. Shri Sarada Mohanty
9. Shri S.K.T. Ramachandran

SECRETARIAT

1. Shri R.K. Chatterjee — *Deputy Secretary*
2. Shri Ram Kumar — *Under Secretary*

2. The Committee took up for consideration Memorandum Nos. 57 to 61 on certain Boards/Corporations/Councils constituted by the State Governments as follows:

- (i) *Employment Generation Council, Meghalaya—Appointment of Shri P.G. Marbaniang, MP as Chairman thereof—(Memorandum No. 57).*

3. The Committee noted that the non-official Chairman of the Employment Generation Council was entitled to honorarium/sitting fee H.R.A. and Telephone/Electrical charges. He was also proposed to be extended with facilities of a conveyance allowances, service of staff and TA/DA as admissible to Class-I Officer of the State Government. The perks and facilities attached with the post of Chairman exceeded the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Council were executive in nature i.e. to monitor the performance of banks and financial institutions with regard to sanction and disbursement of credit under viable schemes and also to monitor the employment profile in Central Government Offices, Institutions, Universities, Banks etc. so as to ensure that it conformed to Central Government policy on reservation. The Committee, therefore, felt that the Chairman of the

said Council *might not be exempted* from disqualification for being chosen as or for being a Member of Parliament. —

(ii) *Rajasthan Lalit Kala Akademi, Jaipur/proposal to appoint Dr. Girija Vyas, Member, Lok Sabha as Chairman thereof (Memorandum No. 58).*

4. The Committee noted that the non-official Chairman of the Rajasthan Lalit Kala Akademi was paid TA according to the rules applicable to the Class-I Officer of the Government of Rajasthan and DA of Rs. 50/-. Besides, she was also paid a sitting fee of Rs. 50/- per sitting. The Rajasthan Lalit Kala Akademi was a corporate body and its main function was to encourage trends prevailing in the field of painting and architecture by providing studies, research, integrated activities, publication facilities, training institutions and holding conferences etc.

5. In this connection, it may be stated that the Joint Committee on Offices of Profit (Second Lok Sabha) examined the Rajasthan Lalit Kala Akademi and concluded that both Chairman and secretary thereof should be exempted from disqualification. However, the Joint Committee of the Third Lok Sabha in its First Report observed that in the case of bodies like Sports Councils, Sahitya Academies and Young Welfare Boards, a more liberal view may be taken and this disqualification *ought not be* attached to the offices of Chairmen of such bodies. Perhaps it was in view of the above observation of Joint Committee that the four items [viz., (i) Executive Board of the Rajasthan Lalit Kala Akademi (ii) General Council of the the Rajasthan Lalit Kala Akademi (iii) Rajasthan State Sports Council and (iv) Standing Committee of the Rajasthan State Sports Council] had not been included in the draft Bill of 1971. While commenting upon the non-inclusion of these bodies in the Schedule, the Committee considered the reasons given by the Ministry of Law and Justice in respect of these bodies as satisfactory *vide* para 27 of the Second Report (Fifth Lok Sabha).

6. The Committee considered the case for some time but postponed the matter without taking a final decision.

(iii) *Assam Plantation Crops Development Corporation Limited (Memo. No. 59)*

7. The Committee noted that the non-official Directors of the Assam Plantation Crops Development Corporation Limited were paid actual travelling expenses and a sitting fee of Rs. 50/- per day. In addition, Chairman was also paid remuneration of Rs. 100/- per month. The sitting fee and remuneration were not covered by the 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Corporation included to establish plantations and create employment facilities for the people who were dependent mainly on shifting cultivation and also to manage the affairs of the Corporation. As such, the Corporation exercised both executive and financial powers. The Committee held the view that the non-

official Directors (including Chairman) *might not be exempted* from disqualification for being chosen as or for being a Member of Parliament.

(iv) *Assam State Transport Corporation—(Memorandum No. 60)*

8. The Committee noted that the Vice-Chairman of Assam State Transport Corporation was paid honoraum of Rs. 1000/- per month and House Rent of Rs. 800/- per month. Non-official members would be entitled to draw TA/DA at the rates as admissible to the first grade officers of the Government besides sitting fee of Rs. 50/- for each day. The sitting fee and honorarium were not covered under the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Corporation were to provide, secure and promote an efficient, economical, adequate and properly coordinated system of road transport services in the State and in any extended area. As such, the functions of the Corporation were both executive and financial in nature. The Committee, therefore, felt that the non-official members (including Vice-Chairman) *should not be exempted* from disqualification for being chosen as or for being a member of Parliament.

(v) *Assam State Legal Aid and Advice Board—(Memorandum No. 61)*

9. The Committee noted that the non-official members of the Assam State Legal Aid and Advice Board were paid a sitting fee of Rs. 100/- for attending each meeting. The payment of the sitting fee was not covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Board were mainly to utilise the funds at its disposal in such a way as to make the legal aid readily available to the weaker sections of the Society besides laying down policies and giving general or special directions to the various Committees for proper administration and implementation of the legal aid programmes. The Board was in overall charge of the Administration of the programme. As such, the Board exercised both executive and financial powers. In this connection, the Committee observed that in a similar case of Maharashtra State Legal Aid and Advice Board, the then Committee, in paragraph 2.11 of their Eighth Report (Seventh Lok Sabha) held that the non-official members of the Board *should not be exempted* from disqualification.

10. The Committee decided to reiterate their earlier observations that the non-official members of the Board *should not be exempted* from disqualification for being chosen as or for being Members of Parliament.

The Committee then adjourned.

MINUTES OF THE TWENTY FOURTH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (TENTH LOK SABHA)

The Committee met on Thursday, 9 September, 1993 from 15.00 to 16.10 hours.

PRESENT

Shri Chiranji Lal Sharma—*Chairman*

MEMBERS

2. Shri Harisinh Pratapsinh Chavda
3. Shri Dau Dayal Joshi
4. Shri Ram Chandra Rath
5. Shri S. B. Thorat
6. Shri E. Balanandan
7. Shri Shiv Pratap Mishra
8. Shri Sarada Mohanty
9. Shri S.K.T. Ramachandran

SECRETARIAT

1. Shri S.C. Gupta — *Joint Secretary*
2. Shri Ram Kumar — *Under Secretary*

2. The Committee took up for consideration Memorandum^Q Nos. 62 to 64 regarding certain Committees/Bodies etc. constituted by Central/State Governments as follows.

(i) *The Goa State Backward Classes Development Corporation Limited, Goa—(Memorandum No. 62)*

3. The Committee noted that the non-official Directors of the Goa State Backward Classes Development Corporation were entitled for sitting allowance at the rate of Rs. 100/- plus the actual travelling allowance. The payment of sitting allowance was not covered by the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Corporation aimed at the economic development and upliftment of the backward classes in the State of Goa. For this purpose, the Corporation could borrow money or raise funds and plan, promote, assist or undertake the programmes of agricultural development, marketing, small scale industries for promoting welfare of the backward classes. Thus, the Corporation exercised both executive and financial powers. The Committee, therefore, recommended that the non-official Directors (including Chairman) of the Corporation *should not be exempted* from disqualification for being chosen as or for being Members of Parliament.

(ii) *The Lakshadweep Development Corporation Limited—(Memorandum No. 63)*

4. The Committee noted that the non-official member of the Corporation was paid Rs. 150/- per sitting independent of any other payment received by him. The payment of sitting fee was not covered under section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The main functions of the Corporation were to sell, purchase, export or import, marketing of fish of all varieties, agricultural products, industrial raw materials and finished industrial products. The Corporation had a capital structure of rupees two crores divided into equity shares. As such, the Corporation exercised executive and financial powers. The Committee, therefore, felt that the non-official member of the said Corporation *should not be exempted from disqualification* for being chosen as or for being a Member of Parliament.

(iii) *The Govind Ballabh Pant Himalaya Paryavaran Evam Vikas Sansthan (Govind Ballabh Pant Institute of Himalayan Environment and Development)—(Memorandum No. 64)*

5. The Committee noted that the non-official members of the Govind Ballabh Pant Himalayan Paryavaran Evam Vikas Sansthan were entitled to TA/DA as per rules of the Central Government for attending the meetings of the Society. The payment of TA/DA was covered by the 'compensatory allowance' as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Institute had been set up for the development of the Himalayan and Shiwalik ranges. The functions and powers of the Institute were to undertake research and development studies on environment problems of Himalayan and Shiwalik ranges. For the purpose, the Institute might create administrative, technical, ministerial and other posts and make appointment thereto. The Institute had also power to raise, deposit, invest, accept and expend money for all or any purposes of the Society consistent with its objectives. Thus, the functions were both executive and financial in nature. The Committee, therefore, felt that the non-official members of the said Institute *should not be exempted from disqualification* for being chosen as or for being Members of Parliament.

The Committee then adjourned to meet again on 22 September, 1993.

**MINUTES OF THE TWENTY-FIFTH SITTING OF THE JOINT
COMMITTEE ON OFFICES OF PROFIT (TENTH LOK SABHA)**

The Committee met on Wednesday, 22 September, 1993 from 1500 to 1600 hours.

PRESENT

Shri Chiranji Lal Sharma—Chairman

MEMBERS

2. Prof. Susanta Chakraborty
3. Shri Harisinh Pratapsinh Chavda
4. Shri Roshan Lal
5. Shri E. Balanandan
6. Shri S.K.T. Ramachandran

SECRETARIAT

1. Shri R.K. Chatterjee — *Deputy Secretary*
2. Shri Ram Kumar — *Under Secretary*

2. The Committee took up for consideration Memorandum Nos. 65 to 68 on certain Boards/Corporations/Councils constituted by the Central/State Government as follows.

(i) *The Bose Institute, Calcutta (Ministry of Science and Technology)—(Memorandum No. 65)*

3. The Committee noted that the non-official members of the Bose Institute were paid such allowances as were paid by the Government of India to its Senior Class I employees. The payment of the allowances was covered by the 'Compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Institute were to work for advancement of knowledge by means of research, appointment of the staff and sanction, with or without modification, periodic budget estimates for the Institute and to have full control over income and expenditure. As such, the functions were both executive and financial in nature. The committee, therefore, recommended that the non-official members of the Bose Institute *should not be exempted* from disqualification for being chosen as or for being Members of Parliament.

(ii) *The Assam Gas Company Limited—(Memorandum No. 66)*

4. The Committee noted that the non-official Directors were paid sitting fee of Rs.200/- per sitting and Travelling Allowance at the scale admissible to the senior most Executive of the Company. The Chairperson was paid a monthly honorarium of Rs. 1000/- and Travelling Allowance at the scale

admissible to senior most Executive of the Company. Besides, she was entitled to 75 liters of petrol and car with driver. The payment of sitting fee, honorarium and other perks exceeded 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Board of Directors took decisions on all policy matters and exercised powers of purchase, acquire, sale of natural gas and to manage, control and superintend all works and business of the Company. Thus, the Board of Directors exercised both executive and financial powers. The Committee, therefore, recommended that the non-official Directors (including Chairperson) of the company *should not be exempted* from disqualification for being chosen as or for being Members of Parliament.

(iii) *The Block Development Committee, Meghalaya;*

The Block Selection Committee, Meghalaya; and

The State Level Coordination Committee, Meghalaya—(Memorandum No. 67)

5. The Committee noted that the non-official members of the aforesaid Committees were paid honorarium @Rs. 350/- per month besides a sitting fee of Rs.50/- per day. The payment of honorarium and the sitting fee exceeded the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the committees were to draw up the scheme for villages of each Gram Sevak Circle and help and economically backward classes and to carry out the scheme of Jawahar Rozgar Yojana. As such, the functions seemed to be advisory in nature. The Committee felt that keeping in view the provisions for payment of honorarium and sitting fee, the non-official members of the Committee *ought not be exempted* from disqualification for being chosen as or for being Members of Parliament.

(iv) *The Executive Committee for the Fish Farmers Development Agency, West Tripura District— (Memorandum No. 68)*

6. The Committee noted that the Chairman and non-official members of the above Committee were paid sitting allowance @ Rs. 50/- each day for attending the sittings of the Committee and Travelling Allowance admissible to Class-I officers of the Government of Tripura. The payment of sitting allowance was not covered by 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Committee were to help fish farmers in making maximum productive use by progressively reclaim, by excavating new tanks and bringing all cultivable fisher resources under fish production and also to provide grants/subsidies to the institutions of the fish farmers. As such, the functions were both executive and financial in nature. The

Committee were of the view that the non-official members (including the Chairman) *should not be exempted* from disqualification for being chosen as or for being Members of Parliament.

7. The Committee then resumed consideration of Memo. No. 58 regarding nomination of Dr. Girija Vyas, Member of Lok Sabha, as Chairperson of the Rajasthan Lalit Kala Akademi, Jaipur. The Committee desired to call for further information as the matter required detailed study before arriving at the final decision. Pending receipt of the requisite information in that regard, the Committee postponed consideration of the Memorandum.

The Committee then adjourned to meet again on Wednesday, 6 October, 1993.

MINUTES OF THE TWENTY-SIXTH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (TENTH LOK SABHA)

The Committee met on Wednesday, 6 October, 1993 from 1500 hours to 1630 hours.

PRESENT

Shri Chiranji Lal Sharma — *Chairman*

MEMBERS

2. Shri Dau Dayal Joshi
3. Shri Ram Chandra Rath
4. Shri Roshan Lal
5. Shri Thota Subba Rao
6. Shri E. Balanandan
7. Shri Sarada Mohanty
8. Shri S.K.T. Ramachandran
9. Shri Subramanian Swamy

SECRETARIAT

1. Shri S.C. Gupta — *Joint Secretary*
2. Shri Ram Kumar — *Under Secretary*

2. The Committee took up for consideration Memoranda Nos. 69 to 72 regarding

- (i) M/s. Assam Spun Silk Mills Ltd., Jagiroad, Morigaon, Assam.
- (ii) District Advisory Committee for grant of subsidy to Pisciculturists, Meghalaya.
- (iii) Punjab State Board for the prevention and control of Water Pollution, Patiala.
- (iv) Dharmapuri District Development Corporation, Dharmapuri (Tamil Nadu).

As there was no proposal for appointment of any Member of Parliament on these bodies, the Committee decided not to undertake the examination of such bodies for the time being.

3. The Committee then resumed further consideration of Memorandum No. 58 regarding nomination of Dr. Girija Vyas, Member, Lok Sabha, as Chairperson of the Rajasthan Lalit Kala Akademi, Jaipur. After giving a

careful thought to the whole matter, the Committee were finally in agreement with the view already taken by the Committee of Third Lok Sabha that in the case of bodies like Sports Councils, Sahitya Academics and Youth Welfare Boards, a more liberal view should be taken and the disqualification ought not be attached to the holders of offices of such bodies, for the sake of development of art and culture. The Committee, therefore, recommend that the non-official Chairperson of the Rajasthan Lalit Kala Akademi *should be exempted* from disqualification for being chosen as or for being a Member of Parliament and for this purpose, the Government might bring forth necessary amending legislation before Parliament.

The Committee then adjourned to meet again on 9 October, 1993.

MINUTES OF THE TWENTY-EIGHTH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (TENTH LOK SABHA)

The Committee met on Thursday, 4 November, 1993 from 1500 to 1540 hours.

PRESENT

Shri Chiranji Lal Sharma — *Chairman*

MEMBERS

2. Prof. Susanta Chakraborty
3. Shri Harisinh Pratapsinh Chavda
4. Shri Ram Chandra Rath
5. Shri Roshan Lal
6. Shri Thota Subba Rao
7. Shri Shiv Pratap Mishra
8. Shri Sarada Mohanty
9. Shri S.K.T. Ramachandran

SECRETARIAT

1. Shri S.C. Gupta — *Joint Secretary*
2. Shri R.K. Chatterjee — *Deputy Secretary*
3. Shri Ram Kumar — *Under Secretary*

2. The Committee took up for consideration Memoranda Nos. 75 and 76 as follows.

- (i) *The State Level Standing Committee under the Scheme of Rashtriya Sampradayaic Sadbhavana Pratishthan—Proposal to nominate Sarvashri Girdhari Lal Bhargava and Ram Narain Berwa, M.Ps. as Members thereof— (Memorandum No. 75)*

3. The Committee noted that no remuneration was payable to the non-official members. The main functions of the State Level Standing Committee were to sponsor the applications to provide assistance to the riot-victims for their physical and psychological rehabilitation with special attention towards child care, education and training. The Committee, after considering the applications received from the District Level Committees, would also forward the compiled list along with its recommendation thereon to Rashtriya Sampradayaic Sadbhavana Pratishthan for grant of financial assistance. As such, the functions of the Committee were advisory

in nature. The Committee, therefore, recommended that non-official members of the State Level Standing Committee under the scheme of Rashtriya Sampradayic Sadbhavana Prathishthan *should be exempted* from disqualification for being chosen as or for being a member of Parliament.

(ii) *Representation from Shri Pravat Kumar Samantray, M.P. (Rajya Sabha) for review of recommendation of the Joint Committee on Offices of Profit made in their Fourth Report (Fourth Lok Sabha) in respect of Ports of Paradip and Mormugao—(Memorandum No. 76)*

4. The Committee considered the representation received from Shri Pravat Kumar Samantray, M.P. (Rajya Sabha) for review of recommendations of the Joint Committee on Offices of Profit made in their Fourth Report (Fourth Lok Sabha) in respect of Ports of Paradip and Mormugao.

While considering the Memorandum the Committee took note of the observations made by the Bhargava Committee in para 81 of their Report regarding appointment/nomination of Members of Parliament on the Boards of Trustees for the Ports where the power of an appointment rests with the sectional interests which are independent of the Government. They felt that the matter required detailed study before taking a decision in the matter. Meanwhile they desired the Secretariat to obtain information regarding appointment/nomination of Members of Parliament made, if any, on the Boards of major ports and the method of selection and appointment of the representatives of labour on the Board of Trustees of the ports. They decided to postpone consideration of the memorandum till the receipt of detailed information on the subject.

The Committee then adjourned to meet again on Monday, 22 November, 1993.

MINUTES OF THE THIRTY-FOURTH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (TENTH LOK SABHA)

The Committee met on Friday, 3 June, 1994 from 1630 to 1700 hours.

PRESENT

Shri Chiranji Lal Sharma — Chairman

MEMBERS

- 2. Shri Harisinh Pratapsinh Chavda**
- 3. Shri Ram Chandra Rath**
- 4. Shri Roshan Lal**
- 5. Shri E. Balanandan**
- 6. Shri Makhan Lal Fotedar**
- 7. Shri Sarada Mohanty**
- 8. Shri Digvijay Singh**

SECRETARIAT

- 1. Shri R.K. Chatterjee — Deputy Secretary**
- 2. Shri Ram Kumar — Under Secretary**

2. The Committee considered the Draft Fifth Report and adopted it.

3. The Committee authorised the Chairman to present the Report to Lok Sabha on a convenient date during its ensuing session. The Committee also authorised the Chairman to arrange for laying the Report in the Rajya Sabha simultaneously.

The Committee then adjourned.

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Seventh Edition) and printed by the Manager, P.L. Unit, Govt. of India Press, Minto Road, New Delhi.
