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JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTEENTH LOK SABHA)

SIXTH REPORT

Presented to Lok Sabha on ______ Laid in Rajya Sabha on _____



LOK SABHA SECRETARIAT NEW DELHI

August, 2012/Bhadrapada, 1934(Saka)

Price : _____

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COMPOSITION OF JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTEENTH LOK SABHA)

Shri Rewati Raman Singh - Chairman

MEMBERS LOK SABHA

- 2. Shri P.C. Chacko
- 3. Shri Dara Singh Chauhan
- 4. Shri Sanjay Dhotre
- 5. Shri Prataprao Ganpatrao Jadhav
- 6. Shri Vishwa Mohan Kumar
- 7. Shri Rajendrasinh Rana
- 8. Shri Sarvey Sathyanarayana
- 9. Shri Ashok Tanwar
- 10. Vacant

RAJYA SABHA

- 11. Shri Janardan Dwivedi
- 12. Dr.Bharatkumar Raut
- 13. Smt. Mohsina Kidwai
- 14. Vacant
- 15. Vacant

SECRETARIAT

- 1. Shri C.V. Gadgil Joint Secretary
- 2. Shri Shiv Kumar Director
- 3. Shrimati Maya Lingi Deputy Secretary

INTRODUCTION

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

- 2. The matter covered in the Report was considered by the Committee at their sittings held on 08 June and 29 June, 2012. The Minutes of the sittings form part of the Report and are given at Appendix I &II.
- 3. The Committee examined the composition, character, functions, etc. of the V.V.Giri National Labour Institute (VVGLI), Noida and Gau Sewa Aayog, Haryana with a view to consider as to whether the nomination/appointment of a Member of Parliament as a Member to the General Council of the Institute and Honorary Chairman of the Aayog would attract disqualification from the angle of 'office of profit' under Article 102 (1)(a) 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 Ministry of Labour and Employment and the State Government of Haryana respectively.
- 5. The Committee considered and adopted this Report at their sitting held on 20 July, 2012.
- 6. The Committee wish to express their thanks to the Ministry of Labour and Employment and the State Government of Haryana for furnishing the information desired by the Committee.
- 7. The observations/recommendations made by the Committee in respect of the matters considered by them are given at the end of each Chapter of this Report in bold words. The recommendations of the Committee will, however, remain advisory in nature and as such can not give any protection from disqualification under the law until the recommendations are given Statutory effect by the Government by suitably amending the Parliament (Prevention of Disqualification) Act, 1959.

NEW DELHI;

REWATI RAMAN SINGH,
Chairman,
Joint Committee on Offices of Profit

August, 2012 Bhadrapada, 1934 (Saka)

REPORT

CHAPTER - I

Nomination of Shri Rama Chandra Khuntia, M.P. (Rajya Sabha) as Member to the General Council of V.V. Giri National Labour Institute (VVGNLI), Noida.

Rajya Sabha Secretariat vide their note R.S.S. I.D. No. 30(6)/2011 – Coord. dated 27 May, 2011 had requested to place the matter regarding: Nomination of Shri Rama Chandra Khuntia, M. P. (Rajya Sabha) as Member in the General Council of V.V. Giri National Labour Institute (VVGNLI), Noida before the Joint Committee on Offices of Profit for consideration and recommendation of the Committee.

- 1.2 As the information forwarded by the Ministry of Labour and Employment relating to the aforesaid nomination was not sufficient to examine the matter from the angle of 'office of profit', they were requested again to furnish the requisite information. The Ministry furnished the requisite information vide their O.M. Nos. Q-16012/2/2009-ESA(NLI) dated 07.10.2011 and 08.12.2011, the extracts of the information received are reproduced below:-
 - V.V. Giri National Labour Institute (VVGNLI), Noida has been registered as a Society under the Societies Registration Act, 1860;
 - the non-government Members of the General Council of the Institute (including Members of Parliament) are not getting any salary, allowances, perk on account of their services rendered to the General Council. However, they are being paid only Travelling Allowance on actual basis as and when they attend the meeting of General Council;
 - Travelling Allowance is being reimbursed to the non-official including Members of Parliament on actual basis on the production of tickets restricted to economy class by Air.
 - Travelling Allowance is not paid as per the Members Salary Allowances and pension of Members of Parliament Act, 1954.
 - the functions of the Council are purely advisory in nature.

- the Council does not exercise, legislative or judicial powers.
- it would not have powers of appointment/removal.
- the Council would not wield influence or power by way of patronage.
- The General council shall have the following powers and functions namely :-
 - (i) to elect Members of the Executive Council;
 - (ii) to approve the Annual Budget of the Institute drawn up by the Executive Council and the budget so approved shall be submitted to the Government of India for sanction of Government Grants:
 - (iii) to consider the Annual Report prepared by the Executive Council;
 - (iv) to consider the Balance Sheet and Audited Accounts for outgoing year;
 - (v) to add and amend with the prior approval of the Government of India the Rules of the Institute:
 - (vi) to frame with the approval of the Government of India Bye-laws not inconsistent with these Rules for the regulation of the business of the Institute and in particular with reference to preparation and approval of the Budget Estimates, the sanctioning of the expenditure, re-appropriation of funds, making and execution of contracts, the investment of the funds of the Institute, sale or alteration of such investment, accounts and audit, procedure for appointment of staff the terms and tenure of appointments, emoluments, terms and conditions, governing scholarships, fellowships and deputations grant-in-aid, research schemes and projects, rules of conduct and other conditions of service of the staff of the Institute;
 - (vii) to constitute ad-hoc/special Committees, with or without power to coopt, for disposal of any business of the Institute or for advice in any matter pertaining to the Institute; and
 - (viii) to perform such other functions as are entrusted to it under these Rules.
- the nomination of Shri Rama Chandra Khuntia, M.P. (Rajya Sabha) to the General Council of Institute has been made by the Ministry of Parliamentary Affairs.

1.3 The Committee considered the matter at their sitting held on 08 June, 2012 (APPENDIX – I)

- 1.4 The Committee note from the information furnished by the Ministry of Labour and Employment that the Office of a Member in the General Council of V.V. Giri National Labour Institute (VVGNLI), Noida is an office under the Government since the nomination to the aforesaid Office is done by the Ministry of Parliamentary Affairs. The Committee also note that the said Institute has been registered as a Society under Societies Registration Act, 1860 and performs only the advisory functions. Nomination to General Council neither confers powers of disbursement of funds, allotment of land etc. nor would wield influence or power by way of patronage. The Committee observe that the non-government Members (including Members of Parliament) of the General Council of the Institute are not getting any salary, allowances, perks on account of their services rendered to the Council. However, they are only being paid Travelling Allowance on actual basis as when they attend the meeting of General Council.
- 1.5 The Committee also noted the provision made in the Parliament (Prevention of Disqualification) Act, 1959 regarding: The bodies registered under the Societies Registration Act, 1860, in which, the office of Chairman, President, Vice-President or Principal Secretary or Secretary of the Governing Body of any society registered under the Societies Registration Act or under any other law relating to registration of societies; not being a body specified in the Schedule are exempted from disqualification for being chosen as or for being, a Member of Parliament. In this connection, the Committee also took into account the recommendation made by Joint Committee on Offices of Profit in their 9th Report (14th Lok Sabha) that a Member of Parliament nominated as Member to the Board of Governors of Nehru Yuva Kendra registered under the Societies Registration Act be exempted from disqualification for being a Member of Parliament.
- 1.6 In view of the foregoings, the Committee conclude that the nomination of a Member of Parliament as a Member to the General Council of V.V. Giri National Labour Institute (VVGNLI), Noida should not attract disqualification from the angle of 'office of profit'.

CHAPTER - II

Nomination/Appointment of Dr. Ram Prakash, Member, Rajya Sabha as the Honorary Chairman of the Gau Sewa Aayog, Haryana.

Rajya Sabha Secretariat (Committee Co-ordination Section) vide their note R.S.S.I.D.No.16(11)/2010-Coord. dated 16 May, 2011 had forwarded a request received by them from Dr. Ram Prakash, M.P. (Rajya Sabha) regarding his nomination/appointment as the Honorary Chairman, of the Gau Sewa Aayog, Haryana. It had been requested by them kindly to place the aforesaid matter before the Joint Committee on Offices of Profit for their consideration and recommendation thereon. The subject of consideration is whether his acceptance to become the Honorary Chairman of the Aayog will affect his membership of the House and sought to know the conditions he is required to comply with to remain a Member, and whether he can avail the facility of accommodation, travelling allowance or petrol allowance for the private vehicle, daily allowance and the office telephone facility.

- 2.2 As the information furnished by Rajya Sabha Secretariat alongwith the request was not sufficient to examine the matter from the angle of 'office of profit', the Government of Haryana were requested to furnish the requisite information. The Government of Haryana have since furnished the detailed information vide their letter nos. 2312-PP-4-2011/12494 dated 20.9.2011 and 2312-AH-4-2011/221 dated 6.1.2012, the extracts of which have been reproduced below:
 - the Aayog has been constituted under the Haryana Gau Seva Aayog Act, 2010
 - there will be nine official Members from the Government and 12 non-official Members including the Chairman and vice-Chairman nominated by the Government. Out of 12 non official Members six will be Members representing Registered Haryana Rajya Gaushala Sangh in the State and other six non-official Members will be eminent humanitarians working selflessly for the welfare, protection and preservation of cow.
 - every non-official Member shall hold office, for three years from the date on which he/she is appointed.

- the Aayog shall have perpetual succession and a common seal with the power to purchase, hold and dispose of property, both movable and immovable and to contract and may by said name sue and be sued.
- The functions of the Aayog shall be to
 - (i) work for the proper implementation of laws with respect to prohibition of slaughter and/or cruelty to cow and to suggest improvement in the existing laws for making them more meaningful;
 - (ii) work for the welfare of cow in the State
 - (iii) supervise work of the institutions for the scientific use of dung and urine of cow so as to enhance their utility in the sphere of agriculture including soil fertility, bio-energy, bio-gas, bio-fertiliser, bio-pesticide and domestic use;
 - (iv) supervise and assist in the working and functioning of the Institutions for the purpose of providing financial assistance, training the field of scientific rearing of various breeds of cow;
 - (v) exercise supervision over the Institutions regarding the utilization of funds and properties provided by Aayog and to bring to the notice of the Government specific instances for the appropriate action;
 - (vi) develop pastures or grazing lands and to associate with institutions or other bodies whether private or public, for the purpose of developing pastures and Gauchars;
 - (vii) provide financial assistance to deserving institutions, which in the opinion of the Aayog are engaged in the welfare of cow, as also for propagation of non-conventional energy like bio-gas from dung and urine of cow and other gainful uses through scientific tests or experiments.
 - (viii) educate, campaign and to make people aware about the economic benefits which can be derived out of cow and arrange competitions to promote such awareness as also to preach compassion for cow and take steps for inclusion in school syllabi such information;
 - (ix) procure fodder and make available for use of cow in the area affected by famine, drought or other natural calamities and to set up camps for the aforesaid purposes in the affected area and to take steps for prevention of migration or export of cow from such affected area and to suggest action against persons indulging in or attempting export for slaughter from such area:

- (x) work in collaboration with any Veterinary, Animal Sciences or Agriculture University or departments or organisations of the State/Central Government engaged in the task of research in the field of breeding and rearing of cow, organic manure, bio-gas etc. as also to collaborate with such of the research projects of Indian System of medicine conducted by various public or private Organisations for conducting research on the biogenic products of the cow for medicinal purposes.
- (xi) assist institutions for procuring fodder and in relocation of existing institutions at places where plenty of fodder and water is easily available;
- (xii) promote schemes to encourage use of organic manure and recommend suitable measures including incentive schemes for use of dung or urine of cow in organic manure by farmers to minimize the use of chemical fertilizers;
- (xiii) undertake fodder development schemes and to provide straw reapers free of cost:
- (xiv) take into custody the abandoned, stray, confiscated or seized cow from the concerned local bodies, other competent Authorities or courts after due authorization under any law for the time being in force and to maintain them;
- (xv) formulate and submit schemes for the establishment of cottage/artisan industries in the rural areas based on biogas product of cow as also based on skins, hides, bones of the naturally dead cow for the purpose of manufacture of various products;
- (xvi) create awareness about the significance of indigenous breeds of cow, its milk and allied dairy products and use of bullock energy;
- (xvii) promote healthy competition amongst institution engaged in breed development of cow for enhancing milk yield by organizing various competitions/events/fairs and suitably rewarding the winners financially.
- the functions of the Aayog are regular features for the welfare of cows in the state.
- the Aayog will exercise executive powers.
- the Aayog would wield influence or power by way of patronage.

- the remuneration to Chairman of the Aayog, shall be governed by the instruction issued by the Government of Haryana letter Nos. 36/3/97-4 Pol dated 25.5.2009 and 23.11.2011 which are reproduced below:
 - Pay or honorarium may be allowed at the rate of Rs.20,000/- per mensem to the Chairmen/Vice Chairmen of a Board/Corporation/ Cooperative organization/Public Sector Undertaking subject to the condition that if an MLA is appointed as a Chairmen/'Vice Chairmen, the total emoluments allowed to him (including all allowances admissible to him as an MLA) shall not exceed the total emoluments admissible to a Minister at any point of time.
 - Reimbursement of actual rent not exceeding Rs.25,000/- (Rupees twenty five thousand only) per mensem may be given for private accommodation hired by the Chairman/Advisor.
- 2.3 The Committee considered the matter at their sitting held on 29 June, 2012 (APPENDIX-II)
- 2.4 The Committee note that the Office of Chairman of Gau Sewa Aayog, Haryana is an 'office under the Government' since the nomination/appointment therein is done by the State Government. The Committee further note that the functions of the Aayog are executive and financial in nature and the Aayog also wields influence or power by way of patronage. The Committee observe that the non-official Member of the Aayog (including the Members of Parliament) receives honorarium of Rs.20,000/- per mensem. Besides this, a reimbursement of actual rent not exceeding Rs.25,000/- per mensem, may also be given for private accommodation hired by the Chairman/Advisor.
- 2.5 In this context, the Committee also considered the opinion of the High Court of Maharashtra in Moti Singh Vs. Bhaiyyalal (E.L.R.Vol.X) in which the Hon'ble Court had opined that the payment of an honorarium of Rs.300 a month, free accommodation and free conveyance for holding the Office of Vice-President of a Zila Parishad could beyond doubt be treated as holding an 'office of profit'.

2.6 In view of the foregoings, the Committee feel that the holder of office of Chairman (including the Members of Parliament) of Gau Sewa Aayog, Haryana should not be exempted from the angle of 'office of profit' for being chosen as, or for being a Member of Parliament.

REWATI RAMAN SINGH
Chairman
Joint Committee on Offices of Profit

NEW DELHI August , 2012 Bhadrapada, 1934 (Saka)

APPENDIX-I

(Vide para 1.3 of Chapter I of the Report)

EXTRACTS OF THE MINUTES OF THE EIGHTEENTH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTEENTH LOK SABHA) HELD ON 08 JUNE, 2012

The Committee met on Friday, 08 June, 2012 from 1500 hrs to 1530 hrs in Committee Room '53, First Floor, Parliament House, New Delhi.

PRESENT

Shri Rewati Raman Singh - Chairman

MEMBERS LOK SABHA

- 2. Shri Sanjay Dhotre
- 3. Shri Prataprao Ganpatrao Jadhav
- 4. Shri Vishwa Mohan Kumar
- 5. Shri Rajendrasinh Rana
- Shri Ashok Tanwar

RAJYA SABHA

- 7. Dr. Bharatkumar Raut
- 8. Shri Janardan Dwivedi

SECRETARIAT

1. Shri C.V.Gadgil - Joint Secretary

2. Shri M.D. Tuteja - Under Secretary

At the outset, the Chairman welcomed the Members to the sitting of the Committee and apprised them about the agenda of the sitting.

2. The Committee then took up for consideration Memorandum No. 19 regarding nomination of Shri Rama Chandra Khuntia, M.P. (Rajya Sabha) as Member in the General Council of V.V. Giri National Labour Institute (VVGNLI), Noida. The Committee noted from the information furnished by the Ministry of Labour and Employment that the Office of member in the General Council of V.V. Giri National Labour Institute (VVGNLI), Noida was an office under the Government since the

nomination to the aforesaid Office is done by the Ministry of Parliamentary Affairs. The Committee also noted that the said Institute has been registered as a Society under Societies Registration Act, 1860 and performs only the advisory functions. It neither confers powers of disbursement of funds, allotment of land etc. nor would wield influence or power by way of patronage. The Committee further observed that non-government members (including Members of Parliament) of the General Council of the Institute were not getting any salary, allowances, perks on account of their services rendered to the Council. However, they are being paid only travelling allowance on actual basis as when they attend the meeting of General Council.

- 3. The Committee also noted the provision made in the Parliament (Prevention of Disqualification) Act, 1959 regarding the bodies registered under the Societies Registration Act, 1860 in which the office of Chairman, President, Vice-President or Principal Secretary or Secretary of the Governing Body of any society registered under the Societies Registration Act, 1860 or under any other law relating to registration of societies, not being a body specified in the Schedule are exempted from disqualification for being chosen as or for being, a Member of Parliament. In this connection, the Committee also took into account the recommendation made by Joint Committee on Offices of Profit in their 9th Report (14th Lok Sabha) that a Member of Parliament nominated as Member to the Board of Governors of Nehru Yuva Kendra registered under Societies Registration Act, 1860 be exempted from disqualification as Member of Parliament.
- 4. In view of the foregoings, the Committee concluded that the nomination of a Member of Parliament as member in the General Council of V.V.Giri National Labour Institute (VVGNLI), Noida should not attract disqualification from the angle of 'office of profit'.

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The Committee then adjourned.

APPENDIX-II

(Vide para 2.3 of Chapter II of the Report)

EXTRACTS OF THE MINUTES OF THE NINETEENTH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTEENTH LOK SABHA) HELD ON 29 JUNE, 2012

The Committee met on Friday, 29 June, 2012 from 1500 hrs to 1545 hrs in Committee Room '53, First Floor, Parliament House, New Delhi.

PRESENT

Shri Rewati Raman Singh - Chairman

MEMBERS LOK SABHA

- 2. Shri P.C. Chacko
- 3. Shri Sanjay Dhotre
- 4. Shri Vishwa Mohan Kumar
- 5. Shri Sarvey Sathyanarayna
- 6. Shri Ashok Tanwar

RAJYA SABHA

7. Shri Janardan Dwivedi

SECRETARIAT

1. Shri C.V.Gadgil - Joint Secretary

2. Smt. Maya Lingi - Deputy Secretary

At the outset, the Chairman welcomed the Members to the sitting of the Committee and apprised them about the agenda of the sitting.

- 2. The Committee then took up for consideration Memorandum No. 21 regarding: nomination/appointment of Dr. Ram Prakash, Member, Rajya Sabha as the Honorary Chairman of the Gau Sewa Aayog, Haryana. The Committee noted that the Office of Chairman of Gau Sewa Aayog, Haryana is an 'office under the Government' since the nomination/appointment therein is done by the State Government. The Committee also noted that the functions of the Aayog were executive and financial in nature. The Aayog also wields influence or power by way of patronage. The Committee further observed that the non-official member of the Aayog (including the Members of Parliament) receives honorarium of Rs.20,000/- per mensem. Besides this, a reimbursement of actual rent not exceeding Rs.25,000/- per mensem, may also be given for private accommodation hired by the Chairman/Advisor.
- 3. In this context, the Committee also considered the opinion of the High Court of Maharashtra in Moti Singh Vs. Bhaiyyalal (E.L.R.Vol.X) in which the Hon'ble Court had opined that the payment of an honorarium of Rs.300 a month, free accommodation and free conveyance for holding the Office of Vice-President of a Zila Parishad could beyond doubt be treated as holding an 'office of profit'.
- 4. In view of the foregoings, the Committee felt that the holder of office of Chairman (including the Members of Parliament) of Gau Sewa Aayog, Haryana should not be exempted from the angle of 'office of profit' for being chosen as, or for being a Member of Parliament.

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The Committee then adjourned.

APPENDIX-III

MINUTES OF THE TWENTIETH SITTING OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTEENTH LOK SABHA) HELD ON 20 JULY, 2012

The Committee met on Friday, 20 July, 2012 from 1200 hrs to 1230 hrs in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Rewati Raman Singh - Chairman

MEMBERS LOK SABHA

- 2. Shri Sanjay Dhotre
- 3. Shri Prataprao Ganpatrao Jadhav
- 4. Shri Vishwa Mohan Kumar
- 5. Shri Rajendrasinh Rana
- 6. Shri Sarvey Sathyanarayana

RAJYA SABHA

- 7. Shri Janardan Dwivedi
- 8. Dr. Bharatkumar Raut

SECRETARIAT

1. Shri C.V. Gadgil - Joint Secretary

2. Shri Shiv Kumar - Director

3. Smt. Maya Lingi - Deputy Secretary

- 2. At the outset, the Chairman welcomed the members to the sitting of the Committee.
- 3. Thereafter, the Committee took up the draft Fifth and Sixth Reports for consideration and adopted the same without any modification.
- 4. The Committee also placed on record their appreciation of the valuable assistance rendered to them by the officers and staff of the Secretariat.

The Committee then adjourned.