

**COMMITTEE
ON
SUBORDINATE LEGISLATION**

(EIGHTH LOK SABHA)

FOURTEENTH REPORT

(Presented on 27 April, 1987)



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1987/Chaitra, 1909 (Saka)

Price: Re. 1.00

Corrigenda to the Fourteenth Report of
Committee on Subordinate Legislation
(Eighth Lok Sabha) presented on 27 April.
1987.

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
7	26	4	singleseat	single seat
9	33	11	Regulattons	Regulations
10	35	1	occurance	occurrence
12	44	2	Supnlies	Supplies
16	28	4	accordonce	accordance
18	43	1	skeleton	skeleton
18	43	3	instrnctions	instructions
18	43	4	guidlines	guidelines
18	44	6	amhnd-	amend-
21	1	1	Committe	Committee
21	2	3	Corpotions	Corporations
22	2	13	Rules	Rule
22	2	31	Rules	Rule

CONTENTS

PARA No. PAGE No.

COMPOSITION OF THE COMMITTEE (iii)

REPORT

I.	Introduction	1—4	1
II.	The Food Corporations Rules, 1965 (G.S.R. 117 of 1965)	5—41	1
III.	The Food Corporations Regulations, 1965 (G.S.R. 118 of 1965)	42—44	11

APPENDICES

I.	Consolidated Statement of recommendations/ observations made by the Committee	15
II.	Minutes of the Forty-fourth, Forty-fifth and Forty-eighth sittings of the Committee (Eighth Lok Sabha)	21

**COMPOSITION OF THE COMMITTEE ON SUBORDINATE
LEGISLATION (1986-87)**

- *1. Shri Vakkom Purushothaman—*Chairman*
2. Shri D.L. Baitha
3. Shri Anil Basu
4. Shri H.A. Dora
5. Dr. (Shrimati) Phulrenu Guha
6. Shri Abdul Rashid Kabuli
7. Shri Dharam Pal Singh Malik
8. Shri Shantaram Naik
9. Shri Mohanbhai Patel
10. Shri Mullappally Ramachandran
11. Shri K.S. Rao
12. Shri Bholanath Sen
13. Shri Saleem I. Shervani
14. Shri Yogeshwar Prasad Yogesh

SECRETARIAT

1. Shri N.N. Mehra—*Joint Secretary*
2. Shri R.S. Mani—*Senior Legislative Committee Officer*

*Appointed Chairman w.e.f. 20 March, 1987 *vice* Shri Mool Chand Daga died.

REPORT

I

INTRODUCTION

I, the Chairman of the Committee on Subordinate Legislation, having been authorised by the Committee to present the Report on their behalf, present this their Fourteenth Report.

2. The matters covered by this Report were considered by the Committee at their sittings held on 13 January and 5 March, 1987.

3. The Report was considered and adopted by the Committee at their sitting held on 9 April, 1987. The Minutes of the sittings relevant to the Report are appended thereto.

4. For facility of reference and convenience, recommendations/observations of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in the Appendix I to the Report.

II

THE FOOD CORPORATIONS RULES, 1965 (G.S.R. 117 OF 1965)

(I) Term of office of the Managing Director

5. Sub-rules (1), (2) and (3) of rule 3 of the Food Corporations Rules) 1965 as amended from time to time, read as under :

'3. Term of office of the Chairman, Managing Director and other Directors--

(1) The term of office of the Chairman shall be three years from the date of his assumption of office as Chairman and he shall hold office during the pleasure of the Central Government.

Provided that if an officer of the Government is appointed on deputation as Chairman, the term of office in his case shall not extend beyond the age of super-annuation of fifty-eight years :

Provided further that nothing contained in the foregoing proviso shall affect the term of office of a person who has been holding the post of Chairman immediately before the commencement of the Food Corporations (Amendment) Rules, 1971.

(2) The term of office of the *Managing Director* shall be three years from the date of his assumption of office as Managing Director.

Provided that if an officer of the Government is appointed on deputation as Managing Director, the term of office in his case shall be two years from the date of his assumption of office as Managing Director or upto his reaching the age of 58 years, whichever is earlier.

(3) The term of office of a *Director* appointed under clause (e) of sub-section (1) of section 7 of the Act shall be two years from the date of his assumption of office as Director and he shall hold office during the pleasure of the Central Government.

Provided that every person holding office as Chairman, Managing Director or Director immediately before the commencement of the Food Corporations (Amendment) Rules, 1971, shall continue to hold his office by the same tenure as he held such office immediately before such commencement."

6. Sub rule (2) of rule 3 provided the term of office of the Managing Director as three years from the date of his assumption of office. However, it was not clear whether the Managing Director would hold office during the pleasure of the Central Government as had been the case with the Chairman and Director of the Food Corporations.

7. The Ministry of Food and Civil Supplies (Department of Food), with whom the matter was taken up, stated in their reply dated 12 December, 1986 as under :

"Section 9 sub-section (1) of the Food Corporations Act, 1964 provides for removal of Managing Director only after giving him reasonable opportunity of showing cause. In view of this provision it is not possible to provide for the tenure of the Managing Director at the pleasure of the Central Government in the rule."

8. The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that under section 9(1) of the Food Corporations Act 1964, the Managing Director can be removed from the office only after giving him reasonable opportunity of showing cause. In view of this, the Committee do not wish to pursue the matter any further.

(ii) Scale of accommodation to Chairman

9. Clause (ii) of rule 5 of the Food Corporations Rules, 1965 as amended, reads as under :

"5. Remuneration of Chairman :

* * * *

(ii) Unfurnished accommodation suitable to his status on deduction of 10% of his salary. In case furnished accommodation is provided, suitable hire-charges for the furnishings as determined by the Corporation shall be recovered.

Provided that if the Chairman voluntarily foregoes the salary to which he is entitled under clause (i), he shall be eligible for free unfurnished accommodation suitable to his status."

10. In this connection the Ministry of Food and Civil Supplies (Department of Food) were asked to state as to whether any entitlement of scale of furniture for residence of Chairman and the ceiling on the hire-charges recoverable from him had been laid down; as also should such matters not find a place in the rule itself.

11. In reply dated 12 December, 1986, the Ministry of Food and Civil Supplies (Department of Food) stated as under :

"It is not necessary to incorporate such matters of details in the Rules. These can be regulated through administrative instructions from time to time by the Corporation as the general superintendence, directions and management of the affairs and business of the Corporation vest in them in accordance with Section 6(1) of the Food Corporations Act, 1964.

Food Corporations of India have not issued any guidelines in this regard in detail. However, in the past recoveries have been made for furnishing charges as levied by the C.P.W.D. in the case of Government bungalow occupied by the previous Chairman. The detailed guidelines are now being issued by the Corporation."

12. The Committee note that on being pointed out by them, the Ministry of Food and Civil Supplies (Department of Food) have agreed to issue detailed guidelines governing the scale of furniture for the residence of the Chairman as also the ceiling on the hire charges recoverable from him in this respect. However, the Committee do not accept the contention of the Ministry for not

incorporating such guidelines in the rules. The Committee have time and again stressed that administrative instructions/guidelines are no substitute to subordinate legislation. The Committee, therefore, desire the Ministry to take necessary action to amend the rules in this behalf so as to make them self-contained for the information of all concerned.

(iii) Free Use of Car for Official Purposes by Chairman.

13. Clause (iii) of rule 15 of the Food Corporations Rules, 1965, as amended, reads as under :

"5. Remuneration of Chairman :

* * * *

(iii) Free use of car for official purposes (journeys from residence to office being treated as official purposes) and for private purposes also upto 500 kilometre limit per month. Charges for private use in excess of 500 kilometre limit in a month shall be recoverable at the appropriate kilometre rate to be fixed by the Corporation. Use of official car for private use shall be restricted to the head-quarter town where the Chairman is stationed;

Provided that if any officer of Government is appointed as Chairman, he shall be entitled to such leave, provident fund and other benefits as admissible under the rules applicable to him."

14. It was enquired from the concerned Ministry of Food and Civil Supplies (Department of Food) as to how a check was exercised on the use of car beyond 500 kilometre limit in a month chargeable from the Chairmain and how the calculations were being made if the car was used for private purposes beyond the prescribed limit and whether any guidelines existed in this regard.

15. In their reply dated 12 December, 1986, the Ministry of Food and Civil Supplies (Department of Food) stated as under :

"Log Books are maintained by the Food Corporation of India on the lines similar to log books maintained for Government vehicles."

16. The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that there already operated a system of maintaining log books on the lines of those maintained for Government vehicles. The Committee, however, feel that the Ministry should issue suitable guidelines in the matter to obviate any misuse of the facility.

(iv) Scale of accommodation to Managing Director

17. Clause (i) of rule 5A of the Food Corporations Rules, 1965 read as under :

"5A. Remuneration of Managing Director

* * * *

- (i) Unfurnished accommodation suitable to his status on deduction of ten percent of his salary. In case furnished accommodation is provided suitable hire-charges for the furnishings as determined by the Board of Directors of the Corporation shall be recovered."

18. The Ministry of Food and Civil Supplies (Department of Food) were asked to state as to whether any guidelines were laid down governing the scale of furnishings and limit on recovery of hire charges. On that account from the Managing Director. The Ministry, in their reply dated 12 December, 1986, stated as under :

"Detailed guidelines in the matter are now being issued by the Food Corporation of India."

19. The Committee note that on being pointed out by them, the Ministry of Food and Civil Supplies (Department of Food) have agreed to issue detailed guidelines governing the scale of furnishings and recovery of hire-charges for such furnishings from the Managing Director. The Committee recommend that the matter should be examined in all its aspects and necessary guidelines issued expeditiously.

(v) Incidental Expenses Payable to Directors

20. Sub-rule (2) of rule 7 of the Food Corporations Rules 1965, as amended, reads as under :

"7. Travelling and daily allowances payable to directors.

* * * *

- (2) Every such Director shall be entitled to the following travelling daily allowances, namely :

(i) Travelling Allowance

A. By Air

* * * *

- (b) incidental expenses at one-fifth of the standard air fare for each single journey subject to maximum Rs. 20.

21. It was pointed out that the incidental expenses at one-fifth of the standard air fare for each single air journey far exceeded the maximum limit of Rs. 20/ prescribed in the rule and as such the provisions seemed to be anomalous. The Ministry of Food and Civil Supplies (Department of Food), who were asked to clarify the position, stated, in their reply dated 12 December, 1986, as under :

“the maximum limit of Rs. 20/- was prescribed in the Rules initially because air fare used to be less and there was provision of paying incidental expenses. This rule has now become obsolete.”

22. The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that the rule providing for maximum limit of Rs. 20/- to cover the incidental expenses during air journey has since been rendered obsolete. The Committee, therefore, desire the Ministry to undertake a reappraisal of the rules and take necessary action to delete such of the provisions in the rules as have become obsolete.

(vi) Purchase of return Air Journey Tickets

23. Note II below Explanation in clause (i) of sub-rule (2) of Rule 7 of the Food Corporations Rules-1965, as amended, read as under :

“Note II—While performing journeys by air, he shall purchase return ticket, wherever it is available, when it is expected that the return journey can be performed before the expiry of the period for which the return ticket is available.”

24. The Ministry of Food and Civil Supplies (Department of Food) were asked to state the logic behind purchase of return air ticket when the air fare for each sector was the same. In their reply dated 12 December, 1986, the Ministry stated as under :

“The provisions for purchase of return air ticket was made as there used to be concession for that. This rule has now become obsolete.”

25. The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that the rule providing for purchase of return air journey ticket has since become obsolete in the changed circumstances. The Committee, therefore, desire the Ministry to omit the said rule having become obsolete.

(vii) Revision of rates of road Kilometerage

26. Part C clause (i) of sub-rule(2) of rule 7 of the Food Corporations Rules 1965, as amended, reads as under ;

"C. By Road

"In respect of journeys by road between places not connected by rail, he shall be entitled to road mileage at the rate of 95 paise per kilometre for journeys by full taxi/own car. When a journey is performed by sharing the hire-charges or by taking a single seat in a taxi or public bus, he shall be entitled to the actual share of the hirecharges of fare of the single seat in the taxi or public bus as the case may be, limited to the amount calculated at half the rate of road mileage for journeys by full taxi/own car."

27. The concerned Ministry of Food and Civil Supplies (Department of Food) were asked to state as to whether any steps were taken to revise the rates of road kilometerage and to incorporate the same in the rules ever since the rates were initially fixed in 1965. In their reply dated 12 December, 1986, the Ministry of Food and Civil Supplies (Department of Food) stated as under :

"the rates of road kilometres have become obsolete and are to be updated. In Rule 7 relating to travelling allowances, it is not necessary to provide matters of such details and these can be regulated in accordance with the instructions issued by the Corporation, keeping in view the general policy guidelines issued by Government/BPE in the matter from time to time. The General management vests in the Corporation in accordance with section-6(1) of the Food Corporation Act, 1964."

28. The Committee are of the view that the rates of road kilometres as proscribed in rule 7 of the Food Corporation Rules, 1965 needs to be up-dated in accordance with the general policy guidelines issued by the Government/Bureau of Public Enterprises and suitably incorporated in the rules at an early date for the information of all concerned.

(viii) Travelling and daily allowances payable to the Members of an Advisory Committee

29. Sub-rule (1) of Rule 9A of the Food Corporations Rules 1965, as amended, reads as under :

"9A. Travelling and daily allowances payable to the Members of an Advisory Committee.

(1) Every member of an Advisory Committee not being a Chairman, Managing Director, Director of the Corporation or

whole-time Officer of the Corporation or an officer of Government, performing journeys in connection with attending the meetings of an advisory Committee, shall be entitled to the travelling and daily allowances as are admissible to the highest category of officers in the whole-time employment of the Corporation;

Provided that the travelling allowances for air journey shall be admissible only if specifically authorised by the Managing director."

30. The Ministry of Food and Civil Supplies (Department of Food) were asked to state as to whether there existed any guidelines for exercise of discretion by the Managing Director and the term 'highest category of officer in whole-time employment of the Corporation' could be more precisely defined. In their reply dated 12 December, 1986, the Ministry stated as under :

"There has been no case in the recent past which required exercise of any discretion by the Managing Director. Specific guidelines do not appear feasible as the extension of facility will differ from case to case. The highest category of officers in the whole-time employment of the Corporation are below board level appointees of the level of Commercial Managers and there is no discretion or ambiguity in this regard."

31. As the term 'highest category of officers in the whole-time employment of the Corporation' is relatable to the appointees of the level of Commercial Managers in the Food Corporation, the Committee feel that it would be in the fitness of things if the fact is brought out in the Food Corporations Rules more explicitly. The Committee hope that with the experience gained so far, it would be possible for the Corporation to evolve suitable yardsticks governing air travel allowance payable to the Members of an Advisory Committee.

(ix) Appointment of officers and other employees of Food Corporations

32. Sub-rule (1) of Rule 10 of the Food Corporations Rules, 1965, as amended, reads as under :

"10. Appointment of officers and other employees.

- (1) The Corporation may create such posts as it consider necessary for the efficient performance of its functions and appoint such officers and other employees there to as it deem fit either on contract for specific period or on permanent basis."

33. The Ministry of Food and Civil Supplies (Department of Food) was asked to state as to whether any criteria had been laid down for creation of posts by the Corporation and appointment of officers and other employees on contract for a specific period or on permanent basis. They were further enquired as to whether any regulations had been framed governing the recruitment and conditions of service of officers and other employees of the Corporation. The Ministry, in their reply dated 12 December, 1986, stated as under :

"The Corporation has since framed Regulations known as Food Corporation of India (Staff) Regulations, 1971 with prior approval of the Central Government as required under section 45 of the Food Corporations Act, 1964. These regulations contain the mode of recruitment and conditions of service, etc., in detail and any amendment to these Regulations are laid before both the Houses as required under the Act."

34. The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that the mode of recruitment and conditions of service of the staff have already been prescribed in detail separately under the Food Corporation of India (Staff) Regulations, 1971. The Committee do not, therefore, propose to pursue the matter further.

(x) Terms of Appointment of Secretary of Food Corporation of India.

35. Sub-rules (1), (6), (7) and (8) of rule 11 of the Food Corporations Rules, 1965, as amended reads as under :

"11. Method of appointment, conditions of service and scale of pay of Secretary.

- (1) A Secretary of the Corporation may be appointed from among the Indian Administrative Service, Central Secretariat Service or other Central Service Class I or from officers of any public sector enterprises or from officers of Food Corporation of India.

*

*

*

*

- (6) The term of office of the Secretary shall be five years from the date of his assumption of office as Secretary or upto his reaching the age of 58 years whichever is earlier or such term in the case of officers appointed from other services as may be prescribed in the deputation terms on foreign service.

- (7) The outgoing Secretary shall be eligible for reappointment.

- * (8) In the event of the occurrence of any vacancy in the office of Secretary by reason of his death, resignation, removal or otherwise, the Central Government may, after consultation with the Corporation, appoint another person in his place and the person so appointed shall hold office for the remaining period of the term unless he is reappointed for another term."

36. Section 12 of the Food Corporations Act, 1964 empowers the Central Government to appoint the Secretary of the Food Corporation of India. It was enquired from the Ministry of Food and Civil Supplies as to whether the method of appointment or reappointment of the Secretary could more appropriately be provided for in the Act itself. In their reply dated 12 December, 1986, the Ministry stated as under :

"Rules are meant to carry out the general directions of the Act. Such matters of details like method of appointment, condition of service, scale of pay are, therefore, provided in the Rules."

37. The Committee concur with the view of the Ministry of Food and Civil Supplies (Department of Food) that matters like method of appointment, conditions of service, scale of pay, etc., could more appropriately be provided through the rules framed under the relevant Act, which are subsequently laid on the Table of the House.

(xi) Grant of Advances/Loans by the Food Corporation of India

38. Rule 18 of the Food Corporations Rules 1965, as amended, reads as under :

"18. Securities upon which Corporation may lend or advance money :

The Corporation may lend or advance money to any person engaged in the production of food-grains upon the security of growing or standing crops for any purpose connected with such production."

39. In connection with the above provisions, the concerned Ministry of Food and Civil Supplies (Department of Food) were asked to state :

- (i) Whether the purpose of lending or advancing money could be elaborated in the rules;
- (ii) the measures resorted to for recovery of money in the event of damage to crops by natural calamities or otherwise; and

- (iii) whether the procedure for recovery of loans and advances could be detailed in the rules and how such matters were being governed so far.

40. In their reply dated 12 December, 1986, the Ministry of Food and Civil Supplies (Department of Food) stated as under :

"These are only enabling provisions. So far there is no case where these rules have been put to use by the Corporation. Such matters of details for recovery of loans, advances, etc., can be regulated by the Corporation based on the general guidelines of the Government from time to time. The general management vest in the Corporation as per section 6(1) of the Food Corporations Act, 1964."

41. The Committee observe that in terms of Section 44(2)(e) and (f), the Central Government may make rules to provide for the securities (other than foodgrains) upon which a Food Corporation may lend or advance money and the manner in which Food Corporation may invest its funds. It flows therefrom that recovery of such funds being an essential ingredient of lending and investment should as well be laid down in some fair detail in the rule itself. Every care should, therefore, be taken that rules framed under the delegated powers of legislature are not reduced to mere skeleton omitting all necessary details of legislation. Besides, dependence on executive instructions or administrative guidelines should be the minimum as these are neither published in the official Gazette nor laid before legislature and thus escape scrutiny by this Committee.

III

THE FOOD CORPORATIONS REGULATIONS, 1965 (G.S.R. • 118 OF 1965)

42. Sub-Regulation (1) of regulation 20 of the Food Corporations Regulations, 1965 reads as under :

"20. Quorum for meeting of the Committee.

- (1) No business shall be transacted at a meeting of the Committee unless there are present, as near as may be one half of the total number of the members of the Committee :

Provided that at least one Director nominated by the Board of Directors on the Committee, is present in the meeting."

43. The term 'as near as may be' appearing in the aforesaid sub-regulation seemed to be vague inasmuch as it was liable to be interpreted differently by different persons. The concerned Ministry of Food and Civil Supplies (Department of Food) where, therefore, enquired as to whether it could be possible to specify the exact number of members that would be necessary to constitute the quorum for a meeting of the Committee. In their reply dated 12 December, 1986, the Ministry stated as under :—

“It is not possible to provide the specific number of members of the Committee as the same vary from time to time and occasion to occasion. The words 'as near as may be' have been incorporated in Regulation so as to take care of the situation where the number of members of the Committee is an odd number.”

44. The Committee note from the reply of the Ministry of Food and Civil Supplies that the term 'as near as may be' is intended to take care of a situation wherein the members of the Committee are in an odd number. Hence, the Committee do not like to press for an amendment in the matter.

NEW DELHI;

April 9, 1987.

Chaitra 19, 1909 (Saka)

VAKKOM PURUSHOTHAMAN

Chairman,
Committee on Subordinate Legislation.

APPENDICES

APPENDIX I

(Vide Para 4 of the Report)

Consolidated Statement of Recommendations/Observations made by the Committee

S.No.	Para No.	Recommendations/Observations
1	2	3
1.	8	The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that under section 9(1) of the Food Corporations Act, 1964, the Managing Director can be removed from the office only after giving him reasonable opportunity of showing cause. In view of this, the Committee do not wish to pursue the matter any further.
2.	12	The Committee note that on being pointed out by them, the Ministry of Food and Civil Supplies (Department of Food) have agreed to issue detailed guidelines governing the scale of furniture for the residence of the Chairman as also the ceiling on the hire charges recoverable from him in this respect. However, the Committee do not accept the contention of the Ministry for not incorporating such guidelines in the rules. The Committee have time and again stressed that administrative instructions/guidelines are no substitute to subordinate legislation. The Committee, therefore, desire the Ministry to take necessary action to amend the rules in this behalf so as to make them self-contained for the information of all concerned.
3.	16	The Committee note from the reply of the Ministry of Food and Civil Supplies (Depart-

1

2

3

ment of Food) that there already operated a system of maintaining log books on the lines of those maintained for Government vehicles. The Committee, however, feel that the Ministry should issue suitable guidelines in the matter to obviate any misuse of the facility.

4.

19

The Committee note that on being pointed out by them, the Ministry of Food and Civil Supplies (Department of Food) have agreed to issue detailed guidelines governing the scale of furnishings and recovery of hire-charges for such furnishings from the Managing Director. The Committee recommend that the matter should be examined in all its aspects and necessary guidelines issued expeditiously.

5.

22

The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that the rule providing for maximum limit of Rs. 20/- to cover the incidental expenses during air journey has since been rendered obsolete. The Committee, therefore, desire the Ministry to undertake a re-appraisal of the rules and take necessary action to delete such of the provisions in the rules as have become obsolete.

6.

25

The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food) that the rule providing for purchase of return air journey ticket has since become obsolete in the changed circumstances. The Committee, therefore desire the Ministry to omit the said rule having become obsolete.

7.

28

The Committee are of the view that the rates of road kilometres as prescribed in rule 7 of the Food Corporation Rules, 1965 needs to be updated in accordance with the general policy

1

2

3

guidelines issued by the Government/Bureau of Public Enterprises and suitably incorporated in the rules at early date for the information of all concerned.

8

31

As the term 'highest category of officers in the whole time employment of the Corporation' is relateable to the appointees of the level of Commercial Managers in the Food Corporation, the Committee feel that it would be in the fitness of things if the fact is brought out in the Food Corporations Rules more explicitly. The Committee hope that with the experience gained so far, it would be possible for the Corporation to evolve suitable yardsticks governing air travel allowance payable to the Members of an Advisory Committee.

9

34

The Committee note from the reply of the Ministry of Food and Civil Supplies (Department of Food that the mode of recruitment and conditions of service of the staff have already been prescribed in detail separately under the Food Corporation of India (Staff) Regulations, 1971. The Committee do not, therefore, propose to pursue the matter further.

10

41

The Committee observe that in terms of Section 44(2) (e) and (f), the Central Government may make rules to provide for the securities (other than foodgrains) upon which a Food Corporation may lend or advance money and the manner in which Food Corporation may invest its funds. It flows therefrom that recovery of such funds being an essential ingredient of lending and investment should as well as be laid down in some fair detail in the rules itself. Every care should, therefore, be taken that rules framed under the delegated powers of legislature

1

2

3

are not reduced to mere skeleton omitting all necessary details of legislation. Besides, dependence on executive instructions or administrative guidelines should be the minimum as these are neither published in the official Gazette nor laid before legislature and thus escape scrutiny by this Committee

11

44

The Committee note from the reply of the Ministry of Food and Civil Supplies that the term 'as near as may be' is intended to take care of a situation wherein the members of the Committee are in an odd number. Hence, the Committee do not like to press for an amendment in the matter.

MINUTES

XIV

MINUTES OF THE FORTY-FOURTH SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA) (1986-87)

The Committee sat on Tuesday, 13 January, 1987 from 11.00 to 12.15 hours.

PRESENT

Shri Mool Chand Daga—Chairman

MEMBERS

2. Dr. (Shrimati) Phulrenu Guha
3. Shri Abdul Rashid Kabuli
4. Shri Dharam Pal Singh Malik
5. Shri Shantaram Naik
6. Shri Mohanbhai Patel
7. Shri Mullappally Ramachandran
8. Shri K.S. Rao
9. Shri Yogeshwar Prasad Yogesh

SECRETARIAT

Shri R.S. Mani—Senior Legislative Committee officer

2. The Committee considered Memoranda Nos. 60 and 61 as under :

- (i) *Term of Office of the Managing Director under sub-rule 2 of Rule 3 of the Food Corporations Rules, 1965 (GSR 117 of 1965)—(Memorandum No. 60).*

The Committee considered the explanation advanced by the Ministry of Food and Civil Supplies (Department of Food) that under Section 9(1) of the Food Corporations Act, 1964 specific provision had been made for

giving reasonable opportunity of showing cause to the Managing Director before his removal from office, which had not been extended in the case of removal of the Chairman or the Director appointed under clause (e) of Section 7(1) of the Act. They could be removed from office, at the pleasure of the Central Government.

The Committee discussed the matter at length and decided not to pursue the matter further in view of the fact that under the said Act, reasonable opportunity of showing cause had been given to the Managing Director before his removal.

(ii) *Clauses (ii) and (iii) of Rule 5 of the Food Corporations Rules, 1965 (GSR 117 of 1965) regarding remuneration of Chairman (Memorandum No. 61).*

The Committee then considered clauses (ii) and (iii) of Rules 5, regarding remuneration of Chairman of the Food Corporation. The Committee noted that the Chairman was entitled to unfurnished accommodation of suitable to his status on deduction of 10% of his salary and in case furnished accommodation was provided to him suitable hire charges for the furnishings as determined by the Corporation was to be recovered. It was also observed that the entitlement of scale of furniture for the residence of Chairman and any ceiling on account of hire charges recoverable from the Chairman, had not been laid down.

The Committee were not satisfied with the reply of the Ministry that it was not necessary to incorporate such matters of detail in the rules as these could be regulated through administrative instructions from time to time by the Corporation as the general superintendence, direction and management of the affairs and business of the Corporation vested in them, in accordance with Section 6(1) of the Food Corporation Act, 1964. The Committee were unanimously of the view that suitable guidelines be issued by the Corporation in this regard which should also be incorporated in the rules for regulating the cases in future.

The Committee then considered clause (iii) of Rules 5 *ibid* which dealt with use of cars of the Corporation by the Chairman for official and private purposes.

The Committee noted with approval the reply of the Ministry of Food and Civil Supplies (Department of Food) that use of the cars of the Corpora-

tions were regulated by Log Books being maintained by the Food Corporation of India, on the lines similar to the Log Books maintained for Government vehicles. The Committee were, however, of the view that this matter not being covered by the rules, proper guidelines for the use of cars be laid down and if possible incorporated suitably in the rules for future guidance and compliance.

The Committee then adjourned.

**MINUTES OF THE FORTY-FIFTH SITTING OF THE COMMITTEE
ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA)
(1986-87)**

The Committee sat on Wednesday, 4 March, 1987 from 15.00 to 15.30 hours.

PRESENT

Shri Mool Chand Daga—*Chairman*

MEMBERS

2. **Shri D.L. Baitha**
3. **Shri Dharam Pal Singh Malik**
4. **Shri Shantaram Naik**
5. **Shri Saleem I. Shervani**

SECRETARIAT

Shri R.S. Mani—*Senior Legislative Committee Officer*

2. The Committee considered Memoranda Nos. 62 to 68 as follows.

(i) *The Food Corporations Rules, 1965 (GSR 117 of 1965)—Memorandum No. 62).*

The Committee noted that, on being pointed out by them, the Ministry of Food and Civil Supplies (Department of Food) had agreed to issue detailed guidelines governing scale of furnishings and recovery of hire-charges for such furnishings admissible to the Managing Director under rule 5A of the Food Corporations Rules, 1965. The Committee recommended that the matter should be examined in all its aspects and necessary guidelines issued expeditiously.

(ii) *The Food Corporations Rules, 1965 (GSR 117 of 1965)—(Memorandum No. 63).*

(A) & (B)

4. The Committee noted from the reply of the Ministry of Food and Civil Supplies (Department of Food) that certain provisions in rule 7(2) of the Food Corporations Rules, 1965 had become obsolete. The Committee desired the Ministry to examine the rules afresh and take necessary action to delete the provisions in the rules as had become obsolete.

(C)

5. The Committee were of the view that the rates of road kilometres as prescribed in 7 rule of the Food Corporations Rules, 1965 should be updated in accordance with the general policy guidelines issued by the Government/Bureau of Public Enterprises and suitably incorporated in the rules at an early date.

(iii) *The Food Corporations Rules, 1965 (GSR 117 of 1965)—(Memorandum No. 64).*

6. As the term 'highest category of officers in the whole-time employment of the Corporation' was relatable to the appointees of the level of Commercial Managers in the Food Corporation, the Committee felt that it would be in the fitness of things if the fact was brought out in the Food Corporations Rules, 1965 more explicitly. The Committee hoped that with the experience gained so far, it could be possible for the Corporation to evolve suitable yardsticks governing air travel allowances payable to the members of an Advisory Committee.

(iv) *The Food Corporations Rules, 1965 (GSR 117 of 1965)—(Memorandum No. 65).*

7. Since the mode of recruitment and conditions of service of staff had already been prescribed in detail under the Food Corporation of India (Staff) Regulations, 1971, the Committee decided not to pursue the matter further.

(v) *The Food Corporations Rules, 1965 (GSR 117 of 1965)—(Memorandum No. 66).*

8. The Committee accepted the reply of the Ministry of Food and Civil Supplies (Department of Food) that the matters like method of appointment, conditions of service, scale of pay, etc. could more appropriately be provided through the rules. Hence, the Committee decided not to pursue the matter further.

(vi) *The Food Corporations Rules, 1965 (GSR 117 of 1965)—Memorandum No. 67).*

9. The Committee observed that in terms of section 44 (2)(e) and (f) the Central Government might make rules to provide for the securities (other than foodgrains) upon which a Food Corporation might lend or advance money and the manner in which Food Corporation might invest its funds. It flowed therefrom that recovery of such funds being an essential ingredient of lending and investment, should as well be laid down in some fair detail in the rule itself. The Committee stressed that care should always be taken that rules framed under the delegated powers of legislature were not reduced to mere skeleton omitting all necessary details of legislation. Besides, dependence on executive instructions or administrative guidelines should be the minimum as these were neither published in the official Gazette nor laid before legislature are thus escaped scrutiny by the Committee.

(vii) *The Food Corporations Regulations, 1965 (GSR 18 of 1965), as amended—(Memorandum No. 68).*

10. In view of the position explained by the Ministry of Food and Civil Supplies (Department of Food), the Committee decided to drop the matter.

The Committee then adjourned.

XLVIII

MINUTES OF THE FORTY-EIGHTH SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA) (1986-87)

The Committee sat on Thursday, 9 April, 1987 from 15.00 to 15.30 hours.

PRESENT

Shri Vakkom Purushothaman—*Chairman*

MEMBERS

- 2 Shri H.A. Dora
- 3 Dr. (Shrimati) Phulrenu Guha
- 4 Shri Shantaram Naik
- 5 Shri Mullappally Ramachandran
- 6 Shri K.S. Rao
- 7 Shri Saleem I. Shervani

SECRETARIAT

- 1 Shri N.N. Mehra—*Joint Secretary*
- 2 Shri R.S. Mani—*Senior Legislative Committee Officer*

The Committee considered the draft Thirteenth and Fourteenth Reports and adopted them.

3. The Committee authorised the Chairman and, in his absence, Shri Saleem I. Shervani, M.P. to present the Thirteenth Report to the House on 20 April, 1987.

4. The Committee further authorised the Chairman and, in his absence, Shri Mullappally Ramachandran, M.P. to present the Fourteenth Report to the House on 27 April, 1987.

The Committee then adjourned