

# **JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTH LOK SABHA)**

## **SEVENTEENTH REPORT**

*(Presented on the 26th March, 1976)*



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March, 1976/Chaitra 1898 (Saka)*

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CORRIGENDA TO THE SEVENTEENTH REPORT OF THE  
JOINT COMMITTEE ON OFFICES OF PROFIT  
(FIFTH LOK SABHA)

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1. Page 5, para 21, line 1, for 'regading'  
read 'regarding'
2. Page 10, para 37, line 1, for 'Bengalore'  
read 'Bangalore'
3. Page 20, para 22, sub-para (10), line 2,  
Insert '(Ministry of Agriculture  
and Irrigation)'  
after 'Processing Industry'
4. Page 22, para 5, line 2, for '102(1)(c)'  
read '102(1)(e)'
5. Page 23, para 5, line 1, for 'conductive'  
read 'conducive'
6. Page 23, para 6, line 3, for 'Sd/- V.S. BANASHYAM'  
read 'Sd/- V.S. BHASHYAM'
7. Page 24, para 2, line 2, for 'ertain'  
read 'certain'
8. Page 24, para 4, line 1, for 'Chairman'  
read 'Chairmen'

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**PERSONNEL OF THE JOINT COMMITTEE ON OFFICES OF  
PROFIT  
(FIFTH LOK SABHA)  
LOK SABHA**

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

**RAJYA SABHA**

- \$11. Shri Vithal Gadgil
- £12. Shri N. M. Kamble
- £13. Shri A. K. Refaye
14. Shri Venigalla Satyanarayana
- \*\*15. Shri Yogendra Sharma

**SECRETARIAT**

Shri P. K. Patnaik—Additional Secretary.

Shri Y. Sahai—Chief Legislative Committee Officer.

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

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

Elected by Rajya Sabha on the 8th May, 1974, vice Sarvashri S. A. Khaja Mohideen and Sanda Narayanappa ceased to be members of the Joint Committee on their retirement from that House.

Elected by Lok Sabha on the 7th March, 1975, vice Shri Pratap Singh died.

\*Ceased to be Member of the Joint Committee consequent on his resignation w.e.f. 23rd February, 1976.

## **REPORT OF THE JOINT COMMITTEE**

### **I**

#### **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 Seventeenth Report of the Committee.

2. The Committee held three sittings—on the 26th February, 22nd March and 25th March, 1976. Minutes of these sittings form part of the Report and are at Appendix.

3. The Committee considered the composition, character, functions, etc. of 75 Committees/Boards/Corporations, etc. constituted by the Central and State Governments and Union Territory Administrations and the emoluments and allowances payable to their members.

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

5. The Committee considered and adopted the Report on the 25th March, 1976.

6. The observations/recommendations of the Committee in respect of the matters considered by them are given in the succeeding paragraphs.

### **II**

#### **COMMITTEES/BOARDS/CORPORATIONS ETC. CONSTITUTED BY THE CENTRAL AND STATE GOVERNMENTS AND UNION TERRITORY ADMINISTRATIONS**

##### **Board of Directors of the Central Electronics Ltd. (Department of Science and Technology)**

7. The Committee note that the non-official Directors of the Central Electronics Ltd. are entitled to a sitting fee of Rs. 150/- for each meeting of the Board. They are also entitled to DA @ Rs. 100/- per day for attending to the work of the Company at places other

than the place of residence/normal place of duty. These sums exceed the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

**Committee of Administration of the Handloom Export Promotion Council, Madras (Ministry of Commerce)**

8. The Committee note that the two non-official members of the Committee of Administration of the Handloom Export Promotion Council, Madras who are from Trade are nominated by Government. They are entitled to TA/DA which is less than the 'compensatory allowance'. But as the Committee exercises executive and financial powers, the Committee feel that the non-official members of the Committee nominated by Government ought not to be exempt from disqualification.

**Committee of Administration of the Cashew Export Promotion Council (Ministry of Commerce)**

9. The Committee note that the non-official members of the Committee of Administration of the Cashew Export Promotion Council are entitled to get Rs. 25/- per day for attending the meeting; of the Committee alongwith TA/mileage allowance etc., which is less than the 'compensatory allowance'. However, as the Committee of Administration exercises executive and financial powers, the Committee feel that the non-official members, nominated by Government, ought not to be exempt from disqualification.

**Committee of Administration of Tobacco Export Promotion Council (Ministry of Commerce)**

10. The Committee note that the non-official members of the Committee of Administration of Tobacco Export Promotion Council are entitled to Rs. 12.50 for the days of the meetings of the Committee as halting expenses which are less than the 'compensatory allowance'. However, as the Committee of Administration exercises executive and financial powers the Committee feel that the non-official members, nominated by Government, ought not to be exempt from disqualification.

**Governing Council of the Film and Television Institute of India (Ministry of Information and Broadcasting)**

11. The Committee note that the non-official members of the Governing Council of the Film and Television Institute of India are

entitled to DA of Rs. 75/- per day (if they make their own arrangements for staying) which is more than the 'compensatory allowance'. In case they stay in the guest room of the Institute they will be entitled to Rs. 50/- as D.A. which is marginally less than the 'compensatory allowance'. However, as the Governing Council exercises executive and financial powers, the Committee feel that the membership of the Governing Council of the Institute in so far as it is an office of profit under the Government ought not to be exempt from disqualification.

**General Council of National Labour Institute, New Delhi (Ministry of Labour)**

12. The Committee note that as proposed in the draft rules relating to T.A. and related matters, the non-official members of the General Council of National Labour Institute, New Delhi can travel by highest class in the train with 25 per cent of halting allowance per day as incidental expenses. Besides, they are entitled to halting/daily allowance at the rate of Rs. 75/- per day in State Capitals and Rs. 50/- per day at other places. Thus, in State Capitals it exceeds the 'compensatory allowance' but at other places it will be slightly less than the 'compensatory allowance'. However, as the General Council exercises powers and is in a position to wield influence, the Committee feel that the non-official members, nominated by Government, ought not to be exempt from disqualification.

**Board of Directors of M/s. Hindustan Photo Films Manufacturing Co. Ltd., Ootacamund (Ministry of Industry and Civil Supplies)**

13. The Committee note that the non-official Directors of M/s. Hindustan Photo Films Manufacturing Co. Ltd., Ootacamund are entitled to a sitting fee of Rs. 100/- for attending Board meetings and incidentals at Rs. 100/- for the first day and Rs. 50/- per day for subsequent days. These sums exceed the 'compensatory allowance'. Besides, the Board of Directors exercises financial powers. As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

**Governing Council, National Sample Survey Organisation (Planning Commission)**

14. The Committee note that the Chairman of the Governing Council, National Sample Survey Organisation is entitled to an honorarium of Rs. 1500/- per month which does not come within the ambit of 'compensatory allowance'. The other non-official members are entitled to TA/DA which is less than the compensatory allowance'.

The Governing Council does not exercise executive or financial powers, as such, the Committee feel that while the Chairman of the Council ought not to be exempt from disqualification, ordinary non-official members of the Council ought to be exempt.

**Food and Nutrition Board (Ministry of Agriculture and Irrigation)**

15. The Committee note that the non-official members of the Food and Nutrition Board are entitled to TA/DA which is less than the 'compensatory allowance'. However, as the Board exercises administrative and financial powers, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

**Governing Body of Foodcrafts Institutes, Kalamassry, Bangalore, Goa, Lucknow, Poona, Hyderabad, Ahmedabad and Chandigarh (Ministry of Agriculture and Irrigation)**

16. The Committee note that the non-official members of the Governing Body of Foodcrafts Institutes, Kalamassry, Bangalore, Goa, Lucknow, Poona, Hyderabad, Ahmedabad and Chandigarh are entitled to TA/DA, which is less than the 'compensatory allowance'. However, as the Board of Governors exercises executive and financial powers, the Committee feel that the non-official members of the Governing Body of the Institutes ought not to be exempt from disqualification.

**Board of Directors of Indian Oil Corporation Ltd. (Ministry of Petroleum and Chemicals)**

17. The Committee note that the non-official Directors of the Indian Oil Corporation Ltd, are *inter alia* entitled to a sitting fee of Rs. 100/- per day for attending the meetings of the Board of Directors, which exceeds the 'compensatory allowance'. Besides, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**Board of Management of Bal Bhavan Society, Kotla Road, New Delhi (Ministry of Education and Social Welfare)**

18. The Committee note that the non-official members of the Board of Management of Bal Bhavan Society are entitled to TA/DA, which is less than the 'compensatory allowance'. But the Board of Management exercises executive and financial powers. As such, the Committee feel that the non-official members of the Board ought not to be exempt from disqualification.

**Board of Governors of the Lawrence School (Sanawar) Society  
(Ministry of Education and Social Welfare)**

19. The Committee note that the non-official members of the Board of Governors of the Lawrence School (Sanawar) Society are entitled to TA/DA, which is less than the 'compensatory allowance'. However, the Board of Governors exercises executive and financial powers. As such, the Committee feel that the non-official members of the Board ought not to be exempt from disqualification.

**Board of Directors of the West Bengal Essential Commodities Supply Corporation Ltd.**

20. The Committee note that the non-official Directors of the West Bengal Essential Commodities Supply Corporation Ltd. are entitled to a fee of Rs. 50/- only for attendance on each meeting of the Board of Directors, which is marginally less than the 'compensatory allowance'. However, as the Board of Directors of the Corporation exercises executive and financial powers, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**District Food and Supplies Advisory Committee (West Bengal)**

21. The Committee note that no decision regarding payment of TA/DA or any other allowance to the non-official members of the District Food and Supplies Advisory Committee has yet been taken by the State Government. However, the functions of the Committee are of advisory nature. As such, the Committee feel that the non-official members of the Advisory Committee ought to be exempt from disqualification so long as the payment admissible to them remains below the level of 'compensatory allowance'.

**Rajasthan State Road Transport Corporation**

22. The Committee note that the non-official Directors of the Rajasthan State Road Transport Corporation are entitled to a sitting fee of Rs. 50/- for every day of meeting of the Board on a Committee, in addition to TA/DA which exceeds the 'compensatory allowance'. Also, the functions of the Corporation are executive and financial in nature. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**Rajasthan State Board for Prevention and Control of Water Pollution**

23. The Committee note that the non-official resident members of the Rajasthan State Board for Prevention and Control of Water Pollution are entitled to a sitting allowance of Rs. 50/- per sitting and conveyance charges of Rs. 10/- for each day of actual meeting of the Board. The non-official members non-resident at Jaipur get Rs. 10/- as sitting allowance in addition to DA @ Rs. 30/- per day. The payment thus admissible to the non-official members may exceed the 'compensatory allowance'. Also, according to the State Government, the functions of the Board are executive and regulatory in nature. As such, the Committee feel that the membership of the Board (including Chairmanship) in so far as it is an office of profit under the Government, ought not to be exempt from disqualification.

**Rajasthan State Warehousing Corporation**

24. The Committee note that the non-official Directors of the Rajasthan State Warehousing Corporation are entitled to a sitting fee of Rs. 50/- for each day of the meetings of the Board of Directors or the Executive Committee or Sub-Committee. They are also entitled to a daily allowance of Rs. 15/- per day if accommodation is made available to them at concessional rates and Rs. 30/- per day in other cases. The Chairman, in addition is entitled to a furnished bungalow, a car, water and electricity charges upto Rs. 5,000/- per annum and a sumptuary allowance of Rs. 250/- per mensem. Also, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**Rajasthan State Industrial and Mineral Development Corporation Ltd., Jaipur**

25. The Committee note that the non-official Directors of the Rajasthan State Industrial and Mineral Development Corporation Ltd., Jaipur are entitled to a sitting fee of Rs. 75/- per day for attending Board meetings and a sitting fee of Rs. 50/- per day for meetings of the Committee of the Board. These sums exceed the 'compensatory allowance'. Also, the functions of the Corporation are executive in nature. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**Board of Directors of the Nahan Foundry Ltd., Nahan (Himachal Pradesh)**

26. The Committee note that a non-official Director of the Nahan Foundry Ltd., Nahan is entitled to Rs. 50/- for each meeting of the Board of Directors. In addition, a non-resident Director who is not a Government servant is entitled to draw actual rail or air fare plus a fixed sum of Rs. 50/- as incidental expenses of the journey and halting allowance for each meeting, irrespective of his duration of stay at the place of the meeting. Thus, the payment admissible to a non-official Director may exceed the 'compensatory allowance'. Also, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Company ought not to be exempt from disqualification.

**Board of Directors of the Himachal Pradesh State Small Industries and Export Corporation Ltd.**

27. The Committee note that the D.A. admissible to the non-official Directors of the Himachal Pradesh State Small Industries and Export Corporation Ltd. is less than the 'compensatory allowance'. However, the Board of Directors exercises executive and financial powers. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**The Himachal Pradesh Housing Board**

28. The Committee note that the Chairman of the Himachal Pradesh Housing Board, if a non-official, is entitled to a pay not exceeding Rs. 1800/- per mensem which does not come within the ambit of 'compensatory allowance'. The other non-official members are entitled to TA/DA, which is less than the 'compensatory allowance'. However, as the Board exercises executive and financial powers, the Committee feel that the membership of the Board (including Chairmanship) ought not to be exempt from disqualification.

**The State Level Committee to scrutinize applications for hire purchase of machinery (Meghalaya)**

29. The Committee note that the TA/DA admissible to the non-official Members of the State Level Committee to scrutinize applications for hire purchase of machinery does not exceed the 'compensatory allowance'. However, the function of the Committee is to scrutinise applications for hire-purchase of machinery which can enable the members to wield influence. As such, the Committee feel that the membership of the State Level Committee ought not to be exempt from disqualification.

**Supply Advisory Boards for Khasi Hills, Jaintia Hills and Garo Hills Districts (Meghalaya).**

30. The Committee note that the non-official members of the Supply Advisory Boards for Khasi Hills, Jaintia Hills and Garo Hills Districts have not made any claim for TA/DA so far. Hence, no payment on that account has so far been made to them. Also, the functions of the Boards are of an advisory nature. As such, the non-official members of the Boards ought to be exempt from disqualification, so long as no payment of TA/DA is made to them or such payment does not exceed the 'compensatory allowance'.

**✓ The Board of Directors of the Karnataka State Forest Industries Corporation Ltd.**

31. The Committee note that the Chairman of the Board of Directors of the Karnataka State Forest Industries Corporation, Ltd., who is a non-official, gets Rs. 2,000/- lumpsum. This payment does not come within the ambit of 'compensatory allowance', as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The other non-official Director is entitled to Rs. 100/- as sitting fee per day for attending the meetings of the Board of Directors or the Committees thereof. The payment thus admissible to the non-official Director exceeds the 'compensatory allowance'. Also, the functions of the Corporation are of executive or financial nature. As such, the Committee feel that the Directorship of the Corporation ought not to be exempt from disqualification.

**District Soldiers', Sailors' and Airmens' Board, Tripura**

32. The Committee note that no rate has yet been fixed in regard to TA/DA payable to the non-official Members of the District Soldiers', Sailors' and Airmen's Board. Also, according to the State Government, the Board does not exercise any financial powers. As such, the Committee feel that the non-official Members of the Board ought to be exempt from disqualification so long as no payment is admissible to them or the payment admissible to them does not exceed the 'compensatory allowance'.

**Advisory Boards (i) under the Maintenance of Internal Security Act, 1971; and (ii) under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (Tripura).**

33. The Committee note that the Chairmen of the above-mentioned Advisory Boards are entitled to draw TA/DA and an honorarium of Rs. 200/- per sitting day. The ordinary members of the Boards

are entitled to draw TA/DA and an honorarium of Rs. 100/- per sitting day. The payments thus admissible to the Chairmen and members of the Boards exceed the 'compensatory allowance'. Also, the functions of the Boards are of judicial nature. As such, the Committee feel that the Membership (including Chairmanship) of the Boards ought not to be exempt from disqualification.

#### **Andhra Pradesh State Planning Board**

34. The Committee note that the functions of the Andhra Pradesh State Planning Board do not partake of an executive character. However, the non-official members of the Board are paid an honorarium of Rs. 100/- for each day of the meeting in addition to T.A., which exceeds the 'compensatory allowance'. As such, the Committee feel that the membership of the Board ought not to be exempt from disqualification.

#### **State Advisory Cooperative Council for the Union Territory of Goa, Daman and Diu.**

35. The Committee note that at present no remuneration is admissible to the non-official members of the State Advisory Cooperative Council for the Union Territory of Goa, Daman and Diu. Also, the functions of the Council are advisory in nature. As such, the Committee feel that the non-official members of the Council ought to be exempt from disqualification so long as no remuneration is admissible to them or the remuneration admissible to them does not exceed the 'compensatory allowance'.

#### **Hospital Visiting Committee for Goa Medical College, Panaji**

36. The Committee note that no remuneration is at present payable to the non-official members of the Hospital Visiting Committee for the Goa Medical College, Panaji. Also, the functions of the Committee are advisory in nature. As such, the Committee feel that the non-official members of the Committee ought to be exempt from disqualification, so long as no payment is admissible to them or the payment admissible to them does not exceed the 'compensatory allowance'.

#### **Representation for review of the recommendation of the Committee regarding Board of Governors of the Indian Institute of Management, Bangalore. [Para 15 of 12th Report (Fifth Lok Sabha)]**

37. In paragraph 15 of their Twelfth Report, presented to the House on the 20th March, 1975, the Joint Committee on Offices of Profit (Fifth Lok Sabha) had observed as follows in regard to the

**Board of Governors of the Indian Institute of Management, Bangalore:—**

“The Committee note that the non-official members of the Board of Governors of the Indian Institute of Management, Bangalore, are entitled to only TA and DA for attending the meetings of the Board at the highest rate permissible to officers of Government of India, which is less than the ‘compensatory allowance’. However, the Board of Governors exercises executive and financial powers. As such, the Committee feel that the non-official members of the Board, who are appointed by the Government, ought not to be exempt from disqualification.”

**38. In a communication addressed to the Secretariat, the Ministry of Education and Social Welfare have represented as follows:—**

“It may be stated that the powers exercised by the University Executive Councils are in no way less than those of the powers of the Board of Governors of the Indian Institutes of Technology or Indian Institutes of Management including Indian Institute of Management at Bangalore. In view of the fact that the non-official members of the University Executive Councils are exempted from disqualification from membership of Parliament, the non-official members of the Board of Governors of the Indian Institute of Management, Bangalore should have been exempted from the same disqualification.

It may also be stated that the Institute of Management, Bangalore had been established as a society under the Mysore Societies Registration Act of XVII of 1960 and its affairs are managed by a Board of Governors. The Board of Governors has not been appointed by the Government.”

**39. The Committee are not convinced by the above arguments of the Ministry of Education and Social Welfare. They observe that the Board of Governors of the Institute exercises executive and financial powers. They also observe that in terms of the Rules of the Institute, as furnished by the Ministry of Education and Social Welfare, the Board of Governors is, *inter alia*, composed of four representatives of the Central Government nominated by the Ministry of Education and Social Welfare and also four persons nominated by the Central Government to represent industry, commerce, labour and other interests. The Chairman of the Board of Governors is also appointed by the Central Government.**

As such, the Committee feel that no change in the earlier recommendation of the Committee made in para 15 of their Twelfth Report (Fifth Lok Sabha) is called for.

40. In regard to the following bodies, the Committee note that the non-official members thereof are either not entitled to any remuneration or are entitled to T.A. and D.A. which is less than the 'compensatory allowance'. Besides, the functions of these bodies are mainly advisory in nature or their character, composition, etc are such that their membership ought to be exempt from disqualification. The Committee, accordingly, recommend exemption of membership of these bodies from disqualification for membership of Parliament.

- (1) Science and Engineering Research Council (Department of Science and Technology)
- (2) Board of awards on import substitution (Department of Industrial Development)
- (3) Development Council for Man-made Textiles (Department of Industrial Development)
- (4) Development Council for Organic Chemicals (Department of Industrial Development)
- (5) Development Council for Inorganic Chemicals (Department of Industrial Development)
- (6) Central Boilers Board (Ministry of Industry and Civil Supplies)
- (7) Standing Committee of the Conference of Central and State Statistical Organisations (Ministry of Planning)
- (8) Committee of Experts for Sample Survey in Hill Districts of U.P. (Ministry of Planning)
- (9) Advisory Committee on Training in Official Statistics and related methodology (Ministry of Planning)
- (10) Steering Group on pilot survey for estimation of catch of fish from inland water resources (Planning Commission)
- (11) Steering Committee on Industrial Statistics (Planning Commission)
- (12) National Food Advisory Council (Ministry of Agriculture and Irrigation)

- (13) Chief Director of Purchase Advisory Committee (Food Processing Industry) (Ministry of Agriculture and Irrigation)
- (14) Central Fruit Products Advisory Committee (Ministry of Agriculture and Irrigation)
- (15) Indian Wheat and Wheat Products Development Council (Ministry of Agriculture and Irrigation)
- (16) Advisory Board of the National Sugar Institute, Kanpur (Ministry of Agriculture and Irrigation)
- (17) Standing Committee on Police Training in the Bureau of Police Research and Development (Ministry of Home Affairs)
- (18) Governing Body of the Central Tibetan Schools Administration (Ministry of Education and Social Welfare).
- (19) State Evaluation Committee (West Bengal).
- (20) District Advisory Committee for procurement and distribution of essential commodities (Himachal Pradesh).
- (21) State Advisory Board for the Correctional Administration of Jails (Himachal Pradesh).
- (22) Advisory Committee for State Museum, Simla (Himachal Pradesh).
- (23) Local Ward Committee for distribution of essential commodities (Himachal Pradesh).
- (24) District Employment Committees for Solan, Bilaspur, Chamba, Dharamsala, Kalpa, Kulu Mandi and Nahan (Himachal Pradesh).
- (25) The Himachal Pradesh State Cooperative Council.
- (26) State Level Sub-Committee under the Industrial Development Council (Himachal Pradesh).
- (27) State Invention Advisory Committee (Himachal Pradesh).
- (28) State Industrial Development Council (Himachal Pradesh).
- (29) Planning and Development Committees for different areas —viz. (i) Coastal Andhra (ii) Rayalaseema; and (iii) Telengana (Andhra Pradesh).
- (30) Vana Premi Sangha (Tripura).

- (31) State Level Advisory Committee (Meghalaya).
- (32) Committee for registration of small scale industries and allotment of raw materials (Meghalaya).
- (33) Rural Development Committee for the Union Territory of Chandigarh.
- (34) Museum Advisory Committee for Museum and Art Gallery, Chandigarh.
- (35) District Committee on Employment for the Regional Employment Exchange, Chandigarh.
- (36) Chandigarh Industrial Development-cum-Liaison Board.
- (37) Home Minister's Advisory Committee on Chandigarh.
- (38) Board for visiting Mental Hospital, Panaji.
- (39) Hospital Visiting Committee for Directorate of Health Services, Panaji.
- (40) State Advisory Board on Correctional Services (Andamans).
- (41) District Level Coordination Committee for Correctional Services (Andamans and Nicobar District).

S. B. P. PATTABHI RAMA RAO,

NEW DELHI;

*Chairman,*

25th March, 1976.

*Joint Committee on Offices of Profit.*

## APPENDIX

*Vide para 2 of the Report*

### MINUTES OF THE JOINT COMMITTEE ON OFFICES OF PROFIT (FIFTH LOK SABHA)

#### **Fifty-first Sitting**

The Committee sat on Thursday, the 26th February, 1976 from 11.00 to 11.40 hours.

#### **PRESENT**

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

#### **MEMBERS**

##### *Lok Sabha*

2. Shri S. M. Siddayya
3. Shri Ramji Ram
4. Shri Arjun Sethi
5. Shri Ramavtar Shastri
6. Shri Ram Shekhar Prasad Singh

##### *Rajya Sabha*

7. Shri N. M. Kamble
8. Shri A. K. Refaye
9. Shri Venigalla Satyanarayana
10. Shri Yogendra Sharma

#### **SECRETARIAT**

**Shri Y. Sahai—Chief Legislative Committee Officer.**

2. The Committee took up for consideration memoranda Nos. 949—988 relating to certain Committees/Boards/Corporations, etc. constituted by the Government of India/State Governments/Union Territory Administrations.

**Board of Directors of the Central Electronics Ltd. (Memorandum No. 949)**

3. The Committee noted that the non-official Directors of the Central Electronics Ltd. were entitled to T.A./D.A. and sitting fees which exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

**Committee of Administration of the Handloom Export Promotion Council, Madras (Memo. No. 951)**

4. The Committee noted that the two non-official members of the Committee of Administration of the Handloom Export Promotion Council, Madras who were from Trade were nominated by Government. They were entitled to T.A./D.A. which was less than the 'compensatory allowance'. But as the Committee exercised executive and financial powers, the Committee felt that the non-official members of the Committee nominated by Government ought not to be exempt from disqualification.

**Committee of Administration of the Cashew Export Promotion Council (Memo. No. 952)**

5. The Committee noted that the non-official members of the Committee of Administration of the Cashew Export Promotion Council were entitled to get Rs. 25/- per day for attending the meetings of the Committee alongwith T.A./mileage allowance etc. which was less than the 'compensatory allowance'. However, as the Committee of Administration exercised executive and financial powers, the Committee felt that the non-official members, nominated by the Government, ought not to be exempt from disqualification.

**Committee of Administration of Tobacco Export Promotion Council (Memo. No. 953)**

6. The Committee noted that the non-official members of the Committee of Administration of Tobacco Export Promotion Council were entitled to Rs. 12.50 for the days of the meetings of the Committee as halting expenses which was less than the 'compensatory allowance'. However, as the Committee of Administration exercised executive and financial powers, the Committee felt that the non-official members, nominated by Government, ought not to be exempt from disqualification.

**Governing Council of the Film and Television Institute of India  
(Memo. No. 958)**

7. The Committee noted that the non-official members of the Governing Council of the Film and Television Institute of India were entitled to DA of Rs. 75/- per day '(if they made their own arrangements for staying) which was more than the 'compensatory allowance'. In case they stayed in the guest room of the Institute they would be entitled to Rs. 50/- as D.A. which was marginally less than the 'compensatory allowance'. However, as the Governing Council exercised executive and financial powers, the Committee felt that the membership of the Governing Council of the Institute in so far as it was an office of profit under the Government ought not to be exempt from disqualification.

**General Council of National Labour Institute, New Delhi (Memo. No. 959)**

8. The Committee noted that as proposed in the draft rules relating to T.A. and related matters, the non-official members of the General Council of National Labour Institute, New Delhi could travel by highest class in the train with 25 per cent of halting allowance per day as incidental expenses. Besides, they were entitled to halting/daily allowance at the rate of Rs. 75/- per day in State Capitals and Rs. 50/- per day at other places. Thus, in State Capitals it exceeded the compensatory allowance but at other places it would be slightly less than the 'compensatory allowance'. However, as the General Council exercised powers and was in a position to wield influence, the Committee felt that the non-official members, nominated by Government, ought not to be exempt from disqualification.

**Board of Directors of M/s. Hindustan Photo Films Manufacturing Co. Ltd., Ootacamund (Memorandum No. 961)**

9. The Committee noted that the non-official Directors of M/s. Hindustan Photo Films Manufacturing Co. Ltd., Ootacamund were entitled to a sitting fee of Rs. 100/- for attending Board meeting and incidentals at Rs. 100/- for the first day and Rs. 50/- per day for subsequent days. These sums exceeded the 'compensatory allowance'. Besides, the Board of Directors exercised financial powers. As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

**Governing Council, National Sample Survey Organisation (Memorandum No. 964)**

10. The Committee noted that the Chairman of the Governing Council, National Sample Survey Organisation was entitled to an honorarium of Rs. 1500/- per month which did not come within the ambit of 'compensatory allowance'. The other non-official members were entitled to TA/DA which was less than the 'compensatory allowance'. The Governing Council did not appear to exercise executive or financial powers. As such, the Committee felt that while the Chairman of the Council ought not to be exempt from disqualification, ordinary non-official members of the Council ought to be exempt.

**Food and Nutrition Board (Memorandum No. 968)**

11. The Committee noted that the non-official members of the Food and Nutrition Board were entitled to TA/DA which was less than the 'compensatory allowance'. However, as the Board exercised administrative and financial powers the Committee felt that the membership of the Board ought not to be exempt from disqualification.

**Governing Body of Foodcrafts Institutes, Kalamassry, Bangalore, Goa, Lucknow, Poona, Hyderabad, Ahmedabad and Chandigarh (Memorandum No. 970)**

12. The Committee noted that the non-official members of the Governing Body of Foodcrafts Institutes, Kalamassry, Bangalore, Goa, Lucknow, Poona, Hyderabad, Ahmedabad and Chandigarh were entitled to T.A./D.A., which was less than the 'compensatory allowance'. However, as the Board of Governors exercised executive and financial powers, the Committee felt that the non-official members of the Governing Body of the Institutes ought not to be exempt from disqualification.

**Board of Directors of the West Bengal Essential Commodities Supply Corporation Ltd. (Memorandum No. 973)**

13. The Committee noted that the non-official Directors of the Board of Directors of West Bengal Essential Commodities Supply Corporation Ltd. were entitled to a fee of Rs. 50/- only for attendance on each meeting of the Board of Directors, which was marginally less than the 'compensatory allowance'. However, as the Board of Directors of the Corporation exercised executive and financial powers the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

**District Food and Supplies Advisory Committee West Bengal  
(Memorandum No. 974)**

14. The Committee noted that no decision regarding payment of TA/DA or any other allowance to the non-official members of the Advisory Committee had yet been taken by the State Government. However, the functions of the Committee were of advisory nature. As such, the Committee felt that the non-official members of the Advisory Committee ought to be exempt from disqualification so long as the payment admissible to them remained below the level of 'compensatory allowance'.

**Rajasthan State Road Transport Corporation (Memorandum No. 975)**

15. The Committee noted that the payment admissible to the non-official Directors of the Rajasthan State Road Transport Corporation exceeded the 'compensatory allowance'. Also the functions of the Corporation were executive and financial in nature. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

**Rajasthan State Board for Prevention and Control of Water Pollution (Memorandum No. 976)**

16. The Committee noted that the payment admissible to the non-official members of the Rajasthan State Board for Prevention and Control of Water Pollution exceeded the 'compensatory allowance'. Also, according to the State Government, the functions of the Board were executive and regulatory in nature. As such, the Committee felt that the membership of the Board (including Chairmanship) in so far as it was an office of profit under the Government, ought not to be exempt from disqualification.

**Rajasthan Board of Homoeopathic Medicine (Memorandum No. 977)**

17. The Committee postponed consideration of the matter.

**Rajasthan State Warehousing Corporation (Memorandum No. 978)**

18. The Committee noted that the non-official Directors of the Rajasthan State Warehousing Corporation were entitled to a sitting fee of Rs. 50/- for each day of the meetings of the Board of Directors or the Executive Committee or Sub-Committee. They were also entitled to a daily allowance of Rs. 15/- or Rs. 30/- per day. The Chairman, in addition, was entitled to a furnished bungalow, a car,

water and electricity charges upto Rs. 5000/- per annum and a sumptuary allowance of Rs. 250/- per mensem. Also, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

**Rajasthan State Industrial and Mineral Development Corporation Ltd., Jaipur (Memorandum No. 979)**

19. The Committee noted that the payment admissible to the non-official Directors of the Rajasthan State Industrial and Mineral Development Corporation Ltd., Jaipur exceeded the 'compensatory allowance'. Also, the function of the Corporation was executive in nature. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

**Board of Directors of the Nahan Foundry Ltd., Nahan (Memorandum No. 981)**

20. The Committee noted that a non-official Director of the Nahan Foundry Ltd., Nahan was entitled to Rs. 50/- for each meeting of the Board of Directors. In addition, a non-resident Director who was not a Government servant was entitled to draw actual rail or air fare plus a fixed sum of Rs. 50/- as incidental expenses of the journey and halting allowance for each meeting, irrespective of his duration of stay at the place of the meeting. Thus, the payment admissible to a non-official Director might exceed the 'compensatory allowance'. Also, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Company ought not to be exempt from disqualification.

**Board of Directors of the Himachal Pradesh State Small Industries and Export Corporation Ltd. (Memorandum No. 982)**

21. The Committee noted that the D.A. admissible to the non-official Directors of the Himachal Pradesh State Small Industries and Export Corporation Ltd. was less than the 'compensatory allowance'. However, the Board of Directors exercised executive and financial powers. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

22. In regard to the following bodies, the Committee noted that the non-official members thereof were either not entitled to any remuneration or were entitled to T.A. and D.A. which was less than

the 'compensatory allowance'. Besides, the functions of these bodies were mainly advisory in nature or their character, composition, etc. were such that their membership ought to be exempt from disqualification. The Committee, accordingly, decided to recommend exemption of membership of these bodies from disqualification for membership of Parliament:

- (1) Science and Engineering Research Council (Department of Science and Technology) (Memorandum No. 950).
- (2) Board of awards on import substitution (Department of Industrial Development) (Memorandum No. 954).
- (3) Development Council for Man-made Textiles (Department of Industrial Development) (Memorandum No. 955).
- (4) Development Council for Organic Chemicals (Department of Industrial Development) (Memorandum No. 956).
- (5) Development Council for Inorganic Chemicals (Department of Industrial Development) (Memorandum No. 957).
- (6) Central Boilers Board (Ministry of Industry and Civil Supplies) (Memorandum No. 960).
- (7) Standing Committee of the Conference of Central and State Statistical Organisation (Ministry of Planning) (Memorandum No. 962).
- (8) Committee of Experts for Sample Survey in Hill Districts of U.P. (Ministry of Planning) (Memorandum No. 963).
- (9) National Food Advisory Council (Ministry of Agriculture and Irrigation) (Memorandum No. 965).
- (10) Chief Director of Purchase Advisory Committee (Food Processing Industry) (Memorandum No. 966).
- (11) Central Fruit Products Advisory Committee (Ministry of Agriculture and Irrigation) (Memorandum No. 967).
- (12) Indian Wheat and Wheat Products Development Council (Ministry of Agriculture and Irrigation) (Memorandum No. 969).
- (13) Advisory Board of the National Sugar Institute, Kanpur (Ministry of Agriculture and Irrigation) (Memorandum No. 971).

- (14) State Evaluation Committee (West Bengal) (Memorandum No. 972).
- (15) District Advisory Committee for procurement and distribution of essential commodities (Himachal Pradesh) (Memorandum No. 980).
- (16) Rural Development Committee for the Union Territory of Chandigarh (Memorandum No. 983).
- (17) Museum Advisory Committee for Museum and Art Gallery, Chandigarh (Memorandum No. 984).
- (18) District Committee on Employment for the Regional Employment Exchange, Chandigarh (Memorandum No. 985).
- (19) Chandigarh Industrial Development-cum-Liaison Board (Memorandum No. 986).
- (20) Home Minister's Advisory Committee on Chandigarh (Memorandum No. 987).

**Honorary offices held in bodies carrying executive, financial, judicial or semi-judicial powers (Memorandum No. 988)**

23. The Committee considered the opinion of the Ministry of Law, Justice and Company Affairs (Legislative Department) in the matter (*vide Annexure*) and desired that each case of an honorary office, carrying executive, financial, judicial or semi-judicial powers where no remuneration was payable to the holder but which enabled him to wield influence and possess power of patronage, should be brought to their notice so as to enable the Committee to determine whether it was a fit case for recommending disqualification under Article 102(1)(e) of the Constitution.

24. The Committee then adjourned to meet again at 10.15 hours on Monday, the 22nd March, 1976.

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## ANNEXURE

(Vide para 23 of the Minutes)

**Extracts, from the U.O. Note No. 17(3) |75-Leg. II dated the 1st January, 1976 received from the Ministry of Law, Justice and Company Affairs (Legislative Department).**

**SUBJECT: Examination of honorary offices held in bodies carrying executive, financial, judicial or semi-judicial powers.**

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3. Where an office involves influence and prestige and also some pecuniary benefit (however small such pecuniary benefit may be), article 102(1)(a) of the Constitution will apply and the office can be regarded as an office of profit. Having regard to the nature of the influence and patronage involved, we can deny to any such office the benefit of the removal of disqualification under the Parliament (Prevention of Disqualification) Act, 1959.

4. Where an office does not involve any pecuniary profit, as rightly pointed out in the Lok Sabha Secretariat, O.M. No. 11/2/CII/74 dated 22-4-1974, article 102(1)(a) of the Constitution can have no application and the matter cannot be dealt with under the Parliament (Prevention of Disqualification) Act as the object of the Act is not to create a disqualification but to prevent a disqualification.

5. It will, however, be possible to frame a law relatable to article 102(1)(c) of the Constitution for disqualifying holders of offices involving influence and patronage for being chosen, as and for being, a member of either House of Parliament. Any such law will have to spell out clearly the criteria on the basis of which an office may be regarded as an office involving influence or patronage. Such a clear-cut spelling out of the criteria is necessary not only for protecting the legislation from challenge under article 14 of the Constitution, but also to enable Members of Parliament to determine for themselves whether an office which they are holding or which they want to take up would be of a nature which would disqualify them. The device of enumerating particular offices as offices involving in-

fluence or patronage would be conducive to greater clarity but might be open to objection on constitutional and other grounds. In the first place, if all offices of the same nature or category are not covered by the enumeration, the law may be held to be discriminatory. In the second place, the incidence of an office will be regulated by the law or rules under which the office is created and these can vary from time to time, e.g., some restrictions may be placed by an amendment of the rules under which an office is created so as to render the holder of the office incapable of exercising any influence or patronage. The attributes of an office which account for the influence and patronage involved in the office may be altered by the rules or orders under which an office is created. In the third place, a person has to undergo a lot of financial expenditure and other difficulties in the process of his election and if he suddenly becomes disqualified by reason of a general provision, such as seems to be the only course possible, there would be considerable hardship.

6. The above are some of the aspects of the matter which need to be taken into consideration before arriving at a final conclusion.

Sd/- V. S. BANASHYAM  
Additional Legislative Counsel

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## II

### Fifty-second Sitting

The Committee sat on Monday, the 22nd March, 1976 from 10.15 to 10.55 hours.

#### PRESENT

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

#### MEMBERS

##### *Lok Sabha*

2. Shri S. M. Siddayya
3. Shri Arjun Sethi
4. Shri Ram Shekhar Prasad Singh

##### *Rajya Sabha*

5. Shri Yogendra Sharma

#### SECRETARIAT

Shri Y. Sahai—Chief Legislative Committee Officer.

2. The Committee took up for consideration Memoranda Nos. 989 to 1023 relating to certain Committees/Boards/Corporations, etc. constituted by the Government of India/State Governments/Union Territory Administration.

**Board of Directors of the Karnataka State Forest Industries Corporation Ltd. (Memorandum No. 995)**

3. The Committee noted that the payment admissible to the non-official Chairman and the non-official Director of the Karnataka State Forest Industries Corporation Ltd. exceeded the 'compensatory allowance'. Also, the functions of the Corporation were of executive and financial nature. As such, the Committee felt that the Directorship including the Chairmanship of the Corporation ought not to be exempt from disqualification.

**Advisory Boards (i) Under the Maintenance of Internal Security Act, 1971; and (ii) under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (Tripura) (Memorandum No. 997)**

4. The Committee noted that the Chairman and Members of the Advisory Boards (i) under the Maintenance of Internal Security Act, 1971; and (ii) under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 were entitled to draw TA/DA and an honorarium of Rs. 200/- and Rs. 100/- per sitting respectively which exceeded the 'compensatory allowance'. Also, the functions of the Boards were of judicial nature. As such, the Committee felt that the Membership including the Chairmanship of the Boards ought not to be exempt from disqualification.

**Andhra Pradesh State Planning Board (Memorandum No. 999)**

5. The Committee noted that the functions of the Andhra Pradesh State Planning Board *inter alia* were (i) to formulate long-term, medium-term and annual plans on the basis of the objectives and strategies so evolved; and (ii) to formulate projects in the light of the above, so as to enable rational and cost effective choice of projects and allocations of resources. These functions did not seem to partake of an executive character. The Non-official members of the Board were, however, paid an honorarium of Rs. 100/- for each day of the meeting in addition to T.A. which exceeded the 'compensatory allowance'. As such, the Committee felt that the membership of the Board ought not to be exempt from disqualification.

**Himachal Pradesh Housing Board (Memorandum No. 1006)**

6. The Committee noted that the Chairman of the Himachal Pradesh Housing Board, if a non-official, was entitled to a pay not exceeding Rs.1800/- per mensem which did not come within the ambit of 'compensatory allowance' as defined under Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959.

The other non-official members were entitled to T.A./D.A. which was less than the 'compensatory allowance'. However, the Board exercised executive and financial powers. As such, the Committee felt that the membership of the Board (including Chairmanship) ought not to be exempt from disqualification.

**State Level Committee to scrutinize applications for hire purchase of machinery (Meghalaya) (Memorandum No. 1010)**

7. The Committee noted that the TA/DA admissible to the non-official Members of the State Level Committee to scrutinize applications for hire purchase of machinery did not exceed the 'compensatory allowance'. However, the function of the Committee was to scrutinise applications for hire purchase of machinery which could enable the committee to wield influence. As such, the Committee felt that the non-official members of the Committee ought not to be exempt from disqualification.

**Board of Directors of the Indian Oil Corporation Ltd. (Ministry of Petroleum and Chemicals) (Memorandum No. 1014)**

8. The Committee noted that the non-official Directors of the Indian Oil Corporation were entitled to a remuneration which was more than the 'compensatory allowance'. Besides, the Board of Directors exercised executive and financial powers and was in a position to wield influence. As such, the Committee felt that the Directorship of the Corporation ought not to be exempt from disqualification.

**Board of Management of Bal Bhavan Society, Kotla Road, New Delhi, (Ministry of Education and Social Welfare) (Memorandum No. 1020)**

9. The Committee noted that the non-official members of the Board of Management of Bal Bhavan Society, Kotla Road, New Delhi were entitled to TA/DA which was less than the 'compensatory allowance'. But the Board of Management exercised executive and financial powers. As such, the Committee felt that the non-official members of the Board ought not to be exempt from disqualification.

**Board of Governors of the Lawrence School (Sanawar) Society  
(Memo. No. 1022)**

10. The Committee noted that the non-official members of the Board of Governors of the Lawrence School (Sanawar) Society were entitled to TA/DA which was less than the 'compensatory allowance'. However, the Board of Governors exercised executive and financial powers. As such, the Committee felt that the non-official members of the Board ought not to be exempt from disqualification.

11. In regard to the following bodies the Committee noted that no remuneration for the present was payable/admissible to the non-official members thereof. Also, the functions of these bodies were advisory in nature. The Committee, accordingly, decided to recommend exemption of membership of these bodies from disqualification for membership of Parliament so long as no remuneration was admissible to them or the payment admissible did not exceed the 'compensatory allowance':

- (1) State Advisory Cooperative Council for the Union Territory of Goa, Daman and Diu (Memorandum No. 989).
- (2) Hospital Visiting Committee for Goa Medical College, Panaji (Memorandum No. 992).
- (3) District Soldiers', Sailors' and Airmens' Board, Tripura (Memorandum No. 996).
- (4) Supply Advisory Boards for Khasi Hills, Jaintia Hills and Garo Hills Districts (Meghalaya)—(Memorandum No. 1013).

12. In regard to the following bodies, the Committee noted that the non-official members thereof were either not entitled to any remuneration or were entitled to T.A. and D.A. which was less than the 'compensatory allowance'. Besides, the functions of these bodies were mainly advisory in nature or their character, composition etc., were such that their membership ought to be exempt from disqualification. The Committee, accordingly, decided to recommend exemption of membership of these bodies from disqualification for membership of Parliament:

- (1) Board for visiting Mental Hospital, Panaji. (Memorandum No. 990).
- (2) Hospital Visiting Committee for Directorate of Health Services, Panaji. (Memorandum No. 991).

- (3) State Advisory Board on Correctional Services (Andamans). (Memorandum No. 993).
- (4) (i) District level Coordination Committee for Correctional Services (Andamans Distt.) (ii) District Level Coordination Committee for Correctional Services (Nicobar Distt.) (Memorandum No. 994).
- (5) Vana Premi Sangha (Tripura). (Memorandum No. 998).
- (6) Planning and Development Committees for different areas viz. (i) Coastal Andhra, (ii) Rayalaseema; and (iii) Telengana (Andhra Pradesh) (Memorandum No. 1000).
- (7) State Advisory Board for the Correctional Administration of the Jails (Himachal Pradesh) (Memorandum No. 1001).
- (8) Advisory Committee for State Museum, Simla (Himachal Pradesh). (Memorandum No. 1002).
- (9) Local Ward Committee for distribution of essential commodities (Himachal Pradesh). (Memorandum No. 1003).
- (10) District Employment Committees for Solan, Bilaspur, Chamba, Dharamsala, Kalpa, Kulu, Mandi and Nahan (H.P.) (Memorandum No. 1004).
- (11) The Himachal Pradesh State Cooperative Council (Memorandum No. 1005).
- (12) State Level Sub-Committee under the Industrial Development Council (Himachal Pradesh). (Memorandum No. 1007).
- (13) State Invention Advisory Committee (Himachal Pradesh) (Memorandum No. 1008).
- (14) State Industrial Development Council (Himachal Pradesh). (Memorandum No. 1009).
- (15) State Level Advisory Committee (Meghalaya) (Memorandum No. 1011).
- (16) Committee for Registration of Small Scale Industries and allotment of Raw Materials (Meghalaya) (Memorandum No. 1012).
- (17) Standing Committee on Police Training in the Bureau of Police Research and Development (Ministry of Home Affairs) (Memorandum No. 1016).
- (18) Advisory Committee on Training in Official statistics and related methodology (Ministry of Planning) (Memorandum No. 1017).

- (19) Steering Group on pilot survey for estimation of catch of fish from inland water resources (Planning Commission) (Memorandum No. 1018).
- (20) Steering Committee on Industrial Statistics (Planning Commission) (Memorandum No. 1019).
- (21) Governing Body of the Central Tibetan Schools Administration (Ministry of Education and Social Welfare). (Memorandum No. 1021).

**Review of earlier recommendations of the Committee**

- (i) Board of Governors of the Indian Institute of Management, Bangalore-Representation for review of the recommendation of the Committee (Memorandum No. 1023).

13. The Committee considered a representation received from the Ministry of Education and Social Welfare in regard to their earlier recommendation relating to the Board of Governors of the Indian Institute of Management, Bangalore. Vide para 15 of the Twelfth Report of Fifth Lok Sabha. The Committee had recommended disqualification of the non-official members appointed by the Government on the Board on the ground of executive and financial powers being exercised by them.

The Committee noted the following arguments put forth by the Ministry of Education and Social Welfare:

“.....the powers exercised by the University Executive Councils are in no way less than those of the powers of the Board of Governors of the Indian Institutes of Technology or Indian Institutes of Management including Indian Institute of Management at Bangalore. In view of the fact that the non-official members of the University Executive Councils are exempted from disqualification for membership of Parliament, the non-official members of the Board of Governors of the Indian Institute of Management, Bangalore should have been exempted from the same disqualification.

It may also be stated that the Institute of Management, Bangalore had been established as a society under the Mysore Societies Registration Act of XVII of 1960 and its affairs are managed by a Board of Governors. The Board of Governors has not been appointed by the Government.”

The Committee were not convinced by the above arguments of the Ministry of Education and Social Welfare. They observed that the Board of Governors of the Institute exercised executive and financial powers. They also observed that in terms of the Rules of the Institute as furnished by the Ministry of Education and Social Welfare the Board was *inter alia* composed of four representatives of the Central Government nominated by the Ministry of Education and Social Welfare and also four persons nominated by the Central Government to represent industry, commerce, labour and other interests.

The Chairman of the Board of Governors was also appointed by the Central Government. As such, the Committee felt that no change in the earlier recommendation of the Committee made in para 15 of their Twelfth Report (Fifth Lok Sabha) was called for.

### III

#### Fifty-Third Sitting

The Committee sat on Thursday, the 25th March, 1976 from 10.30 to 11.00 hours.

#### PRESENT

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

#### MEMBERS

##### *Lok Sabha*

2. Shri Somnath Chatterjee
3. Shri S. M. Siddayya
4. Shri Ram Shekhar Prasad Singh

##### *Rajya Sabha*

5. Shri A. K. Refaye
6. Shri Yogendra Sharma

#### SECRETARIAT

Shri Y. Sahai—Chief Legislative Committee Officer.

2. The Committee considered their draft 17th Report and adopted it.

3. The Committee decided that the Report might be presented to Lok Sabha on the 26th March, 1976. The Committee also decided that the Report may be laid on the Table of the Rajya Sabha on the same day.

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

5. The Committee authorised Shri A. K. Rafaye and, in his absence, Shri Yogendra Sharma to lay the Report on the Table of Rajya Sabha.

6. The Committee then adjourned.

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