
COMMITTEE ON PUBLIC UNDERTAKINGS

The Committee on Public Undertakings is a Parliamentary Committee consisting of 22 Members—fifteen elected by the Lok Sabha and seven by the Rajya Sabha, from amongst their Members, according to the principle of proportional representation by means of a single transferable vote. The Chairman is appointed by the Speaker from amongst the Members of the Committee. (For names of Chairmen who have served the Committee since its inception *see* pages 3-4.)

A Minister is not eligible to become a Member of the Committee. If a Member after his election to the Committee is appointed a Minister, he ceases to be a Member of the Committee from the date of such appointment.

The term of the Committee does not exceed one year. (For composition of the Committee 2003-04 *see* pages 4-5.)

Functions

The functions of the Committee on Public Undertakings are:—

- (a) to examine the reports and accounts of Public Undertakings specified in the Fourth Schedule to the Rules of Procedure and Conduct of Business in Lok Sabha ;
- (b) to examine the reports, if any, of the Comptroller and Auditor General of India on the Public Undertakings ;
- (c) to examine, in the context of the autonomy and efficiency of the Public Undertakings whether the affairs of the Public Undertakings are being managed in accordance with sound business principles and prudent commercial practices ; and
- (d) to exercise such other functions vested in the Public Accounts Committee and the Estimates Committee in relation to the Public Undertakings as are not covered by clauses (a), (b) and (c) above and as may be allotted to the Committee by the Speaker from time to time.

Working of the Committee

The Committee selects from time to time for examination such Public Undertakings or such subjects as they may deem fit and as fall within their terms of reference.

List of Undertakings/subjects selected by the Committee during 2003-04 is given on page 5.

The Ministry/Undertaking concerned is asked to furnish necessary material relating to those subjects for the information of the Members of the Committee.

The Committee may from time to time appoint one or more Study Groups for carrying out detailed examination of various subjects.

If it appears to the Committee that it is necessary for the purpose of its examination that on-the-spot study should be made, the Committee undertake tours to study any particular matter, project or undertaking.

Notes relating to the Undertakings/Offices etc. to be visited are called for in advance from the Ministries/Undertakings concerned and circulated to the Members of the Committee. These form the starting point for the informal discussion which the Committee holds at the projects etc.

When the Committee/Study Groups are on study tour only informal sittings are held at the place of visit and at such sittings neither evidence is recorded nor any decisions are taken.

The Members of the Committee while on tour may also meet informally the representatives of Chambers of Commerce and Industry, non-official organisations and bodies which are concerned with the subject under examination of the Committee.

Later in the light of these informal discussions of the Committee and the memoranda and other information received, non-official and official witnesses are invited to give evidence at formal sittings of the Committee held in Parliament House/Parliament House Annexe.

All discussions held by the Committee with the representatives of the Undertakings/Ministries/Departments, non-official organisations, Labour Unions etc. are to be treated as confidential and no one having access to the discussions, directly or indirectly, should communicate to the Press or any unauthorised person any information about matters taken up during the discussions.

The observations/recommendations of the Committee are embodied in their reports which are presented to Parliament. After a Report has been presented to the House, the Ministry or Undertaking concerned is required to take action on various recommendations and conclusions contained in the Report. The replies of the Government are examined by an

Action Taken Sub-Committee/Committee and an Action Taken Report is presented to the House.

Achievements

Since its inception in May, 1964, the Committee has presented 515 Reports so far. Of these, 258 are the Original Reports and 257 are Reports on Action Taken by the Government on earlier Reports of the Committee. Out of 258 Original Reports, 33 are in the nature of horizontal studies on various aspects of working of the public undertakings.

From November, 2000, the Committee has started presenting to Parliament the Study Tour Reports pertaining to the functioning of individual undertakings with full-fledged recommendations/observations. The Committee has so far presented 51 Study Tour Reports.

Former Chairmen of Committee on Public Undertakings

1. Shri P. Govinda Menon
1964-65, 1965-66 (upto 24.1.66)
2. Pandit D. N. Tiwary
1965-66 (w.e.f. 24.1.66), 1966-67, 1967-68 (upto 25.9.67)
3. Shri Surindra Nath Dwivedy
1967-68 (w.e.f. 25.9.67)
4. Dr. G. S. Dhillon
1968-69, 1969-70 (upto 8.8.69)
5. Shri M. B. Rana
1969-70 (w.e.f. 10.12.69), 1970-71, 1971-72
6. Smt. Subhadra Joshi
1972-73 (upto 22.4.73), 1973-74 (w.e.f. 12.7.73)
7. Shri Amrit Nahata
1972-73 (w.e.f. 23.4.1973)
8. Shri Nawal Kishore Sharma
1973-74 (upto 11.7.73), 1974-75, 1975-76
9. Shri Darbara Singh
1976-77
10. Shri Jyotirmoy Bosu
1977-78, 1978-79
11. Dr. Bapu Kaldate
1979-80
12. Shri Bansi Lal
1980-81, 1981-82
13. Shri Madhusudan Vairale
1982-83, 1983-84, 1984-85

14. Shri K. Ramamurthy
1985-86, 1986-87
15. Shri Vakkom Purushothaman
1987-88, 1988-89, 1989-90
16. Shri Basudeb Acharia
1990-91
17. Shri A.R. Antulay
1991-92, 1992-93
18. Shri Vilas Muttemwar
1993-94, 1994-95
19. Sqn. Ldr. Kamal Chaudhary
1995-96
20. Shri G. Venkat Swamy
1996-97, 1997-98
21. Shri Manbendra Shah
1998-99
22. Prof. Vijay Kumar Malhotra
1999-2000 (w.e.f. 24.12.99), 2000-01, 2001-02, 2002-03, 2003-04 (upto 6.2.2004)

Composition of the Committee on Public Undertakings (2003-04)

Chairman

Prof. Vijay Kumar Malhotra

MEMBERS

Lok Sabha

2. Shri Mani Shankar Aiyar
3. Shri Ram Tahal Chaudhary
4. Smt. Reena Choudhary
5. Smt. Sangeeta Kumari Singh Deo
6. Shri C.K. Jaffer Sharief
7. Shri K.E. Krishnamurthy
8. Dr. Ramkrishna Kusmaria
9. Shri Vilas Muttemwar
10. Shri Shrinivas Patil
11. Shri Prabhat Samantray
12. Shri Tarit Baran Topdar
13. Prof. Rita Verma
14. Shri A.K.S. Vijayan
15. Shri Dinesh Chandra Yadav

Rajya Sabha

16. Shri Suresh Kalmadi
17. Shri Lalitbhai Mehta
18. Shri Kalraj Mishra
19. Shri Satish Pradhan
20. Shri K. Kalavenkata Rao
21. Shri Jibon Roy
22. Smt. Ambika Soni

List of Subjects selected for Examination by the Committee on Public Undertakings (2003-04)

Comprehensive Examination

1. Airports Authority of India Limited
2. Hindustan Aeronautics Limited
3. Bharat Petroleum Corporation Limited
4. Power Grid Corporation of India Limited
5. Housing and Urban Development Corporation Limited
6. IRCON International Limited
7. National Thermal Power Corporation
8. New India Assurance Company Limited
9. Indian Airlines Limited
10. Air India Limited
11. Oil and Natural Gas Corporation Limited
12. Mahanagar Telephone Nigam Limited
13. Bharat Sanchar Nigam Limited
14. Mahanadi Coalfields Limited
15. Central Coalfields Limited

Aspect Studies on Audit Observations

16. National Aluminium Company Limited—Loss due to premature procurement of conveyor belt
17. Indian Renewable Energy Development Agency Limited—Avoidable payment of commitment charges due to tie up of loans in excess of requirement
18. Hindustan Petroleum Corporation Ltd.—Infructuous expenditure on creation of a pipeline.
19. Power Grid Corporation of India Ltd.—Avoidable extra expenditure on import of insulators
20. National Highways Authority of India—Loss due to non recovery of extra cost on rewarding of work

Audit Report No. 3 (Comml) 2003

21. Kudremukh Iron Ore Company Ltd.—Imprudent investment in Joint venture company
22. Steel Authority of India Limited—Avoidable expenditure of Rs. 27.68 crore due to delay in finalisation of agreement for import of coal
23. Food Corporation of India—Fraud Control in FCI
24. Indian Airlines Ltd.—Aircraft Fleet Maintenance by IAL
25. Bharat Sanchar Nigam Ltd.—Village Public Telephones
26. Bharat Sanchar Nigam Ltd.—Non-recovery of dues from pay phone operators due to deficient internal control system
27. Bharat Sanchar Nigam Ltd.—Loss of revenue due to misuse of spare numbers
28. Bharat Sanchar Nigam Ltd.—Excess payment to supplier
29. Bharat Sanchar Nigam Ltd.—Avoidable extra expenditure procurement of optical fibre cable
30. Mahanagar Telephone Nigam Limited—Quality of Services
31. Mahanagar Telephone Nigam Limited—Loss of revenue due to non-implementation of revised tariff as prescribed

Audit Report No. 3 (Comml) 2003

Audit Report No. 4 (Comml) 2003

Audit Report No. 5 (Comml) 2003

Horizontal Studies

32. Disinvestment of Public Sector Undertakings.
33. Industrial Safety in Public Sector Undertakings.

COMMITTEE ON PUBLIC UNDERTAKINGS



LOK SABHA SECRETARIAT
NEW DELHI

APRIL, 2004

LARRDIS/No. 13/PPR/27/04

