

COMMITTEE ON PUBLIC UNDERTAKINGS

Composition

The Committee on Public Undertakings consists of 22 members comprising 15 members elected by Lok Sabha every year from amongst its members according to the principle of proportional representation by means of single transferable vote and 7 members elected by Rajya Sabha in like manner and nominated by that House for being associated with the Committee.

The system of election ensures that each party/group is represented on the Committee in proportion to its respective strength in the Houses.

Process of Election

2. Every year, a motion is moved in the House by the Minister of Parliamentary Affairs or the Chairperson of the Committee, if in Office, calling upon members of the House to elect from amongst themselves 15 members to the Committee on Public Undertakings. After the motion is adopted, a programme fixing the dates for filing the nominations, withdrawal of candidatures and the election, if necessary, is notified in Lok Sabha Bulletin Part—II. On receipt of nominations, a list of members who have filed the nomination papers is put up on the Notice Board.

In case the number of members nominated is equal to the number of members to be elected, then after the expiry of time for withdrawal of candidature the members nominated are declared elected and the result is published in Bulletin Part-II. If the number of members nominated after withdrawals is more than the number of members to be elected, election is held on the stipulated date and result of election published in Lok Sabha Bulletin Part-II.

Association of Members of Rajya Sabha

3. Another motion is also moved in Lok Sabha recommending to Rajya Sabha to nominate seven members of that House for being associated with the Committee. After adoption, the motion is transmitted to Rajya Sabha through a message. Rajya Sabha holds election of members to the Committee and communicates to Lok Sabha the names of the elected members.

Appointment of Chairperson

4. The Chairperson of the Committee is appointed by the Speaker, Lok Sabha from amongst the members of the Committee.

Minister not to be Member of the Committee

5. A Minister is not eligible to be elected as a member of the Committee and if a member, after election to the Committee, is appointed a Minister, such member ceases to be a member of the Committee from the date of appointment as Minister.

Term of Office

6. The term of office of the members of the Committee does not exceed one year.

Association of Members with Government Committees

7. A member, upon election to the Committee on Public Undertakings, has to intimate the Secretariat of the Committee of the particulars regarding the various Committees appointed by Government with which she/he is associated, for being placed before the Speaker. Where the Speaker considers it inappropriate that a member should continue to serve on the Government Committee, the member is required to resign from the membership of the Committee constituted by the Government. Where the Speaker permits a member to continue to hold membership of Government Committee, such member may require that the report of the Government Committee shall be placed before the Committee on Public Undertakings for such comments as the latter Committee may deem fit to make, before it is presented to Government. Whenever the Chairperson or any member of the Committee on Public Undertakings is invited to accept membership of any Committee constituted by Government, the matter is likewise to be placed before the Speaker before the appointment is accepted.

Functions and Scope

8. The functions of the Committee are to examine the reports and accounts of the Public Undertakings specified in the Fourth Schedule of the Rules of Procedure and Conduct of Business in Lok Sabha and the reports of the Comptroller and Auditor General thereon, if any, and 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. The Committee may also examine such subjects or matters which may be specifically referred to it by the House or by the Speaker. The Committee are, however, barred from examining and investigating matters of major Government policy as distinct from business or commercial functions of public undertakings, matters of day-to-day administration or matters for the consideration of which machinery is established by any special statute under which a particular undertaking is established.

Selection of Subjects for Examination

9. The Committee may select for examination such undertakings/subjects whose comprehensive appraisal appears in the Audit Report (Commercial) presented to Parliament by the Comptroller and Auditor General of India. The Committee also selects on its own certain other

Undertakings/subjects for independent examination. The Committee may also select one or more aspects of working of various Public Undertakings for detailed horizontal study.

Constitution of Study Groups/sub-Committee

10. Depending upon the need, a number of Study Groups may be constituted by the Chairperson from amongst members of the Committee for carrying out detailed study of various subjects selected by the Committee and for considering procedural and general matters. Similarly, a sub-Committee may also be constituted for scrutiny of action taken replies furnished by the Government on the Observations/ Recommendations contained in the earlier Reports and to consider the draft Report thereon.

Assistance by Comptroller and Auditor General

11. The Comptroller and Auditor General assists the Committee in the examination of public sector undertakings selected by the Committee on the basis of audit reports.

Calling for Information from Government/Public Undertakings

12. The Committee calls for, in the first instance, preliminary material from the ministries/public undertakings in regard to the working of the public

undertakings selected for examination. Subsequently, detailed information covering various aspects of the working of the public undertaking under examination is called for by the Committee from the Government/undertaking.

Memoranda from non-officials

13. The Committee may also call for memoranda on the subjects under examination from non-official organisations/individuals, stakeholders etc. who are knowledgeable in the field/subject under examination.

Evidence of non-officials

14. The Committee may call upon individual experts/representatives of non-official organisations who have submitted memoranda on the subjects under examination to appear before it to tender evidence.

Study Visits

15. The Committee undertakes 'on-the-spot' Study Visits of various public undertakings, organisations and units connected with the subjects taken up for examination. For this purpose, if considered necessary members of the Committee may be divided into Study Groups. Each Study Visit is undertaken with the specific approval of the Speaker, Lok Sabha.

Evidence of Officials

16. The Committee takes oral evidence of representatives of undertakings and ministries/ departments concerned with these undertakings.

Ministers not called before Committee

17. A Minister is not called before the Committee either to tender evidence or for consultation in connection with the examination of the public undertakings by the Committee. The Chairperson of the Committee may, however, when considered necessary, but after the Committee's deliberations are concluded have an informal talk with the Minister concerned to apprise her/him of (a) any matter of policy laid down by the ministry or the undertaking with which the Committee do not fully agree; (b) any matter of secret and confidential nature which the Committee would not like to bring on record in its Report.

Calling for Information from Ministries/PUs at Post Evidence Stage

18. The Committee may call for information from Ministries/PUs on aspects emerging out of oral evidence of the Representatives of Ministries/PUs.

Report and Minutes

19. The conclusions of the Committee on a subject are contained in its Report, which, after its adoption by the Committee, is presented in the Lok Sabha by the Chairperson but if the Chairperson is unable to do so

then by any other member of the Committee who has been authorised by the Chairperson to present it on her/his behalf. Minutes of the Sitzings of the Committee are annexed to the Report to which they relate to. A copy of the Report is also laid on the Table of Rajya Sabha by a member of the Committee authorised by the Chairperson for the purpose.

The Reports of the Committee are adopted by consensus among the members. There is therefore no system of appending minute of dissent to the Report.

Action Taken on Reports

20. After presentation the Report is forwarded to the Ministry or the Department concerned which is required to take action on the Recommendations/ Observations contained in the Report and furnish action taken notes thereon within six months from the date of presentation of the Report to Parliament.

Action taken notes received from the ministries/ departments are examined by the Committee/Action Taken sub-Committee if any, constituted for this purpose, and a Report on action taken by the Government is prepared consisting of five chapters viz. (I) Report of the Committee comprising *inter-alia* the Observations and Recommendations meriting comments from the Committee; (II) Recommendations/Observations which have been accepted by the Government;

(III) Recommendations/Observations which the Committee does not desire to pursue in view of Government's replies; (IV) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee; and (V) Recommendations in respect of which final replies of the Government have not been received. The Report, after its adoption by Committee, is presented to Lok Sabha and laid on the Table of Rajya Sabha in the usual manner.

Action Taken Statements on Action Taken by the Government on Observations/Recommendations

21. Replies received from the Government in respect of the Comments contained in Chapter I and final replies to the Recommendations/Observations contained in Chapter-V of the Reports on Action Taken by the Government on Recommendations/Observations are also laid on the Table of both the Houses in the form of Statements.

Study Tour Notes

22. Notes on the Study Visits undertaken by the Committee/Study Groups are prepared by the Secretariat and approved by the Chairperson/Convenor. A copy of the Study Visit Notes is made available for perusal of members of the Committee/ Study Group(s). These are also suitably utilised in Reports on the relevant subjects.

[The constitution and functioning of the Public Undertakings Committee is governed by Rules 253 to 286, 312A and 312B of the Rules of Procedure and Conduct of Business in Lok Sabha and Directions 48—73, 97, 97A, 99, 100 and 102 of the Directions by the Speaker, Lok Sabha.]

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PUBLIC UNDERTAKINGS



LOK SABHA SECRETARIAT
NEW DELHI

T.O. No. 91

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Published under Rule 382 of the Rules of Procedure and
Conduct of Business in Lok Sabha (Sixteenth Edition)
and printed by Jainco Art India, New Delhi-110 005.

PREFACE

This Abstract is part of the Parliamentary Procedure Abstracts Series and describes the procedure regarding Committee on Public Undertakings. It is based on the Rules of Procedure and Conduct of Business in Lok Sabha, the Directions issued by the Speaker under Rules of Procedure of the Committee on Public Undertakings (Internal Working). It is intended to serve as a handy guide for ready reference.

The information contained in this Abstract is, however, not exhaustive. It will, therefore, be prudent to refer to and rely on the original sources for full information.

NEW DELHI

Secretary General