

**COMMITTEE  
ON  
SUBORDINATE LEGISLATION**

**(EIGHTH LOK SABHA)**

**FOURTH REPORT**

*(Presented on 18 December, 1985)*



**LOK SABHA SECRETARIAT  
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# LOK SABHA SECRETARIAT

Corrigenda to the Fourth Report of the Committee on Subordinate Legislation (Eighth Lok Sabha) presented to the House on 18 December, 1985.

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## COMPOSITION OF THE COMMITTEE ON SUBORDINATE LEGISLATION (1985-86)

1. Shri Mool Chand Daga—*Chairman*
2. Shri D. L. Baitha
3. Shri G. M. Banatwalla
4. Shrimati Usha Choudhari
5. Shri Dharam Pal Singh Malik
6. Shri Syed Masudal Hossian
7. Shri Mohanbhai Patel
- %8. Shri Vakkom Purushothaman
9. Shri I. Rama Rai
- \*10. Shri Ram Swarup Ram
11. Shri K. S. Rao
12. Shri Saleem I. Shervain
13. Shri Dharamgaj Singh
14. Shri D. Narayana Swami
- @15. Shri Yogeshwar Prasad Yogesh

### SECRETARIAT

1. Shri M. K. Mathur—*Joint Secretary.*
2. Shri R. S. Mani—*Senior Legislative Committee Officer.*

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% Nominated w.e.f. 18 November, 1985 *vice* Shri M. Arunachalam ceased to be a member of the Committee on his appointment as a Minister of State.

\* Nominated w.e.f. 20 August, 1985 *vice* Shri H.G. Ramulu resigned.

@ Nominated w.e.f. 7 August, 1985 *vice* Shri Lalit Makan died.

# **REPORT**

## **I**

### **INTRODUCTION**

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

2. The matters covered by this Report were considered by the Committee at their sittings held on 12 and 24 June, and 11 September, 1985.

3. At their sittings held on 25 June, 11 July, 12 September and 28 October, 1985 the Committee took oral evidence of the representatives of (i) the Ministry of Irrigation and Power (Department of Power) (now Energy), (ii) the Ministry of Law and Justice (Legislative Department), (iii) the Ministry of Works & Housing (now Urban Development) regarding delay in final publication of (a) the Indian Electricity (Amendment) Rules, 1983 (G.S.R. 256 of 1983), (b) the Indian Electricity (Amendment) Rules, 1983 (G.S.R. 361 of 1983); and (c) the Indian Electricity (Amendment) Rules, 1983 (G.S.R. 29 of 1984) and (iv) the Ministry of Finance (Department of Economic Affairs—Banking Division) regarding delay in the final publication of the Banking Regulations (Cooperative Societies) Amendment Rules, 1983 (G.S.R. 271 of 1983); and (v) the Ministry of Shipping and Transport (now Transport) regarding the Visakhapatnam Harbour Craft (Amendment) Rules, 1983 (G.S.R. 510-E of 1983) and (vi) the Ministries of Labour and Law & Justice (Legislative Department) regarding the Industrial Employment (Standing Orders) Central (Amendment) Rules, 1984 (G.S.R. 910 of 1984).

The Committee wish to express their thanks to the Officers of the Ministries for appearing before the Committee and furnishing the information desired by them.

4. The Committee considered and adopted this Report at their sitting held on 16 December, 1985. The Minutes of the sitting relevant to this Report are appended to it.

5. 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 Appendix I to the Report.

## **II**

### **THE VISAKHAPATNAM HARBOUR CRAFT (AMENDMENT) RULES, 1983 (G.S.R. 510-E OF 1983)**

6. From the Preamble to the Visakhapatnam Harbour Craft (Amendment) Rules, 1983, (G.S.R. 510-E of 1983), it was noticed that the draft

of these Amendment Rules was published in the Gazette of India dated 15 May, 1982 inviting objections and suggestions from all persons likely to be affected thereby till the expiry of a period of forty-five days from the date of its publication in the Gazette. But no objections or suggestions had been received by Government from the public in this regard till the expiry of the stipulated period on 9 July, 1982. The Amendment Rules in the final form were thereafter published in the Official Gazette dated 25 June, 1983, i.e. after an interval of 11 and a half months despite the fact that no objections/suggestions had been received thereon from the public.

7. The then Ministry of Shipping and Transport (Port Wing), with whom the matter was taken up, in their reply dated 6 January, 1984, stated as under :—

“There has been a delay of about a year in making the final publication of the Rules. This has been mainly due to the heavy work load on the staff who had to attend to more important and urgent items of work relating to legislation, fixation of port charges, port finances, audit paras and reports of several parliamentary committees. Due to this reason this minor work could not be attended to earlier. It may be added that no reminders were received either from the Visakhapatnam Port Trust or the Hindustan Shipyard Ltd. who were the only affected parties in the case. Obviously, the amendment was only a technicality to be satisfied.”

8. At their sitting held on 24 June, 1985, the Committee considered the matter and, not being satisfied with the reply of the Ministry, decided to examine the official representatives to elucidate the reasons leading to the delay in promulgation of the Amendment Rules in final form.

9. During evidence before the Committee on 12 September, 1985, the representative of the then Ministry of Shipping and Transport conceded that there had been some lapses on their part which they had taken note of. The witness further stated that they had since applied corrective action so that such cases were not lost sight of in future. The witness informed the Committee that they had maintained a system of forward diaries and a register to provide monitoring at each stage. He also assured the Committee that they would have no problem on that account in future.

10. The Committee note that the Ministry of Transport have taken corrective action to provide monitoring at each stage of rule-making process with a view to minimise the delays in this regard. They hope the Ministry would keep their assurance to the Committee that lapses of this nature would not recur in future. However, the Committee would like to re-emphasize the imperative need to reduce the time-lag between the publica-

tion of draft rules and their final notification in the Official Gazette. In this connection, the Committee reiterate their earlier recommendation made in paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha), presented to the House on 21 December, 1983, that where a large number of objections/suggestions are received, the gap between publication of draft rules and notification of final rules should not be more than six months. Where the objections/suggestions received are few, efforts should be made to reduce this period to the barest minimum without impairing the fruitfulness of such legislation. However, in cases where no objections/suggestions are forthcoming on the draft rules, the final rules should be notified within a period of three months. The Committee would like the Ministry of Transport to adhere to these recommendations in all cases in future.

### III

#### THE INDUSTRIAL EMPLOYMENT (STANDING ORDERS) CENTRAL (AMENDMENT) RULES, 1984 (G.S.R. 910 OF 1984)

11. From the Preamble to the Industrial Employment (Standing Orders) Central (Amendment) Rules, 1984, it was noticed that the draft Amendment Rules were published in the Gazette of India dated 20 June, 1983, inviting objections and suggestions from all persons likely to be affected thereby, on or before the expiry of a period of forty-five days from the date of publication of the notification in the Gazette. The Rules in the final form were, however, published on 25 August, 1984 i.e. after an interval of 14 months.

12. The then Ministry of Labour and Rehabilitation (Department of Labour), who were asked to state the reasons for the delay in the publication of the final rules, giving details of the time spent at each stage involved, stated, in their reply dated 29 September, 1984, as under :—

- “(1) Notification publishing the draft rules was issued on 20.6.1983.
- (2) Comments were received only from the Employers' Federation of India in September, 1983. Therefore, some more time was allowed so that further comments, if any received could also be examined.
- (3) Comments received were examined and put up on 26.11.1983.
- (4) Referred for legal advice on 9.12.1983. This was necessary because legal interpretation was required about the provision in section 10A of the Industrial Employment (Standing Orders) Act, *vis-a-vis* the rules being framed regarding subsistence allowance.
- (5) Legal advice received on 29.4.1984.

- (6) On the basis of the advice, the matter was further examined and a final decision was taken on 21.5.1984.
- (7) The revised draft of the final rules was referred to the Ministry of Law, Justice and Company Affairs (Legislative Department) for vetting on 23 May, 1984.
- (8) Vetted draft of the final rules received on 8.6.1984.
- (9) Vetted rules were referred for Hindi translation to Official Language Wing on 12.6.1984.
- (10) Translation received on 3rd August, 1984.
- (11) Final rules were published on 10.8.1984.

Thus it will be observed that some time has been taken in finalising legal position regarding the rules framed *vis-a-vis* the parent Act and in obtaining the Hindi version of the rules”.

13. At their sitting held on 20 October, 1985, the Committee on Subordinate Legislation took the evidence of the representatives of the Ministry of Labour and Law and Justice, for further elucidation in the above matter.

14. The Committee were informed by the Secretary, Ministry of Labour that the Industrial Employment (Standing Orders) Central Rules were framed in 1946. These Rules provided for payment of subsistence allowance to the workers in the event of their suspension by the employers whereas it was noticed that there was no provision for that in the main Act of 1946. This had also been pointed out by the Chief Labour Commissioner in December, 1981. Hence in order to bring the Rules in conformity with the Act, it had become necessary to pass amendment to the Rules in 1982. Subsequently, some more changes in the Rules were required and, therefore, another set of Rules was promulgated and notified in 1984. In this connection, the representatives of the Ministry of Law and Justice, also explained that the provision of subsistence allowance was included in the 1946 Rules and was in operation but when some doubt arose, they thought of coming up with a provision therefore in the Act itself.

15. Asked to explain the reasons for delay of more than a year in the final publication of the Rules, especially when the objections and suggestions received thereon were negligible, the representative of the Ministry informed the Committee that although a time limit of 45 days had been prescribed for inviting objections and suggestions from persons and organisations likely to be affected by the Amendment Rules, the Ministry entertained comments from them even after the expiry of the due date, in order to protect the interests of a large section of people affected by the amendments and further in view of the fact that the Workers' Organisation could not respond in time for lack of facilities.



16. While the Committee appreciate the pious intention of the Ministry, they, however, feel that this should not hamper or cause undue delay in processing the legislation. In this connection, the Committee would like to reiterate their earlier recommendations made in paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha), presented on 21 December, 1983, that where a large number of objection/suggestions are received, the time gap between the publication of the draft rules and their final notification should not be more than six months. Where the objections/suggestions are few, efforts should be made to reduce this period to the barest minimum without impairing the fruitfulness of such legislation.

17. The Committee regret to observe that the time limit for receiving objections and suggestions on the Amendment Rules published in the Gazette had no sanctity whatsoever with the Ministry of Labour and the matter was left dormant without any serious efforts to finalise them expeditiously. The Committee desire that in all such cases, apart from publication of the draft rules in the Gazette, the Ministry should also invariably send the draft rules to the concerned authorities, bodies etc. including the Union, Workers, Organisations etc. by Registered Post and their comment called for by a target date. The Committee also recommend that in case the draft rules affect a large number of industrial workers or public at large, the Ministry concerned should insert advertisements in leading national and regional newspapers, inviting suggestions' comments there on by a fixed date.

18. A period of 5 months had been taken for legal interpretation of the Rules in consultation with the legal adviser of the Ministry of Labour. When enquired specifically as to whether the legal issues involved were substantial enough to hold up the entire exercise of the final notification of the Rules, the Secretary, Ministry of Labour stated :-

'The basic issue raised with our legal adviser was whether after the amended Act, the Rules were necessary at all or not. The legal adviser raised a few other issues. We had a continuous dialogue with them. Ultimately we felt that the revised Rules were necessary and the legal adviser also agree with us.'

19. The Committee feel that no efforts had been made for a comprehensive examination of the Act and the Rules at the initial stage when amendments to the Act and Rules were considered. Even the legal implications of the amendments had been ignored or left to be identified later. The legal issues involved and legal interpretation of the amendments were thought of by the Department of Labour at a much belated stage. This whole exercise should have been made before the draft rules were published. The Committee have gathered an unmistakable impression that piecemeal thinking resulted in delay in final publication of the rules and this delay could have been avoided, had the whole matter been considered in a comprehensive manner at the initial stage.

20. When asked to suggest measures for reducing the time taken by the Ministries in framing the Rules, the Secretary, Ministry of Law and Justice (Legislative Department) stated that :-

“A radical change was necessary in the existing arrangements relating to subordinate legislation in the various Ministries. Different portions of the Acts were dealt with by different sections without any coordination. One or more senior officers according to the number of Acts, should be made responsible for all the work relating to subordinate legislation under the specified enactments. Those officers should maintain a check-list and watch the progress of legislation according to a time-schedule. A set of instructions should be formulated so that the officer could identify the stages and keep track of the progress of legislation.”

21. In the light of the opinion expressed by the Secretary (Legislative Department) and recognising the importance of the subject, the Committee would like the Ministry of Parliamentary Affairs to examine the matter in detail in consultation with the Ministries/Departments of the Government of India, including the Ministry of Law and Justice, and draw suitable guidelines for the Ministries streamlining the procedure generally with regard to subordinate legislation and particularly with a view to minimise the time-gap between publication of the draft rules and their promulgation in the final form as such delays prove detrimental to the interests of the public at large.

#### IV

#### THE BANKING REGULATION (CO-OPERATIVE SOCIETIES) AMENDMENT RULES, 1983 (G.S.R. 271, OF 1983)

22. While examining the Banking Regulation (Co-operative Societies) Amendment Rules, 1983, it was observed that whereas the Amendment Rules were published in draft form in the Gazette of India dated 11 July, 1981 inviting objections/suggestions from the public till 10 January, 1982, these were published in the final form only on 2 April, 1983 i.e. after an interval of about 15 months (from 10.1.82 to 2.4.83) even when the Ministry had not received any objection/suggestion thereon.

23. The Ministry of Finance (Department of Economic Affairs—Banking Division) were accordingly asked to state (i) the reasons for the delay in the publication of the Rules in the final form, indicating the time taken at each stage and (ii) the manner in which the matters sought to be provided for by the amending rules were regulated during that period.

24. Regarding the reasons for the delay in the publication of the Rules in the final form and the time taken at each stage, the Ministry stated, in their written reply dated 21 October, 1983, that the following facts and

stages were involved in the matter :—

- (1) After 10.1.1982, the cut off date, we issued letter dated 21.1.1982 to Reserve Bank of India enquiring them whether they received any objection.
- (2) In letter dated 8.2.1982 the Reserve Bank of India stated that no objection to the draft rules notified was received by them.
- (3) We sent U.O. note dated 11.5.1982 to the Ministry of Law, Leg. I Section, for approval of amendment, for finally notifying.
- (4) Ministry of Law, Leg. I Section returned the draft of final notification, duly approved, with their U. O. note dated 20.5.1982.
- (5) Note submitted on 13.7.1982 for approval of the Deputy Minister for Finance and the Finance Minister, both, regarding the amendment of Rules and file come back to A. C. Section on 17.7.1982 duly approved.
- (6) Draft approved finally for issue by the Director (AC) in the Banking Division on 21.8.1982.
- (7) The Hindi Cell in Banking Division did not accept the translation work into Hindi, on the plea that the same being an amendment, will be taken up by the official Language Wing, Ministry of Law. Hence the matter was sent to the Official Language Wing, Ministry of Law on 2.9.1982.
- (8) The Official Language Wing, Ministry of Law wanted a copy of Gazette of India dated 27.6.1982, *vide* their U.O. note dated 7.9.1982.
- (9) As the Gazette copy was not available with the Banking Division, a cyclostyled copy of the draft Rules notified and published on 27.6.1981, was sent to the Official Language Wing, Ministry of Law *vide* our Office Memorandum dated 1.10.1982.
- (10) A reminder dated 29.11.1982 was sent to Official Language Wing, Ministry of Law.
- (11) Next reminder dated 22.12.1982 was issued to Official Language Wing, Ministry of Law.
- (12) The Official Language Wing, Ministry of Law, after due translation, returned the papers on 30.11.1982 at wrong address *i.e.* H/C Section, main Department of Economic Affairs, North Block instead of sending the papers to the Banking Division (A.C. Section) in the Jeevan Deep Building, Sansad Marg. The main Department of Economic Affairs transmitted the papers on 11.12.1982 to Banking Division through their Receipt & Issue Section, which reached us on 6.1.1983.

- (13) Majority of the staff-members in Agricultural Credit Section were deputed on Election Duty in Assam, with effect from 9.2.1983 to 23.2.1983. Lower Division Clerk not fully conversant with procedures issued the notification in English and Hindi to the Ring Road Govt. of India Press on 19.2.1983 bearing issuing officer's signatures duly cut on the stencil. These papers did not bear signatures of issuing officer in ink, in addition to those cut on stencil.
- (14) The Ring Road Govt. Press returned the same with the objection that these papers did not bear signatures in ink also. These papers reached us on 10.3.1983.
- (15) We sent the notification dated 17.2.1983 again after removing the objection of Govt. Press authorities on 16.3.1983 which is published in final form on 2.4.1983 (G.S.R. 271 of 1983) in the Gazette of India.

25. Regarding the manner in which the matters sought to be provided for by the amending Rules was regulated during the intervening period, the Ministry stated that before the amendment, the Rule for conducting an enquiry by an officer of the Reserve Bank of India was applicable to commercial banks only. Since, the co-operative banks were not being covered by this Rule, the matter regarding omissions and defaults of co-operative banks under Banking Regulation Act, 1949 (10 of 1949) (as applicable to Co-operative Societies), used to be referred to Law Courts.

26. At their sitting held on 24 June, 1985, the Committee after considering the above replies of the Ministry of Finance (Department of Economic Affairs Banking Division) decided to take evidence of the representatives of the Ministry to elicit further clarification on matters relating to delay in promulgation of the said amendment rules in the final form.

27. The Committee heard the representatives of the Ministry of Finance (Department of Economic Affairs—Banking Division) at their sitting held on 12 September, 1985.

28. During evidence the representatives of the Ministry informed the Committee that the file relating to the case had been destroyed inadvertently in the process of elimination of old files. The file was reconstructed, after receiving intimation to appear before the Committee and after obtaining the requisite information from the Reserve Bank of India in the matter.

29. The Committee were informed that the proposal for amendment of the Rules in question had been mooted by the Reserve Bank of India under the Banking Regulation Act, 1949, since it was felt that the existing provisions under the Rules relating to the mode of inquiry and imposition of penalty already made applicable to Commercial Banks should be extended to the Cooperative Banks also. Explaining the procedure

further, the representative of the Ministry informed that with regard to amendment of the Rules, the approval of the Minister/Minister of State was not mandatory unless the Rules were going to be actually notified. It was for the Secretary to decide, depending upon the nature of the proposal, to get the approval of the Minister at the draft stage. In the case under reference, it was not possible for them to confirm whether the approval of the Minister had been taken or not since the original file had been destroyed. They had, therefore, no evidence to confirm that the approval of the Minister had been taken.

30. The proposal for amendment of the Rules in question had been received as early as January, 1980 from the Reserve Bank of India. The proposal had been examined by the Law Department of Reserve Bank of India. The draft rules were sent for publication in the Gazette in July, 1981 giving a period of 6 months for submission of comments and objections from the public as provided under the Act. After the period of six months, the matter was referred to Reserve Bank of India to enquire whether they had received any objections on the draft rules notified. No objection or suggestions had been received on the proposed amendment. Thereafter, a period of 3 months had been taken in sending the proposal to the Ministry of Law for approval of the amendment before final notification; two months in submitting a note to the Deputy Minister and Minister of Finance for their approval and about 4 months in getting the Hindi translation of the amendment from the Official Language Commission. Asked to explain the inordinate delays that had been taken in between the process of legislation the representative of the Ministry stated :—

“I don't think we can defend what has happened. There is no effort on our part to defend it. The best thing we can do is to explain how this occurred. The time was inordinately long. I accept it.”

31. The Committee feel that the whole matter had been treated by the Ministry of Finance with an amount of laxity and no serious attention or importance had been paid to expedite the process of delegated legislation at each stage thereof. The plea that the staff of the Agricultural Credit Section in the Ministry was not conversant with the procedures and other minor details is not tenable and is not acceptable to the Committee.

32. The Committee desire the Ministry to take specific steps in future to avoid delays between the publication of draft rules and their final notification in the Gazette. In this connection, the Committee would like to draw attention of the Ministry, to their earlier recommendation contained in paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha) presented to the House on 21 December, 1983 wherein the Committee had *inter-alia* desired that in cases where no objection/suggestion on the draft rules were forthcoming the final rules should be published within a period of 3 months and in cases where a large number of objections/suggestions were received,

the gap should not be more than 6 months. The Committee would also like to stress that these recommendations and guidelines should be observed by the Ministry scrupulously in all such cases with a view to minimise the gap between the publication of draft rules and their final notification.

## V

- I. THE INDIAN ELECTRICITY (AMENDMENT) RULES, 1983 (GSR 256 OF 1983);
- II. THE INDIAN ELECTRICITY (AMENDMENT) RULES, 1983 (GSR 361 OF 1983); AND
- III. THE INDIAN ELECTRICITY (AMENDMENT) RULES, 1983 (GSR 29 OF 1984)

33. The Indian Electricity Act, 1910 enjoins upon the Government to publish the Rules to be framed thereunder in draft form for inviting objections/suggestions on the proposed statutes from all concerned likely to be affected thereby within a stipulated period of 3 months.

34. The Indian Electricity (Amendment) Rules, 1983 (GSR 256 of 1983), Indian Electricity (Amendment) Rules, 1983 (GSR 361 of 1983), and Indian Electricity (Amendment) Rules, 1983 (GSR 29 of 1984) further to amend the Indian Electricity Rules, 1956 were published in the Gazette of India for inviting objections/suggestions from all persons likely to be affected thereby, till the expiry of the period of 90 days from the date on which the copies of the Gazette of India were made available to the public.

35. On a scrutiny of the above Rules, the Committee observed that an undue time lag ranging from 15 to 21 months had been taken in the publication of the draft Rules and their notification in final form as per details indicated below :—

S.No.	Short title of the Rules	Date of publication of the draft Rules	Date of publication of final Rules	Period of Delay
(i)	The Indian Electricity (Amendment) Rules, 1983 (GSR 256 of 1983)	6 June, 1981	26 March, 1983	21 months
(ii)	The Indian Electricity (Amendment) Rules, 1983 (GSR 361 of 1983).	13 February, 1982	7 May, 1983	15 months
(iii)	The Indian Electricity (Amendment) Rules, 1983 (GSR 29 of 1984).	31 July, 1982	14 Jan. 1984	17½ months

36. The matter was referred to the Ministry of Energy for explaining the reasons for taking such a long time in the final notification of those Rules, indicating the details of the time taken at each stage. The replies of the Ministry, in respect of each Rule, has been reproduced in Appendix—II

37. At their sitting held on 12 & 24 June, 1985, the Committee considered the matter, and not being satisfied with the replies of the Ministry, decided to hear oral evidence of the representatives of the Ministries of (i) Energy (Deptt. of Power), (ii) Law & Justice (Legislative Department); and (iii) Works & Housing for further elucidation on matters relating to delay in finalisation of Rules, getting Hindi translation and printing of Gazette copies thereof.

38. Accordingly, at their sitting held on 25 June, and 11 July, 1985, the Committee examined the representatives of the afore aids Ministries.

39. During evidence when asked to state the procedure followed by the Central Electricity Board, before the amendment rules were published in draft form in the Gazette, the Chairman, Central Electricity Board stated that the amendments to the Electricity Rules had been promulgated under a bye-law of the Central Electricity Board. To a specific question whether the Board received the suggestions for the amendments from the public at large or from experts or technocrats, the representative stated that normally the proposals came from members of the Central Electricity Board itself. About the number of proposals, the representative stated that several amendments were received from State Electricity Boards.

40. On being informed that comments on the amendments had been received from only nine different parties, the Committee desired to know whether any efforts were made to obtain the objections/suggestions from those parties who were actually affected by the rules. The representative of the Ministry stated that they were only following the existing procedure of circulating the notification to the Members of the Central Electricity Board and also publishing them in the Gazette and had not been making available the draft rules to people who were likely to be affected but submitted that in future they would follow the suggestion made by the Committee.

41. About the time taken in examination of the draft rules at the draft stage, the Law Secretary stated that they were referred to them after the concerned Ministry had taken a policy decision thereon. This was before publication. As regards the time taken in supplying Hindi version of the draft rules, which took about 5 months (from 23 August, 1982 to 3 January 1983), the Law Secretary conceded that it was a lapse on their part.

42. Referring to the bye-laws of the Central Electricity Board, the Committee pointed out that as per existing procedure under the bye-laws,

the Board needed 14 months to comply with the various formalities whereas the recommendation of the Committee in this regard was that the draft rules should be published in the final form within a period of 6 months. The Committee desired to know whether the Board felt the need to bring the bye-laws in conformity with the recommendation of the Committee, the Chairman, Central Electricity Board explained as under :-

".....these rules related to extremely complex technical aspect of the power supply industry. Secondly power is a concurrent subject where both State and Central Governments are involved. So, the people who framed the bye-laws took into consideration giving adequate time to enable the members and also the general public to consider the amendments that we want to bring about and give enough time for the members of the Board themselves to think over the comments sent by the public while finally approving the rules. We will certainly consider the suggestions made by the hon. Member to reduce the time. The procedural delays will be reduced. The hon. Committee has not an impression that we tend to delay things unnecessarily but unfortunately the Secretary of the Board is only attending to it as a part-time job."

43. The Committee further pointed out that there was no time specified for the Secretary of the Board to consolidate and circulate the comments on the draft rules among the members of the Central Electricity Board. The Committee further observed that after consolidation the time within which these were to be circulated to the members by the Secretary was not specified nor any time limit had been prescribed for examining the comments and placing them before the Board. On a suggestion made by the Committee to consider amendment of the bye-laws in this regard, the representative of the Ministry observed as under :-

"..... under the bye-laws, the comments that we receive from the public and also from the members are to be consolidated by the Secretary and forwarded to the Members for comments and two months time should be given for that. If it is decided ultimately to have a meeting, we could probably convene a meeting. It was thought at that time by the Chairman that we could circulate them and get the response of the members. The response was not favourable and so we decided to discuss it at the meeting. But I was not the Chairman at that time. I am only telling you what I see from the records that are available. But certainly the point made by the Hon. Member is well taken note of and we can reduce the delay. But this is a complex subject and for protecting the consumers from any hazards, considerable thought should be given



- before making any amendment to the rules. That is why my submission is that the people who framed these rules probably, took this into account giving adequate time, for consideration, to the various representatives of the Central Electricity Board. Another submission is that the Central Electricity Board is a part-time body. I am a part-time Chairman of the Central Electricity Board. And also the various representatives are nominated by the various State Governments and the Central Government and the State Electricity Boards. They are all part-time members. For instance, the Chairman of Andhra Pradesh State Electricity Board is a part-time member of the Central Electricity Board. Like that various members are part-time representatives and they are all very busy. Some times they take time to consider any suggestion that is made for amending the rules. So, the time taken is not really a delay but it is for a detailed consideration so that the amendment that they make is wise and justified. We understand the point being made by the Hon. Member that we should not delay the matter."

44. While appreciating the views of the Ministry that their main thrust was on protecting the consumers from any hazards, the Committee emphasised that they were also anxious to see that the purpose and utility of the action that they were taking by promulgating these amendments was not minimised by the inordinate delays involved in the process.

45. when asked the reasons for waiting for nearly two months for confirmation of the minutes of the meeting of the Board, which were circulated to the Members for confirmation within 15 days, the representative conceded that there had been delay and promised to avoid such delays in future.

46. To a pointed question whether the proposals for amending the rules, presumably for the welfare of the society, were based on the existing situation or the expected conditions after three or four years, the representative stated that these were based on the prevailing conditions.

47. To a clarification whether the time-gap between the publication of the rules in draft form and in the final form might not adversely affect the public at large owing to the changing conditions as a result of fast changing technology, the representative stated that they had not meant to say that the time-gap did not make any difference.

48. With regard to Committee's recommendation prescribing a period of three and six months, the Committee enquired whether this period was adequate for such type of amendments. The representative of the Ministry stated that they would look into the bye-laws and see that the amendments were promulgated in the final form within the shortest possible time.

49. When asked to indicate the date when the printers had received the notification (GSR 256) from the Ministry, the Director of Printing (Ministry of Works and Housing) stated that it was received on 4 March, 1983 and not on 28 February, 1983 as appeared to have been stated by the concerned Ministry of Irrigation and Power (Department of Power). Further since the date of notification had not been mentioned by the Ministry it had to be referred back to them and finally the manuscript was received in the Press on 24 March, 1983 and that too without specifying the number of copies required. Much time was lost in that process. He explained that instructions had been circulated to all administrative Ministries that they should indicate the date by which a particular notification would be required so that the Manager could print it accordingly. The representative of the Ministry of Power expressed their regrets over the lapse on their part in the matter.

50. The representative of the Ministry of Irrigation and Power (Deptt. of Power) informed the Committee that the suggestion to amend rule 51(2) of the Indian Electricity Rules had been received from the Tamil Nadu Government on 13 August, 1976 and it had become a statutory rule on 26 March, 1983 (vide G.S.R. 256 of 1983). He conceded that there had been a lot of delay and agreed that it should be cut down.

51. The representative agreed with the Committee that the rules in question were important ones, intended to take care partly of safety measures and partly regulatory measures. When attention was drawn to the bye-laws which provided that suggestions to amend the rules could well be circulated to members even without resorting to a formal meeting, the representative of the Ministry stated that delays had occurred basically due to the reason that the desired response from the members had not been forthcoming. Under the bye-laws, approval of at least two-third of the members of the Board had to be secured.

52. With regard to the preparation of the Hindi version of the rules, the representative of the Official Language Wing (Ministry of Law and Justice) stated that the draft rules in question had been received in the Wing on 29 March, 1981 and returned back with the Hindi version on 21 April, 1981. Again, final rules had been received on 1 December, 1982 and returned back with the Hindi version on 7 January, 1983. The representative explained that the work of translation was attended to according to the priorities allocated rather than on chronological order of receipt. The representative stated that at any point of time, about, a thousand pages were pending for translation. Secretary (Legislative) added that the Official Language Wing was not merely concerned with translation of notification work but of Bill work also. The staff strength could not be augmented due to blanket ban on fresh recruitment. The representative mentioned that no reminder had been received from the Central Electricity Board to expedite their job.

53. The Chairman of the Central Electricity Board stated that the Hindi version had actually been received by them on 13 January, 1983 and sent to the Government of India Press on 28 February, 1983 after a gap of one and a half months. The representative submitted that the bye-laws governing the Central Electricity Board needed reappraisal for eliminating avoidable delays. He added that he would examine and see how the time could be reduced.

54. It was observed from the Indian Electricity (Amendment) Rules, 1983 (G.S.R. 361 of 1983) that the notification contained only one single amendment to rule 118 but it took almost 15 months for finalisation after its publication in the draft form. In reply, the representative of the Central Electricity Board stated that at the pre-publication stage there had been five items but only one could be finalised.

55. When it was pointed out that the suggestion to amend the rules had been mooted about seven years back, the representative conceded that it was because of the procedure that there had been delay. He added that the position had since improved. The representative further stated that there had been only a part-time Secretary who also looked after other jobs including inspection of Central Government installations. According to him, the delay was mainly attributable to the procedure adopted, since the comments received from one member had to be circulated to the other Members also.

56. In reply to a question, the representative stated that some 12 amendments had been received during the current year and which had since been circulated to members. The suggestions had emanated mostly from the State Governments or the State Electricity Boards. When attention was drawn to certain errors in the cyclostyled copy of the rules circulated to members as compared with the printed one, the representative confessed that the text of the cyclostyled copy had not been compared properly. There was a serious mistake both in English and Hindi version inasmuch as the word "casing" had been printed as "castings".

57. When asked to cite an instance where suggestions to amend the rules together with comments of the Secretary thereon had been got approved by circulation amongst the members of the Board, the representative stated that the Indian Electricity Board (Amendment) Rules, 1983 (G.S.R. 29 of 1984) was one such case. He added that this too had been possible only after many reminders to the members.

58. The representative of the Central Electricity Board conceded that the existing procedure for effecting amendments to the rules was unsatisfactory as it involved delays. According to him, the delay was mainly of two types—one was procedural delay due to paucity of staff, there being only a part-time Secretary, and the other was due to the bye-laws themselves.

59. The Committee note that under the existing procedure draft Rules are published in the Gazette of India and those were not specifically brought

to the notice of the people who were likely to be affected thereby. The Committee are of the view that it would be more fruitful if wide publicity to the proposed Rules is given. They therefore, desire the Ministry to examine the feasibility of giving publicity to the draft rules through leading daily/local news papers and inviting comments from persons and other bodies who were likely to be affected by the Rules within a stipulated time.

60. The Committee are unhappy to note that these persistent delays on the part of the Ministries in the final publications of the Rules, inspite of their clear recommendations in this regard, made in paragraphs 13-14 of their Fifteenth Report (Fifth Lok Sabha) presented to the House on 15 April, 1975 and paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha) presented on 21 December, 1983.

61. In the cases under Report, the delay in final publication of Rules range from 15 to 21 months and the following reasons are attributed to such delays :

- (i) Procedural/administrative bottlenecks.
- (ii) Time taken in getting Hindi translation of the final rules from the Official Language Wing.
- (iii) Time taken in the printing of the Rules.

62. The Committee observe that such difficulties are not of insurmountable nature which could not be overcome if the matter had been paid more attention and sincere efforts to resolve them. The delay could have been avoided, if sincere efforts had been made to follow the Committee's recommendations in letter and spirit.

63. In regard to delays resulting from procedural difficulties, the Committee have been informed that the Government have taken steps to streamline the procedure of processing the amendments to the Central Electricity Bye-laws by fixing a time schedule. They hope that with adoption of the revised procedure, the delay in notifying final rules would be minimised if not eliminated altogether.

64. The Committee are surprised to note that the administrative Ministries are not following the instructions issued by the Director of Printing regarding indication of the precise date by which a particular notification was required to be printed so that the Manager of Printing could apply priorities and supply them the relevant notification accordingly. The Committee therefore, urge the Ministry of Energy to bring the instructions of the Director of Printing to the notice of all concerned and also desire that the Director of Printing should recirculate these instructions to all Ministries/Departments for their information and guidance.

65. As regards supply of Hindi translation of Rules by the Official Language Wing of the Ministry of Law, the Committee feel that there is a scope for further improvement in this regard. It has often been brought to the

notice of the Committee that paucity of staff in the Commission had been the main factor for delay in furnishing Hindi translation of Rules etc. to the concerned Ministries. The Committee would like that the position in this regard is examined by the authorities concerned and staff commensurate with the work load is made available to the official Language Wing so that complaints of delays are avoided in future. The Committee would also like to impress upon the Ministries/Departments that after the Rules/Regulations/Bye-laws etc. are sent for Hindi translation, the matter should be pursued with the Official Language Wing vigorously.

66. The Committee would like to observe that the Ministries/Departments of the Govt. should ensure that copies of Acts, Rules, regulations, bye-laws etc. supplied to the Committee are uptodate and in order in all respect.

## VI

Action Taken by Government on the Recommendations made by, and Assurances given to, the Committee on Subordinate Legislation.

67. The Committee note with satisfaction the action taken by Government on their earlier recommendations as indicated in Appendix—III.

NEW DELHI;  
December 16, 1985  
*Agrahayana 25, 1907 (Shka)*

MOOL CHAND DAGA  
Chairman,  
*Committee on Subordinate Legislation.*

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## APPENDICES

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## APPENDIX—I

(Vide Paragraph 5 of the Report)

### *Summary of Recommendations/Observations made by the Committee*

S. No.	Paragraph No.	Summary
(1)	(2)	(3)
1.	10	The Committee note that the Ministry of Transport have taken corrective action to provide monitoring at each stage of rule-making process with a view to minimise the delays in this regard. They hope the Ministry would keep their assurance to the Committee that lapses of this nature would not recur in future. However, the Committee would like to re-emphasize the imperative need to reduce the time-lag between the publication of draft rules and their final notification in the Official Gazette. In this connection, the Committee reiterate their earlier recommendation made in paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha), presented to the House on 21 December, 1983, that where a large number of objections/suggestions are received, the gap between publication of draft rules and notification of final rules should not be more than six months. Where the objections/suggestions received are few, efforts should be made to reduce this period to the barest minimum without impairing the fruitfulness of such legislation. However, in cases where no objections/suggestions are forthcoming on the draft rules, the final rules should be notified within a period of three months. The Committee would like the Ministry of Transport to adhere to these recommendations in all cases in future.
2(i)	16	While the Committee appreciate the pious intention of the Ministry of Labour, they, however, feel, that this should not hamper or cause undue delay in processing the legislation. In this

(1)

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(3)

connection, the Committee would like to reiterate their earlier recommendations made in paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha), presented on 21 December, 1983, that where a large number of objections/suggestions are received, the time gap between the publication of the draft rules and their final notification should not be more than six months. Where the objections/suggestions are few, efforts should be made to reduce this period to the barest minimum without impairing the fruitfulness of such legislation.

2(ii)

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The Committee regret to observe that the time limit for receiving objections and suggestions on the Amendment Rules published in the Gazette had no sanctity whatsoever with the Ministry of Labour and the matter was left dormant without any serious efforts to finalise them expeditiously. The Committee desire that in all such cases, apart from publication of the draft rules in the Gazette, the Ministry should also invariably send the draft rules to the concerned authorities, bodies etc. including the Unions, Workers' Organisations etc. by Registered Post and their comments called for by a target date. The Committee also recommend that in cases the draft rules affect a large number of industrial workers or public at large, the Ministry concerned should insert advertisements in leading national regional newspapers, inviting suggestions/comments thereon by a fixed date.

2(iii)

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The Committee feel that no efforts had been made for a comprehensive examination of the Act and the Rules at the initial stage when amendments to the Act and Rules were considered. Even the legal implications of the amendments had been ignored or left to be identified later. The legal issues involved and legal interpretation of the amendments were thought of by the Department of Labour at a much belated stage. This whole exercise should have been made before the draft rules were published. The Committee



(1)	(2)	(3)
		have gathered an unmistakable impression that piece-meal thinking resulted in delay in final publication of the rules and this delay could have been avoided, had the whole matter been considered in a comprehensive manner at the initial stage.
2(iv)	21	In the light of the opinion by the Secretary (Legislative Department) and recognising the importance of the subject the Committee would like the Ministry of Parliamentary Affairs to examine the matter in detail in consultation with the Ministries/Departments of the Government of India, including the Ministry of Law and Justice, and draw suitable guidelines for the Ministries streamlining the procedure generally with regard to subordinate legislation and particularly with a view to minimise the time-gap between publication of the draft rules and their promulgation in the final form as such delays prove detrimental to the interests of the public at large.
3(i)	31	The Committee feel that the whole matter had been treated by the Ministry of Finance, with an amount of laxity and no serious attention or importance had been paid to expedite the process of delegated legislation at each stage thereof. The plea that the staff of the Agricultural Credit Section in the Ministry was not conversant with the procedures and other minor details is not tenable and is not acceptable to the Committee.
3(ii)	32	The Committee desire the Ministry to take specific steps in future to avoid delays between the publication of draft rules and their final notification in the Gazette. In this connection, the Committee would like to draw attention of the Ministry, to their earlier recommendation contained in paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha) presented to the House on 21 December, 1983 wherein the Committee had <i>inter-alia</i> desired that in cases where no objection/suggestion on the draft rules were forthcoming the final rules should be

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published within a period of 3 months and in cases where a large number of objections/suggestions were received, the gap should not be more than 6 months. The Committee would also like to stress that these recommendations and guidelines should be observed by the Ministry scrupulously in all such cases with a view to minimise the gap between the publication of draft Rules and their final notification.

4(i)

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The Committee note that under the existing procedure draft Rules are published in the Gazette of India and those were not specifically brought to the notice of the people who were likely to be affected thereby. The Committee are of the view that it would be more fruitful if wide publicity to the proposed Rules is given. They therefore, desire the Ministry to examine the feasibility of giving publicity to the draft rules through leading daily/local news papers and inviting comments from persons and other bodies who were likely to be affected by the Rules within a stipulated time.

4(ii)

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The Committee are unhappy to note that these persistent delays on the part of the Ministries in the final publications of the Rules, in spite of their clear recommendations in this regard, made in paragraphs 13-14 of their Fifteenth Report (Fifth Lok Sabha) presented to the House on 15 April, 1975 and paragraph 68 of their Twenty-fourth Report (Seventh Lok Sabha) presented on 21 December, 1983.

4(iii)

61

In the cases under Report, the delay in final publication of Rules range from 15 to 21 months and the following reasons are attributed to such delays :

- (i) Procedural/administrative bottlenecks.
- (ii) Time taken in getting Hindi translation of the final rules from the Official Language Wing.
- (iii) Time taken in the printing of the Rules.

(1)	(2)	(3)
4(iv)	62	<p>The Committee observe that such difficulties are not of insurmountable nature which could not be overcome if the matter had been paid more attention and sincere efforts to resolve them. The delay could have been avoided, if sincere efforts had been made to follow the Committee's recommendations in letter and spirit.</p>
4(v)	63	<p>In regard to delays resulting from procedural difficulties, the Committee have been informed that the Government have taken steps to streamline the procedure of processing the amendments to the Central Electricity Bye-laws by fixing a time schedule. They hope that with adoption of the revised procedure, the delay in notifying final rules would be minimised if not eliminated altogether.</p>
4(vi)	64	<p>The Committee are surprised to note that the administrative Ministries are not following the instructions issued by the Director of Printing regarding indication of the precise date by which a particular notification was required to be printed so that the Manager of Printing could apply priorities and supply them the relevant notification accordingly. The Committee therefore, urge the Ministry of Energy to bring the instructions of the Director of Printing to the notice of all concerned and also desire that the Director of Printing should recirculate these instructions to all Ministries/Departments for their information and guidance.</p>
4(vii)	65	<p>As regards supply of Hindi translation of Rules by the Official Language Wing of the Ministry of Law, the Committee feel that there is a scope for further improvement in this regard. It has often been brought to the notice of the Committee that paucity of staff in the Commission had been the main factor for delay furnishing Hindi translation of Rules etc. to the concerned Ministries. The Committee would like that the position in this regard is examined by the authorities concerned and staff commensurate with the work load is made available to the Official</p>

(1)	(2)	(3)
		Language Wing so that complaints of delays are avoided in future. The Committee would also like to impress upon the Ministries/Departments that after the Rules/Regulations/Bye-laws etc. are sent for Hindi translation, the matter should be pursued with the Official Language Wing vigorously.
4(viii)	66	The Committee would like to observe that the Ministries/Departments of the Govt. should ensure that copies of Acts, Rules regulations, bye-laws etc. supplied to the Committee are uptodate and in order in all respect.
5	67	The Committee note with satisfaction the action taken by Government on their earlier recommendations as indicated in Appendix—III.

## APPENDIX II

(Vide paragraph 36 of the report)

### *Reasons for delay in final Notification of the Rules*

(A) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 256 of 1983).

XX		XX	XX
<i>Sl. No.</i>	<i>Item No.</i>	<i>Date</i>	<i>Remarks</i>
1	2	3	4
1.	Publication of Draft Rules	6.6.1981	Three months time was given for objections.
2.	Comments were complied and included in Agenda of 22nd Meeting of CEB held on 29.12.81	6.9.1981 29.12.1981	Thereafter the amendment was reserved for discussion in 22nd Meeting (on 29.12. 1981)
3.	Minutes of CEB were circulated to all Members and they were given 15 days time for confirmation.	6.3.1982	Time taken in preparation of Minutes necessary as there are about 30 agenda items.
4.	Notification for amending the rules sent to Ministry of Law for vetting.	13.7.1982	The Board members are from different States, and all the members are required to confirm the Minutes Members were confirming minutes upto the end of April, 1982. After that the action was initiated on the various items and finally notification sent to Law Ministry on 13.7.1982.

1	3	3
5.	Notification sent to Official Language Commission.	23.8.1982
6.	Hindi version of the notification were received by CEB.	13.1.1983
7.	Copies of notification (Hindi and English) were prepared and the same were sent for publication.	28.2.1983
8.	Notification was published by the press in the Official Gazette of India.	26.3.1983
9.	Reprints of the notification were received by CEB from Government Press.	24.5.1983
10.	Copies of the reprint were sent to the Ministry for placing them before the two Houses of Parliaments.	30.5.1983
11.	Copies were returned to CEB with the request to send the same in the 1st week of July, 1983.	2.6.1983
12.	CEB sent the copies of the Notification to the Department of Power.	4.7.1983

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(B) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 361 of 1983).

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5. Notification was published in the Gazette *Vide* G.S.R. No. 149 on 13.2.1982.
6. Notification made available to the public for comments on 15.2.1982.
7. The reprint of notification sent to the members of the CEB for their comments on 15.3.1982.

8. Statement of comments as per CEB Bye-laws were circulated to all the CEB Members on 27.5.1982.  
(No Comments were received from the public)
9. Sufficient responses for the promulgation of the said rule were not received as per CEB Bye-laws, so the amendment was again placed before the CEB in its 23rd meeting held at Bangalore on 10th & 11th Feb. 1983.
10. CEB decided to promulgate the amendment and the draft was sent for final publication to the press on 19.3.1983.
11. The notification was published in the official Gazettee of India *vide* GSR No. 361 on 7.5 1983.

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(C) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 29 of 1984).

“(i) In terms of Section 37 of the Indian Electricity Act, 1910, the Central Electricity Board has been delegated powers to make rules for the purposes indicated in the Act. The Central Electricity Board is an independent body, having a strength of 47 Members and one Chairman, consisting of representatives from various State Electricity Boards, State Govts., and Departments of Central Government. The business of the Board is conducted by Bye-laws framed for the purpose. The draft amendment rules were published in the Gazette of India on 31 July, 1982, in accordance with the prescribed procedure. Thereafter the copies of the draft notification were circulated to Members of the Board for their comments and they were given {time upto 30th April, 1983 to send their comments. Thereafter the statements of the comments received were made available to all Members on 30th November, 1982, asking them as per, Bye-Laws, whether they were in favour of promulgation or that these should be reserved for discussion in the next meeting of the Board. Since sufficient number of comments were not received from members even upto April, 1983, it was decided to include these items for discussion in the meeting of the Central Electricity Board scheduled to be held in October, 1983. However, the Board meeting had to be postponed from time to time. Since sufficient replies in favour of promulgation of these amendments, were received, the same were promulgated in December. 1983-January, 1984 as per prescribed procedure.

- (ii) The Gazette copies were made available to the public on the next working day after 31 July, 1982 as per the practice adopted by the Government Press.
- (iii) As these are only minor amendments, the matters were regulated in the meanwhile according to the pre-amended rules."



# APPENDIX—III

(Vide para 67 of the Report)

*Statement showing Action Taken by Government on the Recommendations made by and assurances given to the Committee on Subordinate Legislation*

S.No.	Reference to para Nos. of Report & date of its publication	Summary of Recommendations/ Assurances	Gist of Government's reply
(1)	(2)	(3)	(4)
1.	Fourteenth report (Seventh Lok Sabha) 80 4-11-1982	<p>The Committee note with satisfaction that, on being pointed out by them, the Ministry of Shipping and Transport (Transport Wing) have proposed to amend provisions to Rules 5(2), 12(3) and (4), 16(3) (f), 21(7), 23(4), 31(7) and 38(2) (ii) of the Merchant Shipping (Crew Accommodation) Rules, 1960 by specifying therein the circumstances under which the Central Government could exercise power for giving exemption to any ship from compliance with the provisions of these Rules. The Committee after perusing the proposed amendment observe that since the circumstances under which</p>	<p>The Ministry of Transport (Department of Surface Transport—Shipping Wing) have notified the requisite amendment to the Merchant Shipping (Crew Accommodation) Rules, 1960 vide G.S.R. 278 dated 16.3.1985. [O.M. No. SW/MTP (4) 80MT dated 8-10-1985]</p>

(1)

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exemptions could be given have been provided for in the proposed amendment, there is no need to provide for recording of reasons in writing for granting such exemptions. The Committee approve the proposed amendment and desire the Ministry to notify it in the Gazette at an early date.

2. Fifteenth Report  
(Seventh Lok Sabha)

43

25-2-1983

The Committee are happy to note that on being pointed out by them, the Ministry of Defence have proposed to amend Rule 10A(4) of the Cantonment Fund Servents Rules, 1937, by providing therein that no further inquiry shall be ordered unless it is intended to meet a situation where the court has passed an order purely on technical grounds without going into the merits of the case. The Committee desire the Ministry of Defence to complete all the formalities of amending the Rules expeditiously and to notify the same in

The Ministry of Defence have amended sub-rule (4) of Rule 10A of the Cantonment Fund Servents Rules, 1937 *vide* S.R.O. 97 dated 11.5.1985. *[Vide* O.M. No. 10(1)/83/D (P & C) dated 2.8.1985]

the Gazette of India without further delay.

3. Twenty-Seventh Report  
(Seventh Lok Sabha)

57

24-8-1984

The Committee note that the responsibility for getting the various Schemes framed under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, is that of the Ministry of Labour and Rehabilitation (Department of Labour) and they have not got these Schemes printed after 1973. Taking into consideration the utility and importance of up-to-date editions of these Schemes for the beneficiaries as also the law practitioners, the Committee recommend the Ministry of Labour and Rehabilitation (Department of Labour) to take immediate steps to consolidate the rules/notifications issued so far under the above three Schemes, viz., the Employees Provident Fund Scheme, 1952, the Employees

The Ministry of Labour have already initiated action to consolidate all the rules/notifications issued under the three Schemes, namely the Employees' Provident Funds Scheme, 1952, the Employees' Family Pension Scheme, 1971 and the Employees' Deposit Linked Insurance Scheme, 1976 framed under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and to get them reprinted.

[Vide O.M. No. H-11013/3/84-SS-II dated 20-8-1985]

(1)	(2)	(3)	(4)
		<p>Family Pension Scheme, 1971 and the Employees' Deposit Linked Insurance Scheme, 1976 and arrange to get them reprinted at an early date by incorporating therein all the amendments notified till date.</p>	

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# MINUTES

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## APPENDIX IV

(vide paragraph 4 of the Report)

### MINUTES OF THE SECOND SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA) (1985-86)

The Committees at on Wednesday, 12 June, 1985 from 11.00 to 12.15 hours.

#### PRESENT

Shri Mool Chand Daga—*Chairman*

#### MEMBERS

2. Shri M. Arunachalam
3. Shri D. L. Baitha
4. Shri G.M. Banatwalla
5. Shrimati Usha Choudhari
6. Shri Syed Masudal Hossain
7. Shri Mohanbhai Patel
8. Shri I. Rama Rai
9. Shri K. S. Rao

#### SECRETARIAT

1. Shri S. Balasubramanian—*Chief Legislative Committee Officer*
2. Shri R. S. Mani—*Senior Legislative Committee Officer*
2. **The Committee considered Memoranda Nos. 1 to 6 as under :-**  
\* \* \*
  - (ii) (a) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 256 of 1983)—(Memorandum No. 2); and
  - (b) The Indian Electricity (Amendment) Rules, 1983 G.S.R. 361 of 1983)—(Memorandum No. 3).

The Committee considered the Memoranda on the subject and not being satisfied with the reply of Government regarding delay in final publication of the Notifications making Amendments to the above rules, decided to hear oral evidence of the representatives of the Ministries of Irrigation and Power (Department of Power), Law Justice (Legislative Department) and works and Housing for further consideration of the matter.)

*The Committee then adjourned to meet again on  
24 June, 1985.*

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\*Omitted portions of the Minutes are not covered by this Report.

**MINUTES OF THE THIRD SITTING OF THE COMMITTEE  
ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA)  
(1985-86)**

The Committee met on Monday, 24 June, 1985 from 15.00 to 16.30 hours.

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

2. Shri D. L. Baitha
3. Shri G. M. Banatwalla
4. Shrimati Usha Choudhari
5. Shri Dharam Pal Singh Malik
6. Shri Sayed Masudal Hossain
7. Shri I. Rama Rai
8. Shri K.S. Rao
9. Shri Dharamgaj Singh

**SECRETARIAT**

1. Shri S. Balasubramanian—*Chief Legislative Committee Officer*
2. Shri R.S. Mani—*Senior Legislative Committee Officer*

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3. The Committee then took up for consideration Memoranda Nos. 7 to 14 on the following subjects :—

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(iii) (a)

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(b) The Banking Regulation (Co-operative Societies) Amendment Rules, 1983 (G. S. R. 271 of 1983)—(Memorandum No. 10).

(c) The Visakhapatnam Harbour Craft (Amendment) Rules, 1983 (G.S.R. 510-E of 1983)—Memorandum No. 11).

(d) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 29 of 1984)—(Memorandum No. 12).

(e)

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(f) The Industrial Employment (Standing Orders) Central (Amendment) Rules, 1984 (G.S.R. 910 of 1984)—(Memorandum No. 14).

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\*Omitted portions of the Minutes are not covered by this Report.

The Committee considered the Memoranda on the above subjects separately and decided to examine the representatives of the concerned Ministries (including those of the Ministry of Law and Justice and the Ministry of Works and Housing, wherever necessary) to elicit further clarification on matters regarding delay in promulgation of the Amendment Rules in the final form.

\* \* \* \*

*The Committee then adjourned to meet again on 25 June, 1985*



**MINUTES OF THE FOURTH SITTING OF THE COMMITTEE  
ON SUBORDINATE LEGISLATION (1985-86)**

The Committee met on Tuesday, 25 June, 1985 from 11.00 to 13.15 hours.

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

2. Shri D.L. Baitha
3. Shri G. M. Banatwalla
4. Shri Dharam Pal Singh Malik
5. Shri I. Rama Rai
6. Shri K. S. Rao
7. Shri Dharamgaj Singh
- I. *Representatives of the Ministry of Irrigation and Power (Department of Power)*
  - (1) Shri M. K. Sambamurti,  
Chairman, Central Electricity Board,  
and ex-officio Secretary to the  
Government of India.
  - (2) Shri J.C. Gupta, Joint Secretary,  
Department of Power.
  - (3) Shri B.M. Reddy, Secretary,  
Central Electricity Board.
- II. *Representatives of the Ministry of Law & Justice (Legislative Department)*
  - (1) Shri R.V.S. Peri Sastri, Secretary,  
Legislative Department.
  - (2) Dr. D. K. Jain, Addl. Legislative Counsel.
  - (3) Shri Y.P. Sud, Deputy Legislative Counsel.
- III. *Representatives of the Ministry of Works and Housing.*
  - (1) Shri M.J. Singh, Director of Printing.
  - (2) Shri V.R. Sivaram, Manager Government of India Press,  
Mayapuri, New Delhi.

**SECRETARIAT**

- (1) Shri S. Balasubramanian, *Chief Legislative Committee Officer*
- (2) Shri R.S. Mani, *Senior Legislative Committee Officer*

2. The Committee heard the representatives of the above mentioned Ministries regarding the Indian Electricity (Amendment) Rules, 1983 (G.S.R. Nos 256 and 361 of 1983 and 29 of 1984).

3. Asked to state the procedure followed by the Central Electricity Board, before the amendment rules were published in draft form in the Gazette, the Chairman, Central Electricity Board stated that the amendments to the Electricity Rules had been promulgated under a bye-law of the Central Electricity Board. To a specific question whether the Board received the suggestions for the amendments from the public at large or from experts or technocrats, the representative stated that normally the proposals came from members of the Central Electricity Board itself. About the number of proposals, the representative stated that several amendments were received from State Electricity Boards.

4. When further asked the details *i. e.* the dates when the proposals were received, the specific proposals that were received and the names of parties who sent the proposals, the representative promised to furnish the information in due course to the Committee. While stating the above position the representative explained that before coming for evidence, they were under the impression that the Committee was concerned about the time taken from the date of publication of draft amendment to the date of final promulgation of the amendment to those rules (G.S.R. 256 of 1983).

5. The Committee then decided to postpone the evidence relating to the portion prior to prepublication to a later date in order to enable the representatives of the Ministry to come prepared with the relevant details.

6. On being informed that comments on the amendments had been received from only nine different parties, the Committee desired to know whether any efforts were made to obtain the objections/suggestions from those parties who were actually affected by the rules. The representative of the Ministry stated that they were only following the existing procedure of circulating the notification to the Members of the Central Electricity Board and also publishing them in the Gazette and had not been making available the draft rules to people who were likely to be affected but submitted that in future they would follow the suggestion made by the Committee.

7. Regarding examination of the draft rules at the pre-publication stage, the Committee desired to know whether the Law Ministry would not like to examine them at that stage. The Law Secretary explained as under :-

“When the draft rules are sent to us, our job is to vet them before we finalise the rules, Sir. Then, after pre-publication when

they take decisions they refer again the rules to us for vetting. The Law Department examines it at each stage. The reference is made to it before the pre-publication. At that time when the draft is received, our comments are given, if necessary. Then the draft is finalised in consultation with that Ministry. After we finalised it they publish."

8. About the time taken in examination of the draft rules at the draft stage, the Law Secretary stated that they were referred to them after the concerned Ministry had taken a policy decision thereon. This was before publication. As regards the time taken in supplying Hindi version of the draft rules, which took about 5 months (from 23 August, 1982 to 3 January 1983), the Law Secretary conceded that it was a lapse on their part.

9. Referring to the bye-laws of the Central Electricity Board, the Committee pointed out that as per existing procedure under the bye-laws the Board needed 14 months to comply with the various formalities whereas the recommendation of the Committee in this regard was that the draft rules should be published in the final forms within a period of 6 months. The Committee desired to know whether the Board felt the need to bring the bye-laws in conformity with the recommendation of the Committee, the Chairman, Central Electricity Board explained as under t—

".....these rules related to extremely complex technical aspect of the power supply industry. Secondly, power is a concurrent subject where both State and Central Governments are involved. So, the people who framed the bye-laws took into consideration giving adequate time to enable the members and also the general public to consider the amendments that we want to bring about and give enough time for the members of the Board themselves to think over the comments sent by the public while finally approving the rules. We will certainly consider the suggestion made by the hon. Member to reduce the time. The procedural delays will be reduced. The hon. Committee has got an impression that we tend to delay things unnecessarily but unfortunately the Secretary of the Board is only attending to it is a part-time job."

10. The Committee further pointed out that there was no time specified for the Secretary of the Board to consolidate and circulate the comments on the draft rules among the members of the Central Electricity Board. The Committee further observed that after consolidation the time within which these were to be circulated to the members by the Secretary was not specified nor any time limit had been prescribed for examining the comments and placing them before the Board. On a suggestion made by the Committee to consider amendment of the bye-laws in this regard, the representative of the Ministry observed as under :—

".....Under the bye-laws, the comments that we receive from the public and also from the members are to be consolidated by the Secretary and forwarded to the Members for comments and two months' time should be given for that. If it is decided ultimately to have a meeting, we could probably convene a meeting. It was thought at that time by the Chairman that we could circulated them and get the response of the members. The response was not favourable and so we decided to discuss it at the meeting. But I was not the Chairman at that time. I am only telling you what I see from the records that are available. But certainly the point made by the hon. Member is well taken note of and we can reduce the delay. But this is a complex subject and for protecting the consumers from any hazards, considerable thought should be given before making any amendment to the rules. That is why my submission is that the people who framed these rules probably took this into account giving adequate time, for consideration, to the various representatives of the Central Electricity Board. Another submission is that the Central Electricity Board is a part-time body. I am a part-time Chairman of the Central Electricity Board. And also the various representatives are nominated by the various State Governments and the Central Government and the State Electricity Boards. They are all part-time members. For instance, the Chairman of Andhra Pradesh State Electricity Boards is a part-time member of the Central Electricity Board. Like that various members are part-time representatives and they are all very busy. Some times they take time to consider any suggestion that is made for amending the rules, so, the time taken is not really a delay but it is for a detailed consideration so that the amendment that they make is wise and justified. We understand the point being made by the hon. Member that we should not delay the matter."

11. While appreciating the views of the Ministry that their main thrust was on protecting the consumers from any hazards, the Committee emphasised that they were also anxious to see that the purpose and utility of the action that they were taking by promulgating these amendments was not minimised by the inordinate delays involved in the process.

12. When asked the reasons for waiting for nearly two months for confirmation of the minutes of the meeting of the Board, which were circulated to the Members for confirmation within 15 days, the representative conceded that there had been delay and promised to avoid such delays in future.

13. To a pointed question whether the proposals for amending the rules, presumably for the welfare of the society, were based on the existing situation or the expected conditions after three or four years, the representative stated that these were based on the prevailing conditions.

14. To a clarification whether the time-gap between the publication of the rules in draft form and in the final form might not adversely affected the public at large owing to the changing conditions as a result of fast changing technology, the representative stated that they had not meant to say that the time-gap did not make any difference.

15. With regard to Committee's recommendation prescribing a period of three and six months, the Committee enquired whether this period was adequate for such type of amendments. The representative of the Ministry stated that they would look into the bye-laws and see that amendments they were promulgated in the final form within the shortest possible time.

16. When asked to indicate the date when the printers had received the notification (GSR 256) from the Ministry, the Director of Printing (Ministry of Works and Housing) stated that it was received on 4 March, 1983 and not on 28 February, 1983 as appeared to have been stated by the concerned Ministry of Irrigation and Power (Department of Power). Further, since the date of notification had not been mentioned by the Ministry it had to be referred back to them and finally the manuscript was received in the Press on 24 March, 1983 and that too without specifying the number of copies required. Much time was lost in that process. He explained that instructions had been circulated to all administrative Ministries that they should indicate the date by which a particular notification would be required so that the Manager could print it accordingly. The representative of the Ministry of Power expressed their regrets over the the lapse on their part in the matter.

*The Committee then adjourned.*

**MINUTES OF THE SIXTH SITTING OF THE COMMITTEE  
ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA)  
(1985-86)**

The Committee met on Thursday, 11 July, 1985 from 11.00 to 13.15 hours.

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

2. **Shri M. Arunachalam**
3. **Shri D.L. Baitha**
4. **Shri G M. Banatwalla**
5. **Shri Dharam Pal Singh Malik**
6. **Shri Sayed Masudal Hossain**
7. **Shri I. Rama Rai**
8. **Shri K.S. Rao**
9. **Shri Dharamgaj Singh**

**WITNESSES**

1. *Representatives of the Ministry of Irrigation and Power (Department of Power).*
  1. **Shri M.K. Spmbamurti,**  
Chairman, Central Electricity Board,  
and ex-officio Secretary to the  
Government of India.
  2. **Shri B.M. Reddy,**  
Secretary, Central Electricity Board.
- II. *Representatives of the Ministry of Law and Justice (Legislative Department)*
  1. **Shri R.V.S. Peri Shastri, Secretary.**
  2. **Shri B. K. Sharma, Joint Secretary and Legislative Counsel.**
  3. **Shri Y.P. Sud, Deputy Legislative Counsel.**

**SECRETARIAT**

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

2. The Committee resumed further evidence of the representatives of the Ministry of Irrigation and Power (Department of Power) regarding the delay in final publication of the Indian Electricity (Amendment) Rules, 1983 (G.S.R. 25 of 1983).

3. The representative of the Ministry informed the Committee that the suggestion to amend rule 51(2) of the Indian Electricity Rules had been received from the Tamil Nadu Government on 13 August, 1976 and it had become a statutory rule on 26 March, 1983 (Vide G.S.R. 256 of 1983). He conceded that there had been a lot of delay and agreed that it should be cut down.

4. The representative of the Ministry further stated that a proposal to amend rule 64(2) had been received from Maharashtra on 26 July, 1978. On 2 December, 1978, a suggestion to amend rule 61(3) had been received from the Indian Standards Institution. Certain consequential amendments had also to be made to rules 51(2), 63(1) and 64(1). A few minor amendments had also been proposed by the Central Electricity Board itself such as deletion of the word 'naya' from the term 'naya paisa'. The Central Electricity Board has also proposed an amendment to rule 87 in March, 1979.

5. The representative also stated that the various proposals for amendment of the rules along with the comments of the Secretary thereon had been circulated to the members of the Board as part of the agenda papers for their Nineteenth Meeting, finally scheduled to be held in April, 1977 but actually held on 8-9 August, 1977. About 36 items had been considered at that meeting.

6. When asked to state the dates when the proposals were placed by the Secretary before the Chairman of the Board, the representative stated that only those proposals which had to be rejected had to be placed before the Chairman. The representative added that on receipt of a proposal, it was marked to the Deputy Director with instructions to compile. The Secretary had not recorded his comments thereon at that stage. When the matter came before the Board, the practice generally followed was to form panels of members to make a detailed scrutiny of the different items of the agenda, and make recommendations thereon.

7. At the Nineteenth Meeting, the Board decided that the matters be further examined in the Secretariat and placed before the Twentieth Meeting. A number of comments had been received from the members. There had, however, been no meeting from 1977 to 1979. The matter had, therefore, been placed before the Board at its Twentieth Meeting in April, 1979. In this connection, the representative added that the Central Electricity Board had been understaffed and the matter had been brought to the notice of Government from time to time. In 1980, the post of a full-time Secretary had been sanctioned, but no actual appointment as such to the post had, however, been made.

8. The representative agreed with the Committee that the rules in question were important ones, intended to take care partly of safety measures and partly regulatory measures. When attention was drawn to the bye-laws which provided that suggestions to amend the rules could well be circulated to members even without resorting to a formal meeting, the representative of the Ministry stated that delays had occurred basically due to the reason that the desired response from the members had not been forthcoming. Under the bye-laws, approval of at least two-third of the members of the Board had to be secured.

9. The representative further stated that at the Twentieth Meeting held in April, 1979, besides the Chairman and Secretary, 20 members had been present and seven had been represented by advisers. The then Secretary had actually prepared the Minutes on 30 April, 1979 but since he had been on deputation and he had gone back to his parent Department in Karnataka and the new Secretary had taken position only in June, 1979, the minutes had been circulated on 14 June, 1979. The notification containing the amendments had then been forwarded to the Law Department on 21 July, 1979. He accepted that process had taken about three months' time.

10. With regard to the preparation of the Hindi version of the rules, the representative of the Official Language Wing (Ministry of Law and Justice) stated that the draft rules in question had been received in the Wing on 29 March, 1981 and returned back with the Hindi version on 21 April, 1981. Again, final rules had been received on 1 December, 1982 and returned back with the Hindi version on 7 January, 1983. The representative explained that the work of translation was attended to according to the priorities allocated rather than on chronological order of receipt. The representative stated that at any point of time, about a thousand pages were pending for translation. Secretary (Legislative) added that the Official Language Wing was not merely concerned with translation of notification work but of Bill work also. The staff strength could not be augmented due to blanket ban on fresh recruitment. The representative mentioned that no reminder had been received from the Central Electricity Board to expedite their job.

11. The Chairman of the Central Electricity Board stated that the Hindi version had actually been received by them on 13 January 1983 and sent to the Government of India Press on 28 February, 1983 after a gap of one and a half months. The representative submitted that the bye-laws governing the Central Electricity Board needed reappraisal for eliminating avoidable delays. He added that he would examine and see how the time could be reduced.

12. It was observed from the Indian Electricity (Amendment) Rules, 1983 (G.S.R. 361 of 1983) that the notification contained only one single



amendment to rule 118 but it took almost 15 months for finalisation after its publication in the draft form. In reply, the representative of the Central Electricity Board stated that at the pre-publication stage, there had been five items but only one could be finalised.

13. When it was pointed out that the suggestion to amend the rules had been mooted about seven years back, the representative conceded that it was because of the procedure that there had been delay. He added that the position had since improved. The representative further stated that there had been only a part-time Secretary who also looked after other jobs including inspection of Central Government installations. According to him, the delay was mainly attributable to the procedure adopted, since the comments received from one member had to be circulated to the other Members also.

14. In reply to a question, the representative stated that some 12 amendments had been received during the current year and which had since been circulated to members. The suggestions had emanated mostly from the State Governments or the State Electricity Boards. When attention was drawn to certain errors in the cyclostyld copy of the rules circulated to members as compared with the printed one, the representative confessed that the text of the cyclostyld copy had not been compared properly. There was a serious mistake both in English and Hindi version inasmuch as the word "casings" had been printed as "castings".

15. The representative further stated that as Chairman of the Central Electricity Board he had since constituted a Panel to consider suggestions for amendment of the rules. The representative, however, could not confirm with the necessary papers that all suggestions had been circulated amongst the members within the prescribed period of three months from the time of their receipt.

16. When asked to cite an instance where suggestions to amend the rules together with comments of the Secretary thereon had been got approved by circulation amongst the members of the Board, the representative stated that the Indian Electricity Board (Amendment) Rules, 1983 (G.S.R. 29 of 1984) was one such case. He added that this too had been possible only after many reminders to the members.

17. With regard to the question of giving wide publicity to the rules, the representative stated that normally it was the presumption that once the amendments were notified in the official Gazette, all concerned would take notice of them, but he added that the suggestion of the Committee to give extensive publicity to the amendments had already been accepted in principle.

18. The representative of the Central Electricity Board conceded that the existing procedure for effecting amendments to the rules was unsatisfactory as it involved delays. According to him, the delay was mainly

of two types—one was procedural delay due to paucity of staff, there being only a part-time Secretary, and the other was due to the bye-laws themselves.

19. The representative stated that he would see whether the meetings of the Board could be held often whenever the number of items was more and whether emergency meetings could also be held.

The representative agreed that under the bye-laws, the Board should itself fix the date for its next meeting, but stated that there was difficulty since all members had to be consulted and particularly those residing at distant places. He stated that on the last occasion, a meeting had been tentatively fixed to be held at Ahmedabad in January, 1981 but it had not materialised.

20. The Committee drew the attention of Secretary (Legislative) to the fact that the term "moral turpitude" had not been defined in the Tea Rules, 1954 (SRO 1026 of 1954, published in Gazette of India, Part IV, dated 25 March, 1954). Secretary (Legislative) stated that though it was difficult to define it, it was a well-understood concept. He said that he would look into the matter and send a note to the Committee.

21. The attention of Secretary (Legislative) was then drawn to the rule regarding disqualification on grounds of second marriage for recruitment purposes, (with reference to the Junior Finance Officer (General Central Service Group 'B' Non gazetted Non-Ministerial Amendment) Recruitment Rules, 1978 (GSR 808 of 1978). When asked whether this did not impose hardship on women particularly in our present state of society, the Secretary (Legislative) said that the proviso could be amplified to provide for exemption in case of hardship.

*(The witnesses then withdrew)*

*The Committee then adjourned.*

**MINUTES OF THE NINTH SITTING OF THE COMMITTEE  
ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA)  
(1985-86)**

The Committee sat on Wednesday, 11 September, 1985 from 15.00 to 15.45 hours.

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

2. Shri D. L. Baitha
3. Shri G. M. Banatwalla
4. Shri Dharam Pal Singh Malik
5. Shri Mohanbhai Patel
6. Shri I. Rama Rai
7. Shri Ram Swarup Ram
8. Shri K. S. Rao
9. Shri Dharamgaj Singh
10. Shri Yogeshwar Prasad Yogesh

**SECRETARIAT**

1. Shri S. Balasubramanin—*Chief Legislative Committee Officer*
2. Shri R.S. Mani—*Senior Legislative Committee Officer*
2. The Committee considered Memoranda Nos. 22 to 24 as follows :
  - (i) (a) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 256 of 1983);
  - (b) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 361 of 1983); and
  - (c) The Indian Electricity (Amendment) Rules, 1983 (G.S.R. 29 of 1984)—(Memorandum No. 22).
3. The Committee considered the above Memorandum and observed that the proper procedure as prescribed for effecting amendments in the Central Electricity Board Bye-laws should be followed by the Government and thereafter the amendments, as notified in the official Gazette, might be sent to them for their information.

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*The Committee then adjourned to meet again on 12 September, 1985.*

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\* Omitted positions of the minutes are not covered by the Report.

**MINUTES OF THE TENTH SITTING OF THE COMMITTEE  
ON SUBORDINATE LEGISLATION (EIGHTH LOK SABHA)  
(1985-86)**

The Committee met on Thursday, 12 September, 1985 from 11.00 to 12.15 hours.

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

2. **Shri D. L. Baitha**
3. **Shri G. M. Banatwalla**
4. **Shri Dharam Pal Singh Malik**
5. **Shri Mohanbhai Patel**
6. **Shri I. Rama Rai**
7. **Shri Ram Swarup Ram**
8. **Shri K. S. Rao**
9. **Shri Dharamgaj Singh**
10. **Shri Yogeshwar Prasad Yogesh**

**WITNESSES**

- I. Representatives of the Ministry of Finance (Deptt. of Economic Affairs) Banking Division*
  1. **Dr. Bimal Jalan, Secretary (Banking)**
  2. **Shri A.K. Agarwal, Joint Secretary (Priority Sector)**
  3. **Shri R.P. Satpute, Chief Officer RPCP (R.B.I).**
- II. Representatives of the Ministry of Shipping & Transport (Ports Wing)*
  1. **Shri P. P. Nayyar, Secretary.**
  2. **Shri P. M. Abraham, Additional Secretary.**

**SECRETARIAT**

1. **Shri S. Balasubramanian—Chief legislative Committee Officer.**
  2. **Shri R. S. Mani—Senior Legislative Committee Officer.**
2. The Committee first heard the evidence of the representatives of the Ministry of Finance (Department of Economic Affairs—Banking Division) regarding delay in final notification of the Banking Regulations (Cooperative Societies) Amendment Rules, 1983 (G.S.R. 271 of 1983).

3. At the outset the representative of the Ministry informed the Committee that the old file relating to the case was not traceable as it had been destroyed by mistake in the process of elimination of old files and they had since reconstructed the file by getting the requisite information from the Reserve Bank. He further stated that the exercise of reconstructing the file was started after getting intimation to appear for evidence before the Committee.

4. When asked to state whether the specific approval of the Finance Minister was taken for amending the Rules under reference, the representative stated that the approval of the Minister/Minister of State was not mandatory unless the rules were going to be actually notified. It was for the Secretary to decide, depending upon the nature of the proposal to get the approval of the Minister at the draft stage.

5. When asked about the stage at which normally the approval of the Minister was sought, the representative explained that it was at the stage when the proposal had been received from the Reserve Bank and the draft rules had been circulated for inviting suggestions. He further stated that in the case under reference, he was not in a position to confirm whether the approval of the Minister was taken because the original file had been destroyed. They had no evidence to confirm that the approval of the Minister had been taken.

6. When asked whether the approval of the Reserve Bank was taken before sending the draft rules for publication, he stated that the proposal itself had emanated from the Reserve Bank of India on 10 January, 1980 as it related to application of section 47A of the Banking Regulation Act, 1949 to the Cooperative Banks.

7. When enquired about the date of sending the draft rules for publication, the representative stated that those were sent to the Press on 11 July, 1981 for publication to invite objections/suggestions from the public. He further informed that after 1984 the whole procedure had been changed, so that the draft rules were no longer required to be published previously for inviting suggestions/objections.

8. In reply to a question why those draft Rules had not been published in the daily newspapers, the representative stated that it was not required under the procedure. He further stated that only organisations, companies or Banks were affected by the Rules and the public at large was not concerned with it.

9. Regarding the proposal for amendment of the Rules in question, the representative stated that it was mooted by the Reserve Bank of India as it related to amendment of rules under the Banking Regulation Act. It was felt that the provisions already made applicable to commercial Banks should be made applicable to the Cooperative Banks also. He further

stated that the Rules were connected with the mode of enquiry and imposition of penalties in the Cooperative Banking Sector. Regarding the practice of sending copies of the Rules to the Societies, he stated that the Reserve Bank write to the Societies by issuing a notification except where action was required on the part of the Society or the Bank.

10. Explaining the procedure of mooted proposals by the Reserve Bank of India for amending the Rules, the representative stated that the relationship between the Government of India and the Reserve Bank was governed more by conventions than by written law. Whenever the Reserve Bank of India made any proposal for amendment of Rules, though legally it need not be brought to the notice of the Minister yet before rejecting, it would be brought to the notice of the Minister and his approval was taken by convention.

11. In reply to a question whether the amendment in question was minor or major, the representative stated that he would not regard it as a momentous amendment or a major change of a dimension involves any policy change but it was a procedural improvement. He however promised to supply details regarding instances of defaults of Cooperative Banks which had occurred during the years 1980 to 1983 and the number of those cases referred to the Courts and the verdicts delivered by the Courts. He also promised to send a copy of the judgement delivered by the Madras High Court regarding dispute of jurisdiction of the Reserve Bank.

*(The witness then withdrew)*

12. The Committee then heard oral evidence of the representatives of the then Ministry of Shipping and Transport (now Transport).

13. When asked about the circumstances which necessitated the amendment of the Visakhapatnam Harbour Craft Rules, 1950 by the Amendment Rules of 1982, the Secretary of the Ministry explained that the existing Rule had a proviso which had mentioned one particular steam ferry ship by name. That ship having become 25 years old had been phased out and a new ship had come. So, the need to amend the rules arose. He, however, expressed that the Ministry should have made a general provision in the rules without mentioning the ship by name so that when the ship was changed there would be no need to change the rules.

14. As regards the time gap of about 12 months (excluding the time given to the public for inviting objections and suggestions thereon) the witness stated that even though there was an earlier recommendation of the Committee Subordinate Legislation of Lok Sabha according to which the rules in final form should be published within a period of one year, yet he conceded that there had been some lapses on their part which they had now taken note of and they had also applied corrective action so that such cases were not lost sight of. He also informed the Committee that they

had maintained forward diaries and a register so that it could be monitored at each stage. The Secretary also assured the Committee that they would have no problem on that account in future.

15. The Committee, however, emphasised that the Ministry should now follow their latest recommendation on the subject according to which the time gap between the publication of rules in draft form and the final form should not exceed 6 months (excluding the period given to the public) provided the Ministry received comments/objections from the public thereon, and in cases where no comments/suggestions were received, the time-gap should not exceed 3 months.

*(The witnesses then withdrew)*

*The Committee then adjourned.*

**MINUTES OF THE TWELTH SITTING OF THE COMMITTEE  
ON SUBORDINATE LEGISLATION (1985-86)**

The Committee met on Monday, 28 October, 1985 from 11.00 to 13.15 hours.

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

2. Shri D. L. Baitha
3. Shri G.M. Banatwalla
4. Shrimati Usha Choudhari
5. Shri Dharam Pal Singh Malik
6. Shri Syed Masudal Hossain
7. Shri Mohanbhai Patel
8. Shri I. Rama Rai
9. Shri Ram Swarup Ram
10. Shri K.S. Rao
11. Shri Yogeshwar Prasad Yogesh

*I. Representatives of the Ministry of Labour*

1. Shri H.M.S. Bhatnagar,  
Secretary.
2. Shri Karnail Singh,  
Joint Secretary.

*II Representatives of the Ministry of Law and Justice (Legislative Department).*

1. Shri R.V.S. Peri Sastri,  
Secretary.

*III. Representatives of the Ministry of Finance (Department of Economic Affairs)*

1. Shri A.K. Pandya,  
Additional Secretary.
2. Shri Kailash Prakash,  
Member (Development),  
Deptt. of Posts.
3. Shri A.L. Tuli,  
Deputy Secretary.
4. Shri N.K. Verma,  
Deputy Director General.



5. Shri D.P. Batra,  
Director (Savings Branch),  
Deptt. of Posts.

## SECRETARIAT

21 91 Shri M.K. Mathur—Joint Secretary

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

2. The Committee first heard the representatives of the Ministries of Labour and Law and Justice (Legislative Department) regarding the Industrial Employment (standing orders) Central (Amendment) Rules, 1984 (G.S.R. 910 of 1984).

3. At the outset, the Committee were informed that the Industrial Employment Standing Orders were passed in 1946. Regarding the necessity felt to amend the Act, the representative of the Labour Ministry informed that the Rules which had been framed in 1946, provided for payment of subsistence allowance and as there was no provision in the main Act of 1946 in this regard, it was considered necessary to bring the Act in conformity with the Rules and thus the amendment had to be passed in 1982. As some more changes in the rules were required, another set of rules were promulgated and notified. On being pointed out that there was a provision regarding subsistence allowance under Section 10-A of the Amended Act, the representative explained that on a reference from the Chief Labour Commissioner that the rules of 1946 were not in conformity with the Act of 1946 and as it was assumed that suspension as a punishment could not be covered by Section 10—A of the Act, the amendment had to be notified. The representative of the Law Ministry also explained that the provision of subsistence allowance was included in the 1946 rules and was in operation but when some doubts arose they thought of coming up with a provision therefor in the Act itself.

4. Asked to state the reasons for delay for more than twelve months in final publication of the rules and whether they had received any objections/suggestions in the mean time, the representative of the Ministry of Labour stated that they had already submitted a chronology of events for delay. Comments were received from the Employers' Federation of India after the expiry of the prescribed time limit of 45 days. When asked whether they entertained the comments received after the expiry of the prescribed period, the representative informed that they generally waited for some more comments to come even after the time limit of 45 days. When asked whether they entertained the comments received after the expiry of the prescribed period, the representative informed that they generally waited for some more comments to do come even after the time limit, in view of the large number of employees organisation. When asked to state why the Law Department had taken four months for examination of the rules, the representative from the Labour Ministry replied

that the legal interpretation was considered necessary and the file was referred to the Legal Adviser of the Ministry of Labour on 9.12.83 who returned it on 31.1.84 with certain observations. After complying with those observations, the file was again sent to the Legal Adviser on the same day. The file was received back on 7.2.1984 asking for some more informations and records. The Chairman then pointed out that only for the legal interpretation about the provision of Section 10-A, it had taken more than five months. He then drew the attention to an earlier recommendation of the Committee that where objections and suggestions were received, the rules were to be published within six months and within three months if there was no suggestion or objection thereto.

5. Asked to state when the rules were found to be not in conformity with the Act and why the Act had not been amended along with the rules the representative of the Ministry of Labour explained that the rules of 1946 and the rules of 1984 were significantly different in so far as subsistence allowance was concerned. The 1984 rules were not merely reproducing the rules of 1946.

6. On a suggestion made by the Committee to reduce the time gap between publication of the draft Rules and publication of the final rules, the representative of the Ministry stated that as these amendments affected a large body of people and as the Worker's organisation could not respond to their queries in time as they do not have facilities, and further in order to protect their interest as far as possible, they were not able to reduce the time gap despite their efforts. The Chairman then suggested that as soon as the draft rules were ready, they should be sent to all the unions by registered post with a time limit for their comments.

7. When asked to suggest measures for reducing the time taken by the Ministry in framing rules, the representative of the Ministry of Law and Justice stated that a radical change was necessary in the existing arrangements relating to subordinate legislation in various Ministries. Some senior officers in the administrative Ministry should be made in charge and responsible for all the works relating to subordinate legislation under specific enactments concerned with their Ministry. These officers would be able to maintain a check list and could supervise everything done according to a time schedule. He further stated that a system of returns could be introduced and any amendment which was made should be seen at a sufficiently senior level. A set of instructions was necessary to be formulated for the benefit of officers in this regard. He stressed that by streamlining the procedure and making the officials responsible for a particular Act and subordinate legislation thereunder, things could be improved. The Chairman requested Secretary of the Ministry of Law and Justice to send his views in writing so that it could be forwarded to Government for necessary action. The representative of the Ministry of Labour stated that they had a senior officer who was earmarked for

administering all the subordinate legislation under the Act. However, they would welcome the note from the Ministry of Law and take necessary action to streamline the procedure accordingly.

*The representative of the Ministry of the Ministry of Labour and Ministry of Law and Justice then withdrew.*

8. Thereafter the Committee heard evidence of the representatives of the Ministry of Finance (Department of Economic Affairs) regarding the Social Security Certificates Rules 1982 (GSR 259-E of 1982).

9. Explaining the safeguards taken against fraudulent encashment of the Social Security Certificates, the representative of the Ministry stated that when encashment was confined to the office of issue of Certificate, the question of fraudulent payment would not arise as the person entitled for it would be identified by somebody. The possibility of such fraudulent payment could exist only when identity slip had been issued with a view to enable encashment thereof at any Post Office in the country.

10. As regards the procedure for issuing certificates, the representative explained that the application form available at the post offices provided for filling of identification marks of the holders along with the other particulars. If the encashment was asked for at the Office of issue, then the relevant applicant form would be taken out to verify all the details. He further stated that the possibility of fraud was there if the person had made the request for identity slip because that would enable him to encash the certificate anywhere in the country. The chances of fraud at the office of issue were remote.

11. When asked why the Act did not provide for indication of identity marks, the representative stated that for buying Social Security Certificates one had to submit an application and that form provided for identity marks. He further stated that if the applicant was illiterate then the person issuing such certificate would enter the identity marks by enquiring the same from the applicant.

12. When asked as to how the post office would check the identity of a person in the absence of identity marks, in the application form, the representative stated that would be done on the basis of specimen signature. He further explained that the entire Banking Industry was working on the basis of signatures.

13. Explaining the procedure for obtaining Social Security Certificates, the representative stated that those were issued in two ways viz. through agents, who stands surety for the identity of the applicant, and through the net work of post offices where the post master who handled the application satisfied himself of the particulars given by the applicant.

14. When suggested why it could not be made mandatory for the post

master to indicate the identity marks of the applicant under his signature, the representative stated that some measures would be taken in that respect. To a further suggestion for introducing a system of affixing photographs on the forms, the representative stated that they had taken note of the suggestion.

15. The representative was then asked to supply up-to-date copies of the Government Savings Certificates Act, 1959, Security Certificates Rules, 1982 and Specimen copies of the application form, certificates and Identity Slip, for perusal of the Committee.

*(The witness then withdrew)*

*(The Committee then adjourned.)*

**MINUTES OF THE FOURTEENTH SITTING OF THE  
COMMITTEE ON SUBORDINATE LEGISLATION  
(EIGHTH LOK SABHA). (1985-86)**

**The Committee sat on Monday, 16 December, 1985 from 15.34 to 16.15 hours.**

**PRESENT**

**Shri Mool Chand Daga—Chairman**

**MEMBERS**

- 2. Shri G.M. Banatwalla**
- 3. Shri Dharam Pal Singh Malik**
- 4. Shri Mohanbhai Patel**
- 5. Shri K.S. Rao**

**SECRETARIAT**

- 1. Shri M.K. Mathur—Joint Secretary**
- 2. Shri R.S. Mani—Senior Legislative Committee Officer**

- 2. The Committee considered their draft Fourth Report and adopted it.**
- 3. The Committee authorised the Chairman and, in his absence, Shri Mohanbhai Patel, M. P. to present the Fourth Report to the House on their behalf on 18 December, 1985.**

*The Committee then adjourned.*