

**COMMITTEE ON SUBORDINATE
LEGISLATION (1998-99)**

(TWELFTH LOK SABHA)

SECOND REPORT

[Presented on 8-12-1998]



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**LOK SABHA SECRETARIAT
NEW DELHI**

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TO

THE SECOND REPORT OF THE COMMITTEE ON
SUBORDINATE LEGISLATION (TWELFTH LOK SABHA)

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**PERSONNEL OF THE COMMITTEE ON SUBORDINATE LEGISLATION
(1998-99)**

1. Shri Krishan Lal Sharma —*Chairman*
2. Prof. S.P. Singh Baghel
- *3. Shri Bhupinder Singh Hooda
4. Shri Datta Meghe
5. Shri B.M. Mensinkai
6. Shri Shantilal P. Patel
7. Shri Rameshwar Patidar
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12. Shri Raghvendra Singh
13. Shri Surinder Singh
14. Shri Subramanian Swamy
15. Shri Buta Singh

SECRETARIAT

1. Shri G.C. Malhotra — *Additional Secretary*
2. Shri Ram Autar Ram — *Director*
3. Shri B.D. Swan — *Under Secretary*

*Nominated Vice Shri Bhubaneswar Kalita (resigned)

INTRODUCTION

1. The Chairman, Committee on Subordinate Legislation having been authorised by the Committee to submit the report on their behalf, present this Second Report.

2. The matters covered by this Report were considered by the Committee at their sittings held on 6 and 28 August, 1997 and 7 December, 1998.

3. The Committee considered and adopted this Report at their sitting held on 7 December, 1998. The Minutes of the sittings relevant to this Report are appended to it.

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

NEW DELHI;
December, 1998

KRISHAN LAL SHARMA,
Chairman,
Committee on Subordinate Legislation.

REPORT

I

The Supreme Court Legal Services Committee Regulations, 1996 (GSR 336-E of 1996)

The Supreme Court Legal Services Committee Regulations, 1996, were published in the Gazette of India, Extraordinary Part II, Section 3(i) dated 26 July, 1996. The following discrepancies were observed therefrom:—

(A)

1.2 Under Regulation 2(a) the year of the Act namely, the Legal Services Authorities Act was mentioned as 1989 instead of 1987. The matter was referred to the Ministry of Law, Justice and Company Affairs to know whether any corrigendum has been issued to rectify the year. In their reply dated 13 June, 1997 the Ministry stated as under:—

“Error is correctly pointed out. In fact on the top of notification the Act is referred to as the Legal Services Authorities Act, 1987. The year 1989 in the regulations is an in-advertent (printing) error and is to be corrected.”

1.3 The Committee considered the aforesaid reply of the Ministry and found it to be satisfactory as the Ministry, on being pointed out, have agreed to correct the year in the Legal Services Authorities Act to state as 1987 instead of 1989 which has crept into the Regulation inadvertently. The Committee desire that the Ministry should issue the necessary corrigendum to this effect.

1.4 Regulation 17(2) of the Regulations stated as under:—

“Every such person shall execute an undertaking in the form annexed hereto that in the event of the Court passing a decree or order in his favour awarding costs to him or other monetary benefit or advantage, to repay by way of reimbursement to the Committee all costs, charges and expenses incurred by the Committee in giving him legal service. For effecting such reimbursement, he shall authorise the Secretary of the Committee. The costs, charges and expenses so recovered shall be credited to the Fund of the Committee.”

1.5 It was felt that in the event of the expenditure incurred on the legal service to the aided person exceeding the monetary benefit or advantage or cost awarded by the Court he will have to reimburse the Committee all

costs, expenses, charges etc. from other sources as well. In case he has no other means, how can the whole amount be recovered from him. Moreover, it was also felt that the purpose of giving free legal aid under the main Act to the very such persons would be defeated. The Ministry were therefore referred to know the rationale behind such a condition since there is a constitutional obligation of the State to provide free legal aid.

1.6 In their reply the Ministry stated as under:—

“It is correct that there is a Constitutional obligation to provide legal aid, to deserving people in appropriate cases, the party which wins the case is normally awarded costs by the Courts by way of reimbursement and at times in the form of exemplary costs from the party which loses the case. When legal aid is provided in a particular case in Supreme Court, the expenses are borne by the Supreme Court Legal Services Committee. Therefore, whenever the costs are awarded by the Court the same should be paid to the Supreme Court Legal Services Committee fund and not to the party which obtains the services of the Supreme Court Legal Services Committee.

This is the rationale behind such condition requiring for reimbursement to the Committee, whenever such costs are awarded by the Court.

The Court may pass decree or order granting monetary benefit in cases like arrear of salary or rent or in the matter relating to monetary dispute. In this situation, even if, the client is initially poor and unable to bear the expenses when he gets the relief which relates back to date prior to the date of institution of the matter in the Supreme Court he should reimburse Committee for the expenses incurred. It cannot however, be disputed that the recovery of such expenses from such litigants is a rather difficult proposition. However, to the extent it is possible to recover efforts should be made to recover from the clients who get such monetary benefits at the expense of the Committee, since the expenses are minimal.

1.7 The Committee considered the above reply of the Ministry wherein they have stated that it is constitutional obligation to provide legal aid to deserving people and the expenses to that effect are borne by the Supreme Court Legal Services Committee. Therefore, when costs are awarded by the court, the same should be paid to the Supreme Court Legal Services Committee Fund since the free legal Services are being obtained by the affected party. It has been further stated that when a decree or order granting monetary benefit like arrear of salary or rent in the matter relating to monetary dispute, even if initially the client is poor, after getting the relief he should reimburse the Committee for the expenses incurred.

1.8 The Committee do not find the provision justiciable as the main Act aims to provide free and competent legal services to the weaker sections of the society to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities. Moreover Art. 39A of the Constitution of India also provides for securing justice for all citizens.

1.9 The Committee further feel that at the time of incurring expenditure in connection with the case, it is quite likely that the poor client would have managed the expenditure by borrowing money on interest from various sources and even after getting the relief from the legal aid committee the expenditure incurred would have exceeded the benefits so awarded to him. Under the circumstances, the reimbursement to the Committee which bears the expenditure should be limited to the cost awarded by the court and not extended to such other benefits. The Committee therefore desire the Ministry to limit the provision with regard to reimbursement only to all such costs to the legal aid committee and not other monetary benefits or advantages and delete the other provisions.

(C)

1.10 The Committee feel that the terms, costs, other monetary benefits, advantage, charges and expenses referred to under the Regulations 17(2) were apt to be interpreted differently by different persons and therefore need to be defined clearly in the regulations itself to make them more specific and self-contained. However, the Committee note that on being pointed out, the Ministry have agreed to define the terms costs, other monetary benefits, advantage, charges, expenses referred to under the Regulations 17(2) and desire that the Ministry should do the needful at the earliest.

(D)

1.11 Para 6 of the 'Affidavit' and the 'verification' stated as under:—

"I agree that my case be listed before Lok Adalat in Honourable Supreme Court, if at any stage it is considered by the Committee that my matter can be reconciled or settled through Lok Adalat.

DEPONENT

Verification:

I, Shri/Shrimati/Kumari _____ the above named Deponent do hereby verify that the contents of the Paragraphs 1 to 4 are true and correct to my knowledge; nothing stated therein is false and nothing has been concealed. So help me God.

Verified on this day of _____ 199- at _____

DEPONENT

1.12 The Committee observed that below para 6 of the Affidavit, in the Verification, the wording "so help me God" has been provided. The Ministry were asked to state the legal necessity for prescribing such wording

and also to clarify the term when the person seeks the help of the Committee and not of God.

In their reply the Ministry stated as under:—

“The words ‘Solemnly affirm and State’ are included in the opening part of the prescribed form of the affidavit. The word ‘so help me God’ are not necessary and may, therefore, be omitted.”

1.13 The Committee note that on being pointed out, the Ministry have agreed to delete the words ‘so help me God’ as it is felt that these are not necessary in the affidavit to be given by the client and desire that the Ministry should do the needful.

II

The Ministry of Industry, Small Scale Industry Development Organisation Group 'A' and Group 'B' Posts Recruitment Rules, 1996 (GSR 185 of 1996)

The Ministry of Industry, Small Scale Industry Development Organisation Group 'A' and Group 'B' Recruitment Rules, 1996 were published in the Gazette of India, Part II, Section 3(i) dated 27 April, 1996. It was observed therefrom that as per scheme of Col. 10 of the schedule appended to the recruitment rules, in case of Assistant Director (Grade I) (Electronics) the probation period for direct recruits was one year whereas it was two years for promotees. The matter was referred to the Ministry of Industry to state the rationale behind prescribing a larger probation period for promotees as compared with that of the direct recruits and for treating the candidates at two different footings in the matter of probation. In this connection, attention of the Ministry was also invited to the Department of Personnel and Training OM No. 21011/1/94 Estt. (C) dated 20 April, 1995 regarding uniform period of probation for both promotees as well as direct recruits.

2.2 In their reply dated 16 August, 1996, the Ministry of Industry stated that the Recruitment Rules for the post of Assistant Director (Group I) (Electronics) were approved by DOP&T and UPSC on the basis of the instructions which existed prior to issue of the aforesaid O.M. of the Department of Personnel and Training and that they have no objection in amending the aforesaid recruitment rules as desired by the Committee. The Ministry *vide* their letter dated 2 July, 1997 have since amended the recruitment rules and sent a copy of the revised gazette notification *vide* GSR 116 dated 1 March, 1997 prescribing uniform probation period for both direct recruits and promotees.

2.3 The Committee observe that the Ministry of Industry, Small Scale Industry Development Organisation Group 'A' and Group 'B' posts Recruitment Rules, 1996 provided a longer probation period for promotees as compared to direct recruits. The Committee note from the reply of the Ministry of Industry that the Recruitment Rules were approved by the DOP&T and the UPSC before the issue of DOP&T O.M. No. 210.11/1/94-Estt.(C) dated 20th April, 1995 regarding uniform period of probation for both promotees as well as direct recruits. The Committee note with satisfaction that on being pointed out, the Ministry of Industry have since issued an amended notification *vide* GSR 116 dated 1 March, 1997 to prescribe for uniform probation period for both direct recruits and promotees.

III

The Indian Audit and Accounts Service (Recruitment) Amendment Rules, 1996 (GSR 365 (E) of 1996)

The Indian Audit and Accounts Service (Recruitment) Amendment Rules, 1996 (GSR 365 (E) of 1996) were published in the Gazette of India, Extraordinary, Part II, Section 3 (i) dated 16 August, 1996.

Rule 2 (2) therefor read as under:—

“(2) A combined eligibility list shall be prepared from among departmental officers borne on Group B Cadres of AOs who have completed 5 years’ regular continuous service as AO which may include service as Senior AO on the first day of July of the year of which the promotions pertain. Officers who have attained the age of 53 years on the above date shall not be eligible.”

3.2 The Ministry of Finance were requested to state the rationale behind debarring the officers who have attained the age of 53 years for inclusion in the combined eligibility list of Indian Audit and Accounts Service.

3.3 In their reply dated 20 February, 1997, the Ministry stated as under:—

- “(i) The provision of age bar of 53 years has been retained in IA&AS (Recruitment) Amendment Rules, 1996 as it existed in the IA&AS Recruitment Rules, 1983 since inception.
- (ii) Even with the existing age limit of 53 years, by the time the officers are inducted into IA&AS they attain the age of 54 years or more as there is a time lag before the selection process gets completed. On appointment of IA&AS, they remain on probation for a period of two years. On completion of probation period, they are promoted to Senior Time Scale on regular basis by which time they do not have on an average more than 2 to 3 years service left.
- (iii) Removal of age restriction would mean that officers on the verge of retirement would also get promoted with little time to adjust to and assimilate the requirement of higher responsibilities of IA&AS officers. There will be no time left for these officers to discharge duties at Group ‘A’ officers level for any considerable period.
- (iv) Promotion to IA&AS involves all India transfer liability. Transfer beyond this age is unwelcome as most officials are likely to be in the process of Planning for retirement and after. Even at the present time some officials forego promotions because they know that promotion would entail a transfer.

The age limit of 53 years was concurred in by the Department of Personnel and Training and the Union Public Service Commission as well."

3.4 The Committee observed that Rule 2(2) of the above Recruitment (Amendment) Rules, 1996 debarred officers of Group 'B' Cadre who attained the age of 53 years in the year of promotion for being included in the combined eligibility list of the Indian Audit and Accounts Service.

3.5 The Committee considered the three reasons put forth by the Ministry of Finance for debarring officers who have attained the age of 53 years from inclusion in the combined eligibility list, namely (i) the provision of Group 'B' Cadres of Accounts Officers/Senior Accounts Officers into IA&AS was retained in the IA&AS Recruitment (Amendment) Rules, 1996 because the provision existed in the Recruitment Rules, 1983.

(ii) The officers after induction into the IA&AS are kept on probation for 2 years and thereafter on completion of the probation period, they are promoted to Senior Time Scale on regular basis. By the time they are promoted, the officers are not left with much service to adjust to and assimilate the requirement of higher responsibilities of IA&AS Officers;

(iii) The Officers on promotion to Group 'A' Cadre are liable to all India transfer which is unwelcome by most officials as by that time they are in the verge of retirement.

3.6 The Committee do not find the reply of the Ministry convincing as it is felt that it is based mainly on the presumption because normally it is seen that even at the time of retirement one aspires for promotion. Even if the selection process takes a time of one year, the officer is likely to be inducted at the age of 54 and after completion of 2 years probation period, the officer would have still 2 years of service at his disposal. The Committee feel that denying an opportunity of promotion to an officer who attains the age of 53 years in the year of promotion is likely to cause financial losses viz. higher retirement benefits, which the officer can avail of if he is promoted and therefore desire that the Ministry should provide promotional opportunities to such officers also by amending the Recruitment (Amendment) Rules.

IV

The Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director-General) Amendment Rules, 1995 (GSR 735-E of 1995)

The Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director-General) Amendment Rules, 1995 were published in the Gazette of India: Extraordinary, Part II, Section 3(i) dated 10 November, 1995.

(A)

4.2 The amendment rules did not contain the requisite foot-note to indicate the particulars of the principal rules and the subsequent amendments made thereto. Normally as per oft-repeated recommendation of the Committee, for easy referencing all amendment notifications should contain the foot-note to indicate the particulars of principal rules and the subsequent amendments made thereto.

4.3 The concerned Ministry of Civil Supplies, Consumer Affairs and Public Distribution were asked to state whether they had any objection to amend the rules to the desired effect.

4.4 In their reply dated 19 March, 1997, the Ministry stated as under:—

“...as desired by the Committee on Subordinate Legislation, the necessary amendment have been made and notified by the GSR No. 45 dated 9 January, 1997. A copy of the Gazette Notification is enclosed for perusal.”

4.5 The Committee observed that the Bureau of Indian Standards (Appointment Terms and Conditions of Service of Director-General) Amendment Rules, 1995 did not contain the foot-note to indicate the particulars of the principal rules and the subsequent amendments made thereto. The Committee note with satisfaction that on being pointed out, the Ministry of Civil Supplies, Consumer Affairs and Public Distribution have since issued an amendment notification by incorporating the foot-note to the Amendment notification to indicate the particulars of the principal rules and the subsequent amendments made thereto vide GSR 45 dated 9 January, 1997.

(B)

4.6 Rule 2 relating to Term of Office of the Director-General read as under:—

“4. Term of office — The Director-General shall hold office for a term of three years or until he attains the age of sixty years, whichever is earlier, and shall be eligible for re-appointment:

Provided that where the Central Government is satisfied that the re-appointment of an outgoing Director-General after he has attained the age of sixty years is in the interest of the Bureau, it may re-appoint him for a period not exceeding two years.”

4.7 According to the provision, an outgoing Director-General can be re-appointed after superannuation by the Central Government if it is in the interest of the Bureau. In order to prevent any misuse of such discretionary power it was felt that while exercising such power of re-appointment, the reasons therefor should be recorded in writing and a safeguard to this effect should be provided in the rules itself so as to provide for recording the reasons in writing while doing so.

4.8 The matter was referred to the Ministry of Finance to state whether they had any objection in amending the rules to the desired effect.

4.9 In their reply dated 19 March, 1997, the Ministry stated as under:—

“...as desired by the Committee on subordinate Legislation, the necessary amendments have been made and notified by the GSR No. 45 dated 9 January, 1997. A copy of the Gazette Notification is enclosed for perusal.”

4.10 The Committee observed that Rule 2 of the Bureau of Indian Standards (Appointment Terms and Conditions of Service of Director-General) Amendment Rules, 1995 provided power to the Central Government for re-appointment of Director-General after superannuation if it is in the interest of the Bureau did not provide for recording of reasons in writing before exercising such discretionary power. The Committee note with satisfaction that on being pointed out, the Ministry of Civil Supplies, Consumer Affairs and Public Distribution have since issued an amendment notification to provide for recording the reasons in writing while re-appointing Director-General after superannuation vide GSR 45 dated 9 January, 1997.

V

**The Life Insurance Corporation of India Class I Officers (Revision of Terms and Conditions of Service) (Amendment) Rules, 1996 (GSR 286 (E) of 1996)
— Examination by Committee on Subordinate Legislation**

The Life Insurance Corporation of India Class I Officers (Revision of Terms and Conditions of Service) (Amendment) Rules, 1996 were published in the Gazette of India, Extraordinary, Part II, Section 3(i) dated 18 July, 1996. The following discrepancies were observed in the rules:—

(A)

Rule 1(2) of the Short title

5.2 Under Rule 1(2) of the Short title the Rules have been stated to be operative with effect from 1st day of August, 1992 and Rule 4 thereof provided that no arrears for the period from 1st day of August 1992 to 31 March, 1993 shall be payable.

5.3 The Ministry of Finance were requested to state the rationable behind the aforesaid provision.

In their reply the Ministry stated as under:—

“... The revision of pay scales and other benefits to Class I Officers of the Life Insurance Corporation of India are allowed on the same pattern as allowed by Indian Banks Association to the officers in the Banking Industry. While the revision of Pay Scales in the Banking Industry was due on 1.11.1992 it was due to LIC from 1.8.1992. As no arrears on account of revision of scale of pay and D.A. allowed in the Banking Industry from 1.11.1992 to 1.7.1993, the same pattern has been adopted in the case of LIC.

(B)

Note's 6(i) & 6(ii) relating to the pay-scales of Assistant Branch Managers / Assistant Administrative Officers, Assistant Engineers / Assistant Architects

5.4 The pay scale with regard to aforesaid post was as under:
4250-230-4940-350-5290-230-8510

5.5 It was observed from the pay scale that the slabs of increment was being reduced from Rs. 350 to Rs. 230 which seemed to be deviating from the normal practice. The Ministry were asked to state the reasons therefor.

5.6 In their reply the Ministry stated as under:—

“The Scale of pay of the Assistant Administrative Officers in LIC, which is similar to the scale of pay of Scale I officers in the Banking Industry, were as under prior to revision and after revision.”

Banks		LIC	
Prior to Revision	After Revisions	Prior to Revision	After Revision
Scale I	Rs. 4250-230-4940-	AAO Rs.2100-120-4260	Rs. 4250-230-4920-350-
Rs.2100-120-4020	350-5290-230-8050		5290-230-8510 . .

“Here again, the revision was corresponding to the revision allowed to Bank Officers and it was necessary to introduce an increment of Rs. 350/- in the scale of pay of AAO/ABM in the LIC and to have a uniform incremental pattern in the scale of pay of AO/BM as in Banks.”

(C)

Note 5(i) & (ii) relating to the posts of Branch Managers/Administrative Officers, Assistant Executive Engineers/Assistant Surveyors of works/Architects

5.7 The rules provided a Pay scale viz. 5980-230-8970 for Branch Manager/Administrative officers etc. It was observed that only one slab of increment was provided throughout the entire scale. The provision seemed to be abnormal as normally all pay-Scales contain more than one slab of increment. The Ministry were asked to state the rationale behind doing so.

5.8 In their reply the Ministry of Finance stated as under:—

“The Scale of pay of the Administrative Officers in LIC, which is similar to the scales of pay of Scale II of the Officers in the Banking Industry, were as under prior to revision and after revision.”

Banks		LIC	
Prior to Revision	After Revision	Prior to Revision	After Revision
Scale II	6210-230-8740	AO Rs. 2940-120-4260-130-4390	Rs. 5980-230-8970
Rs.3060-120-4260-130-4390			

“Here again, the revision was corresponding to the revision allowed to Bank Officers and it was necessary to have a uniform incremental pattern in the scale of pay of AO/BM as in Banks.”

5.9 The Committee were not satisfied with the reply of the Ministry that the scales of pay in the LIC have been revised on the lines of the Banking Sector. Normally it has always been seen that the rate of increment increase in each slab in a scale. The deviation from normal practice

seemed to be unusual. Since the reply of the Ministry was unsatisfactory, the Committee decided to call the representatives of the Ministry of Finance before the Committee to get more clarification for such deviation from normal practice. As such, the representatives of the Ministry appeared before the Committee on 28 August, 1997.

5.10 During evidence, the attention of the Ministry were invited to the following points:—

- (a) To state the reasons other than the reasons already furnished by them for not providing for payment of arrears for the intervening period from 1.8.92 to 31.3.93 although the rules have been made effective retrospectively w.e.f. 1st August 1992; and
 - (b) To state whether any representation on this matter was received from any quarter. If so, the measures which were taken by the Ministry in resolving the same.
2. The rationale behind providing slabs of increment in the pay scale pertaining to Assistant Branch Managers etc. under which the increment rate is reduced from Rs. 350 to Rs. 230.
 3. In the pay-scale pertaining to the posts of Branch Managers/ Administrative Officers etc. only one slab of increment i.e. Rs. 230/- was provided whereas in the lower post i.e. Assistant Administrative officers etc. the rate of increment is Rs. 350/-. To state whether it was judicious to provide lower rate of increment in the higher post.
 4. To state whether a person in the post of Assistant Administrative Officer who has earned an increment of Rs. 350/- will not be financially affected on his promotion as Administrative Officer because of the lower rate of increment in that scale.
 5. The rationale for prescribing a rate of increment of Rs. 350/- for one year only.
 6. It has been stated that all the provisions in the aforesaid rules pertaining to the Insurance Sector have been made in accordance with the provisions in the Banking Sector. To state whether the Banking Rules governing the staff are applicable to the Insurance Sector in toto. If not to identify the areas of differences.

5.11 In reply, the representative of the Ministry stated that as per tradition since 1983, the insurance sector and the banking sector have a parallel basis for pay and allowances and the same scales are adopted in the insurance sector as negotiated for the banking sector. He further submitted that there was no complaint so far from any sector. He, however stated that the observations of the Committee would be kept in mind during next round of revision.

5.12 The Committee after hearing the evidence of the Ministry of Finance, desired to have a note on the above mentioned points. The

Committee note from the reply of the Ministry dated 9 September, 1997 that the pay scales, rates of dearness allowance and other benefits of the Officers were discussed with the Officers' Association and the scales as notified by the Government were arrived at after the discussions with the Officers' Association. The pay scales so arrived at by mutual understanding with the Officers' Association by the LIC Management were notified by the Government. After the notification was issued, the Officers' Association has not raised any dispute with regard to the pay scales. No representations have been received from the officers with regard to the pay scales. The Committee desire that as agreed to by them during the evidence the observations of the Committee may be kept in mind whenever the next round of revision takes place.

VI

Framing of rules and regulations under the Rehabilitation Council of India Act, 1992

The Rehabilitation Council of India Act, 1992 came into force on 31 July, 1993. Section 28 thereof empowered the Central Government to make rules and Section 29 of the Act empowered the Council to make regulations with previous sanction of the Government for carrying out various provisions of the Act.

6.2. As per the recommendations of the Committee on Subordinate Legislation made in para 108 of their Eighteenth Report (Fifth Lok Sabha), rules/regulations were required to be framed thereunder as soon as possible after the commencement of an Act and within a maximum period of six months from the enforcement of the Act. In case, however, a Ministry finds that for any unavoidable reasons it is not possible for them to adhere to the prescribed time limit, in an exceptional case, they should at the expiration of six months from the commencement of the relevant Act, explain the reasons to the Committee and seek a specific extension of time from them.

6.3 As per the above recommendation of the Committee, the Ministry of Welfare was required to frame the rules by *i.e.* by 31 January, 1994 *i.e.* within six months of the enactment of the Act. In a communication dated 12 April, 1996, the Ministry of Welfare, stating that the draft rules have been framed under the Act and were awaiting comments of the Comptroller and Auditor General of India and the Department of Personnel and Training, sought extension of time upto 31 May, 1996 for finalising and notifying the rules under the Act. The Committee acceded to the request of the Ministry and granted extension of time upto 31 May, 1996.

6.4 In a subsequent communication dated 18 June, 1996, the Ministry had stated that the comments of the Ministry of Finance were awaited on the rules and would be finalised in consultation with the Ministry of Law (Legislative Department) and therefore sought a further extension of time upto 31 August, 1996 for finalisation of the rules.

6.5 In yet another communication dated 10 September, 1996, the Ministry have stated that the final comments of the Ministry of Finance are still awaited and have sought extension of time upto 30 November, 1996 for finalisation of the rules. However, the Committee found that even after a lapse of more than 3 years, the Ministry of Welfare did not finalise and notify the rules. While granting last extension of time upto

30 November, 1996, the Ministry were specifically asked to adhere to the time limit with the stipulation that no further extension would be considered for the purpose.

6.6 In a further communication dated 21 December, 1996, the Ministry sought a further extension of time upto 28 February, 1997. The Ministry adduced the following reasons for seeking extension:—

“....the Rehabilitation Council of India was given a statutory status after the Rehabilitation Council of India Act, 1992 had been notified and enforced and that even before the statutory status was accorded, the employees of the Council had the benefits of GPF, pension, gratuity at par with the Government employees and the rules to this effect were drafted on the basis of the bye-laws already being followed in the Council but the Department of Expenditure did not agree for the introduction of GPF, pension and gratuity benefits for the employees of the Council.”

6.7 In this connection the Ministry of Welfare have informed that they had requested the Ministry of Finance *vide* their letter dated 31 October, 1996 and 21 November, 1996 to reconsider and agree to the rules to enable them to lay the rules/regulations after getting them vetted by the Ministry of Law and the response in this regard was still awaited by them.

6.8 The Ministry of Welfare *vide* their O.M. dated 28 January, 1997 stated that the final comments of the Ministry of Finance on the aforesaid subject were still awaited despite series reminders from them and that on receipt of the comments the rules and regulations will be finalised in consultation with the Ministry of Law (Legislative Department). The Ministry of Welfare have therefore sought extension of time upto 27 March, 1997.

6.9 Since even after granting extensions thrice, the Ministry did not finalise the rules, the Committee decided not to grant further extension and to call the representatives of the Ministry of Welfare and the Ministry of Finance for oral evidence on 13 March, 1997 to get the clarifications thereof.

6.10 The Secretary, Ministry of Welfare *vide* D.O. letter dated 7 March, 1997 had assured that his Ministry would be able to complete the finalisation and notification of the rules under the said Act by the end of this month. However, as assured by them, the Ministry in a further communication stated that the regulations under the Rehabilitation Council of India Act, 1992 have been notified on 31 March, 1997 and that the copies will be laid on the Table of Lok Sabha as soon as the Parliament reassembles.

6.11 The Committee note that the Rehabilitation Council of India Act, 1992 came into force on 31 July, 1993. Section 28 thereof empowered the Central Government to make rules and Section 29 of the Act empowered

the Council to make regulations with previous sanction of the Government for carrying out various provisions of the Act.

6.12 As per the recommendations of the Committee on Subordinate Legislation made in para 108 of their Eighteenth Report (Fifth Lok Sabha), rules/regulations were required to be framed thereunder as soon as possible after the commencement of an Act and within a maximum period of six months from the enforcement of the Act. In case, however, a Ministry finds that for any unavoidable reasons it is not possible for them to adhere to the prescribed time limit, in an exceptional case, they should at the expiration of six months from the commencement of the relevant Act, explain the reasons to the Committee and seek a specific extension of time from them.

6.13 As per the above recommendation of the Committee, the Ministry of Welfare was required to frame the rules by *i.e.* by 31 January, 1994 *i.e.* within six months of the enactment of the Act.

6.14 The Committee note that only after constant pursuing, the Ministry of Welfare have notified the rules under the Rehabilitation Council of India Act, 1992. The Committee note with concern that the matter relating to framing of rules under the Act are being dealt with by the Ministries in a very casual and lackadaisical manner and no serious attention is paid for expeditious rule making. In this connection, attention of the Ministry is invited to the following recommendation of the Committee made in para 1.8 of Twenty-fourth report (Eleventh Lok Sabha):—

With a view to ensure timely framing of rules under the Acts passed by the Parliament, the Committee recommend as under:

1. The framing of draft rules should be initiated simultaneously with the drafting of the proposed Bill so that the draft rules become ready by the time the Bill is introduced in the House.
2. Whenever a Bill is introduced in Parliament and in particular those Bills which propose setting up a Commission or Tribunal, there should be a 'Note' in the Memorandum of Delegated Legislation appended to the Bill to the effect that the draft rules have also been prepared under that Bill.
3. To overcome undue delays on account of protracted inter-ministerial correspondence or where consultation with the Ministry of Law or other Ministries/Departments is involved, the concerned Ministry should convene meetings of all the concerned agencies so that the matters could be sorted out at the earliest without entering into protracted correspondence.
4. In this context the Committee gave some thought to the idea of each Ministry/Department of the Government having the services of a Law officer exclusively for itself for framing/vetting the rules. The Law Officer can be from the Ministry of Law who could be taken on deputation by the concerned Ministry. The Committee has already

consulted few Ministries which have reacted positively to this proposal. The Committee feel that such an arrangement would certainly obviate the need for each Ministry/Department to approach the Ministry of Law everytime there is a need to formulate vet rules, and avoid the consequent delay.”

6.15 The Committee, reiterating their above recommendation, desire that the Ministry of Welfare should ensure strict compliance of the aforesaid recommendations with a view to ensure timely framing of rules under the Acts passed by the Parliament.

NEW DELHI;
December, 1998

KRISHAN LAL SHARMA,
Chairman,
Committee on Subordinate Legislation.

APPENDICES

APPENDIX-I

(vide Para 4 of the Introduction of the Report)

SUMMARY OF RECOMMENDATIONS MADE IN THE REPORT OF THE COMMITTEE ON SUBORDINATE LEGISLATION [TWELFTH LOK SABHA]

Sl. No.	Refer-ence to Para No. in the Report	Summary of Recommendations
1	2	3
		The Supreme Court Legal Services Committee Regulations, 1996 (GSR 336-E of 1996)
1.	1.3	The Committee considered the aforesaid reply of the Ministry and found it to be satisfactory as the Ministry, on being pointed out, have agreed to correct the year in the Legal Services Authorities Act to state as 1987 instead of 1989 which has crept into the Regulation inadvertently. The Committee desire that the Ministry should issue the necessary corrigendum to this effect.
2.	1.7	The Committee considered the above reply of the Ministry wherein they have stated that it is constitutional obligation to provide legal aid to deserving people and the expenses to that effect are borne by the Supreme Court Legal Services Committee. Therefore, when costs are awarded by the court, the same should be paid to the Supreme Court Legal Services Committee Fund since the free legal Services are being obtained by the affected party. It has been further stated that when a decree or order granting monetary benefit like arrear of salary or rent in the matter relating to monetary dispute, even if initially the client is poor, after getting the relief he should reimburse the Committee for the expenses incurred.
3.	1.8	The Committee do not find the provision justiciable as the main Act aims to provide free and competent legal services to the weaker sections of the society to ensure that

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opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities. Moreover Art. 39A of the Constitution of India also provides for securing justice for all citizens.

4. 1.9 The Committee further feel that at the time of incurring expenditure in connection with the case, it is quite likely that the poor client would have managed the expenditure by borrowing money on interest from various sources and even after getting the relief from the legal aid committee the expenditure incurred would have exceeded the benefits so awarded to him. Under the circumstances, the reimbursement to the committee which bears the expenditure should be limited to the cost awarded by the court and not extended to such other benefits. The Committee therefore desire the Ministry to limit the provision with regard to reimbursement only to all such costs to the legal aid committee and not other monetary benefits or advantages and delete the other provisions.
5. 1.10 The Committee feel that the terms, costs, other monetary benefits, advantage, charges and expenses referred to under the Regulations 17(2) were apt to be interpreted differently by different persons and therefore need to be defined clearly in the regulations itself to make them more specific and self-contained. However, the Committee note that on being pointed out, the Ministry have agreed to define the terms costs, other monetary benefits, advantage, charges, expenses referred to under the Regulations 17(2) and desire that the Ministry should do the needful at the earliest.
6. 1.12 The Committee observed that below para 6 of the Affidavit, in the Verification, the wording "So help me God" has been provided. The Ministry were asked to state the legal necessity for prescribing such wording and also to clarify the term when the person seeks the help of the Committee and not of God.
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In their reply the Ministry stated as under:—

“The words ‘Solemnly affirm and State’ are included in the opening part of the prescribed form of the affidavit.

The word ‘so help me God’ are not necessary and may, therefore, be omitted”.

7. 1.13 The Committee note that on being pointed out, the Ministry have agreed to delete the words ‘So help me God’ as it is felt that these are not necessary in the affidavit to be given by the client and desire that the Ministry should do the needful.

The Ministry of Industry, Small Scale Industry Development Organisation Group ‘A’ and Group ‘B’ Posts Recruitment Rules, 1996 [GSR 185 of 1996]

8. 2.3 The Committee observe that the Ministry of Industry, Small Scale Industry Development Organisation Group ‘A’ and Group ‘B’ posts Recruitment Rules, 1996 provided a longer probation period for promotees as compared to direct recruits. The Committee note from the reply of the Ministry of Industry that the Recruitment Rules were approved by the DOP&T and the UPSC before the issue of DOP&T O.M. NO. 210011/1/94-Estt(C) dated 20th April, 1995 regarding uniform period of probation for both promotees as well as direct recruits. The Committee note with satisfaction that on being pointed out, the Ministry of Industry have since issued an amended notification *vide* GSR 116 dated 1 March, 1997 to prescribe for uniform probation period for both direct recruits and promotees.

The Indian Audit and Accounts Service (Recruitment) Amendment Rules, 1996 [GSR 365(E) of 1996]

9. 3.4 The Committee observed that Rule 2(2) of the above Recruitment (Amendment) Rules, 1996 debarred officers of Group ‘B’ Cadre who attained the age of 53 years in the year of promotion for being included in the combined eligibility list of the Indian Audit and Accounts Service.
10. 3.5 The Committee considered the three reasons put forth by the Ministry of Finance for debarring officers who have attained the age of 53 years from inclusion in the combined eligibility list, namely (i) the provision of Group ‘B’ Cadres of Accounts Officers/Senior Accounts Officers into IA&AS was retained in the IA&AS Recruitment
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(Amendment) Rules, 1996 because the provision existed in the Recruitment Rules, 1983.

(ii) the officers after induction into the IA&AS are kept on probation for 2 years and thereafter on completion of the probation period, they are promoted to Senior Time Scale on regular basis. By the Time they are promoted, the officers are not left with much service to adjust to and assimilate the requirement of higher responsibilities of IA&AS Officers;

(iii) the Officers on promotion to Group 'A' Cadre are liable to all India transfer which is unwelcome by most officials as by that time they are in the verge of retirement.

11. 3.6 The Committee do not find the reply of the Ministry convincing as it is felt that it is based mainly on the presumption because normally it is seen that even at the time of retirement one aspires for promotion. Even if the selection process takes a time of one year, the officer is likely to be inducted at the age of 54 and after completion of 2 years probation period, the officer would have still 2 years of service at his disposal. The Committee feel that denying an opportunity of promotion to an officer who attains the age of 53 years in the year of promotion is likely to cause financial losses viz. higher retirement benefits, which the officer can avail of if he is promoted and therefore desire that the Ministry should provide promotional opportunities to such officers also by amending the Recruitment (Amendment) Rules.

The Bureau of Indian Standards (Appointment , Terms and Conditions of Service of Director-General) Amendment Rules, 1995 [GSR 735-(E) of 1995]

12. 4.5 The Committee observed that the Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director-General) Amendment Rules, 1995 did not contain the foot-note to indicate the particulars of the principal rules and the subsequent amendments made thereto. The Committee note with satisfaction that on being pointed out, the Ministry of Civil Supplies, Consumer Affairs and Public Distribution have since issued an amendment notification by incorporating the foot-note to the Amendment notification to indicate the particulars of the principal rules and the subsequent
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		amendments made thereto <i>vide</i> GSR 45 dated 9 January, 1997.
13.	4.10	<p>The Committee observed that Rule 2 of the Bureau of Indian Standards (Appointment Terms and Conditions of Service of Director-General) Amendment Rules, 1995 provided power to the Central Government for re-appointment of Director-General after superannuation if it is in the interest of the Bureau but did not provide for recording of reasons in writing before exercising such discretionary power. The Committee note with satisfaction that on being pointed out, the Ministry of Civil Supplies, Consumer Affairs and Public Distribution have since issued an amendment notification to provide for recording the reasons in writing while re-appointing a Director-General after superannuation <i>vide</i> GSR 45 dated 9 January, 1997.</p> <p>The Life Insurance Corporation of India class I officers Revision of Terms and Conditions of Service (Amendment) Rules, 1996 [GSR 286(E) of 1996]</p>
14.	5.12	<p>The Committee after hearing the evidence of the Ministry of Finance, desired to have a note on the above mentioned points. The Committee note from the reply of the Ministry dated 9 September, 1997 that the pay scales, rates of dearness allowance and other benefits of the Officers were discussed with the Officers' Association and the scales as notified by the Government were arrived at after the discussions with the Officers' Association. The pay scales so arrived at by mutual understanding with the Officers' Association by the LIC Management were notified by the Government. After the notification was issued, the Officers' Association has not raised any dispute with regard to the pay scales. No representations have been received from the officers with regard to the pay scales. The Committee desire that as agreed to by them during the evidence the observations of the Committee may be kept in mind whenever the next round of revision takes place.</p> <p>Framing of rules and regulations under the Rehabilitation Council of India Act, 1992</p>
15.	6.11	<p>The Committee note that the Rehabilitation Council of India Act, 1992 came into force on 31 July, 1993. Section 28 thereof empowered the Central Government to make</p>

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		rules and Section 29 of the Act empowered the Council to make regulations with previous sanction of the Government for carrying out various provisions of the Act.
16.	6.12	As per the recommendations of the Committee on Subordinate Legislation made in para 108 of their Eighteenth Report (Fifth Lok Sabha), rules/Regulations were required to be framed thereunder as soon as possible after the commencement of an Act and within a maximum period of six months from the enforcement of the Act. In case, however, a Ministry finds that for any unavoidable reasons it is not possible for them to adhere to the prescribed time limit, in an exceptional case, they should at the expiration of six months from the commencement of the relevant Act, explain the reasons to the Committee and seek a specific extension of time from them.
17.	6.13	As per the above recommendation of the Committee, the Ministry of Welfare was required to frame the rules by <i>i.e.</i> by 31 January, 1994 <i>i.e.</i> within six months of the enactment of the Act.
18.	6.14	<p>The Committee note that only after constant pursuing, the Ministry of Welfare have notified the rules under the Rehabilitation Council of India Act, 1992. The Committee note with concern that the matter relating to framing of rules under the Act are being dealt with by the Ministries in a very casual and lackadaisical manner and no serious attention is paid for expeditious rule making. In this connection, attention of the Ministry is invited to the following recommendation of the Committee made in para 1.8 of Twenty-fourth report (Eleventh Lok Sabha):—</p> <p>With a view to ensure timely framing of rules under the Acts passed by the Parliament, the Committee recommend as under:</p> <ol style="list-style-type: none"> 1. The framing of draft rules should be initiated simultaneously with the drafting of the proposed Bill so that the draft rules become ready by the time the Bill is introduced in the House. 2. Whenever a Bill is introduced in Parliament and in particular those Bills which propose setting up a Commission or Tribunal, there should be a 'Note' in the Memorandum of Delegated Legislation appended to the

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Bill to the effect that the draft rules have also been prepared under that Bill.

3. To overcome undue delays on account of protracted inter-ministerial correspondence or where consultation with the Ministry of Law or other Ministries/Departments is involved, the concerned Ministry should convene meetings of all the concerned agencies so that the matters could be sorted out at the earliest without entering into protracted correspondence.

4. In this context the Committee gave some thought to the idea of each Ministry/Department of the Government having the services of a Law Officer exclusively for itself for framing/vetting the rules. The Law Officer can be from the Ministry of Law who could be taken on deputation by the concerned Ministry. The Committee has already consulted few Ministries which have reacted positively to this proposal. The Committee feel that such an arrangement would certainly obviate the need for each Ministry/Department to approach the Ministry of Law everytime there is a need to formulate/vet rules, and avoid the consequent delay."

19. 6.15 The Committee, reiterating their above recommendation, desire that the Ministry of Welfare should ensure strict compliance of the aforesaid recommendations with a view to ensure timely framing of rules under the Acts passed by the Parliament.
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MINUTES

APPENDIX-II

(Vide para 3 of the Introduction of the Report)

XIV

MINUTES OF THE FOURTEENTH SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (ELEVENTH LOK SABHA)

The Committee met on Wednesday 6 August, 1997 from 15.00 hours to 16.00 hours in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Krishan Lal Sharma — *Chairman*

MEMBERS

2. Shri N. Dennis
3. Shri Vijay Kumar Khandelwal
4. Shri V. Dhananjaya Kumar
5. Shri Guman Mal Lodha
6. Shri D.B. Roy

SECRETARIAT

1. Shri Ram Autar Ram — *Director*
2. Shri B.D. Swan — *Under Secretary*

2. The Committee considered the following memoranda as follows:—

(i) The Supreme Court Legal Services Committee Regulations, 1966 (GSR 336-E) of 1996 [Memorandum No. 20]

3. The above Regulations were found deficient on the following points:—

(A)

4. The Committee found that the year of the Legal Services Authorities Act was mentioned wrongly as 1989 instead of 1987. On being pointed out the Ministry agreed that it was an inadvertent printing error and would be corrected. The Committee desired the Ministry to issue the necessary corrigendum to this effect.

(B)

5. The Committee observed that Regulations 17(2) of the Regulations provided that a person seeking free Legal Aid from the Legal Aid Committee shall repay by way of re-imburement to the Committee, all

such costs, charges and expenses incurred by the Committee in providing him the legal services in the event of the Court passing a decree or order awarding costs, other monetary benefits or advantages in his favour. The Committee felt that in the event of the expenditure incurred on the legal service to the aided person exceeding the monetary benefits or advantages or cost awarded by the Court, he will have to reimburse the Committee all costs, expenses, charges etc. from other sources as well. In case he has no other means, how can the whole amount be recovered from him. Moreover, it was felt that the purpose of giving free legal aid to the very such person would be defeated.

6. The Ministry when asked to state the rationale behind such a condition since there is a constitutional obligation of the State to provide free legal aid, stated that since the expenses to the effect are borne by the Supreme Court Legal Services Committee the party who has been awarded the cost and other monetary benefits should reimburse the same after getting the relief to the Committee even though initially the client is poor. The Committee did not find this reply of the Ministry as justifiable as the main Act aims to provide free and competent legal services to the weaker sections of the society to ensure that opportunities for securing justice are not denied to any citizen by reason of economic poor other disabilities. The Committee also felt that initially the poor client would have managed to incur the expenditure to fight his case by borrowing money on interest from various sources and considering the possibility of the expenditure so incurred exceeding the cost awarded by the Court, desired that the reimbursement to the Legal Aid Committee be limited only to the cost and not to such other benefits as may be awarded by the Court and desired the Ministry to delete other provisions.

(C)

7. The Committee found that on being pointed out the Ministry have agreed to define the terms costs, other monetary benefits, advantages, charges, expenses referred under Regulations 17(2) and desired the Ministry to make the necessary mention therefor in the regulations.

(D)

8. The Committee noted that under para 6 of the 'Affidavit' and the 'verification' a deponent states that he agrees that his case be listed before Lok Adalat in Honourable Supreme Court, if at any stage it is considered by the Committee that his matter could be reconciled or settled through Lok Adalat and in the verification he states that the

contents of the affidavit are true and correct to his knowledge and that nothing stated therein is false and nothing has been concealed and seeks the help of God.

9. The Ministry were asked to state the legal necessity for prescribing such wording and also to clarify the term "so help me God" since the person seeks the help of the Committee and not of God. However, the Committee were satisfied with the reply of the Ministry who stated that the words 'Solemnly affirm and State' are included in the opening part of the prescribed form of the affidavit and that the words 'so help me god' are not necessary and may be omitted. The Committee desired the Ministry to do the needful.

The Ministry of Industry, Small Scale Industry Development Organisation Group 'A' and Group 'B' Posts Recruitment Rules, 1996 (GSR 185 of 1996) [Memorandum No. 21]

10. The Committee observed that the Ministry of Industry, Small Scale Industry Development Organisation Group 'A' and Group 'B' posts Recruitment Rules, 1996 provided a longer probation period for promotees as compared to direct recruits. The Committee noted from the reply of the Ministry of Industry that the Recruitment Rules were approved by the DOP&T and the UPSC before the issue of DOP&T O.M. No. 210011/94-Estt(C) dated 20th April, 1995 regarding uniform period of probation for both promotees as well as direct recruits. The Committee were satisfied that on being pointed out, the Ministry of Industry have since issued an amended notification *vide* GSR 116 dated 1 March, 1997 to prescribe for uniform probation period for both direct recruits and promotees.

The Indian Audit and Accounts Service (Recruitment) Amendment Rules, 1996 (GSR 365-E of 1996) [Memorandum No. 22]

11. The Committee observed that Rule 2(2) of the above Recruitment (Amendment) Rules, 1996 debarred officers of Group 'B' Cadre who attained the age of 53 years in the year of promotion for being included in the combined eligibility list of the Indian Audit and Accounts Service.

12. The Committee considered the three reasons put forth by the Ministry of Finance for debarring officers who have attained the age of 53 years from inclusion in the combined eligibility list, namely (i) the provision of Group 'B' Cadres of Accounts Officers/Senior Accounts Officers into IA&AS was retained in the IA&AS Recruitment (Amendment) Rules, 1996 because the provision existed in the Recruitment Rules, 1983; (ii) the officers after induction into the IA&AS are kept on probation for 2 years and thereafter on completion of the probation period, they are promoted to Senior Time Scale on regular basis. By the time they are promoted, the officers are not left with much service to adjust to and assimilate the requirement of higher responsibilities of IA&AS Officers; (iii) the Officers on promotion to

Group 'A' Cadre are liable to all India transfer which is unwelcome by most officials as by that time they are in the verge of retirement.

13. The Committee did not find the reply of the Ministry convincing as it was felt that it is based mainly on the presumption because normally it is seen that even at the time of the retirement one aspires for promotion. Even if the selection process takes a time of one year, the officer is likely to be inducted at the age of 54 and after completion of 2 years probation period, the officer would have still 2 years of service at his disposal. The Committee felt that denying an opportunity of promotion to an officer who attains the age of 53 years in the year of promotion is likely to cause financial losses viz. higher retirement benefits, which otherwise the officer would have availed of had he been promoted and desired that the Ministry should provide promotional opportunities to such officers also by amending the recruitment (amendment) rules.

The Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director-General) Amendment Rules, 1995 (GSR 735-E of 1995)
[Memorandum No. 23]

14. The Committee observed that the Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director-General) Amendment Rules, 1995 did not contain the foot-note to indicate the particulars of the principal rules and the subsequent amendments made thereto. Further Rule 2 therefore provided power to the Central Government for re-appointment of Director-General after superannuation if it was in the interest of the Bureau but did not provide for recording of reasons in writing before exercising such discretionary power.

15. The Committee were convinced that on being pointed out, the Ministry of Civil Supplies, Consumer Affairs and Public Distribution had issued an amendment notification by incorporating (i) the foot-note to the Amendment notification to indicate the particulars of the principal rules and the subsequent amendments made thereto; and (ii) provision to record the reason in writing while re-appointing a Director-General after superannuation *vide* GSR 45 dated 9 January, 1997.

The Life Insurance Corporation of India Class I Officers [(Revision of Terms and Conditions of Service (Amendment) Rules, 1996 (GSR 286(E) of 1996) — Examination by Committee on Subordinate Legislation (Memorandum No. 24)]

(A)

16. The Committee noted that under Rule 1(2) of the Short title in the above rules, the rules have become effective from 1st day of August, 1992 but according to rule 4 no arrears for the intervening period viz. 1st August, 1992 to 31 March, 1993 shall be payable. On being asked about the rationale behind the provision the Ministry stated that it was on the similar lines followed in the Banking Industry.

(B)

17. The Committee observed that in the pay scales pertaining to the post of Assistant Branch Managers/Assistant Administrative Officers, Assistant Engineers/Assistant Architects the slabs of increment reduced instead of increasing which was deviating from normal practice. The Ministry when asked for the reasons stated that it is on the same pattern followed in the Banking Industry.

(C)

18. The Committee noted that in the pay-scale relating to the posts of Branch Managers/Administrative Officers, Assistant, Executive Engineers/Assistant Surveyors of works/Architects, only one slab of increment was provided as against normal practice of more than one slab of increment. Here again as per the Ministry, the provision was corresponding to the incremental pattern in the scale of pay of Administrative Officer/Branch Manager as in the Banks.

19. The Committee were not satisfied with the reply of the Ministry of Finance and decided to call them before the Committee to elucidate further clarifications on the points raised in the memorandum.

20.

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21. The Committee then decided to undertake a study visit in September, 1997.

The Committee then adjourned.

** Omitted portion of the Minutes are not included in this Report.

XV

MINUTES OF THE FIFTEENTH SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (ELEVENTH LOK SABHA)

The Committee met on Thursday, 28 August, 1997 from 15.00 to 16.45 hours in Committee Room No. 62, First Floor, Parliament House, New Delhi.

PRESENT

Shri Krishan Lal Sharma — *Chairman*

MEMBERS

2. Shri V. Alagirisamy
3. Shri N. Dennis
4. Shri Bhupinder Singh Hooda
5. Shri Vijay Kumar Khandelwal
6. Shri Thota Gopala Krishna
7. Shri V. Dhananjaya Kumar
8. Shri K.H. Muniyappa
9. Shri M. Baga Reddy
10. Shri D.B. Roy
11. Shri Ram Kirpal Yadav

SECRETARIAT

1. Shri G.C. Malhotra — *Additional Secretary*
2. Shri Ram Autar Ram — *Director*
3. Shri B.D. Swan — *Under Secretary*

*I & II.

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III. Ministry of Finance (Department of Economic Affairs — Insurance Division)

1. Shri Vinod Kumar Dhall — *Additional Secretary*
2. Shri C.S. Rao — *Joint Secretary*
3. Shri R. Ranganath — *Director*
4. Shri R.N. Tripathy — *Managing Director (LIC)*
5. Shri N.C. Sharma — *Executive Director (LIC)*
6. Shri P.T. Kini — *Secretary (Personnel) (LIC)*
7. Shri G.N. Vajpai — *Zonal Manager (LIC)*
8. Shri Arun Gambhir — *P.R.O. (LIC)*

**Omitted portion of the Minutes are not covered in this Report.

2 to 8. ** ** *

9. The Committee, thereafter, heard the oral evidenc of the representatives of the Ministry of Finance regarding the Life Insurance Corporation Class I Officers (Revision of terms and conditions of Services) Amendment Rules, 1996.

10. The Chairman drew the attention of the representatives towards the anomaly in the rules thereunder the benefits to Class I Officers were less than the benefits given to junior officers and other officers, and desired to know the reasons for the anomaly.

11. The Additional Secretary (Insurance) submitted that as per tradition since 1983, the insurance sector and the banking sector have a parallel basis for pay and allowances and the same scales are adopted in the insurance sector as negotiated for the banking sector. Regarding the observation of the Committee that the slab of increment in the pay scale was being reduced from Rs. 350 to Rs. 250 which was a deviation from normal practice, it was submitted that this increment was fixed by the banking sector presumably on the basis of certain consideration and negotiations and that also got adopted in the Insurance vector. He admitted that although, it was little odd, but still, there is no complaint from any sector. However, the observations of the Committee would be kept in mind during next round of revision.

12. The Committee pointed out that there was only one slab of increment in the pay-scale Rs. 5980-230-8970 for the posts of Branch Manager, A.O., AEE., etc. which was anomalous, as there is normally more than one slab of increment in every pay scale. The representatives of the Ministry submitted that it was done keeping in mind all kinds of inter-relationship between different pay scales so that from lower pay scale when one goes to a higher pay-scale, the minimum and the maximum do not clash. The Additional Secretary (Insurance) agreed that it was a strange kind of structure but stated that there was no complaint. However, a note of Committee's suggestions has been taken and during the next stage of negotiations, it would be properly worked out.

13. The Committee were, however, not fully convinced with the explanation given by the representatives and desired them to furnish a note on the subject matters.

The witnesses then withdrew.

The Committee then adjourned.

**MINUTES OF THE THIRD SITTING OF THE COMMITTEE ON
SUBORDINATE LEGISLATION (TWELFTH LOK SABHA)
(1998-99)**

The Committee met on Monday, 7 December, 1998 from 15.30 hours to 16.30 hours in Committee Room 'D', Ground Floor, Parliament House Annex, New Delhi.

PRESENT

Shri Krishan Lal Sharma — *Chairman*

MEMBERS

2. Shri Bhupinder Singh Hooda
3. Shri Datta Meghe
4. Shri B.M. Mensinkai
5. Shri Raghvendra Singh

SECRETARIAT

1. Shri Ram Autar Ram — *Director*
2. Shri B.D. Swan — *Under Secretary*

2 to 7. * * * * *

8. The Committee then considered and adopted draft First and Second Reports of the Committee without any modification.

The Committee then adjourned.

**Omitted portions of the Minutes are not included in this Report.