COMMITTEE ON SUBORDINATE LEGISLATION
(FOURTEENTH LOK SABHA)

(2007-2008)

SEVENTEENTH REPORT

(PRESENTED ON 5.9.2007)

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LOK SABHA SECRETARIAT

NEW DELHI

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C O N T E N T S

COMPOSITION OF THE COMMITTEE ON SUBORDINATE LEGISLATION
(2007-2008)

1. Shri N. N. Krishnadas - Chairman

Members

2. Shri Anandrao Vithoba Adsul
3. Shri Giridhar Gamang
4. Shri Loganathan Ganesan
5. Shri N. Y. Hanumanthappa
6. Shri Ram Singh Kaswan
7. Shri Faggan Singh Kulaste
8. Shri Dalpat Singh Paraste
9. Shri Jaysingrao Gaikwad Patil
10. Shri Lalmani Prasad
11. Shri Anantha Venkata Rami Reddy
12. Shri Bhupendrasinh Solanki
13. Shri Ramjilal Suman
14. Shri A.K.S. Vijayan
15. Shri Madhu Goud Yaskhi

SECRETARIAT

1. Shri J. P.Sharma - Joint Secretary
2. Shri Rajeev Sharma - Director
3. Shri R.D.Silawat - Deputy Secretary-II

INTRODUCTION

I, the Chairman, Committee on Subordinate Legislation having been authorized by the Committee to submit the report on their behalf, present this Seventeenth Report.

2. The matters covered by this Report were considered by the Committee on Subordinate Legislation at their sitting held on 2/8/2007.

3. The Committee considered and adopted this Report at their sitting held on 30th August, 2007.

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 Appendix I of the Report.

5. Extracts from the Minutes of the Sixth sitting of the Committee (2006-07) held on 2nd August, 2007 and the First sitting of the Committee (2007-08) held on 30 August, 2007 relevant to this Report are included in Appendix-II.

N.N. KRISHNADAS,
CHAIRMAN,
COMMITTEE ON SUBORDINATE LEGISLATION

NEW DELHI;
30 August, 2007

I

LACUNA IN THE BANK TERM DEPOSIT SCHEME, 2006 (S.O. 1220-E OF 2006)

The Bank Term Deposit Scheme 2006 (S.O. 1220-E of 2006) was notified in the Gazette of India, Extraordinary, Part II, Section 3 (ii) dated 28.7.2006 by the Ministry of Finance (Department of Revenue) in exercise of the powers conferred by Clause (xxi) of sub-section (2) of Section 80 C of the Income Tax Act, 1961. Shri Anandrao Vithoba Adsul, MP and Member of the Committee on Subordinate Legislation, Lok Sabha vide his letter dated 24.8.2006 addressed to the Chairman, Committee on Subordinate Legislation forwarded a letter dated 8.8.2006 written by Shri Anant G. Geete, Leader, Shiv Sena Parliamentary Party addressed to the Minister of Finance wherein it was indicated that the Scheme required a few basic modifications. Shri Anandrao Vithoba Adsul also stated that the issue raised by Shri Geete was of vital public importance and desired that the Scheme be examined by the Committee on Subordinate Legislation as the same came under their purview.

1.2. Shri Anant G. Geete in his letter dated 8.8.2006 addressed to the Minister of Finance had made the following observations on the Bank Term Deposit Scheme, 2006:-

> " (i) The first issue relates to payment of the term deposit on the death of assessee. The term deposit undergoes a qualitative change on the death of the assessee. In the case of "joint holder type deposit", it becomes a 'single holder deposit' then the beneficiary successor(s) to the term deposit viz. joint holder/nominee/legal heir will no longer have a subsisting nexus with the 'tax break' received by the deceased assessee under section 80C. The lock-in period clause in the term deposit cannot survive the death of the assessee. In such an eventuality, the raison d'etre for the lock-in period automatically abates and thus the person(s) who have a title to the term deposit should be entitled at any time before or after its maturity to encash the term deposit.
>
> In view of the above position, a general provision about it be made and the Scheme suitably modified.

(ii) Many provisions in this Scheme partake of normal banking regulations about issue of term deposits. Their inclusion in the Scheme makes it burdensome. It was best that it is left for normal banking regulation. Again, the stipulation about the signature of the assessee on the deposit receipt is an unnecessary hassle which will entail multiple visits to the bank by the depositor. The provision to bar the term deposit being pledged to secure loan or as security to any other asset is also discriminatory vis-à-vis other tax saving instruments.

The provisions of the Scheme, therefore, need a general re-look".

1.3. The Ministry of Finance (Department of Revenue) were requested to furnish their comments on the aforesaid observations made by Shri Anant G. Geete,

The Ministry vide their reply dated 18.10.2006 furnished the following comments on the first point relating to payment of the term deposit on the death of assesse :

"The suggestion to do away with the provision for a five year lock in period after the death of the assessee already exists in the Scheme for single holder type deposits wherein the nominee(s) can encash the term deposit at any time. However, in case of a joint holder type deposit the scheme does not allow the benefit of premature encashment to the joint holder. Since the tax benefit has been provided to the holders subject to the condition of staying invested for a period of not less than five years, premature encashment cannot be allowed to the surviving joint holder".

It may be seen that the proviso to rule 4 (2) (b) of the Scheme reads as under :

"Provided that in the case of joint holder type deposit, the deduction from income under section 80C of the Act shall be available only to the first holder of the deposit".

The justification of the Ministry that **"***Since the tax benefit has been provided to the holders subject to the condition of staying invested for a period of not less than five years, premature encashment cannot be allowed to the surviving joint holder"*, was, therefore, found to be misleading in view of the proviso to Rule 4(2)(b) of the scheme, which clearly provided that tax benefits shall be available only to the first holder of the deposit.

It may further be observed that Rule 11(2) of the scheme provides that "No term deposit shall be encashed before the expiry of five years from the date of its receipt" whereas Rule 13(1)

provides that " In the event of the death of the holder of a term deposit in respect of which a nomination is in force, the nominee or nominees shall be entitled at any time before or after the maturity of the term deposit to encash the term deposit".

Thus, in the case of a joint holder type deposits, Rule 11(2) would be attracted in the unfortunate event of death of the first holder and the term deposit would be subjected to the five years lock-in-period and no premature encashment would be allowed. Whereas in the case of single holder type deposits, in the event of the death of the holder, who would have also availed tax benefits under Section 80C of the Income Tax Act, Rule 13 (1) would be attracted and his nominees would be entitled to encash the deposit at any time before or after its maturity, as such, the provisions of the Scheme appeared to be treating nominee and joint holder in the case of single holder type term deposit and joint holder type term deposit respectively in a discriminatory manner.

Accordingly, the matter was further pursued with the Ministry. In their reply dated 11 January, 2007, the Ministry stated that a decision had been taken to amend the Bank Term Deposit Scheme, 2006 with a view to extend the provision for premature encashment of the term deposit to joint holders of the deposit in the event of the death of the assessee/first holder

1.4. As regards the second issue pertaining to the observations that inclusion of provisions in the Scheme which otherwise partake of normal banking regulations, makes it burdensome, the Ministry furnished their clarifications vide their reply dated 18 October, 2006.

On the point that the stipulation of signature of the assessee on the deposit receipt is an unnecessary hassle which will entail multiple visits to the bank by the assessee, the Ministry clarified that:

"The assessee has to visit the bank at least once for subscribing to any term deposit. The requirement of the signature of the assessee on the deposit receipt will not increase the number of visits. It would not be desirable to do away with the requirement of the signature as it is a vital tool of identification and authentication of the term deposit receipt. When a tax benefit is being provided, the depositor has to assist in authenticating the document to prevent any misuse of the facility".

The Ministry's reply in this regard was accepted as satisfactory.

As regards the observations that the provision to bar the term deposit being pledged to secure loan was discriminatory vis-à-vis other tax saving instruments, the Ministry clarified that:

"It is felt that in the absence of this rule there would be a tendency amongst depositors to first open a term deposit account for the purposes of claiming tax benefit and then to pledge it to procure liquidity even while earning interest on the deposit. The maxim 'interest and tax benefit are rewards for parting with liquidity' would be grossly violated if pledging is allowed."

The above reply of the Ministry was also accepted as satisfactory.

1.5. The Committee observed that while Rule 13(1) of the Bank Term Deposit Scheme, 2006 (Scheme) provided for encashment of term deposit by nominees at any time before or after the maturity of the term deposit in the event of the death of the holder in single holder type deposits, no such provision existed in the Scheme for a joint holder type deposit in the event of death of the first holder as Rule 11(2) of the Scheme was attracted in such a case and the term deposit subjected to five years lock-in-period. Since the tax benefits were available only to the first holder in the case of joint holder type term deposit in terms of the proviso to Rule 4(2)(b) of the Scheme, the aforesaid provisions of the Scheme appeared to be treating 'nominee' and 'joint holder' in the case of single holder type term deposit and joint holder type term deposit respectively in a discriminatory manner. On being referred to the Ministry of Finance (Department of Revenue) for their comments, the Ministry initially maintained that the lock-in-period clause would be

attracted in the case of a joint holder type deposit since the tax benefit had been provided to the "holders". This reply of the Ministry was found to be misleading and not in conformity with the proviso to Rule 4(2)(b) of the Scheme which clearly provided that in the case of joint holder type deposit, the deductions from income under Section 80 C of the Act shall be available only to the 'first holder' of the deposit. Keeping in view the fact that the tax benefit was available only to the first holder and the joint holder was not entitled to avail of any tax benefits under the Scheme, it was felt that the scheme should not discriminate a 'joint holder' from a 'nominee' of the Term Deposit for the purposes of entitlement to encash the term deposit at any time in the event of death of the assessee. The matter was, accordingly, pursued further and the Ministry in their subsequent reply stated that a decision has since been taken to amend the Scheme with a view to extend the provision for premature encashment of the term deposit to 'joint holder' of the deposit in the event of the death of the assessee/first holder. While appreciating this decision, the Committee trust that the Ministry of Finance (Department of Revenue) will incorporate relevant provisions in the Scheme and notify the same at the earliest. The Committee would also like to be apprised of the precise action taken in this regard.

II

The Drugs and Cosmetics (3rd Amendment) Rules, 2003 (GSR 198-E of 2003)

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The Drugs and Cosmetics (3rd Amendment) Rules, 2003 were published in the Gazette of India, Part–II, Section 3(i) dated 7 March, 2003. It was observed that the note at the end of the Rules provided the Licensing Authority with the discretionary power to allow relaxation in the requirements of machinery, equipments and space needed for manufacture of various categories of medicines. It was, however, seen that there was no provision for recording of reasons in writing by the "Licensing Authority" while exercising such discretionary powers. In order to prevent any misuse of such discretionary powers, the Ministry of Health and Family Welfare were requested to state whether they had any objection to amend the rules so as to make provision for recording of reasons in writing by the Licensing Authority while exercising such discretionary powers.

2.2. The Ministry vide their communication dated 4 February, 2004 submitted as under:-

> "…….It has been provided that :
>
> > 'The above requirements of machinery, equipments, space are made subject to the modification at the discretion of the Licensing Authority; if he is of the opinion that having regard to the nature and extent of the manufacturing operations it is necessary to relax or alter them in the circumstances in a particular case'.
> >
> > From the above, it is clear that the Licensing Authority will assess the nature and extent of the manufacturing operations where it is necessary to relax the provisions in a particular case. It is therefore clear that Licensing Authority will have to justify, if he gives relaxation in GMP requirements under Schedule "T". In view of this, the amendment is taken to be in order and there is no ambiguity in the text."

2.3. The reply of the Ministry was not found to be convincing on the ground that it was silent about recording of reasons in writing before giving relaxation by the Licensing Authority under

discretionary powers. The matter was, therefore, again referred to the Ministry for their comments. The Ministry in their communication dated 25 May, 2004 stated as under:-

> "…. The Department of AYUSH is of the view that wording of the foot-note is well thought of and relaxing provisions are permitted in the circumstances in a particular case. It is also evident that relaxation is only possible keeping in view the nature and manufacturing operations. This foot-note was inserted with a view that most of the tiny cottage industry units are manufacturing only one or two items of ASU medicines. For small size operations in a particular case, the relaxation is permissible. Obviously, Licensing Authority will assess the infrastructure based on the size of operation/turnover of the manufacturing unit. Therefore, the Department feels that there is no need to amend the existing rules. The foot note is properly worded and vetted by the Ministry of Law and Justice."

2.4. As the aforesaid reply of the Ministry was again silent on the aspect of recording of reasons in writing, the attention of the Ministry was drawn to the oft-repeated recommendation of the Committee on Subordinate Legislation that in order to avoid misuse of discretionary powers, there should be a provision for recording the reasons in writing wherever any relaxation is given in particular rules.

2.5. In response to the above communication, the Ministry in their reply dated 12 May, 2005 submitted as under:-

> "……in accordance with the suggestion made by the Secretariat, the procedure to amend the said Notification in consultation with the Department of Legislative Affairs had been initiated. A draft Notification, accordingly, has been published on 20th April, 2005. A copy of the final Notification shall be endorsed to the Lok Sabha Secretariat as soon as the requisite procedure is completed. The Notification would also be laid on the Table of the House as per prescribed procedure."

2.6. Subsequently, the Ministry *vide* their communication dated 29th July, 2005 enclosed a copy of the final Gazette Notification GSR 463-E dated 8.7.2005 incorporating the requisite amendment.

2.7. The Drugs and Cosmetics (3rd Amendment) Rules 2003, gave discretionary power to the Licensing Authority to modify the requirements of machinery, equipments and space needed for manufacturing of various categories of medicines. However, no provision was made in the Rules for recording of reasons in writing by the Licensing Authority before giving any such relaxation or altering the requirements. While the Ministry of Health and Family Welfare initially expressed their reluctance to amend the rules by taking the plea that there was no need for such a provision in the rules because the Licensing Authority would have to justify whenever a decision was taken by him to give relaxation. The contention of the Ministry was not found to be acceptable because the Committee on Subordinate Legislation have time and again emphasised the need for suitable provision in the rules for recording of reasons in writing, whenever rules confer any discretionary powers on any authority, as a safeguard for preventing its misuse. On being pursued further, the Ministry finally agreed and brought out the necessary amendment in the rules by prescribing for recording of reasons in writing vide GSR 463(E) dated 9 July, 2005. The Committee need hardly emphasise that it should be obligatory for an "Authority" to record the reasons in writing while exercising such power and the Ministry of Health and Family Welfare (Department of Health) should take utmost care in future to incorporate appropriate provisions in the rules whenever any discretionary powers are conferred on an "Authority" so that such powers are exercised judiciously and not in an arbitrary manner.

III

THE FOREIGN EXCHANGE MANAGEMENT (TRANSFER OR ISSUE OF SECURITY BY A PERSON RESIDENT OUTSIDE INDIA) (FOURTH AMENDMENT) REGULATIONS, 2004 (GSR 625-E OF 2004).

……..

The Foreign Exchange Management (Transfer or issue of Security by a person Resident Outside India) (Fourth Amendment) Regulations, 2004 (GSR 625-E of 2004) were published in the Gazette of India, Extraordinary, Part-II, Section 3(i) dated 21 September, 2004. On scrutiny, it was observed therefrom that the aforesaid Amendment Rules were given effect retrospectively from 30 August, 2004. However, the requisite clarification that interest of no person would be affected adversely by such retrospective effect was not given in form of an explanation or foot-note to the Rules. In this connection, attention of the Ministry of Finance (Department of Economic affairs) was invited to the following recommendation made by the Committee on Subordinate Legislation in Paragraph 10 of their 2nd Report (4th Lok Sabha):-

> "…..normally all rules should be published before the date of their enforcement or they should be enforced from the date of their publication. The Ministries/Departments should take appropriate steps to ensure the publication of rules before they come into force. However, if in any particular case the rules have to be given retrospective effect in view of any unavoidable circumstances, a clarification should be given either by way of an explanation in the rules or in the form of foot-note to the relevant rules to the effect that no one will be adversely affected as a result of retrospective effect being given to such rules."

3.2. The Ministry of Finance (Department of Economic Affairs) were also requested to state whether they had any objection in amending the regulations so as to give the requisite explanatory note. In their response, the Ministry of Finance

(Department of Economic Affairs) endorsed a copy of their communication dated 4.7.2005 addressed to the Chief General Manager, Reserve Bank of India, Foreign Exchange Department, Central Office, Mumbai wherein it was requested to issue a corrigendum to this effect.

3.3. Subsequently, the Ministry of Finance (Department of Economic Affairs) vide their OM dated 16.8.2005 forwarded a printed copy of GSR 514-E dated 22 July, 2005 issued by the RBI, carrying the requisite corrigendum which incorporated the certification that no person will be adversely affected as a result of retrospective effect being given to these regulations.

3.4. The Committee on Subordinate Legislation had, in Paragraph 10 of their Second Report (Fourth Lok Sabha) stipulated that in case retrospective effect has to be given to any rules, a clarification in the form of an explanation or foot note should be given in the relevant rules specifying that no person would be adversely affected as a result of retrospective effect being given to such rules. It was, however, observed on scrutiny that such a clarification was not given in the notification relating to the Foreign Exchange Management (Transfer or issue of Security by a person Resident outside India) (Fourth Amendment) Regulations, 2004 (GSR 625-E of 2004) published in Gazette of India on 21st September, 2004 although these regulations were given retrospective effect from 30th August, 2004. On being pointed out, the Ministry of Finance issued appropriate directions to the Reserve Bank of India (RBI) for complying with the recommendations of the

Committee and the RBI subsequently issued necessary corrigendum vide GSR 514-E on 22nd July, 2005. However, the fact remains that in the instant case the authorities concerned failed to ensure compliance of the procedure prescribed by the Committee before issuance of the notification. At this stage, the Committee can only trust that the Ministry of Finance will be more vigilant in future in ensuring that the rules/regulations notified by them or by the institutions under their administrative control are in conformity with the recommendations/observations made by the Committee in their earlier Reports. The Committee would also like to emphasise that the Ministry should evolve suitable procedural safeguards to avoid recurrence of such lapses in future.

N.N. KRISHNADAS,
CHAIRMAN,
COMMITTEE ON SUBORDINATE LEGISLATION

NEW DELHI;
30 August, 2007

APPENDIX –I

(Vide Para 4 of the Introduction of the Report)

SUMMARY OF RECOMMENDATIONS MADE IN THE SEVENTEENTH REPORT OF THE COMMITTEE ON SUBORDINATE LEGISLATION

(FOURTEENTH LOK SABHA)

Sl. No.	Reference to Para No. in the Report	Summary of Recommendations
1	2	3
1.		**Lacuna in the Bank Term Deposit Scheme, 2006 (SO 1220-E of 2006)**
	1.5	**The Committee observed that while Rule 13(1) of the Bank Term Deposit Scheme, 2006 (Scheme) provided for encashment of term deposit by nominees at any time before or after the maturity of the term deposit in the event of the death of the holder in single holder type deposits, no such provision existed in the Scheme for a joint holder type deposit in the event of death of the first holder as Rule 11(2) of the Scheme was attracted in such a case and the term deposit subjected to five years lock-in-period. Since the tax benefits were available only to the first holder in the case of joint holder type term deposit in terms of the proviso to Rule 4(2)(b) of the Scheme, the aforesaid provisions of the Scheme appeared to be treating 'nominee' and 'joint holder' in the case of single holder type term deposit and joint holder type term deposit respectively in a discriminatory manner. On being referred to the Ministry of Finance (Department of Revenue) for their comments, the Ministry initially maintained that the lock-in-period clause would be attracted in the case of a joint holder type deposit since the tax benefit had been provided to the "holders". This reply of the Ministry was found to be misleading and not in conformity with the proviso to Rule 4(2)(b) of the Scheme which clearly provided that in the case of joint holder type deposit, the deductions from income under Section 80 C of the Act shall be available only to the 'first holder' of the deposit. Keeping in view the fact that the tax benefit was available only to the first holder and the joint holder was not entitled to avail of any tax benefits under the Scheme, it was felt that the scheme**

		should not discriminate a 'joint holder' from a 'nominee' of the term deposit for the purposes of entitlement to encash the term deposit at any time in the event of death of the assessee. The matter was, accordingly, pursued further and the Ministry in their subsequent reply stated that a decision has since been taken to amend the Scheme with a view to extend the provision for premature encashment of the term deposit to 'joint holder' of the deposit in the event of the death of the assessee/first holder. While appreciating this decision, the Committee trust that the Ministry of Finance (Department of Revenue) will incorporate relevant provisions in the Scheme and notify the same at the earliest. The Committee would also like to be apprised of the precise action taken in this regard.
2.		**<u>The Drugs and Cosmetics (3rd Amendment) Rules, 2003 (GSR 198-E of 2003)</u>**
	2.7	**The Drugs and Cosmetics (3rd Amendment) Rules 2003, gave discretionary power to the Licensing Authority to modify the requirements of machinery, equipments and space needed for manufacturing of various categories of medicines. However, no provision was made in the Rules for recording of reasons in writing by the Licensing Authority before giving any such relaxation or altering the requirements. While the Ministry of Health and Family Welfare initially expressed their reluctance to amend the rules by taking the plea that there was no need for such a provision in the rules because the Licensing Authority would have to justify whenever a decision was taken by him to give relaxation. The contention of the Ministry was not found acceptable because the Committee on Subordinate Legislation have time and again emphasised the need for suitable provision in the rules for recording of reasons in writing, whenever rules confer any discretionary powers on any authority, as a safeguard for preventing its misuse. On being pursued further, the Ministry finally agreed and brought out the necessary amendment in the rules by prescribing for recording of reasons in writing <u>vide</u> GSR 463(E) dated 9 July, 2005. The Committee need hardly emphasise that it should be obligatory for an "Authority" to record the reasons in writing while exercising such power and the Ministry of Health and Family Welfare (Department of Health) should take utmost care in future to incorporate appropriate provisions in the rules whenever any discretionary powers are conferred on an "Authority" so that such powers are exercised judiciously and not in an arbitrary manner.**

3.		**<u>The Foreign Exchange Management (Transfer or issue of Security by a person Resident Outside India) (Fourth Amendment) Regulations, 2004 (GSR 625-E of 2004)</u>**
	3.4	**The Committee on Subordinate Legislation had, in Paragraph 10 of their Second Report (Fourth Lok Sabha) stipulated that in case retrospective effect has to be given to any rules, a clarification in the form of an explanation or foot note should be given in the relevant rules specifying that no person would be adversely affected as a result of retrospective effect being given to such rules. It was, however, observed on scrutiny that such a clarification was not given in the notification relating to the Foreign Exchange Management (Transfer or issue of Security by a person Resident outside India) (Fourth Amendment) Regulations, 2004 (GSR 625-E of 2004) published in Gazette of India on 21st September, 2004 although these regulations were given retrospective effect from 30th August, 2004. On being pointed out, the Ministry of Finance issued appropriate directions to the Reserve Bank of India (RBI) for complying with the recommendations of the Committee and the RBI subsequently issued necessary corrigendum <u>vide</u> GSR 514-E on 22nd July, 2005. However, the fact remains that in the instant case the authorities concerned failed to ensure compliance of the procedure prescribed by the Committee before issuance of the notification. At this stage, the Committee can only trust that the Ministry of Finance will be more vigilant in future in ensuring that the rules/regulations notified by them or by the institutions under their administrative control are in conformity with the recommendations/observations made by the Committee in their earlier Reports. The Committee would also like to emphasise that the Ministry should evolve suitable procedural safeguards to avoid recurrence of such lapses in future.**

APPENDIX –II

(Vide Para 5 of the Introduction of the Report)

EXTRACTS FROM MINUTES OF THE SIXTH SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (2006-2007)

The Committee met on Thursday, 2 August , 2007 from 1500 to 1545 hours in Chairman's Room No. 143, Parliament House, New Delhi.

PRESENT

Shri N.N. Krishnadas - Chairman

MEMBERS

2. Shri Anandrao Vithoba Adsul
3. Shri Giridhar Gamang
4. Shri N.Y. Hanumanthappa
5. Shri Ram Singh Kaswan
6. Shri Bhupendrasinh Solanki
7. Shri Ramji Lal Suman

SECRETARIAT

1.	Shri J. P. Sharma	-	Joint Secretary
2.	Shri Rajeev Sharma	-	Director
3.	Shri R.D. Silawat	-	Deputy Secretary

2. At the outset, the Chairman welcomed the members to the sitting of the Committee.

3. Thereafter, the Committee took up for consideration the following memoranda :-

1. **Memorandum No. 47** : Lacuna in the Bank Term Deposit Scheme, 2006 (SO 1220-E of 2006).

2. XX XX XX

3. **Memorandum No. 49:** The Foreign Exchange Management (Transfer or issue of Security by a person Resident Outside India) (Fourth Amendment) Regulations, 2004 (GSR 625-E of 2004).

4. XX XX XX

5. **Memorandum No. 51 :** The Drugs and Cosmetics (3rd Amendment) Rules, 2003 (GSR 198-E of 2003).

4. After deliberations, the Committee decided to incorporate the points raised in memorandum nos. 47, 49, 50 & 51 in their Reports to be presented to the House in the ensuing Session. As regards, memorandum no. 48 on the Citizenship (Amendment) Rules, 2005, the Committee decided to call the representatives of the Ministry of Home Affairs and the Ministry of Law & Justice for oral evidence.

The Committee then adjourned.

XX Omitted portion of the Minutes are not relevant to this Report.

EXTRACTS FROM MINUTES OF THE FIRST SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (2007-2008)

The Committee met on Thursday, 30 August, 2007 from 1500 to 1545 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri N.N. Krishnadas - Chairman

MEMBERS

2. Shri Anandrao Vithoba Adsul
3. Shri Faggan Singh Kulaste
4. Shri Lal Mani Prasad
5. Shri Anantha Venkatarami Reddy
6. Shri Bhupendrasinh Solanki
7. Shri Ramji Lal Suman
8. Shri Madhu Goud Yaskhi

SECRETARIAT

Shri J. P. Sharma	-	Joint Secretary
Shri Rajeev Sharma	-	Director
Shri R. D. Silawat	-	Deputy Secretary-II

2. At the outset, the Chairman welcomed the members to the sitting of the Committee.

3. The Committee took up for consideration the draft 17th Report and adopted the same without any modifications/corrections. The Committee also authorised the Chairman to present the same to the House.

The Committee then adjourned.