

C.B.II No. 448-Vol. III

COMMITTEE ON SUBORDINATE LEGISLATION
(FOURTEENTH LOK SABHA)
(2004-2005)

THIRD REPORT

(PRESENTED ON 10 March, 2005)

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LOK SABHA SECRETARIAT

NEW DELHI

PRICE: 10.00

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COMPOSITION OF THE COMMITTEE ON SUBORDINATE LEGISLATION

1. Shri N.N. Krishnadas - Chairman
2. Shri Omar Abdullah
3. Shri Ajay Chakraborty
4. Shri Bikram Keshari Deo
5. Justice (Retd.) N.Y. Hanumanthappa
6. Shri Ram Singh Kaswan
7. Shri Vijay Khandelwal
8. Shri A. Venkatarami Reddy
9. Shri Chandra Shekhar Sahu
10. Shri Sitaram Singh
11. Shri Bhupendrasinh Solanki
12. Shri Ramji Lal Suman
13. Shri P.C. Thomas
14. Shri Madhu Goud Yaskhi
15. Shri Sudam Marandi

SECRETARIAT

1. Shri John Joseph - Additional Secretary
2. Shri V.K.Sharma - Joint Secretary
3. Shri A. Louis Martin - Director
4. Shri Ashok Balwani - Under Secretary

INTRODUCTION

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

2. The matters covered by this Report were considered by the Committee at their sitting held on 20 .9.2004. The Committee also took oral evidence of the representatives of the Ministry of Finance (Department of Banking) on 26.10.2004 in connection with the delay in laying of the Industrial Development Bank of India Regulations.

3. The Committee wish to thank the representatives of the Ministry of Finance (Department of Banking) for appearing before the Committee and furnishing the information required by the Committee.

4. The Committee considered and adopted this Report at their sitting held on 22.12.2004.

5. Extracts from the Minutes of the relevant sittings of the Committee are included in Appendix I.

6. 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 II of the Report.

NEW DELHI;
December, 2004
Agrahayana, 1926 (Saka)

N.N. KRISHNADAS
CHAIRMAN
COMMITTEE ON SUBORDINATE LEGISLATION

I

Delay in notification of final rules, viz. Drugs and Cosmetics (4th Amendment) Rules, 2003.

The Drugs and Cosmetics (4th Amendment) Rules, 2003 (GSR 528-E of 2003)were published in the Gazette of India Extraordinary, Part-II Section 3 (i) dated 8 July, 2003 . It was observed therefrom that the draft of the above rules were made available to the public for obtaining comments/suggestions on 14.8.2002 whereas the final rules in this regard were notified on 8.7.2003 i.e. after a gap of nearly 11 months.

1.2 In terms of the recommendations made by the Committee on Subordinate Legislation in the past, the final rules should be notified within six months after notification of draft rules (paras 2.5 & 2.6, 21st Report, 10th L.S.). This time limit of six months is in cases where a large number of objections/suggestions are received. Where the objections/suggestions received are few, this period should be the barest minimum and in any case, not exceeding three months.

1.3 As nearly 11 months were taken in notification of final rules regarding Drugs and Cosmetics (4th Amendment) Rules, the Ministry of Health and Family Welfare were asked to indicate the reasons for the delay. The Ministry of Health

& Family Welfare stated in their reply (O.M. No.X-11014/1/2002-DMS&PFA dated 31 March, 2004) as under :-

“The draft rules for the amendment of Drugs and Cosmetics rules, 1954 were published for public comments vide GSR 570 (E) dated 14.8.2002 and the final notification of the amendment after taking into consideration the comments received was published vide GSR 528 (E) dated 8.7.2003. The delay was due to consultations held with the Ministry of Commerce for simplifying the procedure for import of drugs at Special Economic Zones set up by the Ministry to boost exports and due to the sudden sad demise of the Dy. Drugs Controller (Shri S.P. Das), who was handling the case.”

1.4 The Committee regret to note that there has been a delay of about five months in notifying the Drugs and Cosmetics (4th Amendment) Rules, 2003 after its publication in the draft form. Such delays impair the beneficial aspects of the rules. The Ministry of Health and Family Welfare have stated that the delay was due to consultations held with the Ministry of Commerce for simplifying the procedure for import of drugs at Special Economic Zones and due to sudden demise of the Dy. Drugs Controller who was handling the case. The Committee are not convinced of the reasons for the delay. The Committee feel that the consultation with the Ministry of Commerce should have preceded the notification of draft rules. If any further consultation was required after notification of draft rules, it should have been done in a time bound manner. Similarly, citing absence of an official as a reason for delay does not speak well of the Ministry. The Committee desire that the Ministry should exercise due care in future and ensure timely notification of final rules keeping in view the need to make timely availability of the benefits of the rules to the public.

II

Safeguard against misuse of the power of relaxation.

The Telecom Regulatory Authority of India (Salary, Allowances and other conditions of Service of the Officers and Employees) Rules, 2002 (GSR 726-E of 2002) were published in the Gazette of India, Extraordinary, Part-II, Section 3(i) dated 25 October, 2002. It was observed that rule 6 of the above rules vested power in the Central Government to relax the provisions of any of these rules in respect of any class or category of persons.

2.2 There was, however, no safeguard in the rule to see that the powers of relaxation are not exercised arbitrarily. To obviate any misuse of the discretionary power, the reasons for giving relaxation ought to be recorded in writing before grant of any relaxation. The matter was, therefore, referred to the Ministry of Communications and Information Technology.

2.3 The Ministry in appreciation of the point made by the Committee, have amended the rule suitably and notified the amendment. The amended rule provides for reasons to be recorded in writing before giving any relaxation in the rules.

2.4 The Committee note that the rule 6 of the Telecom Regulatory Authority of India (Salary, Allowances and other conditions of Service of the Officers and Employees) Rules, 2002 vests the Central Government with the power to relax the provisions of any of these rules in respect of any class or category of persons. The Committee hold that the discretionary power of relaxation could be misused unless there is a built-in-safeguard. When the absence of safeguard was pointed out, the Ministry of Communication and Information Technology have amended the rules vide GSR 203-E dated 7 March, 2003 to the effect that the power of relaxation could be exercised only for “reasons to be recorded in writing”. The Committee hope that the amendment will avert any arbitrary exercise of the power of relaxation. The Committee urge that utmost care should be exercised to ensure that the rules framed by the Ministry in future do not leave any room for misuse.

III

Delay in laying of the Coal Mines Provident Fund (Amendment) Scheme.

The Coal Mines Provident Fund (Amendment) Scheme, 2002 (GSR 687-E of 2002) which was published in the Gazette of India, Extraordinary, Part-II, Section 3(i) on 8 October, 2002 was laid on 18.2.2003 after long delay. The Scheme should have been laid on the Table of the House within 15 days after the commencement of the following Session, i.e. in Winter Session of 2002. The time limit was not adhered to in this case. The Scheme was laid on the Table of the House in the succeeding Budget Session. According to the recommendation of the Committee on Subordinate Legislation (para 38 of 6th Report - 3rd Lok Sabha) whenever Orders are laid on the Table after an inordinate delay, an explanatory note giving the reasons for such delay should be appended to the Orders when so laid. The above mentioned Order also did not fulfil this requirement.

3.2 It was also observed from the footnote appended to the Scheme that the Scheme had undergone as many as 123 amendments and the footnote ran into three columns in two pages.

3.3 Responding to the above points, the Ministry of Coal in their communication dated 29 July, 2003 stated as under :-

“..... after publication of the notification on 8.10.2002, it was felt that a corrigendum would be required to bring clarity in the amendment made in the Scheme. The said corrigendum was published on 4.12.2002. Had the

corrigendum not been contemplated, the notification dated 8.10.2002 would have been laid in the Winter Session itself. Subsequent to publication of corrigendum, this Ministry took immediate steps to lay the paper in Winter Session. However, the procedural requirements such as authentication by the Minister concerned before sending the papers to Lok Sabha Secretariat for laying the same, had left this Ministry barely one day for laying the papers in the Winter Session. The authenticated papers were ready only on 16th December, and last date allotted to this Ministry for Parliament matters was 17th December, 2002. As per Lok Sabha Secretariat O.M. No. 26/1/V/2000/T dated 8 November, 2000, the document to be laid should be forwarded to Lok Sabha Secretariat at least 3 days in advance before the date on which they are proposed to be laid on the Table. In view of this, paper could not be forwarded to Lok Sabha Secretariat during the Winter Session.

So far as submission of 'Statement of delay' along with papers laid on the Table is concerned, this Ministry did not find it necessary in view of the provisions contained in Section 7A of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 which is reproduced below:-

'Every scheme made under this Act shall be laid as soon as may be after it is made, before each House of Parliament while it is in Session for a total period of Thirty days which may be comprised in one Session or in two or more successive Sessions, and if before the expiry of the Session immediately following the session or the successive Sessions aforesaid both Houses agree in making any modification in the scheme or both Houses agree that the scheme should not be made, the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be : so however – that any such modification or annulment shall be without prejudice to the validity of anything previously done under that scheme.'

Therefore, as per stipulation of the Act, the papers were laid well within the period of 30 days. It may be appreciated that total 15 days were taken in laying the papers while the House was in Session comprising both Winter and Budget Sessions (excluding recess period), after publication of the scheme and corrigendum thereto. Even if the notification dated 8.10.2002 is taken into consideration, the papers were laid well within the deadline as stipulated in the Act.

As for suggestion of the Lok Sabha Secretariat contained in para 3 of the said O.M., the concerned Organisation is being suggested to publish the Scheme afresh incorporating all the amendments made so far."

3.4 The Committee regret to point out that no explanatory note giving reasons for delay in laying the Scheme was appended to the Coal Mines Provident Fund

(Amendment) Scheme, 2002. The reasons advanced by the Ministry for the lapse are not convincing. While trying to justify this omission, the Ministry seem to have totally misinterpreted Section 7 A of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948. The Section under reference deals with the period of laying of the notification framed under the Act. It is, in no way, connected with the time within which the Notification is required to be laid. It appears that the Ministry were not aware of the Committee's recommendation contained in Para 38 of the 6th Report (Third Lok Sabha) which has prescribed the time within which a statutory order is required to be laid on the Table of the House after its notification. The Committee had recommended that whenever 'Orders' are laid on the Table after an inordinate delay, an explanatory note giving the reasons for such delay should be appended to the 'Orders' when so laid. The Committee desire that the Ministry should lay 'Orders' in future within the stipulated time limit and if there is any delay in this regard for any reason, the explanatory note giving reasons for the delay be appended to the Order.

3.5 The Committee are happy to note that on their suggestion, efforts are being made by the Ministry to publish the Coal Mines Provident Fund Scheme afresh incorporating all the amendments made so far. The Committee desire that action on this matter be completed expeditiously and the Committee be apprised of the position.

IV

Delay in laying of the Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996.

The Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996 (F.No. LD 2897 of 1997) were published in the Gazette of India, Part –III, Section 4, on 12 February, 1997 but were laid on the Table of Lok Sabha only on 25.4.2003 i.e. 6 years after their notification. The delay statement laid along with the regulations did not, however, give specific reasons for the delay but expressed regret stating that “it is regretted that delays occurred in laying this before Parliament for reasons which are not wilful. Delay in compliance with the provisions of the aforesaid Act is deeply regretted”.

4.2 The matter was therefore, taken up with the Ministry of Finance, Department of Economic Affairs (Banking Division) to ascertain the specific reasons for the undue delay. In response, the Ministry stated on 18 September, 2003 as under:-

“The Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996 was published in the Gazette of India, Extraordinary dated 12th February, 1997. When the files were reviewed in February, 2003, it was noticed that these Regulations have not been laid on the Tables of both Houses of Parliament. Immediately, the above notification was got authenticated by MOS (EB&I) and was laid on the Table of Rajya Sabha on 22-4-2003 and Lok Sabha on 25-4-2003, at the first available opportunity itself.

IDBI have stated that they have forwarded the above notification vide Letter No. LD. 3500 dated 21.3.1997. However, they have not forwarded a copy of the Letter. It is not possible to pinpoint the lapse due to lack of records.

The above delay in compliance of the provisions of Section 37(4) of the Industrial Development Bank of India Act, 1964 has caused inconvenience to Members of the Committee on Subordinate Legislation, which is deeply regretted.”

4.3. To a query whether the delay in laying the notification was due to lapse on the part of the Ministry or due to lapse on the part of IDBI, the Ministry in their reply dated 2 July, 2004 stated as under:-

“The amendment of the IDBI Bond Regulations, 1972 approved by the Ministry of Finance and vetted duly by Ministry of Law was published in the Gazette of India Extraordinary dated February 12, 1997. In terms of 37(4) of the IDBI Act, 1964, the amended regulations were to be laid before both Houses of Parliament. This requirement was not complied with. The relevant record shows that formal approval of the Government is to be conveyed to IDBI. At the time of review of recorded files during February, 2003, it was observed that the said amended regulations, 1972 of IDBI Bonds had not been laid in both the Houses of Parliament as required in terms of the relevant section of the IDBI Act. Immediate action was taken. With the approval of the then MOS (Finance), the amended regulations of IDBI Bonds was placed in the Rajya Sabha on 22.4.2003 and in the Lok Sabha on 25.4.2003.

4.4 From the copy of the IDBI letter No. LD 3500 dated 21.3.1997 made available to the Committee, it is observed that IDBI had sent with an unsigned letter, copies of the relevant notifications to the Ministry for being laid before the Parliament. It thus appears that the delay in laying the notification was due to lapse on the part of the Ministry.

4.5 .The Ministry in this connection have stated that the lapse was inadvertent and due to oversight and not because of any malafide intention of any officer. It has further been stated that fixing responsibility of any individual officer after so many years was difficult. The Ministry have further requested for condonation of the delay.

4.6 The Committee considered the above matter at their sitting held on 20 September, 2004 and held discussion with the representatives of the Ministry of Finance, Department of Economic Affairs on 26 October, 2004.

4.7 Apologising for the delay of six years in laying the notification, the Secretary, Department of Economic Affairs stated during evidence :- :

“Sir, I apologise and I will not give any explanation at all. It is a very serious thing on our part. I would submit to the hon. Committee that we did not take adequate precautions, and over a period of time, the systems have also tended to get eroded... Basically, Sir, it is the responsibility of the Secretary of the Ministry. First of all, we have to ensure that IDBI should have taken adequate precautions. In this particular case, the notification was to be issued by IDBI. The Ministry had sent the duly approved and vetted draft of the notification to the IDBI in the month of May, 1996. The notification was issued some time in 1997. After that there was no communication from IDBI saying that this notification had been issued. We had received a letter in the year 1997 but there was no signature at all on that letter. We should have taken precautions while we were sending this for approval. It is just a matter of chance that during the review of the file, this point came up. ...In fact, I cannot offer any proper explanation for it, excepting that there was a long delay in the issue of the notification. If the notification had been issued by IDBI after its approval by the Government, then perhaps it could have been followed up. As there was a long delay, it should have been cross-checked too. So, Sir, these are the facts, and I cannot pretend to make any excuses. I would not like to make any pretentious issue. If there is any fault on our part, I must admit it.”

4.8 When asked why is it not possible to pin point the lapse and what sort of records are lacking in the Ministry, the Ministry stated in a written reply :-

“No record is available in the file after forwarding the draft vetted notification to IDBI. Usually, the Financial institution after publishing the notification forward the original copies of the notification to Government with a request to lay the same on the Table of both Houses of Parliament. In this case, no correspondence between IDBI and Government was available in the file after 1996. Therefore, when it was noticed that these regulations were not laid on the Table of both Houses of Parliament during a review in February 2003, it was immediately got authenticated by MOS(EB&I) and laid on the Table of both Houses of Parliament during the budget session, 2003.”

4.9 When asked whether there was any provision for periodical review and whether there is any mechanism in the Department to ensure that every notification of the Ministry which is required to be laid is so laid before Parliament within the stipulated time, the Ministry admitted in a written reply that there was no such mechanism in the Department to detect such lapse and that a mechanism was being developed in this regard. During oral evidence, the Secretary, Department of Economic Affairs stated in this regard :-

“I want to propose one thing. Whenever the notification is issued, the concerned officer should certify that a copy is being sent to the Parliament. If the Parliament is not in Session, a copy should be sent to the Parliamentary Cell of the Banking Division from where it will ensure that in the ensuing session of the Parliament, this is placed on the Table of the House. We will take that certificate from him. That sort of system we want to introduce so that every time a notification is issued – if the notification is to be issued by an organisation outside the Government, like IDBI.- even at the time of approval we will write to them. It will be ensured that as soon as the notification is issued, a copy comes to the Secretary by name for it is being laid on the Table of the House. Thereafter, a certificate will also come before each session of the Parliament that all the notifications, which are supposed to be laid on the Table of the House, have been sent to the Government for being laid on the Table of the House. We will have to have these systems. There are so many files, which come and go. There is no regular system to check to ensure that every notification, which is issued, is properly taken care of.”

4.10. When asked whether there is any mechanism to look into deficiencies, the Secretary, Department of Economic Affairs stated :-

“The system laid down in the Government are so strong that if we only follow them nothing will go wrong. As people say, no record is ever lost in Government. You will always find a paper, but over a period of time, these systems have deteriorated, efficiency has declined and we are not so careful, unfortunately. With all those changes that is something that we have to ensure that some new systems are there to replace these old systems. Now, we have computers, we can have some system to check that this particular type of notification has to go to Parliamentary Section. There can be a standard endorsement system where it goes to Parliament and to others. We can definitely ensure a system. We can also have a check system whether it has gone or not. We have to

change and also train our staff. But the responsibility is on us because we know that it is important. I cannot hold a clerk responsible for this. I assure you that this is something we will fully take care of.”

4.11 The Committee observe that the Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996 which were published in February, 1997 were laid on the Table of the House on 25 April, 2003, i.e. six years after the publication of the relevant notification. The delay statement laid alongwith the notification did not give any specific reason except expressing regret and stating that the reasons were not wilful. The matter was, therefore, taken up with the Ministry of Finance (Department of Economic Affairs).

4.12 The Ministry have stated that the lapse was inadvertent and due to oversight and not because of any malafide intention of any officer. Apologising for the lapse the Secretary, Department of Economic Affairs has admitted that adequate precautions had not been taken and that over a period of time, the systems have deteriorated and efficiency declined. The Committee regret to note that there was no mechanism in the Department to ensure that notifications issued by the Department are laid in Parliament within the stipulated time. It is only now that the Secretary, Department of Economic Affairs has proposed to introduce a system of cross-check to ensure timely laying of notifications on the Table of the House. The Committee hope that the Ministry will take necessary action in this regard and apprise the Committee of the action taken.

**NEW DELHI;
December, 2004
Agrahayana, 1926 (Saka)**

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

APPENDIX-I

(Vide Para 5 of the Introduction of the Report)

MINUTES OF THE THIRD SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (2004-2005)

The Committee met on Monday, 20 September, 2004 from 1500 to 1530 hours
in Committee Room No. 62, Parliament House, New Delhi.

PRESENT

Shri N.N. Krishnadas - Chairman

MEMBERS

2. Shri Omar Abdullah
3. Shri Ajay Chakraborty
4. Shri Bikram Keshari Deo
5. Shri Ram Singh Kaswan
6. Shri A. Venkatarami Reddy
7. Shri Chandra Shekhar Sahu
8. Shri Ramji Lal Suman
9. Shri Madhu Goud Yaskhi

SECRETARIAT

1. Shri V.K. Sharma, Joint Secretary
2. Shri A. Louis Martin, Director
3. Shri Ashok Balwani, Under Secretary

2. At the outset, the Chairman welcomed the members to the sitting of the Committee on Subordinate Legislation and thereafter took up the following memoranda for consideration :-

1. Memorandum No. 2 regarding the Telecom Regulatory Authority of India (Salary, Allowances and other conditions of Service of the Officers and Employees) Rules, 2002
2. Memorandum No. 3 regarding the Coal Mines Provident Fund (Amendment) Scheme, 2002
3. Memorandum No. 4 regarding delay in notification of final rules, viz. Drugs and Cosmetics (4th Amendment) Rules, 2003
4. Memorandum No. 5 regarding delay in laying of the Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996

In regard to memoranda mentioned at Sl. No. 1, 2 and 3 above, the Committee decided to comment suitably in their next Report. As regards memorandum mentioned at Sl. No. 4, since no specific reason was advanced by the Ministry for the delay of six years in laying the Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996, on the Table of the House, the Committee took serious note of the matter and decided to take evidence of the Ministry of Finance to ascertain the reasons for the delay.

The Committee then adjourned.

MINUTES OF THE FOURTH SITTING OF THE COMMITTEE ON SUBORDINATE
LEGISLATION (2004-2005)

The Committee met on Tuesday, 26 October, 2004 from 1500 to 1625 hours in
Committee Room No. 139, Parliament House Annexe, New Delhi.

PRESENT

Shri N.N. Krishnadas - Chairman

MEMBERS

2. Shri Omar Abdullah
3. Shri Ajay Chakraborty
4. Shri Bikram Keshari Deo
5. Shri Ram Singh Kaswan
6. Shri Vijay Khandelwal
7. Shri A. Venkatarami Reddy
8. Shri Chandra Shekhar Sahu
9. Shri Ramji Lal Suman
10. Shri P.C. Thomas

SECRETARIAT

1. Shri John Joseph - Additional Secretary
2. Shri A. Louis Martin - Director
3. Shri Ashok Balwani - Under Secretary

2. The Committee took oral evidence of the representatives of two Ministries/ Departments, one after the other.

3-5 xx xx xx

xx xx xx

6. The representatives of the Ministry of Finance (Department of Economic Affairs) were then called in. The following were present:-

(i) **Shri N.S. Sisodia** - **Secretary (FS)**

(ii) **Shri Atul Kumar Rai** - **Director (IF)**

7. The Committee took oral evidence of the representatives of the Ministry of Finance (Department of Economic Affairs) regarding delay in laying of the Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996.

8. Verbatim proceedings of the evidence was kept.

The witnesses then withdrew.

The Committee then adjourned.

xx Omitted portions of the Minutes are not relevant to the Report.

MINUTES OF THE SIXTH SITTING OF THE COMMITTEE ON SUBORDINATE
LEGISLATION (2004-2005)

The Committee met on Wednesday, 22 December, 2004 from 1500 to 1600
hours in Chairman's Room No. 143, Parliament House , New Delhi.

PRESENT

Shri N.N. Krishnadas - Chairman

MEMBERS

2. Shri Ajay Chakraborty
3. Shri Bikram Keshari Deo
4. Justice (Retd.) N.Y. Hanumanthappa
5. Shri Ram Singh Kaswan
6. Shri Vijay Khandelwal
7. Shri Ramji Lal Suman
8. Shri Madhu Goud Yaskhi

SECRETARIAT

1. Shri A. Louis Martin - Director
2. Shri Ashok Balwani - Under Secretary

2. The Committee took up for consideration the draft Third Report and adopted the same without any modifications.
3. The Committee then authorized the Chairman to present the same to Lok Sabha.

The Committee then adjourned.

APPENDIX –II

(Vide Para 6 of the Introduction of the Report)

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

(FOURTEENTH LOK SABHA)

Sl. No.	Reference to Para No. in the Report	<u>Summary of Recommendations</u>
1	2	3
		Delay in notification of final rules, viz. Drugs and Cosmetics (4 th Amendment) Rules, 2003.
1.	1.4	The Committee note that there has been considerable delay in notification of final rules regarding Drugs and Cosmetics (4 th Amendment) Rules, 2003. Such delays impair the beneficial aspects of the rules. The Ministry of Health and Family Welfare has attributed the delay to the consultation held with the Ministry of Commerce for simplifying the procedure of import of drugs at Special Economic Zones and to sudden demise of the Dy. Drugs Controller who was handling the case. The reasons for the delay do not appear to be convincing. The consultation with the Ministry of Commerce should have preceded the notification of draft rules. If any further consultation was required after notification of draft rules, it should have been done in a time bound manner. Similarly citing absence of an official as a reason for delay does not speak well of the Ministry. The Committee desire that the Ministry should exercise due care in future and ensure timely notification of final rules keeping in view the need to make timely availability of the benefits of the rules to the public.

2. 2.4

The Telecom Regulatory Authority of India (Salary, Allowances and other conditions of Service of the Officers and Employees) Rules, 2002 (GSR 726-E of 2002)

The Committee noted that the rule 6 of the Telecom Regulatory Authority of India (Salary, Allowances and other conditions of Service of the Officers and Employees) Rules, 2002 vested the Central Government with the power to relax the provisions of any of these rules in respect of any class or category of persons. There was, however, no safeguard in the rule to ensure that the power of relaxation is not misused. When this lacuna was pointed out, the Ministry of Communication and Information Technology have amended the rules vide GSR 203-E dated 7 March, 2003 and made a provision in the rules for “reasons to be recorded in writing” before giving relaxation in the rules. The Committee appreciate the prompt action taken by the Ministry in this regard.

3. 3.4 & 3.5

The Coal Mines Provident Fund (Amendment) Scheme, 2002 (GSR 687-E of 2002)

The Committee note that no explanatory note giving reasons for delay in laying the Scheme, was appended to the Coal Mines Provident Fund Amendment Scheme, 2002. The reasons advanced by the Ministry for the lapse are not convincing. While trying to justify this omission, the Ministry seems to have totally misinterpreted Section 7 A of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948. The section under reference deals with the period of laying of the notification framed under the Act. It is, in no way, connected with the time within which the Notification is required to be laid. It appears that the Ministry were not aware of the Committee’s recommendation contained in Para 38 of the 6th Report (Third Lok Sabha) which has prescribed the time within which a statutory order is required to be laid on the Table of the House after its notification. The Committee had recommended that whenever ‘orders’ are laid on the Table after an inordinate delay, an explanatory note giving the reasons for such delay should be appended to the ‘orders; when so laid. The Committee desire that the Ministry should lay ‘Orders’ in future within the stipulated time limit and if there is any

delay in this regard for any reasons, the explanatory note giving reasons for the delay be appended to the Order.

The Committee are happy to note that on their suggestion, efforts are being made by the Ministry to publish the Coal Mines Provident Fund Scheme afresh incorporating all the amendments made so far. The Committee desire that action on this matter be completed expeditiously and the Committee be apprised of the position.

The Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996

4. 4.11 & 4.12

The Committee observe that the Industrial Development Bank of India (Issue and Management of Bonds) (Amendment) Regulations, 1996 which were published in February, 1997 were laid on the Table of the House on 25 April, 2003, i.e. six years after the publication of the relevant notification. The delay statement laid along with the notification did not give any specific reason except expressing regret and stating that the reasons were not wilful. The matter was therefore, taken up with the Ministry of Finance (Department of Economic Affairs).

The Ministry have stated that the lapse was inadvertent and an oversight and not because of any malafide intention of any official. Apologising for the lapse the Secretary, Department of Economic Affairs has admitted that adequate precautions had not been taken and that over a period of time, the systems have deteriorated and efficiency declined. The Committee regret to note that there was no mechanism in the Department to ensure that notifications issued by the Department are laid in Parliament within the stipulated time. It is only now that the Secretary, Department of Economic Affairs has proposed to introduce a system of cross-check to ensure the laying of notifications on the Table of the House. The Committee hope that the Ministry will take necessary action in this regard and apprise the Committee of the action taken.