

**COMMITTEE ON SUBORDINATE LEGISLATION**  
**(2017-2018)**

**(SIXTEENTH LOK SABHA)**

**THIRTIETH REPORT**

**[Action Taken by Government on the Observations/Recommendations contained in the Seventh Report of the Committee on Subordinate Legislation (Sixteenth Lok Sabha)]**



सत्यमेव जयते

**LOK SABHA SECRETARIAT**  
**NEW DELHI**

**July, 2018/Ashadha, 1940 (Saka)**

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**(PRESENTED TO LOK SABHA ON 26.7.2018)**



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**LOK SABHA SECRETARIAT**

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**July, 2018/Ashadha, 1940 (Saka)**

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**COMPOSITION OF THE COMMITTEE ON SUBORDINATE LEGISLATION**  
**(16<sup>th</sup> LOK SABHA)**  
**(2017-2018)**

1. Shri Dilipkumar Mansukhlal Gandhi Chairperson

**MEMBERS**

2. Shri Idris Ali  
3. Shri Birendra Kumar Choudhary  
4. Shri S. P. Muddahanumegowda  
5. Shri Shyama Charan Gupta  
6. Shri Jhina Hikaka  
7. Shri Janardan Mishra  
8. Shri Prem Das Rai  
9. Shri Chandul Lal Sahu  
10. Shri Alok Sanjar  
11. Shri Ram Prasad Sarmah  
12. Adv. Narendra Keshav Sawaikar  
13. Shri V. Panneer Selvam  
14. Shri Ram Kumar Sharma  
15. Shri Nandi Yellaiah

**SECRETARIAT**

1. Smt. Sudesh Luthra - Additional Secretary  
2. Shri Ajay Kumar Garg - Director  
3. Smt. Jagriti Tewatia - Deputy Secretary



## INTRODUCTION

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

2. This Report relates to the action taken on the Observations/Recommendations contained in the Seventh Report (2016-2017) (Sixteenth Lok Sabha) which was presented to Lok Sabha on 12.8.2015.

3. The Committee considered and adopted this Report at their sitting held on 23.4.2018.

4. The summary of recommendations contained in the Seventh Report and action taken reply of the Government thereon have been reproduced in Appendix I of the Report.

5. The Minutes of the sitting of the Committee relevant to this report are brought out in Appendix II.

6. An analysis of action taken by the Government on the recommendations contained in the Seventh Report of Committee on Subordinate Legislation (Sixteenth Lok Sabha) is given in Appendix III.

New Delhi;  
23 April, 2018  
03 Vaisakha , 1940 (Saka)

DILIPKUMAR MANSUKHLAL GANDHI  
Chairperson,  
*Committee on Subordinate Legislation*

## REPORT

This Report of the Committee on Subordinate Legislation (2017-18) deals with the action taken by the Government on the observations/recommendations contained in Seventh Report (Sixteenth Lok Sabha) of the Committee which was presented to Lok Sabha on 12.08.2015. The Seventh Report dealt with the following subjects :-

- I. The Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) (Amendment) Scheme, 2013 (GSR 684-E of 2013).
- II. The Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment Rules, 2013 (GSR 270 of 2013).
- III. The Defence Research and Development Service (Amendment) Rules, 2013 (SRO 11 of 2014).

2. The observations/recommendations made by the Committee in respect of the shortcomings observed in the above rules are contained in paras 1.4 and 1.5 of chapter I, paras 2.5, 2.6 and 2.7 of chapter II and paras 3.4, 3.5 and 3.6 of chapter III of the 7<sup>th</sup> Report which after presentation was forwarded to the concerned Ministries for implementation of the recommendations contained therein. The Ministries concerned, viz. the Ministry of Finance (Department of Economic Affairs), the Ministry of Law and Justice (Department of Legal Affairs) and the Ministry of Defence (Department of Defence Research and Development) furnished their action taken replies in respect of all the eight observations/recommendations contained in the Report.

3. The main observations/recommendations made by the Committee in its Seventh Report (Sixteenth Lok Sabha) and the action taken thereon by the Ministries concerned are briefly given as follows:-

- I. The Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) (Amendment) Scheme, 2013 (GSR 684-E of 2013)

The Committee observed that the above scheme and 12 amendments subsequently carried out therein from time to time were without a statutory backing but were published in particular part/section of the Gazette of India, which is primarily meant for publishing the piece of subordinate legislation which have the statutory backing of an Act of the Parliament or any Constitutional provision. The Committee, therefore, recommended to rectify the patent error of printing of the Scheme in wrong part/section of the Gazette of India. The Ministry of Finance (Department of Economic Affairs) in their action taken reply submitted that New Depository Receipts Scheme 2014 has replaced the earlier Foreign Currency Convertible Bonds (Through DR Mechanism) Scheme, 1993 and the same has been notified after due legal vetting by the Ministry of Law and Justice in Gazette of India (Extraordinary), Part I-Section I.

II. The Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment Rules, 2013 (GSR 270 of 2013)

The Committee recommended the Ministry to amend the above Recruitment Rules and classify the post of Sr. Court Clerk, Grade – I as Group B Post as the scale of pay attached to the post is Rs. 9300-34800 in Pay Band-2 and consequent to this amendment, the period of probation under Col.9 will also be required to be changed from 'not applicable' to 2 years in accordance with the DoPT guidelines stipulating that in the case of promotion from one Group to another Group, probation of 2 years is to be prescribed. The Ministry of Law and Justice in their action taken reply submitted that necessary amendments have been made and have also enclosed copy of the Notification so notified.

III The Defence Research and Development Service (Amendment) Rules, 2013 (SRO 11 of 2014)

The Committee while observing that the year in the short title to the above rules was not in conformity with the year of their publication in the official gazette recommended to issue a corrigendum for rectifying the error in the short title in order to make it consistent with the 'year' of publication. The Ministry of Defence (Department of Defence Research and Development) in their action taken reply informed that the corrigendum as desired by the Committee has been published and also enclosed a copy of the Gazette notification so notified.

4. The Committee, therefore, are satisfied to note that the Ministries concerned have accepted the shortcomings and rectified the same. A statement showing the Action Taken by the Government on the recommendations contained in the Seventh Report is given in Appendix-I.

New Delhi;  
23 April, 2018  
03 Vaisakha , 1940 (Saka)

DILIPKUMAR MANSUKHLAL GANDHI  
Chairperson,  
*Committee on Subordinate Legislation*

**APPENDIX I**  
(vide Para 4 of Introduction of the Report)

**STATEMENT SHOWING THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE SEVENTH REPORT OF THE COMMITTEE (16<sup>th</sup> LOK SABHA)**

- I. **The Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) (Amendment) Scheme, 2013 (GSR 684-E of 2013).**

**Observations/Recommendations of the Committee**

The General Statutory Rules (including Orders, Bye-laws, etc. of general character) issued by the Ministries of the Government of India (other than the Ministry of Defence) or by Central authorities (other than the Administration of Union Territories) are mandated to be published in the Gazette of India, Extraordinary, Part II Section (3), Sub-Section (i). The Committee note that the Ministry of Finance (Department of Economic Affairs) had notified the parent Foreign Currency Convertible Bonds & Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and subsequent 12 amendments to this Scheme, without a statutory backing, in the particular part/section of the Gazette of India, which is primarily meant for publishing the piece of subordinate legislation which have the statutory backing of an Act of the Parliament or any constitutional provision. The Committee strongly contest the argument given by the Ministry that, the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) (Amendment) Scheme, 2013 was only an amendment in one of the provisions of the parent Scheme viz. the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, which was first published in the Gazette of India, Extraordinary, Part II Section (3), Sub-Section (i) on 12 November, 1993 and therefore, the aforesaid amendment was also published in the above part/section of the Gazette of India. The Committee take a view that though the Scheme was originally not published in the specific part/section of the Gazette of India, in which it was supposedly mandated to be published 20 years ago, in no manner can be referred to as a precedent which would justify for recurrence of the error till date. The Committee recommend that the Ministry should now seize the window of opportunity opened by the Committee, by pointing out the infirmity of printing of the Scheme in wrong part/section of the Gazette of India, to rectify the patent error. The Committee desire that this piece of subordinate legislation should be issued afresh by superseding the earlier version without

hampering its practical applicability and without encroaching on the benefits of the scheme to anyone by publishing the same in the correct part/section of the Gazette of India.

**(Para 1.4 of the Report)**

The Committee note that as per Ministry of Finance submission, the parent Scheme was notified in 1993 under the General administrative powers of the Government as suggested by the Ministry of Law. The Committee also note that the role of Ministry of Law and Justice (Legislative Department) was crucial in the matter and correct advice regarding publishing of the Scheme in the correct part/section of the Gazette of India at its initiation i.e. in 1993, would have prevented the very genesis of such a patent errors because the Ministry of Law and Justice (Legislative Department) as compared to any other Ministry, is more well-versed and equipped regarding the nomenclature of various parts/sections of the Gazette of India and the content to be included in each and every part/section of the Gazette of India. The Committee, therefore, desire that the Ministry of Law and Justice (Legislative Department) should view this as an eye opener and should act as a guiding force for all Ministries in the matters relating to the subordinate legislation. The Committee desire that the Ministry of Law and Justice (Legislative Department) should be more cautious and vigilant in future in all such matters.

**(Para 1.5 of the Report)**

**Reply of the Ministry**

New Depository Receipts Scheme 2014 has already been notified (Annexure-I) by Department of Economic Affairs which has replaced the earlier Foreign Currency Convertible Bonds (Through DR Mechanism) Scheme, 1993. The same has come into effect from 15 December, 2014. The new DR Scheme, 2014 has been notified after due legal vetting by Ministry of Law and Justice in Gazette of India (Extraordinary), Part I-Section I

**[The Ministry of Finance (Department of Economic Affairs)  
OM No.A-60011/1/2014-LAP(JUS)/826 dated Nil September, 2015]**

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II. The Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment Rules, 2013 (GSR 270 of 2013)

Observations/Recommendations of the Committee

The Committee note that the Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment Rules, 2013 (GSR 270 of 2013) were published in the Gazette of India, Part-II, Section 3(i) dated 7 December, 2013. On scrutiny of the rules, it was observed that the Ministry of Law & Justice (Department of Legal Affairs) had classified the post of Senior Court Clerk, Grade-I as Group 'C' inspite of the fact that the scale of pay attached to the post is Rs. 9300-34800 in Pay Band-2 with Grade pay of Rs. 4200/- which needs to be classified as Group 'B' post as per DoPT's order dated 9<sup>th</sup> April, 2009 published vide SO 946 (E). The reply given by the Ministry of Law & Justice (Department of Legal Affairs) is not convincing.

(Para 2.5 of the Report)

The clarification given by the Department of Legal Affairs for retention of the post of Sr. Court Clerk Grade – I in Group 'C' vide their communication dated 28 May, 2014 is not tenable and the same has also been corroborated by clarification furnished by DOPT vide their OM dated 6 August, 2014 which *inter-alia* stated that -

"In view of DOPT's Notification dated 9.4.2009, the post of Sr. Court Clerk, Grade-I is a Group 'B' post. However the Department of Legal Affairs has retained the post as a Group 'C' post. The same is not in order. The Ministry of Law & Justice (Department of Legal Affairs) have not approached the Department of Personnel and Training for deviating from the notification dated 9.4.2009. The Department of Legal Affairs is required to amend the Recruitment Rules and classify the post of Sr. Court Clerk, Grade-I as Group 'B' post with the approval of the Department of Personnel and Training. However, if it is still proposed to retain the classification as Group 'C' then also exemption from the general classification would need to be obtained from the Department of Personnel and Training".

(Para 2.6 of the Report)

In view of the above, the Committee are of the view that provisions contained in the Recruitment Rules should conform to the guidelines formulated by DOPT vide their OM dated 17.4.2009 on the aspect of classification of posts under the CCS (CCA)

Rules, 1965. The Committee, therefore, recommend that the Ministry should take initiative to amend the Recruitment Rules and classify the post of Sr. Court Clerk, Grade – I as Group B Post, and, consequent to this amendment, the period of probation under Col.9 of the relevant GSR will also be required to be changed from 'not applicable' to 2 years because promotion to the post of Sr. Court Clerk Grade – I is to be made from Senior Court Clerks, Grade – II which has been classified as Group 'C' and as per DOPT guidelines in case of promotion from one Group to another Group probation of 2 years is to be prescribed. The Committee expect the Ministry to initiate a proposal to this effect to the DOPT in a time bound manner and apprise the Committee of action taken in this regard.

(Para 2.7 of the Report)

### Reply of the Ministry

The necessary amendments have been made and copy of the Notification notified in the Official Gazette of India is enclosed for ready reference (Annexure-II).

[The Ministry of Law and Justice (Department of Legal Affairs) OM No. 12018/2/2011-Admn.(I)LA dated 7.11.2016]

- lil The Defence Research and Development Service (Amendment) Rules, 2013 (SRO 11 of 2014).

### Observations/Recommendations of the Committee

The Committee note that on scrutiny of Rules (SRO 11 of 2014) it has been observed that the year in the short title does not tally with the year of its publication. A reference dated 24 July, 2014 was made to the Ministry of Defence wherein besides pointing out the infirmity, it was also mentioned that the Committee have time and again emphasized that the year in the short title should tally with the year of publication of rules for easy referencing.

(Para 3.4 of the Report)

The Committee are surprised to note that the Ministry, instead of taking serious note of Committee's earlier recommendation, have furnished a very casual reply by stating that ".....every publication of notification requires almost three months. Under this circumstance, the notification would have been signed by September of each year so that publication could be taking place in the same year. The Department cannot stop

amending Recruitment Rules after the month of September each year. In view of this, it is submitted that issuing of corrigendum may not be required in this case".

**(Para 3.5 of the Report)**

The Committee, therefore, while taking serious note of the lackadaisical approach of the Ministry towards the whole issue, expect the Ministry to be more careful and calculative henceforth so that it pays attention to all aspects of rule making and to ensure that technical flaws of this nature do not recur in future. The Committee also recommend that the Ministry may issue a corrigendum rectifying the error in the short title in order to make it consistent with the 'year' of publication. The Ministry should ensure that the 'year' in the short title tally with the year of publication especially when the rules are sent for printing in the Gazette of India during the latter part of December.

**(Para 3.6 of the Report)**

### **Reply of the Ministry**

The corrigendum of SRO 11 of 2014, as desired by the Committee on Subordinate Legislation has been published vide SRO 102 dated 9<sup>th</sup> November 2017 in the Gazette of India on 23<sup>rd</sup> December 2017. A published copy of the Gazette notification both in Hindi and English version is forwarded herewith (Annexure-III).

**[The Ministry of Defence (Department of Defence Research and Development) OM No. DHRD/76066/Sub Leg/C/M/01 dated 16.1.2018]**



(Vide reply of the Ministry with regard to Recommendations  
at Para 1.4 & 1.5)

[ भाग I - खण्ड 1 ]

भारत का राजपत्र : असाधारण

Annexure - I 5

अनुसूची 1 : अनुज्ञेय अधिकारिता

- |                    |                           |
|--------------------|---------------------------|
| 1. अर्जेंटीना      | 18. जापान                 |
| 2. ऑस्ट्रेलिया     | 19. कोरिया गणराज्य        |
| 3. ऑस्ट्रिया       | 20. लक्समबर्ग             |
| 4. बेल्जियम        | 21. मेक्सिको              |
| 5. ब्राजील         | 22. किंगडम ऑफ नीदरलैंड    |
| 6. कनाडा           | 23. न्यूजीलैंड            |
| 7. चीन             | 24. नॉर्वे                |
| 8. डेनमार्क        | 25. पुर्तगाल              |
| 9. यूरोपियन कमीशन  | 26. रूसी संघ              |
| 10. फिनलैंड        | 27. सिंगापुर              |
| 11. फ्रांस         | 28. दक्षिण अफ्रीका        |
| 12. जर्मनी         | 29. स्पेन                 |
| 13. ग्रीस          | 30. स्वीडन                |
| 14. हांग कांग, चीन | 31. स्विट्जरलैंड          |
| 15. आइसलैंड        | 32. तुर्की                |
| 16. आयरलैंड        | 33. यूनाइटेड किंगडम       |
| 17. इटली           | 34. संयुक्त राज्य अमेरिका |

मनोज जोशी, संयुक्त सचिव (एफ एम)

MINISTRY OF FINANCE  
(Department of Economic Affairs)  
NOTIFICATION  
New Delhi, the 21st October 2014

F. No. 9/1/2013-ECB.—The Central Government hereby notifies the following scheme for facilitating issue of depository receipts outside India, namely :—

1. Preliminary

1. This Scheme may be called the Depository Receipts Scheme, 2014.

1. This Scheme shall come into force with effect from December 15, 2014.
2. The provisions of this Scheme shall be implemented by the respective authorities, namely, the Reserve Bank of India, the Securities and Exchange Board of India, Ministry of Corporate Affairs and Ministry of Finance.

2. Definitions

1. In this Scheme, unless the context otherwise requires :—

- (a) 'depository receipt' means a foreign currency denominated instrument, whether listed on an international exchange or not, issued by a foreign depository in a permissible jurisdiction on the back of permissible securities issued or transferred to that foreign depository and deposited with a domestic custodian and includes 'global depository receipt' as defined in section 2(44) of the Companies Act, 2013;
- (b) 'domestic custodian' means a custodian of securities, an Indian depository, a depository participant, or a bank and having permission from SEBI to provide services as custodian under this Scheme;
- (c) 'foreign depository' means a person which:
  - i. is not prohibited from acquiring permissible securities;
  - ii. is regulated in a permissible jurisdiction; and
  - iii. has legal capacity to issue depository receipts in the permissible jurisdiction;
- (d) 'ICDR' means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009; (e) 'Indian depository' means a depository under the Depositories Act, 1996;
- (f) 'International exchange' means a platform for trading of depository receipts, which:

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- i. is in a permissible jurisdiction;
  - ii. is accessible to the public for trading; and
  - iii. provides pre-trade and post-trade transparency to the public;
- (g) 'permissible jurisdiction' means a foreign jurisdiction:
- i. which is a member of the Financial Action Task Force on Money Laundering; and
  - ii. the regulator of the securities market in that jurisdiction is a member of the International Organisation of Securities Commissions;

*Explanation:* The list of permissible jurisdictions as on the date of notification is at Schedule 1.

- (h) 'permissible securities' mean 'securities' as defined under section 2(h) of the Securities Contracts (Regulation) Act, 1956 and include similar instruments issued by private companies which:
- i. may be acquired by a person resident outside India under the Foreign Exchange Management Act, 1999; and
  - ii. is in dematerialised form.
- (i) 'right to issue voting instruction' means the right of a depository receipt holder to direct the foreign depository to vote in a particular manner on its behalf in respect of permissible securities.
- (j) 'SEBI' means the Securities and Exchange Board of India.
- (k) 'unsponsored depository receipts' mean depository receipts issued without specific approval of the issuer of the underlying permissible securities.

2. Words and expressions used and not defined in this Scheme but defined in the Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 or the Companies Act, 2013 or the Reserve Bank of India Act, 1934 or the Foreign Exchange Management Act, 1999 or Prevention of Money Laundering Act, 2002 and rules and regulations made thereunder shall have the meanings respectively assigned to them, as the case may be, in those Acts.

### 3. Eligibility

1. The following persons are eligible to issue or transfer permissible securities to a foreign depository for the purpose of issue of depository receipts:
  - (a) any Indian company, listed or unlisted, private or public;
  - (b) any other issuer of permissible securities;
  - (c) any person holding permissible securities;
 which has not been specifically prohibited from accessing the capital market or dealing in securities.
2. Unsponsored depository receipts on the back of listed permissible securities can be issued only if such depository receipts:
  - (a) give the holder the right to issue voting instruction; and
  - (b) are listed on an international exchange.

### 4. Issue

1. A foreign depository may issue depository receipts by way of a public offering or private placement or in any other manner prevalent in a permissible jurisdiction.
2. An issuer may issue permissible securities to a foreign depository for the purpose of issue of depository receipts by any mode permissible for issue of such permissible securities to investors.
3. The holders of permissible securities may transfer permissible securities to a foreign depository for the purpose of the issue of depository receipts, with or without the approval of issuer of such permissible securities, through transactions on a recognized stock exchange, bilateral transactions or by tendering through a public platform.

### 5. Limits

1. The aggregate of permissible securities which may be issued or transferred to foreign depositories for issue of depository receipts, along with permissible securities already held by persons resident outside India, shall not exceed the limit on foreign holding of such permissible securities under the Foreign Exchange Management Act, 1999.

*Explanation:* For example, foreign investment in a company is ordinarily permissible up to x%. However, it

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can be increased up to y% with the approval of the company in the general body meeting. If no such approval has been granted, the permissible securities on which depository receipts may be issued, whether sponsored or unsponsored, cannot exceed x%.

2. The depository receipts may be converted to underlying permissible securities and vice versa, subject to the limit in sub-paragraph 1.

#### 6. Pricing

The permissible securities shall not be issued to a foreign depository for the purpose of issuing depository receipts at a price less than the price applicable to a corresponding mode of issue of such securities to domestic investors under the applicable laws.

*Explanation 1:* A company listed or proposed to be listed on a recognized stock exchange shall not issue equity shares on preferential allotment to a foreign depository for the purpose of issue of depository receipts at a price less than the price applicable to preferential allotment of equity shares of the same class to investors under the ICDR.

*Explanation 2:* Likewise, where a listed company makes a qualified institutional placement of permissible securities to a foreign depository for the purpose of issue of depository receipts, the minimum pricing norms for such placement as applicable under the ICDR shall be complied with.

#### 7. Rights and duties

1. The foreign depository shall be entitled to exercise voting rights, if any, associated with the permissible securities, whether pursuant to voting instruction from the holder of depository receipts or otherwise.
2. The shares of a company underlying the depository receipts shall form part of the public shareholding of the company under the Securities Contracts (Regulation) Rules, 1957, if:
  - (a) the holder of such depository receipts has the right to issue voting instruction; and
  - (b) such depository receipts are listed on an international exchange.
3. In the cases not covered under sub-paragraph 2, shares of the company underlying depository receipts shall not be included in the total shareholding and in the public shareholding for the purpose of computing the public shareholding of the company.
4. A holder of depository receipts issued on the back of equity shares of a company shall have the same obligations as if it is the holder of the underlying equity shares if it has the right to issue voting instruction.

#### 8. Obligations

1. The domestic custodian shall:
  - (a) ensure that the relevant provisions of the Scheme related to the issue and cancellation of depository receipts is complied with;
  - (b) maintain records in respect of, and report to, Indian depositories all transactions in the nature of issue and cancellation of depository receipts for the purpose of monitoring limits under the Foreign Exchange Management Act, 1999;
  - (c) provide the information and data as may be called upon by SEBI, the Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs and any other authority of law; and
  - (d) file with SEBI a copy of the document, by whatever name called, which sets the terms of issue of depository receipts issued on the back of securities, as defined under section 2(h) of the Securities Contracts (Regulation) Act, 1956, in a permissible jurisdiction.

*Explanation:* This obligation under sub-paragraph 1d is in respect of securities, and not permissible securities.

2. Indian depositories shall coordinate among themselves and disseminate:
  - a. the outstanding permissible securities against which the depository receipts are outstanding; and
  - b. the limit up to which permissible securities can be converted to depository receipts.
3. A person issuing or transferring permissible securities to a foreign depository for the purpose of issue of depository receipts shall comply with relevant provisions of the Indian law, including the Scheme, related to the issue and cancellation of depository receipts.

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**9. Approval**

1. Any approval necessary for issue or transfer of permissible securities to a person resident outside India shall apply to the issue or transfer of such permissible securities to a foreign depository for the purpose of issue of depository receipts.
2. Subject to sub-paragraph 1, the issue of depository receipts shall not require any approval from any government agency if the issuance is in accordance with the Scheme.

*Explanation:* If the issue of permissible securities underlying the depository receipts does not require approval under the Foreign Exchange Management Act, 1999, no approval will be required for issue of such depository receipts.

**10. Market Abuse**

1. It is clarified that any use, intended or otherwise, of depository receipts or market of depository receipts in a manner, which has potential to cause or has caused abuse of the securities market in India, is market abuse and shall be dealt with accordingly.
2. For the purpose of this paragraph, 'market abuse' means any activity prohibited under Chapter VA of the Securities and Exchange Board of India Act, 1992.

**11. Repeal and Savings**

1. The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 shall be repealed except to the extent relating to foreign currency convertible bonds.
2. Notwithstanding such repeal, anything done or any action taken under the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, shall be deemed to have been done or taken under the corresponding provisions of this Scheme.

**Schedule 1 : Permissible Jurisdictions**

- |                        |                        |
|------------------------|------------------------|
| 1. Argentina           | 18. Japan              |
| 2. Australia           | 19. Republic of Korea  |
| 3. Austria             | 20. Luxembourg         |
| 4. Belgium             | 21. Mexico             |
| 5. Brazil              | 22. The Netherlands    |
| 6. Canada              | 23. New Zealand        |
| 7. China               | 24. Norway             |
| 8. Denmark             | 25. Portugal           |
| 9. European Commission | 26. Russian Federation |
| 10. Finland            | 27. Singapore          |
| 11. France             | 28. South Africa       |
| 12. Germany            | 29. Spain              |
| 13. Greece             | 30. Sweden             |
| 14. Hong Kong, China   | 31. Switzerland        |
| 15. Iceland            | 32. Turkey             |
| 16. Ireland            | 33. United Kingdom     |
| 17. Italy              | 34. United State       |

MANOJ JOSHI, Jt. Secy. (FM)

— १३ —

MINISTRY OF LAW AND JUSTICE

(Department of Legal Affairs)

New Delhi, the 1<sup>st</sup> June, 2016

G.S.R.85.— In exercise of the powers conferred by the proviso to article 309 of the Constitution, the President hereby makes the following rules to amend the Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment Rules, 2013, namely:-

1. Short title and commencement. - (1) These rules may be called the Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment (Amendment) Rules, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Ministry of Law and Justice, Department of Legal Affairs, Group 'C' posts Recruitment Rules, 2013 (hereinafter referred to as the said rules) in rule 1, in sub-rule (1), for the words and letter "Group 'C' posts", the words and letters "Group 'B' and Group 'C' posts" shall be substituted.

3. In the said rules, in the Schedule, against serial number 1, relating to the post of Senior Court Clerk Grade-I,-

(i) in the entry under column (3), for the word and letter "Group 'C'", the word and letter "Group 'B'" shall be substituted;

(ii) in column (9), for the entry, "Not applicable", the entry "Two years" shall be substituted;

(iii) in column (12), for the entry, the following entry shall be substituted namely: "Group 'B' Departmental Promotion Committee (for considering promotion) consisting of: -

(1) Joint Secretary and Legal Adviser (Administration), Department of Legal Affairs - Chairman

(2) Joint Secretary and Legal Adviser, Department of Legal Affairs - Member

(3) Deputy Secretary (Administration), Department of Legal Affairs - Member"

[F. No. A-12018/02/2011-Admn. I (LA)]

ANIL KUMAR JOSHI, Dy. Secy.

Note: - The principal rules were published in the Gazette of India Part-II, Section 3, Sub-section (i), vide number G.S.R 270, dated the 26<sup>th</sup> November 2013.



2 अगस्त, 1982, का.नि.आ.159, तारीख 6 मई, 1983, का.नि.आ.176, तारीख 7 अगस्त, 1984, का.नि.आ.228, तारीख 13 नवंबर, 1984, का.नि.आ.170, तारीख 12 जुलाई, 1985, का.नि.आ.186, तारीख 2 अगस्त, 1985, का.नि.आ.228, तारीख 6 जून, 1986, का.नि.आ.158, तारीख 4 मई, 1987, का.नि.आ.328, तारीख 25 सितंबर, 1987, का.नि.आ.11-(अ), तारीख 10 अगस्त, 1990, का.नि.आ.1, तारीख 4 जनवरी, 1991, का.नि.आ.33, तारीख 17 जनवरी, 1991, का.नि.आ.74, तारीख 5 मार्च, 1991, का.नि.आ.146, तारीख 4 जुलाई, 1991, का.नि.आ.74, तारीख 24 मार्च, 1992, का.नि.आ.125, तारीख 29 मई, 1992, का.नि.आ.157, तारीख 26 अगस्त, 1994, का.नि.आ.34, तारीख 8 मार्च, 1996, का.नि.आ.33, तारीख 2 फरवरी, 1998, का.नि.आ.100, तारीख 30 जुलाई, 1998, का.नि.आ.119, तारीख 09 जुलाई, 1999, का.नि.आ.51, तारीख 27 मार्च, 2003, का.नि.आ.179, तारीख 13 नवंबर, 2003, का.नि.आ.35, 03 फरवरी, 2006, का.नि.आ.52, तारीख 22 सितंबर, 2007, का.नि.आ.62, तारीख 29 जून, 2008, का.नि.आ.83, तारीख 5 अक्टूबर, 2008, का.नि.आ.36, तारीख 9 मई, 2011, का.नि.आ. 21, तारीख 23 मार्च, 2012, का.नि.आ.11, तारीख 20 दिसंबर 2013, का.नि.आ.33, तारीख 22 अप्रैल, 2014, तथा का.नि.आ. 53, तारीख 5 दिसम्बर, 2016 द्वारा संशोधन किया गया।

(DEPARTMENT OF DEFENCE RESEARCH AND DEVELOPMENT)

CORRIGENDUM

New Delhi, the 9th November, 2017

S.R.O. 102.—In the notification of the Government of India in the Ministry of Defence, Department of Defence Research and Development number S.R.O. 11, dated the 20th December, 2013, Published in the Gazette of India, Part II, Section 4, dated the 8th February, 2014, at Page 48, in line 7, for "2013" read "2014".

[F. No. DHRD/76205/DRDS/RRs/C/P/13/2107/D(R&D)/2017]  
HARSHA RANI, Under Secy.

Note : The Defence Research and Development Service Rules published in the Gazette of India Part-II, Section 4, vide numbers S.R.O. 8, dated the 30th December, 1978, and subsequently amended vide S.R.O. 307, dated the 10th October, 1980, S.R.O. 196, dated 2nd August, 1982, S.R.O. 159, dated the 6th May, 1983, S.R.O. 176, dated the 7th August, 1984, S.R.O. 228, dated the 13th November, 1984, S.R.O. 170, dated the 12th July, 1985, S.R.O. 186, dated 2nd August, 1985, S.R.O. 228, dated 6th June, 1986, S.R.O. 158, dated the 4th May, 1987, S.R.O. 328, dated the 25th Sep. 1987, S.R.O. 11-E, dated the 10th August 1990, S.R.O. 1, dated the 4th January, 1991, S.R.O. 33, dated the 17th January, 1991, S.R.O. 74, dated the 5th March, 1991, S.R.O. 146, dated the 4th July, 1991, S.R.O. 74, dated the 24th March, 1992, S.R.O. 125, dated the 29th May, 1992, S.R.O. 157, dated the 26th August, 1994, S.R.O. 34, dated the 8th March, 1996, S.R.O. 33, dated the 2nd February, 1998, S.R.O. 100, dated the 30th July, 1998, S.R.O. 119, dated the 09th July, 1999, S.R.O. 51, dated the 27th March 2003, S.R.O. 179, dated the 13th November, 2003, S.R.O. 35, of the 03rd February, 2006, S.R.O. 52, dated the 22nd September, 2007, S.R.O. 62, dated the 29th June, 2008, S.R.O. 83, dated the 5th October, 2008, S.R.O. 36, dated the 9th May, 2011, S.R.O. 21, dated the 23rd March, 2012, S.R.O. 11, dated the 20 Dec., 2013, S.R.O. 33, dated the 22nd April, 2014 and S. R.O. 53, dated 5th December, 2016.

नई दिल्ली, 29 नवम्बर, 2017

का.नि.आ. 103.— राष्ट्रपति, संविधान के अनुच्छेद 309 के परंतुक द्वारा प्रवृत्त शक्तियों का प्रयोग करते हुए, रक्षा मंत्रालय, रक्षा अनुसंधान और विकास संगठन, समूह 'ग' (भंडार सहायक 'क' तथा भंडार सहायक 'ख') पद भर्ती नियम, 2013 का और संशोधन करने के लिए निम्नलिखित नियम बनाते हैं, अर्थात्:-

- (1) इन नियमों का संक्षिप्त नाम रक्षा मंत्रालय, रक्षा अनुसंधान और विकास संगठन, समूह 'ग' (भंडार सहायक 'क' तथा भंडार सहायक 'ख') पद भर्ती (संशोधन) नियम, 2017 है।
- (2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।
2. रक्षा मंत्रालय, रक्षा अनुसंधान और विकास संगठन, समूह 'ग' (भंडार सहायक 'क' तथा भंडार सहायक 'ख') पद भर्ती नियम, 2013 की अनुसूची में, भंडार सहायक 'क' के पद से संबंधित क्र. सं. 2 के सामने,-

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APPENDIX II  
(vide Para 5 of Introduction of the Report)

**MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE ON  
SUBORDINATE LEGISLATION (2017-2018)**

—

The Thirteenth sitting of the Committee (2017-18) was held on Monday, the 23<sup>rd</sup> April, 2018 from 1100 hours to 1200 hours in Chairperson's Room No. 146, Parliament House, New Delhi.

PRESENT

Shri Dilipkumar Mansukhlal Gandhi                      Chairperson

MEMBERS

2. Shri Shyama Charan Gupta
3. Shri Janardan Mishra
4. Shri Chandulal Sahu
5. Shri Alok Sanjar
6. Adv. Narendra Keshav Sawaikar
7. Shri Nandi Yellaiah

SECRETARIAT

1. Smt Sudesh Luthra                      -            Additional Secretary
2. Shri Ajay Kumar Garg                      -            Director
3. Shri Nabin Kumar Jha                      -            Additional Director
4. Smt Jagriti Tewatia                      -            Deputy Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee then considered the following draft Reports:-

- (i) Draft Twenty-eighth Report on the Indian Foreign Service (Recruitment, Cadre, Seniority and Promotion) Rules, 1961 framed under Article 309 of the Constitution.
- (ii) Draft Twenty-ninth Action Taken Report on the Observations / Recommendations contained in the 21<sup>st</sup> Report of the Committee on Subordinate Legislation (16<sup>th</sup> Lok Sabha), regarding Rules / Regulations framed under the Real Estate ( Regulations and Development ) Act, 2016.
- (iii) Draft Thirtieth Action Taken Report on the Observations/ Recommendations contained in the 7<sup>th</sup> Report of the Committee on Subordinate Legislation (16<sup>th</sup> Lok Sabha).

3. After deliberations, the Committee adopted the above Reports without any modification. The Committee also authorized the Chairperson to finalize & present the same to the House.

The Committee then adjourned.



**APPENDIX III**  
(vide Para 6 of Introduction of the Report)

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE  
OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE  
SEVENTH REPORT OF THE COMMITTEE ON  
SUBORDINATE LEGISLATION  
(SIXTEENTH LOK SABHA)**

I.	Total No. of observations/recommendations made	8
II.	Recommendations that have been accepted by the Government [vide recommendations at Sl. Nos.1.4, 1.5, 2.5, 2.6 2.7, 3.4, 3.5 and 3.6]	8
III.	No. of recommendations which the Committee do not want to pursue in view of Government reply	Nil
IV.	Percentage of recommendations accepted	100%