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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bills were introduced in Lok Sabha on 18th December, 2014:—

BILL NO. 190 OF 2014

*A Bill to amend the Lokpal and Lokayuktas Act, 2013 and further to amend the
Delhi Special Police Establishment Act, 1946.*

BE it enacted by Parliament in the Sixty-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Lokpal and Lokayuktas and other related law
(Amendment) Act, 2014.

Short title
and com-
mencement.

(2) It shall come into force on such date as the Central Government may, by notification
in the Official Gazette, appoint.

CHAPTER I

AMENDMENT OF THE LOKPAL AND LOKAYUKTAS ACT, 2013

1 of 2014.

2. In the Lokpal and Lokayuktas Act, 2013 (hereinafter referred to as the principal Act),
in section 4,—

Amendment
of section 4.

(a) in sub-section (1),—

(i) for clause (c), the following clause shall be substituted, namely:—

“(c) the Leader of Opposition recognised as such in the House of
the People or where there is no such Leader of Opposition, then, the
Leader of the single largest Opposition Party in that House —Member;”;

(ii) after clause (e), the following proviso shall be inserted, namely:—

“Provided that the eminent jurist shall be nominated for a period of three years and shall not be eligible for re-nomination.”;

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) No appointment of a Chairperson or a Member or the nomination of an eminent jurist shall be invalid merely by reason of any vacancy or absence of a Member in the Selection Committee.”;

(c) in sub-section (3), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that no appointment of a person in the Search Committee or the proceedings of the Search Committee shall be invalid merely by reason of any vacancy or absence of a Member in the Selection Committee or absence of a person in the Search Committee, as the case may be.”.

Amendment
of section 10.

3. In section 10 of the principal Act,—

(a) in sub-section (1), for the words "in the rank of Secretary to the Government of India", the words "in the rank of Additional Secretary to the Government of India" shall be substituted;

(b) in sub-section (2), for the words "not below the rank of Additional Secretary to the Government of India", the words "not below the rank of Joint Secretary to the Government of India" shall be substituted.

Amendment
of section 16.

4. In section 16 of the principal Act, in sub-section (1), for clause (f), the following clause and *Explanation* shall be substituted, namely:—

"(f) the headquarters of the Lokpal shall be in the National Capital Region and the benches thereof shall sit at such other places as the Lokpal may, by regulations, specify.

Explanation.—The expression "National Capital Region" shall have the meaning assigned to it in clause (f) of section 2 of the National Capital Region Planning Board Act, 1985."

2 of 1985.

Amendment
of section 23.

5. In section 23 of the principal Act, in sub-section (1), the words, figures and letter "or section 6A of the Delhi Special Police Establishment Act, 1946" shall be omitted.

25 of 1946.

Amendment
of section 44.

6. In section 44 of the principal Act,—

(a) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) A public servant shall, within a period of thirty days from the date on which he makes and subscribes an oath or affirmation to enter upon his office, furnish to the competent authority the information relating to—

(a) all his assets, including—

(i) immovable property owned by him, or inherited or acquired by him or held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person;

(ii) movable property inherited by him or similarly owned, acquired or held by him;

(b) all his debts and other liabilities, incurred by him directly or indirectly,

under the relevant provisions of the Acts or the rules or regulations, in case of—

(A) public servants referred to in clauses (a), (b) and (c) of sub-section (1) of section 14, in the manner provided in the Representation of the People Act, 1951 and the rules made thereunder;

43 of 1951.

61 of 1951. (B) public servants referred to in clauses (d) and (e) of sub-section (1) of section 14, in the manner provided in the All India Services Act, 1951 and the rules and regulations made thereunder or the rules made under the provisions of article 148 or article 309 of the Constitution, as the case may be;

(C) public servants referred to in clause (f) of sub-section (1) of section 14, in the manner provided under the relevant Acts and the rules and regulations respectively applicable to them; and

(D) public servants not specifically covered under clauses (A) to (C), in such manner as may be specified, by regulations by the Lokpal.";

(b) sub-section (5) shall be omitted;

(c) for sub-section (6) and the *Explanation*, the following sub-section shall be substituted, namely:—

"(6) Notwithstanding anything contained in any other law for the time being in force, the competent authority shall, in public interest, ensure that the information referred to in sub-section (2), is published in such manner as may be prescribed, by 31st August of that year."

7. In section 59 of the principal Act, in sub-section (2), for clause (k), the following clause shall be substituted, namely:—

Amendment
of section 59.

"(k) the manner of publication of information, in public interest, relating to assets and liabilities of public servants under sub-section (6) of section 44;"

8. In section 60 of the principal Act, in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

Amendment
of section 60.

"(da) the manner of furnishing information to the competent authority by public servants under clause (D) of sub-section (2) of section 44;"

CHAPTER II

AMENDMENT OF THE DELHI SPECIAL POLICE ESTABLISHMENT ACT, 1946

25 of 1946.

9. In the Delhi Special Police Establishment Act, 1946 (hereinafter referred to as the Special Police Act), in section 4BA,—

Amendment
of section
4BA.

(a) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

"(1) There shall be a Directorate of Prosecution, headed by a Director, for conducting prosecution of cases under this Act.

(2) The following persons shall be eligible for consideration for appointment as Director of Prosecution, namely:—

(a) an officer from the Indian Legal Service holding the post of Joint Secretary and who is eligible for appointment as Special Public Prosecutor within the meaning of sub-sections (8) and (9) of section 24 of the Code of Criminal Procedure, 1973;

2 of 1974.

(b) in the absence of an eligible officer referred to in clause (a), a person who has been in practice as an advocate for not less than fifteen years and has experience in handling cases on behalf of the Government relating to offences under the Prevention of Corruption Act, 1988, the Prevention of Money-laundering Act, 2002 and such other laws relating to economic offences.";

49 of 1988.

15 of 2003.

(b) after sub-section (4), the following sub-sections shall be inserted, namely:—

"(5) In case of difference of opinion between the Director and the Director of Prosecution, the matter shall be referred to the Attorney-General for India for his advice and such advice shall be binding.

(6) The annual performance appraisal report of the Director of Prosecution shall be recorded and maintained in the Ministry of Law and Justice, in such manner as may be prescribed."

Insertion of
new section 7. **10.** After section 6A of the Special Police Act, the following section shall be inserted,
namely:—

Power to
make rules. "7. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the manner of recording and maintenance of the annual performance appraisal reports under sub-section (6) of section 4BA;

(b) any other matter which is required to be, or may be, prescribed.

(3) Every rule 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 rule, or both Houses agree that the rule should not be made, the rule 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 rule."

STATEMENT OF OBJECTS AND REASONS

The Lokpal and Lokayuktas Act, 2013 (1 of 2014), providing for the establishment of a body of Lokpal for the Union and making enabling provision for establishment of Lokayukta for States to inquire into allegations of corruption against certain public functionaries, was enacted and brought into force with effect from 16th January, 2014.

2. Sub-section (1) of section 4 of the Lokpal and Lokayuktas Act, 2013 (the Lokpal Act) provides for a Selection Committee for making recommendations to the President for appointment of the Chairperson and Members of the Lokpal. As per the existing provision in clause (c) of sub-section (1) of section 4, the Leader of Opposition in the House of the People is one of the Members of the said Selection Committee. Sub-section (1) of section 4 does not contain any provision as to how the eminent jurist is to be recommended for nomination by the President under clause (e) of sub-section (1) or how the Search Committee shall be constituted by the Selection Committee under sub-section (3), when there is no Leader of Opposition recognised as such in the House of the People. Therefore, it is considered appropriate to amend clause (c) of sub-section (1) of section 4 of the Lokpal Act and make enabling provision for inclusion of the Leader of the single largest Opposition Party in the House of the People as a Member of the said Committee. Further, sub-section (1) of section 4 does not specify any tenure for the eminent jurist. It is, therefore, proposed to insert a proviso to sub-section (1) so as to lay down that the eminent jurist shall be nominated for a period of three years and shall not be eligible for re-nomination.

3. It is also proposed to amend sub-section (2) of section 4 so as to provide that no appointment of a Chairperson or a Member or the nomination of an eminent jurist shall be invalid merely by reason of any vacancy or absence of a Member in the Selection Committee, on the lines of the recent amendment made in the Delhi Special Police Establishment Act, 1946. Similarly, it is proposed to add a proviso to sub-section (3) of section 4 so as to provide that no appointment of a person in the Search Committee or the proceedings of the Search Committee shall be invalid merely by reason of any vacancy or absence of a Member in the Selection Committee or absence of a person in the Search Committee, as the case may be.

4. It is proposed to amend section 44, with consequential amendments in sections 59 and 60 on account of the following reasons, namely:—

(a) Section 14 of the Act defines “public servant”, which, *inter alia*, includes Prime Minister, Ministers and the Members of either House of Parliament. Section 44 of the Act makes provision for declaration of assets and liabilities by the public servants. In this regard, the Representation of the People Act, 1951 (43 of 1951) makes detailed provisions which provide for conduct of elections of the Members of Parliament, their qualifications and disqualifications for the membership of the Houses, corrupt practices and other offences, etc. The said Act and the rules framed thereunder make elaborate provisions for filing of affidavits giving full details of the movable and immovable property and the consequences of filing false affidavits, etc. In view of this, it is proposed to provide that the provisions of the Representation of the People Act should be applicable to them as regards the manner of filing of information regarding their assets and liabilities, instead of making a different provision under the Lokpal Act. This will bring coherency between the Lokpal Act and the Representation of People Act.

(b) In case of Government servants, there is a requirement of filing of property returns both at the time of joining service and annually, giving details of property transactions, under the rules framed under article 148 and article 309 of the Constitution

and the Acts of Parliament such as the All India Services Act, 1951 (61 of 1951). The existing rules which regulate the property transactions of the Government servants are much elaborate and comprehensive in comparison to what is intended to be provided under section 44 of the Lokpal Act. Hence there is need for harmonising the said Act and the Rules with the provisions of the Lokpal Act.

(c) In addition to the categories of public servants covered in (a) and (b) above, there are public servants in statutory and autonomous bodies whose conduct is regulated in terms of relevant Acts applicable to them and the rules and regulations made thereunder, and this also requires to be harmonised with the provisions of the Lokpal Act.

(d) For the remaining categories of public servants not specifically covered under clauses (a) to (c) above (*e.g.* NGOs, etc.), the power to frame appropriate regulations for matters relating to furnishing of information about assets and liabilities by them should appropriately vest in the Lokpal which may either extend any set of rules or regulations applicable to government servants for such categories of public servants, or provide for a separate set of regulations, under its powers to make regulations.

It is accordingly proposed to amend sub-section (2) of section 44 to provide for a scheme wherein the filing of information by public servants under the provisions of the section are brought in harmony with the provisions of the respective Acts, Rules or Regulations, as applicable to different categories of public servants. It is also proposed to amend sub-section (6) in order to enable the Central Government to prescribe the manner in which information furnished by public servants of different categories is to be published, keeping public interest in view, by the respective competent authorities. It is also proposed to amend sections 10, 16 and 23 of the Lokpal Act.

5. Section 4BA of the Delhi Special Police Establishment Act, 1946 (25 of 1946), as inserted by the Lokpal and Lokayuktas Act, 2013, provides for the establishment of a Directorate of Prosecution headed by a Director of Prosecution, who will function under the overall supervision and control of the Director of the Delhi Special Police Establishment. The provisions of section 4BA do not lay down any eligibility conditions for appointment to the post of Director of Prosecution. In view of this, it is proposed to substitute sub-sections (1) and (2) of section 4BA with new sub-sections, so as to provide for appropriate eligibility conditions for appointment to the post. It is also proposed to insert two new sub-sections after sub-section (4) of section 4BA so as to ensure functional independence to the Director of Prosecution in the Delhi Special Police Establishment.

6. The Bill seeks to achieve the aforesaid objectives.

NEW DELHI;

DR. JITENDRA SINGH.

The 15th December, 2014.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 7 of the Bill seeks to substitute clause (k) of sub-section (2) of section 59 of the Lokpal and Lokayuktas Act, 2013 (the Lokpal Act), so as to empower the Central Government to make rules for the purpose of prescribing the manner in which the competent authority shall, in public interest, ensure that the information referred to in sub-section (2) of section 44 is published.

2. Clause 8 of the Bill seeks to insert a new clause (da) in sub-section (2) of section 60 of the Lokpal Act, so as to empower the Lokpal to make regulations specifying the manner of furnishing information to the competent authority by public servants under clause (D) of sub-section (2) of section 44.

3. Clause 10 of the Bill empowers the Central Government to make rules for the purpose of carrying out the provisions of Delhi Special Police Establishment Act, 1946. Sub-clause (2) of the said clause specifies that such rules may provide for the manner of recording and maintenance of the annual performance appraisal reports of the Director of Prosecution in the Delhi Special Police Establishment, under sub-section (6) of section 4BA. Sub-clause (3) of clause 10 of the Bill provides that the rules made by the Central Government under the proposed new section 7 are required to be laid before each House of Parliament, as soon as they are made.

4. The matters in respect of which rules or regulations may be made under the proposed amendments are matters of procedure and administrative details and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

BILL NO. 188 OF 2014

A Bill further to amend the Regional Rural Banks Act, 1976.

BE it enacted by Parliament in the Sixty-fifth Year of the Republic of India as follows:—

Short title
and com-
mencement.

1. (1) This Act may be called the Regional Rural Banks (Amendment) Act, 2014.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act.

Amendment
of section 3.

2. In the Regional Rural Banks Act, 1976 (hereinafter referred to as the principal Act), in section 3, in sub-section (3), in clause (c),—

21 of 1976.

(a) the words “during the first five years of its functioning” shall be omitted;

(b) the proviso shall be omitted.

3. In the principal Act, in section 5,—Amendment
of section 5.

(a) for the words “five crores of rupees divided into five lakhs of fully paid-up shares of one hundred rupees each”, the words “two thousand crore of rupees, divided into two hundred crore of fully paid-up shares of ten rupees each” shall be substituted;

(b) in the proviso, for the words “twenty-five lakhs of rupees, and the shares shall be, in all cases, fully paid-up shares of one hundred rupees each”, the words “one crore of rupees, and the shares shall be, in all cases, fully paid-up shares of ten rupees each” shall be substituted.

4. In the principal Act, in section 6,—Amendment
of section 6.

(a) in sub-section (1), for the words “twenty-five lakhs of rupees or exceed one crore of rupees”, the words “one crore of rupees” shall be substituted;

(b) in sub-section (2), the following provisos shall be inserted, namely:—

“Provided that in case the Regional Rural Bank raises its capital from sources other than the Central Government or the State Government or the Sponsor Bank, the shareholding of the Central Government and the Sponsor Bank shall not be less than fifty-one per cent.:

Provided further that the Central Government shall consult the concerned State Government if the level of shareholding in the Regional Rural Bank of such State Government is reduced below fifteen per cent.”;

(c) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) The Central Government may, in consultation with the Sponsor Bank and the State Government, by notification, either raise or reduce the limit of shareholding of the Central Government, the State Government or the Sponsor Bank specified in sub-section (2):

Provided that the Central Government shall consult the concerned State Government before reducing the limit of shareholding of such State Government.”;

(d) in sub-section (3), after the words, brackets and figure “as is specified in sub-section (2)”, the words, brackets, figure and letter “or, as the case may be, notified by the Central Government under sub-section (2A)” shall be inserted.

5. In the principal Act, in section 9, in sub-section (1),—Amendment
of section 9.

(a) in clause (a), the following proviso shall be inserted, namely:—

“Provided that no person shall be nominated as a director, if he is already a director on the Board of any other Regional Rural Bank;”;

(b) after clause (e), the following clause shall be inserted, namely:—

“(f) such number of directors elected by the shareholders other than the directors nominated by the Central Government, the State Government, the Sponsor Bank and other institutions owned or controlled by the Central Government or the State Government, whose names are entered in the register of shareholders of the Regional Rural Bank at least ninety days before the date of the meeting in which the election of directors takes place on the following basis, namely:—

(i) where the total amount of equity share capital issued to such shareholders is ten per cent. or less of the total issued equity capital, one director shall be elected from such shareholders;

(ii) where the total amount of equity share capital issued to such

shareholders is more than ten per cent. but less than twenty-five per cent. of the total issued equity capital, two directors shall be elected from the shareholders including the shareholders referred to in sub-clause (i);

(iii) where the total amount of equity share capital issued to such shareholders is twenty-five per cent. or more of the total issued equity capital, three directors shall be elected from the shareholders including shareholders referred to in sub-clauses (i) and (ii).";

(c) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) The Central Government may appoint an officer of the Central Government on the Board of Regional Rural Banks, if it considers necessary for the purposes of effective functioning of the Regional Rural Banks.”.

Substitution
of new
section for
section 10.

6. In the principal Act, for section 10, the following section shall be substituted, namely:—

Term of
office of
director.

“10. A director nominated under clause (a) of sub-section (1) of section 9 shall hold office during the pleasure of the Central Government and for such term, not exceeding three years, from the date on which he assumes his office, as the Central Government may specify at the time of his nomination and shall be eligible for re-nomination:

Provided that no such director shall hold office either continuously or intermittently for a period exceeding six years.”.

Amendment
of section 19.

7. In the principal Act, in section 19, in sub-section (1), for the figures, letters and words “31st day of December”, the figures, letters and words “31st day of March” shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The Regional Rural Banks Act, 1976 provides for the incorporation, regulation and winding up of Regional Rural Banks with a view to developing the rural economy by providing credit and other facilities for the purpose of development of agriculture, trade, commerce, industry and other productive activities in the rural areas, particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs. The said Act was amended from time to time and the last amendment was made in the year 2005.

2. In view of growing business of the Regional Rural Banks and expansion of their role in both qualitative as well as quantitative terms in extending banking services in rural areas, a need was felt to amend the Regional Rural Banks Act, 1976 to strengthen their capital base and improve their overall capabilities.

3. The Regional Rural Banks (Amendment) Bill, 2014, *inter alia*, seeks to make amendments to the said Act in respect of the following, namely:—

(a) to provide for the continuance of managerial and financial assistance from Sponsor Banks beyond the first five years of functioning of Regional Rural Banks;

(b) to provide for the enhancement of authorised capital of each Regional Rural Bank from five crore rupees to two thousand crore rupees divided into two hundred crore of fully paid-up shares of ten rupees each;

(c) to provide for the issued capital of each Regional Rural Bank to be not less than one crore rupees and shares in all cases to be fully paid-up shares of ten rupees each;

(d) to make provisions for raising capital by Regional Rural Banks from sources other than the Central Government, the State Government and the Sponsor Bank subject to the condition that in no event the combined shareholding of the Central Government and the Sponsor Bank shall be less than fifty-one per cent.; the State Government concerned to be consulted, if its shareholding is reduced below fifteen per cent.; and the Central Government to raise or reduce shareholding of the Central Government, concerned State Government and the Sponsor Bank, by notification, with prior consultation with the concerned State Government;

(e) to make provisions for (i) shareholders to elect directors in view of the proposed provisions for raising private capital by Regional Rural Banks from sources other than the Central Government, the State Government and the Sponsor Bank; (ii) a person not be a director on the Board of more than one Regional Rural Bank; (iii) appointment of an officer of the Central Government on the Board of Regional Rural Banks, if considered necessary;

(f) to provide for the term of the Directors nominated by the Central Government on the Board of Directors of the Regional Rural Banks under clause (a) of sub-section (1) of section 9 to be fixed for a period not exceeding three years and eligibility for re-nomination, and the combined tenure of the Central Government nominated Director on the Board of one or more Regional Rural Bank, whether continuously or intermittently, not to exceed six years;

(g) to provide the date of closure of annual accounts from “31st day of December” to “31st day of March” to bring uniformity with the financial year.

4. The Bill seeks to achieve the above objects.

NEW DELHI;

ARUN JAITLEY.

The 10th December, 2014.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF
THE CONSTITUTION OF INDIA

**[Copy of letter No. 7/9/2011-RRB(Vol.III) dated 11 December, 2014 from
Shri Arun Jaitley, Minister of Finance to the Secretary-General, Lok Sabha]**

The President, having been informed of the subject matter of the Regional Rural Banks (Amendment) Bill, 2014 has recommended for the introduction of the Bill in the Lok Sabha under clause (1) of Article 117 of the Constitution of India.

FINANCIAL MEMORANDUM

Sub-clause (a) of clause 3 of the Bill seeks to amend section 5 of the Act so as to increase the authorised capital of each Regional Rural Bank from five crore of rupees to two thousand crore of rupees divided into two hundred crore of fully paid-up shares of ten rupees each. Sub-clause (b) of clause 3 of the Bill seeks to amend the proviso so as to provide that the authorised capital of any Regional Rural Bank shall not be reduced below one crore of rupees and shares to be in all cases fully paid-up shares of ten rupees each. Sub-clause (a) of clause 4 of the Bill seeks to amend sub-section (1) of section 6 of the Act so as to provide that the issued capital of each Regional Rural Bank shall not be less than one crore of rupees. Sub-clause (b) of clause 4 of the Bill seeks to insert provisos to sub-section (2) of the aforesaid section 6 so as to provide that in case the Regional Rural Bank raises its capital from sources other than the Central Government or the State Government or the Sponsor Bank, the combined shareholding of the Central Government and the Sponsor Bank shall not be less than fifty-one per cent. and that the Central Government shall consult the concerned State Government, if the level of shareholding in the Regional Rural Bank of such State Government, is reduced below fifteen per cent. Sub-clause (c) of clause 4 of the Bill seeks to insert a sub-section (2A) after sub-section (2) of the said section 6 so as to provide that Central Government may, in consultation with the Sponsor Bank and the State Government, by notification, either raise or reduce the limit of shareholding of the Central Government, the State Government or the Sponsor Bank specified in sub-section (2) and Central Government shall consult the concerned State Government before reducing the limit of shareholding of such State Government.

2. While there is no immediate expenditure involved on account of the proposed Bill, in future, the Central Government being fifty per cent. shareholder of the Regional Rural Banks, may be called upon to contribute its share, as and when the share capital of the Regional Rural Banks is enhanced, and accordingly, there will be an additional non-recurring expenditure to be met out of the Consolidated Fund of India. It is, however, not possible at this stage to estimate the quantum of such expenditure.

3. The Bill, if enacted, will not involve any other expenditure of a recurring or non-recurring nature.

ANOOP MISHRA,
Secretary-General.