



# भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 2

PART II — Section 2

प्राधिकार से प्रकाशित

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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.

## RAJYA SABHA

The following Bills were introduced in the Rajya Sabha on the 27th February, 2015:—

### I

#### BILL NO. XLII OF 2014

A Bill to provide for compulsory imparting of moral education in primary and secondary level of education in the country and for matters connected therewith or incidental thereto.

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 Compulsory Imparting of Moral Education in Educational Institutions, Act, 2014.

Short title,  
extent and  
commence-  
ment.

(2) It extends to the whole of India.

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

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) "Advisory Council" means the Council constituted under section (7);

(b) "appropriate Government" means, in the case of a State, the Government of that State and in all other cases, the Central Government;

(c) "Educational institution" includes any school whether nursery, primary, middle, secondary or senior secondary level, imparting education to child by whatever name such institution is called;

(d) "moral education" means and includes education based on teaching of good principles and values cherished for years, *i.e.* regard and repute for elders, parents, teachers and guardians, *etc.* setting reasonable standards of virtues and reinforcing discipline among students so that they can distinguish between right and wrong;

(e) "prescribed" means prescribed by rules made under this Act.

Compulsory in  
pasting of  
moral  
education  
upto  
Secondary  
level.

**3.** From such date, as the Central Government may, by notification in the Official Gazette, specify, moral education shall be compulsorily imparted in all educational institutions upto secondary level.

Appropriate  
Government  
to issue  
directions for  
compulsorily  
imparting  
moral  
education.

**4.** The appropriate Government shall, immediately after issuance of notification under section 3, issue directions for compulsorily imparting of moral education in all educational institutions, within its jurisdiction.

Derecognition  
of educational  
institutions.

**5.** The appropriate Government shall derecognize such educational institution, which does not comply with the provisions of section (3) after giving such institution a reasonable opportunity of being heard.

Appointment  
of teachers for  
imparting  
moral  
education.

**6.** Subject to such rules as may be prescribed, the appropriate Government shall appoint such number of teachers with such qualification as may be specified for imparting moral education to students upto secondary level.

Establishment  
and functions of  
Advisory  
Council.

**7. (1)** The appropriate Government shall, by notification in the Official Gazette, establish an Advisory Council in each district in such manner as may be prescribed.

**(2)** The Council shall consist of such number of persons as may be prescribed which shall include persons having specialized knowledge of moral principles, values and experience of practicing morality.

**(3)** The council shall also frame schemes for providing:—

**(a)** involvement of media, non-Governmental organization and other agencies in providing moral education in schools.

**(b)** incentives to the teachers imparting moral education and the students showing keen interest in learning morality as may be specified.

**(c)** coordination with the appropriate Government and school authorities with a view to ensuring effective implementation of the provisions of the Act.

Central  
Government  
to provide  
funds.

**8.** The Central Government shall, after due appropriation made by law by Parliament in this behalf provide adequate funds to the States for appointing teachers and other infrastructure required for the purpose of this Act.

Overriding  
effect of the  
Act.

**9.** The provisions of this Act and rules made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force, but save as aforesaid the provisions of this Act, shall be in addition to and not in derogation of any other law for the time being in force.

Power to make  
rules.

**10.** The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

### STATEMENT OF OBJECTS AND REASONS

With the growing modernization, there has been a sharp decline in the moral values among students which were cherished and practised from the time immemorial in Indian society. India has been known for its morality and sense of respect for elders, teachers and the helpless. There was a time when moral education used to be an essential component of the education system at *gurukuls* and such other centres. As a result, pupils grew stronger both intellectually and spiritually and influenced society as well as the state by their significant contributions. However, with passage of time, these great values lost their place and were replaced by so called modern values reflected by day-to-day brawls between teachers and students, disrespect to elders and cases of abandonment of old parents by their greedy sons. A child learns from whatever he observes around and, therefore, society, parents and the state owe a duty to create an atmosphere in which children may have all round development. Moral education has become need of the day, as social values, which have been prevalent, have shown rapid fall. Materialism has eclipsed spiritualism and cases of moral degradation are on rise. Today, there is no dearth of the news items covering incidents of rape of a daughter by her own father, molestation and eve teasing of minor girls, killing of old parents by their own sons, threatening of teachers by their students, etc. It is commonly said that future of a nation lies in the hands of children. So, it becomes all the more important to instill in children a sense of respect for moral values right from the stage a child enters school. Preparing a conducive atmosphere to learn moral values will have salutary effect on minds of school going children and when they mature they can easily distinguish between the right and the wrong. It is felt that voluntary action to promote moral values will not have the desired impact unless moral education is made a statutory requirement for all the educational institutions.

Hence this Bill.

NARENDRA KUMAR KASHYAP

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### FINANCIAL MEMORANDUM

Clause 6 of the Bill provides for appointment of teachers for imparting moral education. Clause 7 of the Bill provides for establishment of Advisory Council, which includes persons having specialized knowledge of moral principles, values and experience of practicing morality. Clause 8 provides that Central Government shall provide funds for the purposes of teachers and infrastructure. The Bill, therefore, if enacted will involve expenditure from the Consolidated Fund of India. It is estimated that a recurring expenditure of rupees fifty crore will be required for the purpose. Non-recurring expenditure to the tune of rupees five crore will also be required.

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### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the Central Government to make rules for the purposes of this Bill. The rules will relate to matters of details only.

The delegation of legislative power is of a normal character.

## II

### BILL NO. XLI OF 2014

A Bill further to amend the Constitution of India.

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

Short title and  
commence-  
ment.

1. (i) This Act may be called the Constitution (Amendment) Act, 2014.

(ii) It shall come into force at once.

Amendment  
of article 31A.

2. In article 31A of the Constitution in clause (1) after the second proviso, the following proviso shall be inserted, namely:—

"Provided also that no agricultural land shall be acquired by the State except for public utilities such as highways, roads, bridges, dams, airports, railway lines and stations and any acquisition of agricultural land for the purposes other than referred herein and in particular for promoting private entrepreneur or private corporate venture shall be void *abinitio*."

## STATEMENT OF OBJECTS AND REASONS

Of late, the agricultural land belonging to poor farmers in various parts of the country is being acquired by the State Governments by paying poor compensation for promoting Special Economic Zones (SEZs) to private entrepreneurs or promoting private sector corporate enterprises setting up power plants, manufacturing of cars, engineering goods, etc. This has agitated the poor farmers and in some parts they have revolted and have become violent in protest against the acquisition of their land, which is the only source of their livelihood. In order to curb them, the State Governments have resorted to arrest, *lathi* charge and even firing, killing many innocent farmers. No doubt, the State can acquire land for public utilities like highways, roads, bridges, dams, airports, railway lines and stations but acquiring land for private entrepreneurs is not the responsibility of the State. The private entrepreneurs can well effort the land price and they can purchase the land directly from its owners at agreed price. But no land should forcibly be acquired for private ventures by the State.

Hence this Bill.

NARENDRA KUMAR KASHYAP

### III

#### BILL NO. XLVI OF 2014

A Bill to provide for beggars to lead a life with dignity through skill development by imparting them compulsory vocational training and programmes for their rehabilitation and to enable them towards self sustainable livelihood and the prevention of begging and for matters connected therewith and incidental thereto.

WHEREAS the preamble of the Constitution of India mandates to ensure equality of status and of opportunity and Justice, social, economic and political to all its citizens.

AND WHEREAS article 14 provides for equality of all before law, article 16 provides for equality of opportunity in matters of public employment, article 21 provides the right to protection of life and article 23 provides for the right against exploitation, all of which being fundamental rights bestowed by the Constitution to all citizens of the country.

AND WHEREAS the United Nations Convention against Transnational organized Crime identifies forced begging as a form of exploitation through trafficking in human beings.

AND WHEREAS it is considered necessary to give effect to the said protocol.

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 Beggars (Empowerment, skill Development and Rehabilitation ) Act, 2014.

(2) It extends to the whole of India.

(3) 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 coming into force of different provisions of this Act, and any reference in any such provision to the commencement of this Act shall be constructed as a reference to the coming into force of that provision.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) "appropriate Government" means,—

(i) in relation to the Central Government or any establishment wholly or substantially financed by that Government, or a Cantonment Board constituted under the Cantonments Act, 2006, the Central Government;

41 of 1946.

(ii) in relation to a State Government or any establishment, wholly or substantially financed by that Government, or any local authority, other than a Cantonment Board, the State Government.

(b) "begging" means,—

(i) soliciting or receiving alms in a public place or entering on any private premises for the purpose of soliciting or receiving alms whether under the pretence of singing, dancing, fortune-telling, performing tricks or selling articles or otherwise;

(ii) exposing or exhibiting with the object or obtaining or extorting alms any sore, wounds, injury, deformity or disease, whether of himself or of any other person or of an animal;

(iii) allowing oneself to be used as an exhibit for the purpose of soliciting or receiving alms;

(c) "child" means a child who has not attained the age of eighteen years;

56 of 2000

(d) "children Homes" means the children's home established under the Juvenile Justice (Care and Protection of Children) Act, 2000;

2 of 1912

(e) "cooperative Society" means an society registered or deemed to be registered, under the Cooperative Societies Act, 1912 or any other law relating to co-operative societies for the time being in force in any State;

(f) "institution" means an institution for the reception, care, protection, education, training, rehabilitation and any other activities for persons detained or involved in begging;

(g) "mentally Challenged" means a condition of arrested or incomplete development of mind of person, which is specially characterized by sub-normality of intelligence;

(h) "notification" means a notification published in the Official Gazette and the expression "notify" or "notified" shall be construed accordingly;

(i) "differently abled persons" means a person suffering from any of the conditions relating to autism, cerebral palsy, mental retardation or a combination of any two or more of such conditions and includes a person suffering from severe multiple disability;

(j) "physically Handicapped" includes all such persons who have any kind of loco motor disability or visual or hearing impairment;

(k) "prescribed" means prescribed by rules made under this act;

(l) "receiving vocational shelters" means an institution for the receiving and rehabilitation of beggars provided by the appropriate government where vocational training shall be imparted free of cost to all persons;

(m) "rehabilitation" refers to a process aimed at enabling persons to attain and maintain optimal, physical, intellectual, psychiatric, sensory or social function levels.

Abetment to  
bagging as  
cognizable and  
non-bailable  
punishable  
offence.

3. (1) Whoever employs or uses any person for the purposes of begging or causes any person to beg shall be punishable with imprisonment for a term not less than three years which may extend to ten years, or with fine, or with both;

(2) Whoever, having the actual charge of, or control over a child, abets the commission of the offence punishable under sub-section (1), shall be punishable with imprisonment for a term not less than three years which may extend to ten years, or with fine or with both.

(3) The offence punishable under sub-section (1), shall be cognizable and non-bailable;

(4) The Competent Court, may increase punishment or penalty on trial under sub-section (1) on finding aggravating circumstances or heinous offences, depending on the nature of the crime, such that;

Any person convicted of human rights violations or an offence under Indian Penal Code of 1860 or other laws that involve as human right violation trafficking of human body parts, rape, Molestation, Sexual Harassment and torture;

45 of 1860

(5) The sentence in such cases may extend of life imprisonment or death sentence.

Detention of  
Beggars.

4. (1) The appropriate Government may by notification in the Official Gazette, order the detention of persons found begging and may further lay guidelines and make provisions for such a detention:

(2) Any person found begging shall be detained by the police and before making such a detention, the officer-in-charge of the concerned police jurisdiction shall satisfy himself as to the *bona fide* of the detained beggar:

Provided that no person found begging on any premises, not being a public place shall be detained or shall be liable to any proceedings under this Act except on a complaint made by the occupier of such premises:

Provided further that a person, other than a police official, may hand over the beggar to the Police if they find it convenient:

Provided also that if the beggar is a minor, the detention shall take place with sureties;

(3) Any person detained under sub-section (2) shall be sent to receiving shelters established under Clause 5, 6 and 7 with immediate effect, for a period of not less than one year extending up to five years;

(4) The Central Government, in consultation with the State Governments, shall prescribe an appropriate procedure for rehabilitation of detaining person found begging under sub-section (2) of Section 4.

Detained  
Beggars to be  
sent to  
Receiving  
Vocational  
Shelters.

5. The appropriate Government shall establish and maintain, in every district, either by itself or through voluntary or non-Governmental organisations a Receiving Vocational Shelter, for persons detained under Section 4 with the exception of children and differently abled persons, with the following provisions:

(i) The receiving vocational shelter shall have reasonable lodging, food and medical facilities with qualified doctors available round the clock at free of cost to all beggars;

(ii) Mandatory education skills and basic physical fitness training would be imparted to each beggar in the receiving vocational shelter, monitored and evaluated continuously by a qualified training officer for their overall development;



(iii) Each beggar at the Receiving vocational shelter shall be guaranteed a minimum of 100 days of employment where they would engage themselves in work to earn their livelihood and develop skill to further their employability under programmes for Night Shelter-cum-Work;

(iv) Reinforcement sessions by Psychiatrists and Consulting doctors would be arranged at the receiving vocational shelters for conducting personal sessions with all beggars; and

(v) Each of these receiving vocational Shelters must be equipped with recreational facilities to engage beggars in a playing field, chess, carom and other indoor activities.

6. The appropriate Government may establish and maintain, in every district, either by itself or through voluntary or non-governmental organisations, Children Shelters, which shall be registered as such, for all children with the exception of those with physical or mental disability, detained under Section 4, with the following provisions;

Separate  
Shelters for  
Children.

(i) Reasonable in house lodging, food and medical facilities with qualified doctors available round-the-clock and in-house shall be provided free of cost to all Children;

35 of 2009.

(ii) Free and Compulsory Education under the The Right of Children to Free and compulsory Education Act, 2009;

(iii) Free Education till class twelfth for all children under any scheme of an appropriate Government;

(iv) Remedial sessions for children for aiding them to get at par with their age appropriate class;

(v) Mandatory Physical fitness and Sports:

Provided that the required infrastructure or access to nearest district infrastructure for the holistic development of children shall be provide by the Appropriate Government.

(vi) At least one Female Counsellor in each Children Shelter to address the issues faced by children, closely monitored by the District Welfare Officer on whose recommendation action will be taken as the appropriate Government deems fit;

(vii) For those children with families, visitor hours may be availed by family members to meet, interact and track the development of their children at a frequency prescribed by the appropriate Government; and

(viii) Children, above fourteen years of age, shall have Skill Development programmes by the Government for which they shall receive a montly stipend as prescribed appropriate Government.

7. (1) The appropriate Government shall, by notification in the Official Gazette shall establish separate Receiving Vocational Shelters in each district for differently abled beggars;

Separate  
Shelters for  
beggars with  
disabilities.

(2) The shelters registered under this Clause, shall, be provided, for the propose of rehabilitation and re-integration of persons, with the following in such a manner as may be prescribed, which may include;

(a) Reasonable (maintain a minimum standard of quality) lodging, food and medical facilities, that would be accessible by differently abled persons, with qualified doctors available round-the-clock and in-house shall be provided free of cost to all beggars with disabilities;

(b) Accessible infrastructure and equipment for differently abled persons like ramps, wheel-chairs, prosthetic devices, hearing aids, braille kits, or any other suitable aids and appliances as required;

(3) Appropriate Vocational and Skill Development programs for differently abled beggars shall be carried out in shelters for differently able persons such in a manner as may be prescribed, which may include;

(i) Special Trainers equipped and certified to take care of differently abled persons;

(ii) Required material for training and skill development of persons with special needs; and

(4) Physiotherapists and doctors, according to the special needs, shall be provided in such shelters to hold special weekly sessions with all the Beggars at the Shelter.

Separate  
Designated  
Shelter for  
Children with  
Disabilities.

**8.** The appropriate Government shall designate any Children Shelter as a home fit for children with disabilities or special needs and provide for delivering specialised services, in addition to those mentioned in sub-section (i) of section 7, depending on the requirement and may include the following:

(i) Monitoring and management of the Children Shelter for children with disabilities, including the standards and the nature of services to be provided by them, are based on individual care plans for each child; and

(ii) The Right of Children to Free and Compulsory Education Act, 2009 35 of 2009 using special equipments and materials as may be required.

Established of  
Beggar's  
Welfare Fund.

**9.** The Central Government, in consultation with the State Government, shall establish a Beggar's Welfare Fund for the purpose of skill development, vocation training, medical facilities and Education among others in such manner as may be prescribed.

Vocational  
Training  
Courses at  
each shelter.

**10.** (1) The appropriate Government shall ensure the imparting of Vocational courses at each of the shelter institutions established under this act, with the exception of children and differently able beggars established under this Act where Free and Compulsory training in varied fields of industry, agriculture, textiles, micro-financing, media, computer applications and software development among others as designed in the skill development program by the appropriate Government for the Skill Development of beggars shall be provided in such manner as may be prescribed.

(2) A stipend per month as an incentive to all the beggars for the training sessions in such manner as may be prescribed the appropriate Govt. shall pay.

Treatment  
and  
Rehabilitation  
of Beggars  
with  
Disabilities

**11.** The appropriate Government shall help the beggars and children with disabilities to overcome their disability in a manner as may be prescribed by utilising the Beggar's Welfare Fund, which may include the following:

(i) Treatment and Rehabilitation facilities for differently abled persons due to ailments like poliomyelitis, cerebral palsy, congenital deformities, leprosy, burn contracture, paraplegia, hemiplegia free of cost;

(ii) Support and Aid to differently abled persons, post their treatment.

Additional  
Assistance to  
Beggars at  
Shelters.

**12.** The appropriate Government shall also provide additional assistance to those detained under section 5 in such a manner as may be prescribed, which may include,—

(i) birth registration and obtaining the proof of identity;

(ii) legal aid where required;

(iii) Referral services for education, vocational training, de-addiction, treatment of diseases where required; and

(iv) any other service that may reasonably be provided in order to ensure the well being and development of the persons detained, either directly by the appropriate Government, registered or fit individuals or institutions or through referral services.

- 13.** The appropriate Government shall, by notification in the Official Gazette, establish a Cooperative Society for Beggars, with a centre in either each district or a group of districts, where,
- (i) beggars sent to Receiving Vocational Shelters, Special Shelters or Children Shelters shall be introduced and familiarized with several concepts of micro financing, credit system, banking, entrepreneurship among others for skill development;
- (ii) The products created by beggars in the Shelters during the vocational training sessions under section 10, may be sold to the public or bought by the appropriate Government and the proceeds to acquired shall go to the Beggar's Welfare Fund; and
- (iii) beggars in shelters may take financial aid from the Beggar Welfare Fund to sell their products through the Cooperative, the profit from which shall go to the Beggar or group of beggars.
- 14.** (1) The appropriate Government shall by notification in the Official Gazette, carry out strict monitoring of the institutions set up under this Act, by establishing a monitoring committee, within three months of the coming into force of the Act in such manner as may be prescribed.
- (2) The Monitoring Committee shall consist of:
- (a) The Secretary of Ministry of Social Welfare and Justice;
- (b) Officers from Ministry of Law and Justice;
- (c) Secretary Ministry of Urban Development;
- (d) Five Experts from the field of Skill Development and Vocational Training, appointed by the appropriate Government;
- (e) Not less than two members from Non-Government Organisations working in the field of Social Welfare and Justice; and
- (f) Not less than two retired judges of High Court, appointed by the appropriate Government.
- (3) The monitoring committee shall submit a report by 10th day of every month to the Ministry of Social Justice and Empowerment.
- (4) Each institution set up under this Act, shall submit a report to the Monitoring Committee by 10th day of every month.
- 15.** The appropriate Government shall assist the Beggars detained under sub-section (1) of section 4, after completion of their detention period under sub-section (2) of section 5 to get jobs for sustaining their livelihood or provide jobs in Government or Government aided organisations.
- 16.** The appropriate Government, shall arrest, sentence and impose penalty on persons, whoever having been previously detained and sent to the Receiving Vocational Centres under section 5, if found begging again, in such a manner as may be prescribed.
- 17.** The Central Government, shall from time to time provide, after due appropriation made by the Parliament by law in this behalf, requisite funds for carrying out the purposes of the Act.
- 18.** The provisions of this Act shall have effect notwithstanding any thing inconsistent therewith contained in any other law for the time being in force.
- 19.** If any difficulty arises in giving effect to the provisions of this Act, the Central Government, in consultation with the State Governments, may make such order or give such direction, not inconsistent with the provision of this Act, as appears to it to be necessary or expedient for the removal of any difficulty.
- 20.** The Central Government, in consultation with the State Governments, may by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Establishment of Cooperative Society for Beggars.

Establishment of Monitoring Committee.

Assistance in Jobs and Employment Opportunities.

Begging again would be punishable.

Government to provide funds.

Act to have Overriding effect.

Power to remove difficulty.

Power to make Rules.

### STATEMENT OF OBJECTS AND REASONS

There are a large number of people in the country whose only source of livelihood is through the act of asking for alms. Over the years, this has turned into one of the largest organised crimes of human trafficking in the country. The community of Beggars is one of the most ignored in the Country. Some State Acts make it a punishable offence to beg and according to the law, arrest beggars and sentence them to a minimum of 3 to 10 years of imprisonment. The Government of India does not run any scheme or plan solely for Beggars in the Country and with regard to their Skill Development. There is no robust mechanism or framework that provides them with an opportunity to develop skill and earn a respectable livelihood or fulfil their basic daily needs like food, housing or shelter. These people are denied their fundamental constitutional rights.

This Bill aims to provide adequate facilities for skill development programs for empowering beggars to earn their livelihood. It has provisions for the treatment and rehabilitation for the differently abled as through as counselling and a separate Beggars Welfare Fund along with establishing a Cooperative Society that supports them.

It is felt there is a need for a framework that creates positive responsibilities on the State and provides for a more effective protection of the rights of the destitute and people into begging, guaranteed under the Constitution.

Hence this Bill.

VIVEK GUPTA

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### FINANCIAL MEMORANDUM

Clause 5, Clause 6, Clause 8 and Clause 9 of the Bill seek to establish Shelter Homes in each district for the differently abled, children and those detained while found begging. Clause 10 establishes a Welfare Fund for Beggars, Clause 11 directs the Appropriate Government to make provisions for Free and Compulsory Vocational Training courses and Skill Development. Clause 12 gives the differently abled beggars access to free treatment and rehabilitation that will help them overcome their disability. Clause 13 establishes a Cooperative Society for Beggars and Clause 14 establishes a Monitoring Committee to supervise and overlook all institutions established under the Act.

Clause 17 of the Bill makes it obligatory for the appropriate Government to provide requisite funds for carrying out the purposes of this Bill.

There is no easy way of estimating the full financial order likely to be increased if the provisions of this legislation are to be implemented. However, the expenditure, whether recurring or non-recurring, will be met out of the Consolidated Fund of India or the Consolidated Fund of the concerned State.

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### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 20 of the Bill gives power to the Central Government, in consultation with the State Governments, to make necessary rules for making rules, by notification in the Official Gazette for carrying out the purposes of the Bill. The rules will relate to matters of details only.

The delegation of legislative power is of normal character.

#### IV

#### BILL NO. LI OF 2014

A Bill to provide for the formulation of a comprehensive renewable policy in the country and taking stock of energy resources of the country to facilitate sustainable and affordable energy planning ensuring access to rural and urban areas, at district, state and national level, by building a strong institutional structure for renewable energy projects and monitoring of small energy systems to set up strong financial and infrastructural systems that enable investments and mandating public and private sector companies to compulsorily use or promote renewable energy and for all matters connected therewith and incidental thereto.

WHEREAS the Kyoto Protocol, ratified by India on the 26th day of August, 2002, in order to promote sustainable development adopts measures to research on, and promotion, development and increased use of, new and renewable forms of energy and of advanced and innovative environmentally sound technologies;

AND WHEREAS the United Nations, in its resolution 58/210 adopted by the General Assembly to which India is a signatory as on the 23rd day of December, 2003, recognizes the need for increased usage of renewable energy resource, more efficient use of energy, greater reliance on advanced energy technologies, including advanced and cleaner technologies, which could meet the growing need for energy services in the longer term to achieve sustainable development;

AND WHEREAS it is considered necessary to give effect to the said protocol and the resolution.

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

Short title,  
extent and  
commencement.

**1.** (1) This Act may be called the Compulsory Promotion, Utilisation, Supply and Access of Renewable Energy Act, 2014.

(2) It extends to the whole of India.

(3) 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 coming into force of different provisions of this Act, and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

Definitions.

**2.** In this Act, unless the context otherwise requires,—

(a) "appropriate Commission" means the Central Regulatory Commission or the State Regulatory Commission or the Joint Commission, as the case may be;

(b) "appropriate Government" means in the case of a State, the Government of that State, and in other cases, the Central Government;

(c) "Central Nodal Agency" means the Union Ministry for New and Renewable Energy ;

(d) "National Committee" means the National Committee on Renewable Energy constituted under section 4;

(e) "Prescribed" means prescribed by order under this Act;

(f) "renewable energy sources" means renewable sources such as small hydro, wind, solar including its integration with combined cycle, biomass, bio fuel cogeneration, urban or municipal waste and such other sources as recognized or approved by Ministry for New and Renewable Energy;

(g) "State Nodal Agency" means the department of a State Government responsible for managing, co-ordinating and facilitating all operations related to renewable energy sources Ministry to New and Renewable Energy;

National  
Renewable  
Energy Policy.

**3.** (1) The Central Government, in consultation with the State Governments, shall within one year from the commencement of the Act:—

(i) formulate a National Renewable Energy Policy in accordance with the country's objectives and commitments, so as to;

(a) specify national renewable energy targets in terms of total renewable energy generation for the next twenty years with a five yearly break-up of the targets;

(b) define and set renewable energy quota; and

(c) set up a review panel to review the progress of the policy provision, targets and issues annually;

(ii) issue, by notification in the Official Gazette, changes in the targets laid down under sub-section (1) on the advice of the National Committee;

(2) Every notification issued under sub-section (2) shall be laid before each House of Parliament during the session immediately following the issue of notification; and

(3) The targets changed under sub-section (2) above will supersede all other National or State targets currently prevailing.

**4.** (1) The appropriate Government shall, within two months of the coming into force of this act, constitute a Committee to be known as the National Committee on Renewable Energy for the purposes of advising the Government on all matters related to renewable energy including those referred to in or arising from the implementation of this Act.

Establishment of National Committee on Renewable Energy.

(2) The National Committee shall consist of,—

(a) a Chairperson, who shall be a person having special knowledge in the field of renewable energy development and climate change issues to be nominated by Central Government.

(b) one member each, representing the Central Electricity Regulatory Commission and the State Electricity Regulatory Commission;

(c) at least two members having judicial background to be nominated by the Central Government;

(d) one member to be nominated by the Central Government representing the Union Ministry of New and Renewable Energy;

(e) one member to be nominated by the Central Government representing the Bureau of Energy Efficiency; and

(f) two members representing the non-governmental organizations working in the field of renewable energy and climate change to be nominated by the Central Government.

(3) The Chairman and members of the National Committee shall be nominated by Central Government in such manner as may be prescribed.

(4) The appropriate Government may, if its considers necessary, appoint one or more persons having specialized knowledge and experience in the field of renewable energy and climate change as ad-hoc members of the National Committee.

(5) The salaries and allowances payable to and other terms and conditions of service of the chairperson and members of the committee shall be such as may be prescribed.

**5.** The appropriate Government shall implement such measures to assess the availability of renewable energy resources in the country by:

Renewable energy resource assessment.

(i) conducting comprehensive technical assessment, including ground validation of renewable energy potential as part of an integrated approach to scaling up renewable energy;

(ii) updated, reliable and good quality resource data to be more available for all renewable energy technologies to all potential investors to help them assess the viability of projects.

**6.** The appropriate Government, within one year from the enactment of this Act, shall initiate a comprehensive exercise in economic terms on valuation, consumption and addition of the complete national energy (renewable and non-renewable) resources of components that are generative of income, goods or services.

National energy capital accounting.

**7.** The appropriate Government shall endeavour for integration of renewable energy in various infrastructure and development programs and schemes of the Government through the following names:

Cross-Sectoral Application of renewable energy.

(i) Ministry shall have a renewable energy cell to will plan and suggest ways for energy utilization in all schemes and programs of the Ministry, including the energy consumption of the Ministry itself;

(ii) The renewable energy cell shall ensure direct co-ordination with the Central Nodal Agency; and



(iii) Five percent of each Ministry's budget shall be earmarked and utilised for renewable energy projects.

National  
Clean Energy  
Fund.

**8.** The appropriate Government shall make provisions for utilizing the National Clean Energy Fund to meet subsidy obligations, thereby relieving the Government's budgetary resources for other uses.

Establishing  
State Clean  
Energy Fund.

**9.** The appropriate Government shall establish separate State Clean Energy Funds to finance additional subsidy allocations and set up a mechanism to monitor the utilization of the Fund.

Commerciali-  
sation of  
Renewable  
Energy.

**10.** The appropriate Governments, in co-ordination with the appropriate Commission, shall endeavor to develop a self-sustaining market for renewable energy technologies by;

(a) complete commercialization of renewable energy technologies.

(b) phasing out subsidies with clear timelines and plans.

(c) ensuring grid parity for the existing renewable energy technologies for the next ten years.

Land  
Allocation.

**11.** The appropriate Government shall take measures to provide suitable land for utility scale renewable energy projects including facilitating the provisions of land banks under the guidance of the land and revenue department.

Database of  
Land Banks.

**12.** The appropriate Government shall establish an online repository or database of land banks of the available land, with all pertinent information including land use, infrastructure available, location, market access, etc to assist developer for expediting project implementation.

Transmission  
and Related  
Infrastructure.

**13.** The appropriate Government shall establish a strong transmission infrastructure for timely, affordable evacuation of renewable energy based electricity with minimal losses by:

(i) planning if the expansion of transmission infrastructure, for both intra and inter-states, to bring renewable energy power from distant generating stations to load centres;

(ii) taking appropriate measures for grid enhancement, stability augmentation and modern load and grid management to maintain grid stability across the country;

(iii) enhancing the technical capabilities of various regional load dispatch centres and other key agencies at the State level for planning and managing renewable energy and setting up of forecasting tools along with software to facilitate the managing of intermittency, supply and demand management.

Renewable  
Energy  
Obligations.

**14. (1)** The appropriate Commission shall ensure the compliance of the renewable energy obligations as specified in the Electricity Act 2003 by:—

(a) a trajectory for Renewable Purchase Obligation (RPO) targets starting at five percent in 2010 and increasing by 1% in every successive year;

(b) determining a mechanism for calculating the penalty for non-RPO compliance that imposes increased penalty and stricter regulations; and

(c) ensuring the timely and firm implementation of the penalty mechanism through State Electricity Regulatory Commissions (SERCs).

**(2)** The appropriate Government shall set Renewable Generation Obligation targets for Central and State generators of conventional thermal power plants to commission renewable energy projects, such that,

(a) renewable generation obligation shall be the amount of renewable energy that conventional thermal power plant developers have to mandatorily generate during a specified period;



(b) an obligation and target show be set as a percentage of the total conventional power generated by the developer; and

(c) the Renewable Generation Obligation target for power producers should be increased by 0.5 per cent in every successive year.

**15.** The appropriate Commission shall promote the obligated entities to use the current Renewable Energy Certificate mechanism for meeting their RPO targets by—

Renewable  
Energy  
Certification.

(a) defining Renewable Energy Certificates in a comprehensive manner;

(b) promoting Government Organisations, Public Sector Undertakings (PSUs) and private companies to undertake voluntary purchase of RECs; and

(c) introducing purchase as a specific activity under the list of Corporate Social responsibility activities.

**16.** The Centre and the State Governments shall ensure availability of adequate funding options, incentives and financing means for renewable energy projects to attract private sector investments and the financial instruments shall also be promoted to mobilise funds from institutional and retail investors.

Financing  
provisions for  
private  
sector.

**17. (1)** The appropriate Government shall specify a percentage of electricity supply to be drawn from renewable energy sources as mandatory for private sector companies and the private companies shall use any of the following mechanisms to meet their renewable energy requirements;

Private  
Sector  
Mandatory  
Investments  
in Renewable  
Energy.

(a) setting up captive renewable energy power plants;

(b) purchasing electricity generated from renewable energy sources from third party generators;

(c) Purchasing Renewable Energy Certification to meet their renewable energy requirements, in case they are unable to source the actual renewable electricity; and

(d) allocating a percentage of corporate social responsibility funds under Companies Act 2013 for renewable energy installations.

18 of 2013.

(2) The appropriate Government shall introduce a penalty mechanism for companies that are not abiding sub-section (1) of section 17 including monetary penalty, increased targets in successive years and withdrawal of financial benefits and amount so collected shall be contributed to the state clean energy funds.

(3) The state energy departments to be made responsible for monitoring compliance for these targets.

(4) the appropriate Government shall publicly recognize private sector companies outperforming their renewable energy obligation targets and incentivize them through various schemes and rebates.

(5) the appropriate Government shall also give priority to products from such companies in case of usage or consumption in Government projects and schemes.

(6) the appropriate Government shall make it mandatory for Special Economic Zones, industrial clusters and upcoming or proposed projects that are to be set up, to meet a percentage of their energy requirement, if not entirely, by utilizing clean and renewable energy.

(7) the grants and benefits to non-governmental individuals or bodies, by the Government, shall be linked to their utilization of clean and renewable energy for meeting requirements of the energy component of their projects.

(8) the appropriate Government shall, at the time of clearance of proposed and ongoing projects, ensure that all avenues of utilizing clean and renewable energy resources have been exhausted before issuing an appropriate certification.

Rural Energy  
Supply.

**18.** The appropriate Government, within the ambit of this Act, shall include a detailed, time bound plan for ensuring energy access and supply to un-served and underserved rural areas and people with the help of clean and renewable energy sources, by;

(a) mapping the household level electrification and energy supply status in the entire country within six months of enactment of this Act.

(b) undertaking a micro scale resource assessment at the district and village level, under the supervision of State Energy Departments and the resource information to be compiled and made available in the public domain in official and local languages.

Establishment  
of District  
Committee.

**19. (1)** The appropriate Government, within one year of the enactment of this Act, shall constitute district level committees for renewable energy promotion and development. which shall consist of the following members:—

(i) a Chairperson, who shall, either be a Member of Parliament and if he is not available an officer of District Magistrate level, appointed by the State Government;

(ii) A Deputy Chairperson, having such qualification and experience, as may be prescribed to be nominated by the appropriate Government;

(iii) an expert scientist having enough professional experience and profound knowledge in the field of renewable energy, to be nominated by the appropriate Government;

(iv) five members representing the State Government, having knowledge in the field of energy service; and

(v) at least two members from non-Governmental Organisation working in the field and stakeholders from the industry;

(2) The member of the District Committee shall be nominated by State Government in such manner as may be prescribed by State Govt.

(3) The salaries and allowances payable to and other terms and conditions of service of the chairperson, deputy chairperson and members of the district committee shall be such as may be prescribed.

(4) The District Committee shall carry out the following functions:

(i) prepare a comprehensive plan for ensuring energy supply for development through local renewable energy sources in the district;

(ii) carry out participatory appraisal of the plan through public hearing and meetings;

(iii) submit the plan to the State Government including the requirements of grants, assistance and aid for the implementation of the plan;

(iv) pursue the State Government for appropriate allocation and timely release of the funds and other support required for renewable energy development at the district level; and

(v) implementation and monitoring of the planned activities for renewable energy development at district level.

(5) All decisions of the District Committee shall be made on the basis of majority vote, with the Chairperson and Deputy Chairperson having the right of veto.

Electrification  
from  
Renewable  
Energy  
sources.

**20.** The appropriate Government shall make it compulsory to promote renewable energy based electrification in rural areas and shall take the following steps for the purpose—

(a) take cognizance of the local renewable energy plan;

(b) promote innovative business models and support local entrepreneurs through appropriate incentives as may be prescribed by the Central Government; and

(c) ensure that all Regional Rural Banks mandatorily allocate a certain percentage of their funds for lending to the off grid renewable energy systems.

- 21.** The appropriate Government shall create an off-grid Renewable Energy Access Fund to receive funds from sources such as, grants made by international donors, including a portion of the State Clean Energy Funds, and the proceeds of such funds shall be used for setting up off-grid renewable energy systems in rural areas. Offi-grid Renewable Energy access fund.
- 22.** The appropriate Government shall undertake programs to enhance the capacity of State nodal agencies to implement various policies and initiatives at the state level and various other skills gap in the sector shall be systemically addressed by developing partnership models among the industry, institutions, and the government. Enhancing the capacity of State Nodal agencies.
- 23.** The appropriate Government shall carry out strict monitoring of the renewable energy programs being implemented by; Central Monitoring Committee.
- (a) establishment of a monitoring committee, within three months of the implementation of the Act, consisting of the Secretary, Ministry of New and Renewable Energy two members with such members and in such manner as may be prescribed by Government ;
- (b) the Committee, within six months of implementation of this act, shall devise a comprehensive monitoring plan for the Central, State and District level;
- (c) initiate an online monitoring system of centralized and decentralizes renewable energy installations; and
- (d) the committee shall make quarterly report about the progress.
- 24.** The Central Government, shall from time to time provide, after the appropriation made by the Parliament by law in this behalf, requisite funds for carrying out the purposes of this Act. Government to provide Funds.
- 25.** If any difficulty arises in giving effect to the provisions of this Act, the Central Government, in consultation with the State Governments, may make such order or give such direction, not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for the removal of any difficulty. Power to Remove Difficulty.
- 26.** The Central Government, in consultation with the State Governments, may be notification in the Official Gazette, make rules for carrying out the purposes of this Act. Power to Make Rules.

## STATEMENT OF OBJECTS AND REASONS

India faces a major challenge of energy, with conventional resources hard-pressed; power for all remains a distant dream. Recording a 76% increase in electric power consumption over the past decade, electricity generation has been unable to keep pace with the rapid industrialization, economic growth and growth in population. With two decades of increase in the deficit of power supply and an extremely low per capita consumption of electricity, India is struggling to meet increasing power demand and the demand is expected to rise significantly in the future.

From the total power generation capacity of 254 GW, 70 per cent is generated from thermal alone as against the admissibly low, 12 per cent generation from renewable and clean sources of energy. Most of the capacity enhancement is in coal based power plants. An increasing decline in capacity utilisation in power plants by 13 percentage points from 78 per cent to 65 per cent in the last 5 years along with the 700 per cent. increase in coal coupled with the quality and monopoly of coal along with allocation of limited fuel among competing sectors, it has become a necessity for India to look at renewable, new and clean sources of energy.

Renewable Energy project take lesser time and are easier to implement as compared to large scale projects. Moreover, clean and renewable energy will do away with the need of importing coal and save the country's foreign exchange. The Government should encourage the use of the clean and renewable energy because the initial costs are slightly higher than conventional options, which is why people do not adapt to it easily, hence this Bill will guide energy choice of people towards and environment friendly, clean and renewable energy rather than the conventional which damage the environment.

Realizing the importance of renewable energy, the Government of India has initiated plans and policies over the years to promote renewable energy in the country. As a result, deployment of renewable energy in the country has gained significant momentum today. However, several issues such as lack of private financing, enforcement and compliance for renewable purchase obligation, lack of comprehensive renewable energy policies, rapid mechanism for setting standard industrial norms and monitoring the minimum compliance by organisations act as some of the key barriers to its growth. Rural electrification, participation by private players (33 per cent. of the generation capacity in 2014 was from the private sector expected to rise to 52 per cent. by 2017) and research on, and promotion, development and increased use of, clean and renewable forms of energy remains avenues for the country to explore and enhance.

Therefore, a comprehensive legislation aimed at removing these barriers and accelerating the development of renewable energy technologies at both National and State level is thus necessary. Building a strong institutional framework for utilization and development of renewable energy in the country is critical to embark on low carbon sustainable and inclusive development. Clean and Renewable Energy is no longer an option but the need of the hour.

Hence this Bill.

VIVEK GUPTA

#### FINANCIAL MEMORANDUM

Clause 4 of this Bill establishes the National Committee on Renewable Energy, Clause 5 is with regard to a comprehensive renewable energy resource assessment in the country, Clause 9 deals with establishing Clean Energy Fund in States, Clause 12 creates an online repository of link banks available in the public domain, Clause 13 is with regard to creating transmission and related infrastructure from distant sources, Clause 18 maps energy access for rural energy supply and Clause 19 establishes the district committee, Clause 21 creates an Off-grid Renewable Energy access fund and Clause 23 establishes a central monitoring committee. These would involve direct expenditure from the Consolidated Fund of India. Clause 24 of the Bill makes it obligatory for the Central Government to provide requisite funds for carrying out the purposes of this Bill.

The Bill, therefore, if enacted would involve expenditure from the Consolidated Fund of India. The recurring and non-recurring expenditure on this count cannot be estimated at this stage, but has to be worked out by Central Government while implementing the provisions of the Act.

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#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 26 of the Bill gives power to the Central Government, in consultation with the State Governments, to make necessary rules for making rules, for carrying out the purposes of the Bill. The rules will relate to matters of details only.

The delegation of legislative power is of normal character.

**V****BILL NO. VIII OF 2015**

A Bill to provide for setting up of an Institution for prevention and management of conflict of interest and to realise the rights and duties of every citizen in a welfare state like India and for matters connected therewith or incidental thereto.

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

**CHAPTER I****PRELIMINARY**

**1.** (1) This Act may be called the Prevention and Management of Conflict of Interest Act, 2015.

(2) It extends to the whole of India.

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

Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

Short title,  
extent and  
commencement.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) "Chairperson" means Chairperson of Conflict of Interest Commission appointed under section 22 of the Act;

(b) "Commission" means Conflict of Interest Commission set up under section 21 of the Act;

(c) "Conflict of Interest" means the existence of conflict between the public duty of a public official or consultant and the private interest of such official or consultant or any other person, in which the private interest of such official, consultant or other person could improperly influence the performance of official duties and responsibilities by any person, or result in breach of public trust, or be calculated to further the private or commercial interest of any person or organisation;

*Explanation I.*— A conflict of interest may exist even if no unethical or improper act results from it.

*Explanation II.*— A conflict of interest situation exists when a public official/consultant/person serving on a public body/authority/project or whose recommendations are sought for any public project by any public authority or body, or who is inducted or proposed to be inducted on any committee or sub-committee or advisory body established for any public project has served in a private organisation within the past twenty four months, or is currently serving in a private organisation or will be serving in a private organisation within the following twenty-four months.

(d) "Consultant" means any person whose expert services, advice or recommendations are sought for any public project by any public authority or body, or who is inducted or proposed to be inducted on any committee or sub-committee or advisory body established for any public project;

(e) "Person" means any individual or association of persons or body or organisation, whether incorporated or not, and includes any trust, foundation or multilateral agency or organisation;

(f) "Prescribed" means prescribed by rules made under this Act;

(g) "Private interest" means an interest that is of personal financial, commercial or other benefit to a public official or the organisation to which he belongs or has belonged or has links to, or that can lead to financial, commercial or other benefits to any person or corporation or organisation;

(h) "Public authority or body" means and includes:

(i) the Central Government or any Ministry or Department thereof;

(ii) a State Government or any Ministry or Department thereof;

(iii) any authority, organisation or body established by or under the Constitution of India or under any law made by Parliament or the Legislature of any State;

(iv) any authority, organisation or body owned, controlled or financed, directly or indirectly, by funds provided by the Central Government or any State Government;

(v) any non-government organisation which is substantially financed, directly or indirectly, by funds provided by the Central Government or any State Government;

(vi) any scientific, technical or research institution, university or deemed university which is consulted by, or whose facilities or faculty are utilized for obtaining expert services or recommendations for decision-making by, Governments or entities enumerated in sub-clauses (i) to (v) of this clause;

(vii) any private organisation, agency or body which is consulted by, or whose facilities or employees are utilized for obtaining expert services or recommendations for decision-making by, Governments or entities enumerated in sub-clauses (i) to (v) of this clause.

(i) "Public project" means any project or program or activity or scheme proposed or undertaken by the Central Government, a State Government or any of the entities enumerated in sub-clauses (i) to (v) of clause (h) of this Section, including projects, programs or activities proposed or undertaken through public-private partnership, privatization, international or multilateral co-ordination or collaboration, or in furtherance of international treaties or conventions;

(j) "Public official" means any person employed or for the time being engaged by a public authority or body, whose services are at the relevant time utilized for any public project, and includes any member of a committee or consultative group constituted by any public authority or body for the purposes of a public project.

## CHAPTER II

### CONFLICT OF INTEREST

Duty of public  
authority or  
body.

3. (1) A public authority or body which is engaged in planning or performance of a public project shall not engage or utilize any public official or person or consultant for such project if they know or have reason to believe that such public official or person or consultant has or is likely to have a conflict of interest in respect of such project.

(2) If at any time it comes to the notice of such public authority or body that any public official or person or consultant has or is likely to have a conflict of interest in respect of such project, the public authority or body shall forthwith ensure that such public official or person or consultant ceases to be engaged or employed or associated with such project, regardless of whether such public project commenced before or after the coming into force of this Act, or whether the appointment or engagement of such public official, person or consultant was prior to coming into force of this Act.

(3) If at any time it comes to the notice of such public authority or body that any recommendation was made or decision taken with the participation of a public official, person or consultant who has or was likely to have a conflict of interest in respect of the particular public project, the public authority or body shall forthwith re-examine such recommendation or decision after complying with sub-section (2), and upon such re-examination shall take a fresh decision or make a fresh recommendation if it deems fit.

(4) a public authority or body referred to in sub-section (1) shall not, except when it is unavoidable in the public interest, accept funding or donations from any person if they know or have reason to believe that such person has or is likely to have a conflict of interest in respect of such project:

Provided that where acceptance of funding from such person is unavoidable in the public interest, reasons shall be recorded for the same and the public authority or body shall seek to obtain such funding from all competitors in the concerned field.

Duty of  
individual.

4. A public official, consultant or a member or employee of any public authority or body shall not render advice or make a recommendation or decision or participate in making a recommendation or decision in respect of a public project if the concerned person has a conflict of interest or knows or reasonably should know that in the making of the recommendation or decision there is the opportunity to further the concerned person's private interest or to further another person's private interest.

Disclosure of  
inside  
information.

5. (1) A public official, consultant or a member or employee of any public authority or body shall not use information that is obtained in his or her capacity as a public official, consultant, member or employee and that is not available to the general public



to further or to seek to further the concerned person's private interest or to further another person's private interest.

(2) A public official, consultant or a member or employee of any public authority or body shall not divulge or communicate information mentioned in sub-section (1) to another person if the concerned person knows or reasonably should know that the information may be used for a purpose described in that sub-section.

6. A public official, consultant or a member or employee of any public authority or body shall not use his or her office to seek to influence a decision made by another person so as to further the concerned person's private interest or to further another person's private interest.

Not to influence the decision of another person.

7. (1) A public official, consultant or a member or employee of any public authority or body shall not accept any direct or indirect benefit including but not limited to fee, payment, gift, services that are monetary or in kind, hospitality including travel costs, personal benefit, research funding, gifts to family members and the like, except lawful compensation, from any person who he knows or has reason to believe or is likely to have a conflict of interest in respect of any public project with which the public official, consultant, member or employee of a public authority or body is concerned.

Restrictions on gifts, services and benefits.

(2) Nothing contained in sub-section (1) shall apply to a gift or personal benefit that is received as an incident of the protocol or social obligations that normally accompany the responsibilities of office:

Provided that such gift or personal benefit is immediately reported in writing to the concerned public authority or body.

(3) The gift disclosure statement shall,—

(a) be in the form prescribed by the Commissioner; and

(b) indicate the nature of the gift or personal benefit, its source and the circumstances under which it was given and accepted.

8. Without prejudice to the provisions of section 4, a public official, consultant or a member or employee of any public authority or body who knows or has reasonable grounds to believe that he or she has a conflict of interest in a matter that is before the Committee or Panel or Board or Authority or Any other decision making or implementing body, shall, if present at a meeting considering the matter, —

Procedure on Conflict of Interest.

(a) disclose the general nature of the conflict of interest, and

(b) withdraw from the meeting without voting or participating in consideration of the matter.

9. (1) If it is found that any public official, consultant or employee or member of any public authority or body has or had a conflict of interest, then such person shall forthwith be removed from the said public body or authority, and all decision taken by the said public authority or body during the tenure of such a person herein be cancelled and, shall thereafter, be reviewed by public authority or body after the removal of such a person.

Removal of person from office having conflict of interest.

(2) Such public authority or body shall inform the Commission about the removal of the concerned person and the results of the review of all the decisions taken during the tenure of the said person, and shall also notify the same on the concerned public authority's or body's website.

### CHAPTER III

#### PROVISIONS APPLICABLE TO MEMBERS OF COMMITTEE, PANELS, BOARD, AUTHORITY, COMMISSION OR OTHER DECISION MAKING OR IMPLEMENTING BODY

10. A member of a Committee, Panels, Board, Authority, Commission or other decision Making or implementing body shall not,—

Prohibited activities.

(a) engage in any trade, occupation or employment or in the practice of any profession that can be construed as giving rise to conflict of interest; or

(b) engage in the management of a business carried on by a corporation or a Business Interest Organisation; or

(c) carry on business through a partnership or sole proprietorship; or

(d) hold or trade in securities, stocks, futures or commodities, of commercial enterprises that may benefit directly or indirectly through policy decisions or implementation; or

(e) hold an office or directorship in a commercial enterprise or a Business Interest Organisation or have held an office or directorship in a commercial enterprise or a Business Interest Organisation for the past twenty four months.

Restrictions applicable to the Committee, Panel, Board, Authority, Other decision-making or implementing body.

**11.** Any authority, committee, Panel, Board or other decision making or a implementing body or a member of such a body shall not knowingly award a contract to or approve a contract with, or grant a benefit to, a former member of the body until twenty-four months have expired after the date on which the former member ceased to hold office.

Restrictions applicable to former members.

**12.** No former member of a Committee, Panel, Board, Authority or Other decision-making or Implementing body shall, unless twenty-four months have expired after the date when he or she ceased to hold office as a member of the said body,—

(a) accept a contract or benefit that is awarded, approved or granted by the Committee, Panel, Board, Authority or Other decision-making or implementing body.

(b) make representations on his or her own behalf or on behalf of any other person, corporation, commercial sector or Business Interest Organisation with respect to a contract or benefit.

#### CHAPTER IV

##### DISCLOSURE

Public disclosure statement.

**13. (1)** Every public official, consultant, member or employee concerned with a public project shall file with the public authority or body, a public disclosure statement in the form prescribed by the Commissioner.

(2) Where a consultant or member of any committee, sub-committee, advisory or recommendatory body established by a public authority or body is employed or engaged by any other person, corporation or organization, or is nominated or deputed for the purpose by any other person, corporation or organization, then such other person, corporation or organization shall also file with the public authority or body, a public disclosure statement in the form prescribed by the Commissioner.

(3) A public disclosure statement shall be filed,—

(a) within thirty days after becoming a member of a Committee, sub-committee, Advisory body, Panel, Board, Authority or Other decision-making or implementing body; and

(b) within each subsequent year at the time specified by the Chairperson.

(4) Every person mentioned in sub-section (1) who is a member on the coming into force of this section shall file a public disclosure statement in the prescribed form within thirty days after the coming into force of this section.

(5) Subject to sub-section (6), a public disclosure statement shall contain,—

(a) interests of the member, and, so far as is known by the member, of the member's spouse and minor children, and of private corporations controlled by the member, the member's spouse and minor children, or any of them, and

(b) any salary, financial assistance or other benefit the member has received

from any person, corporation or organisation other than the employer during the preceding twelve months, or is likely to receive during the next twelve months.

(6) In a public disclosure statement with respect to a member or the member's spouse or minor children, the following shall not be disclosed,—

- (a) the primary residence owned or controlled by any such person;
- (b) the primary recreational property owned or controlled by any such person;
- (c) automobiles owned or controlled by any such person;
- (d) items of domestic, household or personal use of ownership, including cash, non-convertible bonds, trust and bank certificates and registered retirement savings plans which are not self-administered.

(7) The person concerned shall file a statement of material change in the disclosure with the public authority or body, in the form prescribed by the Chairperson, within thirty days after,—

- (a) a change in the assets, liabilities or financial or business interest of the member or his or her spouse and minor children, or any private corporation represented by any of them; or
- (b) an event causes a person to become or cease to be a member of the member's family, if such change or event shall reasonably be expected to have a significant effect on the information previously disclosed.

**14.** (1) Where a public official, consultant, member or employee concerned with a public project fails to file a public disclosure statement within the prescribed period, the public authority or body shall not permit such person to attend the meetings of, or to participate in the Committee, sub-committee, advisory or recommendatory body or in any other aspect of the concerned public project, and shall forthwith report about the failure to the Chairperson.

Failure to file public disclosure statement.

(2) Where a member fails to file a public disclosure statement by the date specified by the Chairperson under sub-section (1) or fails to appear for consultation by the date specified by the chairperson shall then he prepare a report with the name of the member concerned and for public disclosure.

**15.** The public disclosure statement filed by the concerned person, corporation or organization is deemed to be a public document, and shall be notified by the responsible public body or authority and the Commission on their website and shall be made available on payment of reasonable charges to any person.

Availability of Public disclosure statement.

## CHAPTER V

### PUNISHMENTS FOR OFFENCES

**16.** (1) Whoever contravenes or attempts to contravene or abets in the contravention of provisions of section 3 or section 4 or section 5 or section 6 or section 8 or section 9 shall be punishable with imprisonment for a term which may extend to five years, or with fine which may extend to rupees ten lakh, or with both.

Offences and Penalties.

(2) Whoever contravenes or attempts to contravene or abets in the contravention of the Provisions of section 11 or section 12 shall be punishable with imprisonment for a term which may extend to three years, or with fine which may extend to rupees five lakh, or with both.

(3) Whoever contravenes or attempts to contravene or abets in the contravention of any provisions of this Act or the Rules framed thereunder, for which no other penalty is prescribed, shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to rupees one lakh, or with both.

Offences by  
companies.

**17. (1)** Where any offence under this Act has been committed by a company, every person who, at the time of the offence was directly incharge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purpose of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

Offences to be  
cognizable and  
non-bailable.

**18.** Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the offences under this Act shall be cognizable and non-bailable.

Cognizance of  
offences.

**19.** No Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall take cognizance of and try any offence punishable under this Act.

Punishment  
for act done  
with criminal  
intention.

**20.** For violation of any of the provisions of the Act with criminal intention, the person shall be punished with minimum two years of rigorous imprisonment and a maximum of seven years of rigorous imprisonment or with fine of rupees five lakh and both according to the gravity of offence.

## CHAPTER VI

### CONFLICT OF INTEREST COMMISSION

Constitution  
of the  
Conflict of  
Interest  
Commission.

**21. (1)** The Central Government shall, by notification in the official Gazette, constitute a body to be known as the Conflict of Interest Commission to exercise the powers conferred on, and to perform the functions assigned to it, under this Act.

(2) The Commission shall consist of the following:—

(a) a Chairperson, who shall be a person of eminence and has done outstanding work for promoting human rights and a serving or retired judge of Supreme Court;

(b) eight Members, out of which at least six shall be from civil society organisations, and to shall be women, to be appointed by the Central Government from amongst persons of eminence, ability, integrity, standing and experience in the following fields:—

(i) education; or

(ii) public health including women and children's health; or

(iii) food and nutrition; or

(iv) employment and livelihood; or

(v) agriculture; or

(vi) environmental sciences; or

(vii) natural resource management; or

(viii) economics; or

(ix) law.

(3) The office of the Commission shall be at Delhi.

**22.** The Central Government shall, by notification in the official Gazette, appoint the Chairperson and such other Members as defined in sub-section (2) of section 21:

Appointment of Chairperson and Members.

Provided that the Chairperson shall be appointed on the recommendation of a three member Selection Committee constituted by the Central Government under the Chairmanship of the Prime Minister.

**23.** (1) The Chairperson and every Member shall hold office for a term of three years from the date of assuming the office:

Term of Office and conditions of service of Chairperson and Members.

Provided that Chairperson or any Member shall not hold the office for more than two terms:

Provided further that no Chairperson or any Member shall hold office as such after he or she has attained,—

(a) in the case of the Chairperson, the age of seventy years; and

(b) in the case of a Member, the age of sixty five years.

(2) The Chairperson or a Member may, by writing under his hand addressed to the Central Government, resign his office at any time.

**24.** The Salary and allowances payable to, and other terms and conditions of service of, the Chairperson and Members, shall be such as may be prescribed by the Central Government:

Salary and allowances of Chairperson and Members.

Provided that neither the salary and allowances nor the other terms and conditions of the Chairperson and Members, as the case may be, shall be varied to his or her disadvantage after his or her appointment.

**25.** (1) Subject to the provisions of sub-section (2), the Chairperson may be removed from office by an order of the Central Government on the ground of proved misbehaviour or incapacity.

Removal from Office.

(2) Notwithstanding anything contained in sub-section (1), the Central Government may by order remove from office the Chairperson or any other Member, if the Chairperson or any other Members, as the case may be,—

(a) is adjudged an insolvent; or

(b) engages during his or her term of office in any paid employment outside the duties of his office; or

(c) refuses to act or becomes incapable of acting; or

(d) is of unsound mind and stands so declared by a competent court; or

(e) has so abused his office as to render his or her continuance in office detrimental to the public interest; or

(f) is charged with Conflict of Interest; or

(g) is convicted and sentenced to imprisonment for an offence, which in the opinion of the Central Government involves moral turpitude; or

(h) is, without obtaining leave of absence from the Commission, absent from three consecutive meetings of the Commission.

(3) No person shall be removed under this section until that person has been given an opportunity of being heard in the matter.

Vacation of  
office of  
Chairperson  
or Member.

**26. (1)** If the Chairperson or a Member, as the case may be,

(a) becomes subject to any of the disqualifications as mentioned in section 25;

or

(b) tenders his or her resignation under sub-section (2) of section 22, his or her seat shall thereupon become vacant.

(2) If a casual vacancy occurs in the office of the Chairperson or a Member, whether by reason of his or her death, resignation or otherwise, such vacancy shall be filled within a period of ninety days by making afresh appointment in accordance with the provisions of section 22 and the person so appointed shall hold office for the remainder of the term of office for which the chairperson, or the Member, as the case may be, in whose place he or she is so appointed.

Vacancies, etc.  
not to  
invalidate the  
proceedings of  
the  
Commission.

**27.** No act or proceeding of the Commission shall be invalid merely by reason of,—

(a) any vacancy in, or any defect in the constitution of the Commission; or

(b) any defect in the appointment of a person as the Chairperson or a Member;

(c) any irregularity in the procedure of the Commission not affecting the merits of the case.

Appointment  
of  
Commissioner,  
Officers and  
Staff.

**28. (1)** The Commission may appoint a Commissioner and such number of Officers and Staffs, as it considers necessary for the efficient discharge of its functions as provided under the Act:

Provided that no appointment shall be made without prior approval of the Central Government.

(2) The salary and allowances, and other terms of conditions of service shall be as may be prescribed.

Procedure for  
transacting  
the business.

**29. (1)** The Commission shall meet regularly at its office at such time as the Chairperson thinks fit, but three months shall not intervene between its last and the next meeting.

(2) All decisions at a meeting shall be taken by majority:

Provided that in the case of equality of votes, the Chairperson, or in his or her absence the person presiding, shall have and exercise a second or casting vote.

(3) If for any reason, the Chairperson is unable to attend the meeting of the Commission, any Member chosen by the Members present from amongst themselves at the meeting, shall preside.

(4) The Commission shall observe such rules of procedure in the transaction of its business at a Meeting, including the quorum at such meeting, as may be prescribed by the Central Government.

(5) All orders and decisions of the Commission shall be authenticated by the Chairperson or any other officer of the Commission in this behalf.

## CHAPTER VII

### FUNCTIONS AND POWERS OF THE COMMISSION

Functions of  
the  
Commission.

**30. (1)** The Commission shall perform all or any of the following functions, namely,—

(a) examine and review the safeguards provided by or under any law for the time being in force for prevention of Conflict of Interest in decision making and



implementation of any policy or programme of the Government of India and State Government;

(b) present to the Central Government, annually and at such other intervals, as the Commission may deem fit, reports upon the working of those safeguards;

(c) examine all policies and programmes of the Central Government for Conflict of Interest in decision making and implementation and initiate proceedings in such cases;

(d) examine proposals for Public Private Partnerships for conflict of interest and make recommendations to the Central Government;

(e) examine policies, programmes and Public Private Partnerships initiated before the setting up of the Commission for conflict of interest and institute remedial action if such conflict of interest is found to be existing or having existed when the decision was taken or the programme was implemented;

(f) study treaties and other international instruments and undertake periodical review of existing policies, programmes and other activities for conflict of interest;

(g) spread Conflict of Interest literacy among various sections of the society and promote awareness of the safeguards available to prevent it through publications, media, seminars and other available means;

(h) inquire into complaints and take *suo motu* notice of matters relating to conflict of interest;

(i) such other functions as it may consider necessary for safeguarding the interests of the people and their human rights and any other matter incidental to the above functions.

(2) The Commission shall not inquire into any matter which is pending before a State Commission or any other Commission duly constituted under any law for the time being in force.

**31.** (1) The Commission shall, while inquiring into any matter referred to in clause (h) of sub-section (1) of section 30 have all the powers of a civil court trying a suit under the Code of Civil Procedure, 1908 and, in particular, in respect of the following matters, namely,—

Powers of the Commission.

5 of 1908.

(a) summoning and enforcing the attendance of any person and examining him or her on oath;

(b) discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record or copy thereof from any court or office; and

(e) issuing commissions for the examination of witnesses or documents.

(2) The Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused.

**32.** The Commission may take any of the following steps upon the completion of an inquiry held under this Act, namely:—

Action to be taken after inquiry.

(i) where the inquiry discloses Conflict of interest, initiate measures to remove such conflict; and

(ii) approach the Supreme Court or the High Court concerned for such direction, orders or writs as that Court may deem necessary.

## CHAPTER VIII

## INVESTIGATION INTO BREACHES

Request for  
investigation.

**33.** (1) Any person may request in writing to the chairperson for investigating an alleged breach of this Act by a Member of a policy or decision-making or implementing body.

(2) A request under sub-section (1) shall be in the form of an affidavit and shall set out the grounds for the belief and the nature of the alleged breach.

(3) The decision-making or implementing body may also request the Chairperson to investigate any matter in respect of an alleged breach of this Act by a Member.

Investigation  
and inquiry.

**34.** (1) On receiving a request under section 33, the Chairperson may conduct an investigation with or without conducting an inquiry.

(2) The Chairperson shall provide the Member who is the subject of the investigation with reasonable notice and shall give the member an opportunity to respond to the allegation.

(3) When the Chairperson conducts an investigation or an inquiry under this section the Member who is the subject of the request under section 33 shall respond promptly and completely to all of the Chairperson's questions and requests for information.

(4) Where the Chairperson elects to conduct an inquiry under this section, he has all the powers and privileges conferred on a Chairperson under of this Act under sub-section (2) of section 31.

(5) If the Chairperson is of the opinion that the request is frivolous, vexatious or not made in good faith, or that there are no grounds or insufficient grounds for an investigation, the Chairperson may refuse to conduct an investigation, or may cease the investigation.

(6) If the Chairperson refuses to conduct an investigation or ceases an investigation, then he or she shall inform,—

(a) the member against whom the allegation was made, and

(b) the person or the decision-making or implementing body who made the request for investigation.

*Explanation.*—For the purposes of this section, the powers and actions taken by the Chairperson or other authorities hereunder, shall be without prejudice to the provisions of the Prevention of Corruption Act, 1988 or any other law dealing with conduct, discipline or vigilance of Government servants or public authorities.

49 of 1988.

Police  
investigation  
of charge.

**35.** If the Chairperson, when conducting an investigation, discovers that the subject matter of the investigation is being investigated by police or that a charge has been laid, the Chairperson shall suspend the investigation until the police investigation or charge has been finally disposed of, and shall make public disclosure of the matter.

Report of  
Chairperson.

**36.** (1) Where a request is made under section 33 and the Chairperson has determined that the request does not fall within the scope of sub-section (5) of section 34, the Chairperson shall, upon completion of an investigation, report to,—

(a) the decision-making or implementing body to which the Member belongs,

(b) the Member who is the subject of the investigation,

(c) if the request was made by a person under sub-section (1) of section 33 that person.



(2) Where it appears to the Chairperson that a report may adversely affect a Member, the Chairperson shall inform the Member of the particulars and give the Member an opportunity to make representations, before the Chairperson completes the report.

(3) The report of the Chairperson shall set out,—

(a) the facts found by the Chairperson,

(b) the findings as to whether or not a Member has breached the Act and the nature of the breach, and

(c) the recommended sanction, if any.

(4) The Chairperson's report shall remain confidential until it is laid before the decision-making or implementing body to which the Member belongs, and no person shall disclose all or any portion of it before that time.

**37.** Where the Chairperson conducts an investigation under section 34 and finds that a member has breached any of sections 3, 4, 5, 6, 8, 9, 10 11, 13, inclusive, or has failed to file a gift disclosure statement, a public disclosure statement or a statement of material change within the time provided by this Act or has failed to disclose relevant information in that statement, the Chairperson may recommend that the Member be expelled from membership of the said decision-making or implementing body.

Recommended sanctions.

**38.** Where the Chairperson conducts an investigation under section 34 and finds that a Member has breached any of the sections mentioned in 37, the Chairperson shall make a public disclosure of the findings and the sanctions against the Member and the same on the website of the Commission.

Public Disclosure of sanctions.

## CHAPTER IX

### MISCELLANEOUS

**39.** (1) The Central Government may, by notification in the official Gazette and make rules for carrying out provisions of this Act.

Power to make rules.

(2) Every rule and every regulation 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 regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation 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 or regulation.

**40.** (1) The Chairperson shall in each year submit to both Houses of Parliament an annual report describing the progress and activities of the Commission in the previous year.

Annual Report and audit statement to be laid before Parliament.

(2) The Annual Report and Audited statement of the commission shall be tabled in both Houses of Parliament.

## STATEMENT OF OBJECTS AND REASONS

Conflict of interest may be defined as a situation in which politicians, public servants, consultants, technical or scientific experts, subject matter specialists or even academics have an actual or potential interest (usually financial) that may influence or appear to influence the conduct of their official duties or the quality of advice or recommendations rendered by them in the context of decision making by the governance structures and institutions for public good, conflict of interest becomes even more critical in cases where the corporate or private sector or their lobbyists are involved.

Duty of Loyalty is a term used in corporate law to describe a fiduciaries' "conflicts of interest" and requires fiduciaries to put the corporation's interests ahead of their own. Extending this logic to governance structures and institutions, government employees, and those representing the government in any form or manner are required to put public interest or citizens' interests and rights ahead of their own interests or that of any other party.

The Fundamental Rights are set out in Part III of the Constitution. The State cannot abridge those rights. The "right to life" is enshrined in article 21 as a fundamental right. This right has been extended to cover the right to live with human dignity. In **Bandhua Mukti Morcha Vs. Union of India** Justice Bhagwati referring to **Francis Coralie Mullin Vs. Administrator**, Union Territory of Delhi, stated:

That it is the fundamental right of everyone in this country, assured under the interpretation given to article 21 by this Court in Francis Mullen's case, to live with human dignity, free from exploitation. This right to live with human dignity enshrined in article 21 derives its life breath from the Directive Principles of State Policy and particularly Clauses (e) and (f) of article 39 and articles 41 and 42 and at the least, therefore, it must include protection of the health and strength of workers, men and women, and of the tender age of children against abuse, opportunities and facilities for children to develop in a healthy manner and in conditions of freedom and dignity, educational facilities, just and human conditions of work, etc. These are the minimum requirements which must exist in order to enable a person to live with human dignity and no State, neither the Central Government nor any State Government has the right to take any action which will deprive a person of the enjoyment of these basic essentials.

Thus, Duty of Loyalty dictates that every government employee, institution, or anyone representing the government directly or indirectly in any manner ensure that, in cases where conflict of interest exists, the citizens' right to live with human dignity is put ahead of all other interests.

The need to avoid conflicts of interest in governmental decision making, and particularly when constituting expert committees or advisory bodies, has found statutory recognition in section 13(I) of the Food Safety and Standards Act, 2006 which requires that the experts co-opted on such committees must be "independent." The Supreme Court, in its Order dated February 8, 2011 in Writ Petition (Civil) No. 681 of 2004, **Central for Public Interest Litigation Vs. Union of India and Others**, enforced this requirement for independence to avoid conflicts of interest.

International and multilateral agencies and bodies have also accepted and recognised the need to protect public decision making from private conflicts of interest. For example, Article 5.3 of the Framework Convention on Tobacco Control spells out clearly the duty of the state: "when Parties are setting and implementing public health policies related to tobacco control, they shall 'act to protect these policies from commercial and other vested interests of the tobacco industry in accordance with national law'." Similarly, the various agencies and bodies constituted under the aegis of the United Nations, including the World Health

Organisation and other agencies, have framed guidelines to prevent conflicts of interest. The current market liberalization has ushered in an era of new relationships between the state and the markets, with a potential for creating a new relationship between the state and the citizen. Private sector is increasingly being invited to present their solutions to the nation's ills. Yet many services, such as public goods—health care, nutrition, education, water sanitation, protection of the environment, etc.—cannot be provided by markets. The primary duty of the private sector is to increase its profits for its shareholders, whereas the fundamental and inalienable duty of the State is to provide all its citizens, especially the weakest and poorest, with the minimum requirements to live a life with safety and dignity, regardless of the cost. The Constitution of India makes it incumbent that the State gives primacy to article 21 and its expanded interpretation as the right to live with human dignity.

The differing priorities—that of the State and that of the private sector—present in themselves a serious conflict of interest. The current draft legislation on Conflict of Interest is an attempt to safeguard the duty of the State towards its citizens and to uphold article 21 of the Constitution.

Hence this Bill.

E.M. SUDARSANA NATCHIAPPAN

## FINANCIAL MEMORANDUM

Clause 21 of the Bill provides for the constitution of a Commission to be known as the conflict of Interest Commission. Clause 24 provides for the salary and allowances of Chairperson and Members.

Clause 28 provides for the appointment of Commission Officers and staffs and their salary and allowances and other terms of condition of service.

The Bill, if enacted, will involve expenditure from the Consolidated Fund of India. However, at this stage, it is not possible to quantify the exact amount of recurring and non-recurring expenditure to be involved.

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## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 40 of the Bill empowers the Central Government to make rules for carrying out the purposes of this Bill. The rules will relate to matters of details only. The delegation of legislative power is of normal character.

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SHUMSHER K. SHERIFF,  
*Secretary-General.*